

AGENDA
HARMONY CITY COUNCIL
HARMONY ECONOMIC DEVELOPMENT AUTHORITY
Some members may participate by telephone or other electronic means
Regular Meeting

June 8th, 2021
7:00 P.M.

Council Room
Community Center

1. Call to Order
2. Roll Call
3. Public Forum
 - a. City Wide Clean Up
4. Consent Agenda
 - a. Minutes
 - b. Claims and May Checks
 - c. Administrator Report
 - d. Financial Report
 - e. CD
 - f. Adoption of Water Supply Plan
 - g. Reissue Checks
5. New Business
 - a. Mike Bubany for loan 2021-C
 - A. Resolution 21-09
 - b. Resolution for Assessing Delinquent Debts 21-10
6. Reports
 - a. Building & Maintenance Report
 - b. EDA Board
 - A. Loan Request
 - c. Park Board
 - A. Splashpad submittal of Plans
 - B. Mower for Park
 - d. Library Board
 - e. Arts Board
 - f. Fire Department
 - g. Sheriff Report
7. Adjourn



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MAY 11, 2021

REGULAR MEETING

HARMONY CITY COUNCIL

A Regular meeting of the Harmony City Council was called to order by Mayor Steve Donney at 7:00 PM. Present were Mayor Donney, Councilmembers Jesse Grabau, Steve Sagen and Domingo Kingsley; Attorney Greg Schieber, Administrator Devin Swanberg, Brett Grabau, Jill Huffman, Alissa Stelpflug, Samantha Grabau, Jim Strozyk, Brad Thacher, Jerome Illg, Todd Ragan, Hannah Wingert and Eileen Schansberg. Absent was Councilmember Tony Webber.

PUBLIC FORUM:

No One appeared.

PUBLIC HEARING:

Mayor Donney opened the Public Hearing at 7:01 PM. Jill Huffman with Harmony Telephone Company discussed working with the City to submit a grant to propose Broadband in the City of Harmony. The Public was given the opportunity to ask question or make comments. Mayor Donney closed the Public Hearing at 7:05 PM.

CONSENT AGENDA:

Motion by Grabau and seconded by Kingsley to approve the Consent Agenda which consisted of the Minutes to the April 13, 2021 Council Meeting, the Claims & April checks, the administrator's Report, Financial Report, cashing in CD # 44430 to the General Fund, the Liquor License renewal for Harmony Golf Club, Everybody Eats, LLC, On the Crunchy Side and Pam's Corner Convenience, LLC; the Harmony City Prosecutor Agreement with Fillmore County, approve a yearly gambling exempt permit for the Golf Club, use Mosquito Control of Iowa as our vendor and approve Fireworks purchase with J&M Displays for the 4th of July. All present voting yes. Absent was Webber. Motion carried.

DAIRYLAND UTILITY IMPROVEMENT:

Engineer Brett Grabau provided plans and specs while discussing the infrastructure along Wickett Drive for the Dairyland project. Motion by Sagen and seconded by Grabau to approve the plans and specs and begin the bidding process. All present voting yes. Absent was Webber. Motion carried

BROADBAND GRANT:

RESOLUTION 21-08 was presented: A LOCAL GOVERNMENT RESOLUTION AND PARTICIPATION PLAN. Motion by Grabau and seconded by Sagen to adopt the resolution.

Voting for the Resolution: Sagen, Kingsley, Grabau & Donney

Voting against the Resolution: No one

Abstained from voting: No one

Absent from voting: Webber

The motion passed and resolution adopted.

CITYWIDE CLEANUP:

It was proposed to have a City-wide cleanup day in conjunction with the City-wide Garage sale date. Three options were provided. Motion by Donney and seconded by Grabau to approve the Curbside Option where items can be picked up curbside at each residence. All present voting yes. Absent was Webber. Motion carried.

BOND REFINANCE:

Administrator Swanberg proposed paying off MN Rural Water GO Bond 2017A with a Loan. Total savings over the next 8 years would be about \$22,400 going from 3.05% to 1.3%. Motion by Kingsley and seconded by Grabau to pay off Bond 2017A with a loan. All present voting yes. Absent was Webber. Motion carried.

BUILDING & MAINTENANCE:

The Utility Committee recommended purchasing a Vivax Metrotech VCam Camera to televise the sewer. An estimate received from Utility Logic was \$9,618. It was suggested a fee be set for services to the public. Motion by Grabau and seconded by Sagen to purchase the camera and set a rate for public use but higher than a Plumber would charge. All present voting yes. Absent was Webber. Motion carried.

The Maintenance Staff fixed an underground chlorine leak at the Wastewater Plant.

The streetlights on Main Avenue can no longer be purchased. A Quote from Morem Electric to replace the streetlights from Second Street N to just south of Center Street proposed \$5,000 per pole installed with LED lighting. The lights taken down will be used for parts to keep the others running as long as possible. Motion by Donney and seconded by Grabau to update and replace up to 25 lights thru the Main downtown business district. Use money from the Electric Fund. All present voting yes. Absent was Webber. Motion carried.

EDA BOARD:

Discussing downtown renovation opportunities.

Working to finalize the Electric Car charging stations.

PARK BOARD:

Summer Rec is still undetermined at this time.

Pricing concrete for a Skate Park.

Working with Run-Right checking prices for a Robotic Mower to place in the Cancer Park.

Working on Splash Pad Engineering. Rain Deck is designing the structure. The plan will need to be sent to the MN Dept of Health for review. Motion by Grabau and seconded by Kingsley to review the plans for the Splash Pad and send to the MN Dept of Health for review. No structures will be ordered until a final plan and costs are determined. All present voting yes. Absent was Webber. Motion carried.

A bill was presented from Generation X for work done on the splash pad to date in the amount of \$38,000. Motion by Grabau and seconded by Sagen to pay Generation X the \$38,000. It was discussed that \$6,000 would come from the Park Budget for the grinder pump and the remaining would come from the Don Wilken Fund. All present voting yes. Absent was Webber. Motion carried.

FIRE DEPT:

Equipment has been ordered from the Grant Funds.

SHERIFF REPORT:

Dodge Durango has been striped and is waiting to be outfitted.

OTHER:

Administrator Swanberg along with Councilmember Kingsley did a drive around the City with Deputy Ragan looking for nuisance issues. Administrator Swanberg will be distributing letters in the near future.

Jimmy Strozyk requested permission to hold a Car Show once again in the downtown parking lot on Saturday over the 4th of July Celebration from 9:00 to 3:00. Council had no objection.

Upon no further business, Mayor Donney adjourned the meeting.

Mayor Steve Donney

Eileen Schansberg, Deputy Clerk

CITY OF HARMONY
City Council Claims for Review

June 8, 2021

Fund Descr	Object of Expense	Vendor	Comments	Amount
Fund 101 General Fund				
General Fund	Union Central Pension Fund	CENTRAL PENSION FUND	Union pensions	\$264.00
General Fund	Health Insurance	I.U.O.E. LOCAL 49 FRINGE BENEF	Union Health Insurance	\$3,975.00
General Fund	Union Dues	IUOE LOCAL #49	Union dues	\$105.00
General Fund	NCPERS Insurance	NCPERS GROUP LIFE INS	511800	\$16.00
General Fund	Life Insurance	USABLE LIFE	101421301G	\$59.65
General Fund	Dues	SE MN LEAGUE OF MUNICIPALITIES	2021 annual dues	\$40.00
General Fund	General Operating Supplies	1 SOURCE	office supply protector sheets	\$7.40
General Fund	General Operating Supplies	1 SOURCE	Office supplies	\$191.73
General Fund	General Operating Supplies	HARMONY FOODS	coffee/filters	\$22.05
General Fund	Repair/Maint Office Equipment	METRO SALES	copy machine contract	\$80.49
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service-Civil Defense	\$91.26
General Fund	Building Repair Materials	DAKOTA SUPPLY GROUP	wall faucet	\$33.96
General Fund	Cleaning Supplies	DALCO	paper towels	\$60.45
General Fund	Cleaning Supplies	DALCO	cleaning supplies	\$92.44
General Fund	Cleaning Supplies	DALCO	return nitrile gloves	-\$234.07
General Fund	Cleaning Supplies	DALCO	cleaning supplies	\$378.70
General Fund	Cleaning Supplies	HARMONY FOODS	small garbage bags	\$1.89
General Fund	Cleaning Supplies	SUPERIOR CHEMICAL CORP	Glass Cleaner	\$47.51
General Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Comm Ctr	\$1,178.32
General Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-Comm Ctr	\$234.24
General Fund	General Operating Supplies	KINGSLEY MERCANTILE	batteries	\$43.45
General Fund	Landscaping Materials	HARMONY GARDENS & FLORAL, LLC	flower planters	\$149.97
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-Chevy pickup	\$31.98
General Fund	Repair/Maint Vehicles	HARMONY BODY SHOP	chevy pickup door repair	\$278.66
General Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Comm Ctr	\$59.08
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone/internet service office	\$216.71
General Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-Comm Ctr	\$39.21
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service-Police	\$43.65
General Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Shop	\$218.34
General Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-Shop	\$153.02
General Fund	General Operating Supplies	KINGSLEY MERCANTILE	gloves	\$14.99
General Fund	General Operating Supplies	MISSISSIPPI WELDERS SUPPLY CO	compressed air	\$56.73
General Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service-Shop	\$44.95
General Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-Shop	\$19.03
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-1-Ton truck	\$65.55
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	diesel-skidloader	\$38.81

CITY OF HARMONY
City Council Claims for Review

June 8, 2021

Fund Descr	Object of Expense	Vendor	Comments	Amount
General Fund	Street Maint Materials	BRUENING ROCK PRODUCTS, INC	road rock	\$876.27
General Fund	Cleaning Supplies	DALCO	paper towels	\$60.45
General Fund	Cleaning Supplies	DALCO	nitrile gloves	\$202.58
General Fund	Cleaning Supplies	SUPERIOR CHEMICAL CORP	Glass Cleaner	\$47.51
General Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Vis Ctr	\$126.68
General Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-Vis Ctr	\$184.88
General Fund	Landscaping Materials	HARMONY GARDENS & FLORAL, LLC	flower planters	\$119.98
General Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-Chevy pickup	\$31.98
General Fund	Repair/Maint Vehicles	HARMONY BODY SHOP	chevy pickup door repair	\$278.65
General Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Vis Ctr	\$29.86
General Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-Vis Ctr	\$19.96
Fund 101 General Fund				\$10,098.95
Fund 211 Library Fund				
Library Fund	General Operating Supplies	Nolan Lumber Company	1X4 Pine board	\$31.17
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$47.16
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$50.35
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$23.83
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$239.69
Library Fund	Media-Audio	INGRAM LIBRARY SERVICES, INC	Audio Books	\$23.37
Library Fund	Media-Books	BAKER & TAYLOR	books	\$69.34
Library Fund	Media-Books	BAKER & TAYLOR	books	\$280.01
Library Fund	Media-Books	BAKER & TAYLOR	books	\$121.59
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	DVDs	\$274.93
Library Fund	Media-Video	AMAZON CAPITAL SERVICES	DVDs	\$37.95
Library Fund	Program Supplies	AMAZON CAPITAL SERVICES	summer reading supplies	\$458.98
Library Fund	Program Supplies	AMAZON CAPITAL SERVICES	summer reading supplies	\$33.27
Library Fund	Program Supplies	ORIENTAL TRADING CO., INC	animal assortment	\$13.98
Library Fund	Repair/Maint Office Equipment	CANON FINANCIAL SERVICES, INC	copier lease	\$44.00
Library Fund	Repair/Maint Office Equipment	LOFFLER COMPANIES, INC	copier maintenance fee	\$48.88
Library Fund	Software Service Fees	SOUTHEASTERN LIBRARIES COOP	Basic services & PC support	\$605.72
Library Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service Library	\$46.26
Fund 211 Library Fund				\$2,450.48
Fund 222 Fire Fund				
Fire Fund	Sundry Accounts Receivable	CANTON FIRE DEPT	Mutual Aid-Morem Barn Fire-5/14/21	\$150.00
Fire Fund	Equipment Parts	ONE TIME VENDOR	Washer spray gun & nozzle kit reimbursed	\$110.32
Fire Fund	Equipment Parts	MACQUEEN EMERGENCY GROUP	fire equipment	\$124.30

CITY OF HARMONY
City Council Claims for Review

June 8, 2021

Fund Descr	Object of Expense	Vendor	Comments	Amount
Fire Fund	General Operating Supplies	KINGSLEY MERCANTILE	batteries	\$5.99
Fire Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Firehall	\$239.38
Fire Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-Firehall	\$107.09
Fire Fund	Landscaping Materials	HARMONY GARDENS & FLORAL, LLC	mulch	\$34.93
Fire Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-Firehall	\$24.85
Fire Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service Firehall	\$45.61
Fire Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-Firehall	\$16.66
Fund 222 Fire Fund				\$859.13
Fund 223 Ambulance Fund				
Ambulance Fund	Ambulance Accounts Receivab	AMBULANCE REFUNDS	over pmt Tim White 3/14/21	\$34.85
Ambulance Fund	Ambulance Accounts Receivab	AMBULANCE REFUNDS	Over pmt Tim White 2/2/21	\$34.85
Ambulance Fund	General Operating Supplies	KINGSLEY MERCANTILE	batteries/Chamoos	\$27.78
Ambulance Fund	Medical and Dental Fees	MAYO CLINIC AMBULANCE	Intercept PG	\$354.08
Ambulance Fund	Medical and Dental Fees	TRI STATE AMBULANCE SERVICE	Intercept DH	\$250.00
Ambulance Fund	Medical Supplies	ASTRUP DRUG	glucose/test strips/alcohol swabs	\$32.17
Ambulance Fund	Medical Supplies	ELAN FINANCIAL SERVICES	airway equipment	\$21.39
Ambulance Fund	Medical Supplies	MISSISSIPPI WELDERS SUPPLY CO	oxygen cylinders	\$37.82
Ambulance Fund	Miscellaneous	MN DEPT OF HUMAN SERVICES-MMIS	Amb-supplemental pmt	\$155.00
Ambulance Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	diesel-Amb	\$160.24
Ambulance Fund	Software Service Fees	IMAGE TREND INC	field bridge support	\$400.00
Ambulance Fund	Telephone	VERIZON WIRELESS	monthly service	\$80.39
Ambulance Fund	Training Fees	CHATFIELD EMS TRAINING	EMT Training-Dustin Hanson	\$1,200.00
Fund 223 Ambulance Fund				\$2,788.57
Fund 251 Park Fund				
Park Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-parks	\$153.17
Park Fund	Equipment Parts	RUN RIGHT POWER LLC	inner tube	\$36.68
Park Fund	Equipment Parts	RUN RIGHT POWER LLC	driver/blade	\$28.63
Park Fund	General Operating Supplies	DALCO	garbage can liners	\$61.20
Park Fund	General Operating Supplies	KINGSLEY MERCANTILE	PVC caps	\$2.68
Park Fund	General Operating Supplies	KINGSLEY MERCANTILE	caulking/connectors/screws/washers/bolts	\$33.39
Park Fund	General Operating Supplies	Nolan Lumber Company	caulking	\$6.75
Park Fund	General Operating Supplies	RUN RIGHT POWER LLC	titanium line	\$12.95
Park Fund	Landscaping Materials	HARMONY GARDENS & FLORAL, LLC	flower planters	\$719.88
Park Fund	Landscaping Materials	NUTRIEN AG SOLUTIONS	herbicide	\$105.76
Park Fund	Motor Fuels/Lubricants	KWIK TRIP,INC	gas-mowers	\$349.81
Park Fund	Other Rentals	ON SITE SANITATION	portable toilet rental thru 6/11/21	\$83.00

CITY OF HARMONY
City Council Claims for Review

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Park Fund	Other Rentals	ON SITE SANITATION	portable toilet rental thru 5/14/21	\$2.96
Park Fund	Repair/Maint Machinery/Equip	RUN RIGHT POWER LLC	mower repair	\$237.20
Park Fund	Repair/Maint Other Improve	SOLBERG WELDING	Repair Merry-go-Round	\$174.56
Park Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-parks	\$121.50
Park Fund	Small Tools and Minor Equip	RUN RIGHT POWER LLC	aluminum ramp	\$150.00
Park Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-parks	\$161.24
Fund 251 Park Fund				\$2,441.36
Fund 601 Water Fund				
Water Fund	MN Water Testing Fee Due	MN DEPT OF HEALTH	Qrtly water testing fee	\$1,462.00
Water Fund	Postage	ELAN FINANCIAL SERVICES	postage-water sample	\$4.80
Water Fund	Building Repair Materials	Nolan Lumber Company	pumphouse facia	\$14.70
Water Fund	Chemicals and Chem Products	HAWKINS WATER TREATMENT GROU	Chlorine/Hydrofluosilicic Acid	\$380.66
Water Fund	Chemicals and Chem Products	HAWKINS WATER TREATMENT GROU	chlorine cylinders	\$10.00
Water Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-pumphouses	\$1,206.64
Water Fund	Equipment Parts	CORE & MAIN, LP	forgotten freight from last bill	\$5.75
Water Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-pumphouses	\$55.55
Water Fund	General Operating Supplies	ELAN FINANCIAL SERVICES	printer ink cartridge	\$39.58
Water Fund	Laboratory & Testing Fees	UTILITY CONSULTANTS, INC	water testing Apr/May	\$80.00
Fund 601 Water Fund				\$3,259.68
Fund 602 Sewer Fund				
Sewer Fund	F/A-Other Equipment	UTILITY LOGIC	Sewer camera	\$9,398.00
Sewer Fund	F/A-Other Equipment	UTILITY LOGIC	Sewer camera training	\$220.00
Sewer Fund	Chemicals and Chem Products	HAWKINS WATER TREATMENT GROU	chlorine cylinders	\$5.00
Sewer Fund	Chemicals and Chem Products	HAWKINS WATER TREATMENT GROU	Chlorine/fuel surcharge	\$272.34
Sewer Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-WWTP	\$1,143.45
Sewer Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Lift stations	\$77.87
Sewer Fund	Equipment Parts	CORE & MAIN, LP	forgotten freight from last bill	\$5.75
Sewer Fund	Equipment Parts	KINGSLEY MERCANTILE	adapters/coupler/tee/coper redriver	\$34.04
Sewer Fund	Gas Utilities	MINNESOTA ENERGY	monthly gas service-WWTP	\$820.51
Sewer Fund	General Operating Supplies	ELAN FINANCIAL SERVICES	printer ink cartridges	\$57.78
Sewer Fund	Laboratory & Testing Fees	UTILITY CONSULTANTS, INC	WW testing May	\$873.40
Sewer Fund	Repair/Maint Other Improve	MOREM ELECTRIC, INC	backhoe rental	\$100.00
Sewer Fund	Repair/Maint Other Improve	QUALITY FLOW SYSTEMS, INC	pump repair	\$1,398.00
Sewer Fund	Repair/Maint Other Improve	TLC EXCAVATING	repair discharge line WW plant & broken	\$1,500.00
Sewer Fund	Sewer Utilities	HARMONY PUBLIC UTILITIES	sewer-WWTP	\$1,916.70
Sewer Fund	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service/Internet service-W	\$168.75

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Sewer Fund	Water Utilities	HARMONY PUBLIC UTILITIES	water-WWTP	\$1,262.80
Fund 602 Sewer Fund				\$19,254.39
Fund 604 Electric Fund				
Electric Fund	Electric Power for Resale	MINNESOTA ENERGY	power for resale	\$55,129.27
Electric Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-Town Clock	\$13.31
Electric Fund	Electric Utilities	HARMONY PUBLIC UTILITIES	Elec-streetlights	\$1,003.93
Electric Fund	Repair/Maint Other Improve	GOPHER STATE ONE CALL, INC	locates/no locates	\$32.40
Fund 604 Electric Fund				\$56,178.91
Fund 620 Economic Development Authority				
Economic Development	Taxes, Licenses & Permits	MN DEPT OF TRANSPORTATION	sign permit (on Elevator)	\$60.00
Economic Development	Telephone	HARMONY TELEPHONE COMPANY	monthly phone service-EDA	\$47.27
Fund 620 Economic Development Authority				\$107.27
				\$97,438.74

CITY OF HARMONY

*Check Summary Register©

May 2021

Name	Check Date	Check Amt	
10101 1st Southeast Bank-G			
66672 HUMANA Health Care Plans	5/12/2021	\$776.76	Overpayment from R. Hansen
66673 First Southeast Bank	5/12/2021	\$25.00	Appliance rebate - room air cond.
66674 AEM Financial Solutions, LLC	5/12/2021	\$3,000.00	YE2020 Audit certification
66675 AMAZON CAPITAL SERVICES	5/12/2021	\$230.64	NonFiction Books-States
66676 ANCOM TECHNICAL CENTER	5/12/2021	\$1,060.00	radio service contract
66677 BAKER & TAYLOR	5/12/2021	\$522.86	books
66678 BIGALK, TERRY	5/12/2021	\$45.00	C-license reimbursement
66679 BRUENING ROCK PRODUCTS, I	5/12/2021	\$1,525.00	Snow removal
66680 CANON FINANCIAL SERVICES, I	5/12/2021	\$44.00	copier maintenance fee
66681 CENTRAL PENSION FUND	5/12/2021	\$259.00	Union pension
66682 CORE & MAIN, LP	5/12/2021	\$250.00	valve stem oiler kit
66683 CULLIGAN	5/12/2021	\$80.65	water/dispenser Wellness program
66684 Custom Alarm	5/12/2021	\$25.00	Remote support - door locking system
66685 DALCO	5/12/2021	\$42.70	finishing pads
66686 CARDMEMBER SERVICES	5/12/2021	\$56.37	Brian Wastewater exam
66687 EMERGENCY MEDICAL PRODUC	5/12/2021	\$187.59	CO2 and trauma bag
66688 EXPERT T BILLING	5/12/2021	\$261.00	billing service
66689 FASTENAL COMPANY	5/12/2021	\$171.89	Bolt bin refill
66690 FILLMORE COUNTY JOURNAL	5/12/2021	\$28.73	Public land sale notice
66691 GOPHER STATE ONE CALL, INC	5/12/2021	\$31.05	locate expense
66692 HARMONY ENTERPRISES COMP	5/12/2021	\$24.49	UPS return to EMP
66693 HARMONY FOODS	5/12/2021	\$81.71	toilet paper
66694 HARMONY PUBLIC UTILITIES	5/12/2021	\$9,176.58	Town Clock electric
66695 HARMONY TELEPHONE COMPA	5/12/2021	\$704.66	office phone, fax, DSL
66696 HAWKINS, Inc.	5/12/2021	\$15.00	chlorine cylinder
66697 HOVEY OIL COMPANY, INC	5/12/2021	\$2,016.55	Generator fuel
66698 I.U.O.E. LOCAL 49 FRINGE BENE	5/12/2021	\$3,975.00	Union health insurance
66699 INGRAM LIBRARY SERVICES, IN	5/12/2021	\$427.40	Audio Books on CD
66700 IRONSIDE TRAILER SALES	5/12/2021	\$202.96	trailer tires
66701 IUOE LOCAL #49	5/12/2021	\$105.00	Union dues
66702 J & M DISPLAYS,INC	5/12/2021	\$6,000.00	2021 Fireworks display
66703 KINGSLEY MERCANTILE	5/12/2021	\$492.45	funnel, thermos
66704 KWIK TRIP,INC	5/12/2021	\$531.21	Terry truck
66705 LOFFLER Companies, Inc	5/12/2021	\$39.91	copier lease
66706 MAYO CLINIC AMBULANCE	5/12/2021	\$341.69	Intercept charge
66707 METERING & TECHNOLOGY SOL	5/12/2021	\$189.88	Electric meter boards
66708 METRO Sales	5/12/2021	\$299.13	Printer/copier contract
66709 MIENERGY COOPERATIVE	5/12/2021	\$54,411.20	Power for Resale
66710 MINNESOTA ENERGY	5/12/2021	\$1,482.42	Gas utilities WWTP
66711 MINNOWA CONSTRUCTION, INC	5/12/2021	\$782.50	sewer jetting reimbursement
66712 MISSISSIPPI WELDERS SUPPLY	5/12/2021	\$165.95	Oxygen cylinder rental/lease
66713 NCPERS Group Life Ins.	5/12/2021	\$16.00	511800
66714 Nethercut Schieber Attorneys,	5/12/2021	\$945.00	Legal fees, oaths, material review and meeting
66715 PRESTON AUTO PARTS	5/12/2021	\$303.98	electric chainsaw
66716 Quadient, Inc	5/12/2021	\$162.15	Postage
66717 QUILL CORPORATION	5/12/2021	\$9.49	Name sign for Nancy
66718 RUN RIGHT POWER LLC	5/12/2021	\$17.48	premix fuel
66719 EILEEN SCHANSBERG	5/12/2021	\$60.48	mileage - LAX Amb. Directors mtg
66720 SEVERSON OIL CO.	5/12/2021	\$1,051.06	Ambulance Fuel
66721 SOUTHEASTERN LIBRARIES CO	5/12/2021	\$605.72	Basic Services & Tech Support
66722 TEAM LABORATORY CHEM. CO	5/12/2021	\$3,317.00	Super and mega bugs
66723 UNIVERSAL TRUCK EQUIPMENT	5/12/2021	\$2,953.10	Plow pin & loop hitch, cutting blades
66724 USA BlueBook	5/12/2021	\$1,842.26	chlorine and dechlor tabs
66725 USABLE LIFE	5/12/2021	\$59.65	101421301G

CITY OF HARMONY

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***Check Summary Register©**

May 2021

	Name	Check Date	Check Amt	
66726	UTILITY CONSULTANTS, INC	5/12/2021	\$666.30	samples
66727	Verizon Wireless	5/12/2021	\$48.52	Amb. Cell and hotspot
66728	ZOLL MEDICAL CORP.	5/12/2021	\$426.13	STAT-PADZII electrodes
	Total Checks		\$102,573.25	

**CERTIFICATE OF ADOPTION
WATER SUPPLY PLAN**

City or Water System Name: City of Harmony

Name of Person Authorized to Sign
Certificate on Behalf of the System: Devin Swanberg

Title: City Administrator

Address: 225 3rd AVE SW, Harmony MN 55939

Telephone: 507-886-8122

E-mail: administrator@harmony.mn.us

I certify that the Water Supply Plan approved by the Department of Natural Resources has been adopted by the city council or utility board that has authority over water supply services.

Signed:

Date:

Submit Certificate of Adoption through MPARS

Or mail this certificate to: DNR Waters
Water Permit Program Supervisor
500 Lafayette Road
St. Paul, MN 55155-4032

9/6/17

**CITY OF HARMONY
CITY COUNCIL**

**AGENDA ITEM
COVER SHEET**

Originating Staff: Finance Clerk	Meeting Date: June 8, 2021	Agenda Item No. 4G
Agenda Section: Consent	Item: Reissue checks to vendors	
BACKGROUND: Checks were originally printed but not cashed; reissuing after vendors contacted and updated information obtained. Vendor checks uncashed and not being able to contact them must go to state after 3 years, per regulation.		
ATTACHMENTS:		
COUNCIL ACTION REQUESTED: Approval of reissuance and resending of checks previously issued in December 2020 to contacted and located vendors; \$157.76 to Bethany Gravos for utility refund, \$75 to Kylie Fenton for Arts Board member attendance, and Gavin Wangen for \$4.62 for HFD Payroll. Approval of sending checks uncashed to state per statutory regulations after not being able to contact vendor for reissuance; total of \$46.85 to David Cohen.		

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL
CITY OF HARMONY, MINNESOTA

HELD: June 8, 2021

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Harmony, Fillmore County, Minnesota, was duly called and held at City Hall on June 8, 2021, at 7:00 p.m., for the purpose, in part, of authorizing the issuance and awarding the sale of a \$737,000 General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A \$737,000 GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE REFUNDING NOTE, SERIES 2021C, PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND NET REVENUES, AND LEVYING A TAX FOR THE PAYMENT THEREFOR

A. WHEREAS, the City of Harmony, Minnesota (the "City"), hereby determines and declares that it is necessary and expedient to provide moneys for a current refunding on August 1, 2021 (the "Call Date") of the City's outstanding General Obligation Improvement and Utility Revenue Note, Series 2017A, dated September 1, 2017 (the "Prior Note"), of which \$935,000 of the original principal amount of the Prior Note was designated the "Improvement Portion", and \$100,000 of the original principal amount of the Prior Note was designated the "Utility Portion"; and

B. WHEREAS, the Prior Note is callable on the Call Date, at a price of par plus accrued interest, plus a \$200 fee and a 1.00% premium, as provided in the resolution adopted on August 8, 2017 (the "Prior Resolution"); and

C. WHEREAS, the Prior Note was issued pursuant to Minnesota Statutes, Chapters 429, 444, and 475, to finance the costs of various street improvements and improvements to the municipal water system (collectively, the "Project"); and

D. WHEREAS, the City owns and operates a municipal water utility system as a revenue producing public utility (the "System"); and

E. WHEREAS, the net revenues of the System are pledged to the payment of: (i) the Prior Note; and (ii) the City's outstanding General Obligation Water Revenue Note of 2015, in the original principal amount of \$857,100, dated December 3, 2015 (the "Outstanding Water Note"); and

F. WHEREAS, the refunding of the Prior Note on the Call Date is consistent with covenants made with the holders thereof, and is necessary and desirable for the reduction of debt service cost to the City; and

G. WHEREAS, the City Council hereby determines and declares that it is necessary and expedient to issue a \$737,000 General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C (the "Note"), pursuant to Minnesota Statutes, Chapter 475, to provide moneys for a current refunding of the Prior Note; and

H. WHEREAS, the City has retained David Drown Associates, Inc., in Minneapolis, Minnesota ("Drown"), as its independent municipal advisor for the sale of the Note and was therefore authorized to sell the Note by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Harmony, Minnesota, as follows:

1. Acceptance of Offer. The offer of First Southeast Bank, in Harmony, Minnesota, to purchase the Note and to pay therefor the sum of \$737,000, plus interest accrued to settlement, if any, all in accordance with the terms and at the rates of interest hereinafter set forth, is hereby accepted.

2. Note Terms; Original Issue Date; Denominations; Maturities; Interest; Redemption. The City shall forthwith issue the Note, which shall be in fully registered form, without interest coupons, shall be dated, mature, bear interest, and be subject to redemption and be payable as provided in the form of the Note.

3. Allocation. The aggregate principal amount of \$660,000, with principal installment payments in each of the years and amounts hereinafter set forth, is issued to current refund the Improvement Portion of the Prior Note (the "Improvement Refunding Portion"); and the aggregate principal amount of \$77,000, with principal installment payments in each of the years and amounts hereinafter set forth, is issued to refund the Utility Portion of the Prior Note (the "Utility Refunding Portion"):

<u>Year</u>	<u>Improvement Refunding Portion</u>	<u>Utility Refunding Portion</u>	<u>Total Amount</u>
2022	\$85,000	\$10,000	\$95,000
2023	92,000	11,000	103,000
2024	94,000	11,000	105,000
2025	96,000	12,000	108,000
2026	96,000	11,000	107,000
2027	98,000	11,000	109,000
2028	99,000	11,000	110,000

If the Note is prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of the Note treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, the prepayment may be allocated to any of the portions of debt service in such amounts as the City shall determine. If the source of the prepayment is special assessments pledged to or taxes levied for the Improvement Refunding Portion of the Note, the prepayment shall be allocated to the Improvement Refunding Portion of debt service. If the source of a prepayment is excess net revenues of the System pledged to the Utility Refunding Portion of the Note, the prepayment shall be allocated to the Utility Refunding Portion of debt service.

4. Purpose. The Note shall provide funds for a current refunding of the Prior Note (the "Refunding"). It is hereby found, determined and declared that the Refunding is pursuant to Minnesota Statutes, Section 475.67, and shall result in a reduction of debt service cost to the City.

5. Registrar. The Administrator, in Harmony, Minnesota, is appointed to act as Registrar and transfer agent with respect to the Note (the "Registrar"), and shall do so unless and until a successor Registrar is duly appointed, all pursuant to any contract the City and Registrar shall execute which is consistent herewith. The Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Note shall be paid to the registered holders (or record holders) of the Note in the manner set forth in the form of Note.

6. Form of Note. The Note, together with the Certificate of Registration, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
FILLMORE COUNTY
CITY OF HARMONY

R-1 \$737,000

GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE REFUNDING
NOTE, SERIES 2021C

<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Date of Original Issue</u>
1.30%	February 1, 2028	July 12, 2021

REGISTERED OWNER: FIRST SOUTHEAST BANK

PRINCIPAL AMOUNT: SEVEN HUNDRED THIRTY SEVEN THOUSAND DOLLARS

THE CITY OF HARMONY, FILLMORE COUNTY, MINNESOTA (the "Issuer"), acknowledges that it is indebted and, for value received, hereby promises to pay to the registered owner specified above, or assigns duly certified on the Certificate of Registration attached to and made a part of this Note (the "Owner"), unless called for earlier redemption, in the manner hereinafter set forth, the \$737,000 principal amount of this Note in the principal installments due on February 1 of the years and in the amounts, respectively, as follows with each such principal installment bearing interest until paid at the interest rate of 1.30% per annum:

Principal Installments	
<u>Due February 1</u>	<u>Amount</u>
2022	\$95,000
2023	103,000
2024	105,000
2025	108,000
2026	107,000
2027	109,000
2028	110,000

Interest. Interest shall be payable semiannually on February 1 and August 1 of each year, commencing February 1, 2022, and shall be calculated on the basis of a 360 day year consisting of twelve 30 day months. At the time of final payment of all principal of and interest on this Note, the Owner shall surrender this Note to the Administrator of the Issuer (the "Registrar").

Redemption. This Note shall be subject to redemption and prepayment at the option of the Issuer, in whole or in part, on February 1, 2027, and on any date thereafter, at a price of par plus accrued interest.

Date of Payment Not a Business Day. If the nominal date for payment of any principal of or interest on this Note shall not be a business day of the Issuer or of the Owner, then the date for such payment shall be the next such business day and payment on such business day shall have the same force and effect as if made on the nominal date of payment.

Transfer. This Note is transferable, as provided in the Resolution, upon the Register kept by the Registrar upon surrender of this Note together with a written instrument of transfer duly executed by the Owner or the Owner's attorney duly authorized in writing, and thereupon a new, fully registered Note in the same aggregate principal amount shall be issued to the transferee in exchange therefor (or the transfer shall be duly recorded on the Register and the Certificate of Registration hereof), upon the payment of charges and satisfaction of applicable conditions, if any, as therein prescribed. The Issuer may treat and consider the person in whose name this Note is registered as the absolute Owner hereof for the purpose of receiving payment of or on account of the principal of and interest on this Note and for all other purposes whatsoever.

Issuance; Purpose; General Obligation. This Note is issued as a single instrument in the total principal amount of \$737,000, and issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and a resolution adopted by the City Council on June 8, 2021 (the "Resolution"), for the purpose of providing money to current refund a certain

outstanding note of the Issuer as provided in the Resolution. This Note is payable out of the General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C Fund of the Issuer. This Note constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Treatment of Registered Owner. The Issuer and Registrar may treat the person in whose name this Note is registered as the holder hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note shall be overdue, and neither the Issuer nor the Registrar shall be affected by notice to the contrary.

Authentication. This Note shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Registration hereon shall have been executed by the Registrar.

Qualified Tax-Exempt Obligation. This Note has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Note, have been done, have happened and have been performed, in regular and due form, time and manner as required by law; that the Issuer has covenanted and agreed with the Owner of the Note that it will impose and collect charges for the service, use and availability of its municipal water utility system (the "System") at the times and in amounts necessary to produce net revenues, together with other sums pledged to the payment of the Utility Refunding Portion of the Note, as defined in the Resolution, adequate to pay all principal and interest when due on the Utility Refunding Portion of the Note; and that the Issuer will levy a direct, annual, irrepealable ad valorem tax upon all of the taxable property of the Issuer, without limitation as to rate or amount for the years and in amounts sufficient to pay the principal and interest on the Utility Refunding Portion of the Note as it becomes due, if the next revenues from the System, and any other sums irrevocably appropriated to the Utility Refunding Portion Debt Service Account is insufficient therefor; and that this Note, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Harmony, Fillmore County, Minnesota, by its City Council has caused this Note to be executed on its behalf by the manual signatures of its Mayor and its Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:
July 12, 2021

CITY OF HARMONY,
FILLMORE COUNTY, MINNESOTA

REGISTRABLE BY AND
PAYABLE AT:

Administrator's Office,
City of Harmony, Minnesota

/s/ (Do not sign)
Mayor

/s/ (Do not sign)
Administrator

CERTIFICATE OF REGISTRATION

The transfer of ownership of the principal amount of the attached Note may be made only by the registered owner or the registered owner's legal representative last noted below:

Date of Registration	Registered Owner	Signature of Registrar (Administrator)
July 12, 2021	First Southeast Bank 3 Main Avenue N Harmony, MN 55939	(Do not sign)

7. Execution. The Note shall be executed on behalf of the City by the manual signatures of its Mayor and Administrator, the seal of the City having been omitted as provided by law. In the event of disability or resignation or other absence of either officer, the Note may be signed by the signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, the signature shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

8. Delivery; Application of Proceeds. The Note when so prepared and executed shall be delivered by the Administrator to the Purchaser upon receipt of the purchase price and the Purchaser shall not be obliged to see to the proper application thereof.

9. Funds and Accounts. There is hereby established a special fund to be designated the "General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C Fund" (the "Fund") to be administered and maintained by the Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until the Note has been fully paid. The Operation and Maintenance Account heretofore established by the City for the System (the "Operation and Maintenance Account"), shall continue to be maintained in the manner heretofore and herein provided by the City. All moneys remaining after paying or providing for the items set forth in the resolution establishing the Operation and Maintenance Account shall constitute or are referred to as "net revenues" until the Utility Refunding Portion of the Note has been fully paid. There shall be maintained in the Fund the following separate accounts:

(a) Payment Account. The proceeds of the Note, less rounding amounts to be deposited in the Debt Service Account, shall be deposited in the Payment Account. From the Payment Account the Administrator shall, on or prior to the Call Date, transfer Note proceeds in the amount of \$719,625.00 to the holder of the Prior Note, which sum is sufficient, together with other funds on deposit in the Debt Service Account for the Prior Note, to pay the principal and interest due on the Prior Note. Monies in the Payment Account shall also be used to pay the costs of issuance of the Note. Any monies remaining in the Payment Account after payment of all costs of issuance and payment of the Prior Note shall be transferred to the Debt Service Account.

(b) Debt Service Account. There shall be maintained two separate subaccounts in the Debt Service Account to be designated the "Improvement Refunding Portion Debt Service Subaccount", and the "Utility Refunding Portion Debt Service Subaccount." There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

(i) Improvement Refunding Portion Debt Service Subaccount. To the Improvement Refunding Portion Debt Service Subaccount there is hereby pledged and irrevocably appropriated and there shall be credited: (i) after the Call Date, all special assessments pledged to the payment of the Improvement Portion of the Prior Note; (ii) any collections of all taxes heretofore levied for the payment of the Improvement Portion of the Prior Note and interest thereon which are no longer needed to pay for the Improvement Portion of the Prior Note as a result of the Refunding; (iii) any balance remaining after the Call Date, in the Improvement Project Debt Service Subaccount of the Prior Note created

by the Prior Resolution; (iv) any collections of all taxes herein and hereafter levied for the payment of the principal of the Improvement Refunding Portion of the Note, and interest thereon; (v) all investment earnings on funds held in the Improvement Refunding Portion Debt Service Subaccount; (vi) \$258 of proceeds of the Note; and (vii) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Improvement Refunding Portion Debt Service Subaccount. The amount of any surplus remaining in the Improvement Refunding Debt Service Subaccount when the Improvement Refunding Portion of the Note and interest thereon are paid shall be used consistent with applicable law. The moneys in the Improvement Refunding Portion Debt Service Subaccount shall be used solely to pay the principal of and interest on the Improvement Refunding Portion of the Note or any other bonds hereafter issued and made payable from the Fund, as permitted by law.

(ii) Utility Refunding Portion Debt Service Subaccount. To the Utility Refunding Portion Debt Service Subaccount there is hereby pledged and irrevocably appropriated and there shall be credited: (i) net revenues of the System in an amount sufficient, to pay the principal of, and interest on, the Utility Refunding Portion of the Note when due; (ii) after the Call Date, any collections of all taxes which were heretofore levied for the payment of principal and interest of the Utility Portion of the Prior Note; (iii) any collections of taxes which may hereafter be levied for the payment of the principal and interest on the Utility Refunding Portion of the Note, in the event that the net revenues of the System herein pledged for the payment of the Utility Refunding Portion of the Note are insufficient therefor; (iv) any balance remaining after the Call Date, in the Utility Improvements Debt Service Subaccount of the Prior Note created by the resolution authorizing the issuance of the Prior Note; (v) all investment earnings on funds held in the Utility Refunding Portion Debt Service Subaccount; (vi) \$527 of proceeds of the Note; and (vii) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Utility Refunding Portion Debt Service Subaccount. The amount of any surplus remaining in the Utility Refunding Portion Debt Service Subaccount when the Utility Refunding Portion of the Note and interest thereon are paid shall be used consistent with applicable law. The moneys in the Utility Refunding Portion Debt Service Subaccount shall be used solely to pay the principal of and interest on the Utility Refunding Portion of the Note or any other bonds hereafter issued and made payable from the Fund, as permitted by law.

No portion of the proceeds of the Note shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Note was issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Note or \$100,000. To this effect, any proceeds of the Note and any sums from time to time held in the Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued

by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Note to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

10. Covenants related to the Improvement Refunding Portion of the Note.

(a) Special Assessments. The City has heretofore levied special assessments, which were pledged to the payment of the principal and interest on the Improvement Portion of the Prior Note. After the Call Date, the uncollected special assessments for the Improvement Portion of the Prior Note are now pledged to the payment of principal and interest on the Improvement Refunding Portion of the Note. The special assessments are such that if collected in full they, together with estimated collections of taxes herein pledged for the payment of the Improvement Refunding Portion of the Note, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Improvement Refunding Portion of the Note.

At the time the special assessments are in fact levied the City Council shall, based on the then current estimated collections of the special assessments, make any adjustments in any ad valorem taxes required to be levied in order to assure that the City continues to be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Tax Levy. To provide moneys for payment of the principal and interest on the Improvement Refunding Portion of the Note, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
2020	2021	\$69,954
2021	2022	\$80,431
2022	2023	\$81,276
2023	2024	\$82,093
2024	2025	\$80,782
2025	2026	\$81,572
2026	2027	\$81,284

(c) Coverage Test. The tax levies are such that if collected in full they, together with estimated collections of special assessments and any other revenues herein pledged for the payment of the Improvement Refunding Portion of the Note, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Improvement Refunding Portion of the Note. The tax levies shall be irrevocable so long as any of the Improvement Refunding Portion of the Note is outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

Upon payment and redemption of the Prior Note, the uncollected taxes levied in the Prior Resolution authorizing the issuance of the Prior Note which are not needed to pay the Improvement Portion of the Prior Note as a result of the Refunding shall be canceled.

11. Covenants related to the Utility Refunding Portion of the Note.

(a) Sufficiency of Net Revenues. It is hereby found, determined and declared that the net revenues of the System are sufficient in amount to pay when due the principal of and interest on the Utility Refunding Portion of the Note, the Outstanding Water Note, and a sum at least five percent in excess thereof.

Nothing contained herein shall be deemed to preclude the City from making further pledges and appropriations of the net revenues of the System for the payment of other or additional obligations of the City, provided that it has first been determined by the City Council that the estimated net revenues of the System will be sufficient in addition to all other sources, for the payment of the Utility Refunding Portion of the Note, and such additional obligations, and any such pledge and appropriation of the net revenues may be made superior or subordinate to, or on a parity with the pledge and appropriation herein.

(b) Excess Net Revenues. Net revenues in excess of those required for the foregoing may be used for any proper purpose.

(c) Covenant to Maintain Rates and Charges. In accordance with Minnesota Statutes, Section 444.075, the City hereby covenants and agrees with the owner of the Note that it will impose and collect charges for the service, use, availability and connection to the System at the times and in the amounts required to produce net revenues adequate to pay all principal and interest when due on the Utility Refunding Portion of the Note. Minnesota Statutes, Section 444.075, Subdivision 2, provides as follows: "Real estate tax revenues should be used only, and then on a temporary basis, to pay general or special obligations when the other revenues are insufficient to meet the obligations."

Upon payment and redemption of the Prior Note, the uncollected taxes levied in the Prior Resolution authorizing the issuance of the Prior Note which are not needed to pay the Prior Note as a result of the Refunding shall be canceled.

12. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Note, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account, or any subaccount therein, is ever insufficient to pay all principal and interest then due on the Note and any other obligations payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account, or appropriate subaccount therein, when a sufficient balance is available therein.

13. Defeasance. When the Note has been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holder of the Note shall, to the extent permitted by law, cease. The City may discharge its obligations with respect

to the Note which is due on any date by irrevocably depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or if the Note should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to principal installments of the Note called for redemption on any date when they are prepayable according to its terms, by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to the Note, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

14. Prior Note; Security. Until retirement of the Prior Note, all provisions theretofore made for the security thereof shall be observed by the City and all of its officers and agents.

15. Redemption of Prior Note. The Prior Note shall be redeemed and prepaid in accordance with the terms and conditions set forth in the Notice of Call for Redemption attached hereto as Exhibit A, which terms and conditions are hereby approved and incorporated herein by reference.

16. Supplemental Resolution. The Prior Resolution authorizing the issuance of the Prior Note is hereby supplemented to the extent necessary to give effect to the provisions hereof.

17. Certificate of Registration. The Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Fillmore County, Minnesota, together with such other information as the County Auditor shall require, and to obtain from the County Auditor a certificate that the Note has been entered in the County Auditor's Note Register and that the tax levy required by law has been made.

18. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Note, certified copies of all proceedings and records of the City relating to the Note and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Note as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

19. Negative Covenant as to Use of Proceeds and Project. The City hereby covenants not to use the proceeds of the Note or to use the Project financed by the Prior Note, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Note to be a "private activity bond" within the meaning of Sections 103 and 141 through 150 of the Code.

20. Tax-Exempt Status of the Note; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Note, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Note, and (iii) the rebate of excess investment earnings to the United States, if the Note (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small issuer exception amount of \$5,000,000.

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that:

- (a) the Note is issued by a governmental unit with general taxing powers;
- (b) the Note is not a private activity bond;
- (c) ninety-five percent or more of the net proceeds of the Note are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and
- (d) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Note is issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

Furthermore:

- (e) there shall not be taken into account for purposes of said \$5,000,000 limit any bond issued to refund (other than to advance refund) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond;
- (f) the face amount of the Note does not exceed \$5,000,000;
- (g) the Prior Note was issued as part of an issue which was treated as meeting the rebate requirements by reason of the exception for governmental units issuing \$5,000,000 or less of bonds;
- (h) the average maturity of the Note does not exceed the average maturity of the Prior Note; and
- (i) no part of the Note has a maturity date which is later than the date which is thirty years after the date the Prior Note were issued.

21. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Note as a "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Note is issued after August 7, 1986;
- (b) the Note is not a "private activity bond" as defined in Section 141 of the Code;
- (c) the City hereby designates the Note as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during calendar year 2021 will not exceed \$10,000,000;
- (e) not more than \$10,000,000 of obligations issued by the City during calendar year 2021 will be designated for purposes of Section 265(b)(3) of the Code; and
- (f) the aggregate face amount of the Note does not exceed \$10,000,000.

Furthermore:

- (g) the Prior Note was designated as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code;
- (h) the average maturity of the Note does not exceed the remaining average maturity of the Prior Note;
- (i) no part of the Note has a maturity date which is later than the date which is thirty years after the date the Prior Note was issued; and
- (j) the Note is issued to refund, and not to "advance refund" the Prior Note within the meaning of Section 149(d)(5) of the Code, and shall not be taken into account under the \$10,000,000 issuance limit to the extent the Note do not exceed the outstanding amount of the Prior Note and therefor such portions are "deemed designated" within the meaning of Section 265 of the Code.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

22. Offering Circular. The Offering Circular relating to the Note prepared and distributed by David Drown Associates, Inc., is hereby approved and the officers of the City are authorized in connection with the delivery of the Note to sign such certificates as may be necessary with respect to the completeness and accuracy of the Offering Circular.

23. Financial Statements. The City shall provide annual audits and other relevant financing information as requested by the Purchaser.

24. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

25. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF FILLMORE
CITY OF HARMONY

I, the undersigned, being the duly qualified and acting Administrator of the City of Harmony, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council duly called and held on the date therein indicated, insofar as such minutes relate to providing for the issuance and sale of \$737,000 General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C.

WITNESS my hand on _____, 2021.

Administrator

EXHIBIT A

NOTICE OF CALL FOR REDEMPTION

GENERAL OBLIGATION IMPROVEMENT AND UTILITY REVENUE NOTE,
SERIES 2017A
CITY OF HARMONY, FILLMORE COUNTY, MINNESOTA

NOTICE IS HEREBY GIVEN that by order of the City Council of the City of Harmony, Fillmore County, Minnesota, there have been called for redemption and prepayment on

August 1, 2021

that outstanding bond of the City designated as General Obligation Improvement and Utility Revenue Note, Series 2017A, dated as of September 1, 2017, having a stated maturity date of February 1, 2028 and totaling \$712,500 in remaining principal amount.

The note is being called at a price of par, plus a \$200 fee and a 1.00% premium, plus accrued interest to August 1, 2021, on which date all interest on the note will cease to accrue. The holder of the note hereby called for redemption is requested to present the note for payment, at the City of Harmony, Attention: Administrator, 225 3rd Ave. SW, Harmony, MN 55939.

Dated: _____, 2021

BY ORDER OF THE CITY COUNCIL

/s/ Devin Swanberg
Administrator

City of Harmony, Minnesota

5/12/2021

\$737,000

FINAL

General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C



PAYMENT SCHEDULE AND CASHFLOW

MASTER CASH FLOW

<i>Note Payments</i>					
Payment Date	Principal	Rate	Interest	Payment Total	Annual plus 5%
7/12/2021					
8/1/2021					
2/1/2022	95,000	1.300%	5,296.16	100,296.16	105,311
8/1/2022			4,173.00	4,173.00	
2/1/2023	103,000	1.300%	4,173.00	107,173.00	116,913
8/1/2023			3,503.50	3,503.50	
2/1/2024	105,000	1.300%	3,503.50	108,503.50	117,607
8/1/2024			2,821.00	2,821.00	
2/1/2025	108,000	1.300%	2,821.00	110,821.00	119,324
8/1/2025			2,119.00	2,119.00	
2/1/2026	107,000	1.300%	2,119.00	109,119.00	116,800
8/1/2026			1,423.50	1,423.50	
2/1/2027	109,000	1.300%	1,423.50	110,423.50	117,439
8/1/2027			715.00	715.00	
2/1/2028	110,000	1.300%	715.00	110,715.00	117,002
	737,000		34,806.16	771,806.16	810,396

				<i>D/S Fund Balance</i>	
Budget Year	Water Revenues	Special Assessments	Tax Levies	Surplus (deficit)	Account Balance
					785
	Deposit to Debt Service Account >				
2021	10,554	24,017	69,954	(785)	0
2022	12,465	24,017	80,431	-	0
2023	12,314	24,017	81,276	-	0
2024	13,214	24,017	82,093	-	0
2025	12,000	24,017	80,782	-	0
2026	11,850	24,017	81,572	-	0
2027	11,700	24,017	81,284	-	0
	84,098	168,121	557,392	(785)	

City of Harmony, Minnesota

5/12/2021

\$737,000

PRELIMINARY

General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C

PAYMENT SCHEDULE AND CASHFLOW

Improvement Portion



638,500.00	Cost to Call Prior Bonds @ Par
-	Acc'd Interest
6,385.00	Prepayment Penalties
14,856.72	Allocated Issuance Costs
258.28	Rounding
<hr/>	
660,000.00	BORROWING AMOUNT

<i>Note Payments</i>					
Payment Date	Principal	Rate	Interest	Payment Total	Annual plus 5%
7/12/2021					
8/1/2021					
2/1/2022	85,000	1.300%	4,742.83	89,742.83	94,230
8/1/2022			3,737.50	3,737.50	
2/1/2023	92,000	1.300%	3,737.50	95,737.50	104,449
8/1/2023			3,139.50	3,139.50	
2/1/2024	94,000	1.300%	3,139.50	97,139.50	105,293
8/1/2024			2,528.50	2,528.50	
2/1/2025	96,000	1.300%	2,528.50	98,528.50	106,110
8/1/2025			1,904.50	1,904.50	
2/1/2026	96,000	1.300%	1,904.50	97,904.50	104,799
8/1/2026			1,280.50	1,280.50	
2/1/2027	98,000	1.300%	1,280.50	99,280.50	105,589
8/1/2027			643.50	643.50	
2/1/2028	99,000	1.300%	643.50	99,643.50	105,301
	660,000		31,210.83	691,210.83	725,771

			<i>D/S Fund Balance</i>	
Budget Year	Special Assmts	Tax Levies	Surplus (deficit)	Account Balance
				258
		Deposit to Debt Service Account >		
2021	24,017	69,954	(258)	0
2022	24,017	80,431	-	0
2023	24,017	81,276	-	0
2024	24,017	82,093	-	0
2025	24,017	80,782	-	0
2026	24,017	81,572	-	0
2027	24,017	81,284	-	0
	168,121	557,392	(258)	

City of Harmony, Minnesota

5/12/2021

\$737,000

FINAL

General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C

PAYMENT SCHEDULE AND CASHFLOW

Water Portion



74,000.00	Cost to Call Prior Bonds @ Par
-	Acc'd Interest
740.00	Prepayment Penalties
1,733.28	Allocated Issuance Costs
526.72	Rounding
<hr/>	
77,000.00	BORROWING AMOUNT

<i>Note Payments</i>						<i>D/S Fund Balance</i>				
Payment Date	Principal	Rate	Interest	Payment Total	Annual plus 5%	Budget Year	Water Revenues	Tax Levies	Surplus (deficit)	Account Balance
7/12/2021										
8/1/2021										
2/1/2022	10,000	1.300%	553.33	10,553.33	11,081	2021	10,554	-	(527)	-
8/1/2022			435.50	435.50						
2/1/2023	11,000	1.300%	435.50	11,435.50	12,465	2022	12,465	-	-	-
8/1/2023			364.00	364.00						
2/1/2024	11,000	1.300%	364.00	11,364.00	12,314	2023	12,314	-	-	-
8/1/2024			292.50	292.50						
2/1/2025	12,000	1.300%	292.50	12,292.50	13,214	2024	13,214	-	-	-
8/1/2025			214.50	214.50						
2/1/2026	11,000	1.300%	214.50	11,214.50	12,000	2025	12,000	-	-	-
8/1/2026			143.00	143.00						
2/1/2027	11,000	1.300%	143.00	11,143.00	11,850	2026	11,850	-	-	-
8/1/2027			71.50	71.50						
2/1/2028	11,000	1.300%	71.50	11,071.50	11,700	2027	11,700	-	-	-
	<hr/>									
	77,000		3,595.33	80,595.33	84,625		84,098	-	(527)	

\$737,000

General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C

CURRENT REFUNDS GO Improvement & Utility Revenue Note 2017A

Uses of Funds

Cost to Call Prior Bonds @ Par	712,500.00
Acc'd Interest	-
Penalties & Other	7,125.00
Costs of Issuance	16,590.00
Rounding	785.00
	<u>737,000.00</u>

Closing Date:	7/12/2021
Payoff Date:	8/1/2021

Sources of Funds

Par Amount of Issue	737,000.00
Cash from Prior Debt Service	-
	<u>737,000.00</u>

PRIOR BONDS				
Payment Date	Principal	Rate	Interest	Payment Total
8/1/2021	<i>Comparison Date</i>			
2/1/2022	92,500	3.05%	10,866	103,366
8/1/2022			9,455	
2/1/2023	95,500	3.05%	9,455	114,410
8/1/2023			7,999	
2/1/2024	98,500	3.05%	7,999	114,497
8/1/2024			6,497	
2/1/2025	102,500	3.05%	6,497	115,493
8/1/2025			4,933	
2/1/2026	104,500	3.05%	4,933	114,367
8/1/2026			3,340	
2/1/2027	108,500	3.05%	3,340	115,180
8/1/2027			1,685	
2/1/2028	110,500	3.05%	1,685	113,870
	<u>712,500</u>		<u>78,682</u>	<u>791,182</u>

TOTAL PAYMENTS
103,366
114,410
114,497
115,493
114,367
115,180
113,870
<u>791,182</u>

New Bonds

Refunding Payment Schedule				
Payment Date	Principal	Rate	Interest	Payment Total
7/12/2021	<i>Dated Date</i>			
2/1/2022	95,000	1.30%	5,296	100,296
8/1/2022			4,173	
2/1/2023	103,000	1.30%	4,173	111,346
8/1/2023			3,504	
2/1/2024	105,000	1.30%	3,504	112,007
8/1/2024			2,821	
2/1/2025	108,000	1.30%	2,821	113,642
8/1/2025			2,119	
2/1/2026	107,000	1.30%	2,119	111,238
8/1/2026			1,424	
2/1/2027	109,000	1.30%	1,424	111,847
8/1/2027			715	
2/1/2028	110,000	1.30%	715	111,430
	<u>737,000</u>		<u>34,806</u>	<u>771,806</u>

Savings

Annual savings	PV
785	785
3,069	3,048
3,064	3,003
2,490	2,409
1,851	1,768
3,129	2,950
3,333	3,102
2,440	2,242
<u>20,161</u>	<u>19,307</u>

City of Harmony, Minnesota

5/12/2021

\$737,000

General Obligation Improvement and Utility Revenue Refunding Note, Series 2021C

Minnesota Rural Water Association "MIDI-Loan"

FINAL



Uses of Funds

Cost to Call 2017A @ Par	712,500.00
Acc'd Interest	-
Penalties & Other	7,125.00
Total Project Costs	719,625.00
MN Rural Water Loan Fees	16,590.00
Rounding	785.00
	<u>737,000.00</u>

Sources of Funds

Bond Issue	737,000.00
Cash contribution	-
Other Sources	-
	<u>737,000.00</u>

Closing Allocations

Purchaser First Southeast Bank, Harmony, Minnesota

Proceeds to Issuer

Proceeds to Payment Account	719,625.00	
Proceeds to New D/S Fund (Improvement Portion)	258.28	
Proceeds to New D/S Fund (Water Portion)	526.72	
Total to Issuer >>		720,410.00

Checks Issued for Expenses

David Drown Associates, Inc. (MA)	11,240.00
Taft Stettinius & Hollister LLP (Bond Counsel)	4,100.00
Pay Agent (City Clerk)	-
MN Rural Water Ass'n (Sponsor)	1,250.00
Total for Expenses >>	16,590.00

Calendar

Application Received	5/12/2021
Sale Date	6/8/2021
Dated Date & Closing Date	7/12/2021
1st Interest Payment	2/1/2022
Proceeds spent by:	12/31/2021

Statistics

Purchase Price (Issue Price)	737,000.00
Net Interest Cost	34,806.16
Net Effective Rate	1.300%
Average Coupon	1.300%
IRS Yield	1.2999305%
WAM (this Issue)	3.6328
WAM (Prior Bonds in Aggregate)	3.6735
Call Option	2/1/2027
Tax Status	Tax Exempt, Bank Qualified
Rebate	\$5 million small issuer exemption
Continuing Disclosure	none – audits upon request
Statutory Authority	M.S. Chapter 429, 469, 475

TOTAL GROSS SAVINGS	\$	20,161
TOTAL PV SAVINGS	\$	19,307

How to make payments

Payments are made directly to First Southeast Bank, Harmony, Minnesota. The lender may provide you with notice of pending payments prior to each scheduled payment. However, it is the City Clerk's responsibility to ensure that payments are made at least 3 days early – wired funds can be transferred on the date payment is due. Payment questions? Contact the lender at 507-886-6922.

Resolution No. 21-10

**A RESOLUTION CERTIFYING DELINQUENT UTILITIES AND SERVICES
TO BE COLLECTED WITH TAXES PAYABLE IN 2022**

WHEREAS, the City of Harmony provides utility and administrative services to property for a fee; and

WHEREAS, certain accounts for said services are delinquent; and

WHEREAS, Minnesota Statutes provides for collecting delinquent accounts by placing same on the tax rolls.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Harmony, Fillmore County, Minnesota, that the City hereby certifies that the accounts herein listed are for utility and administrative services and payment is delinquent on some.

BE IT FURTHER RESOLVED, that the City hereby requests the Auditor of the County of Fillmore to place the amounts listed as special assessments on the tax rolls for taxes payable in 2021.

The foregoing resolution was introduced and moved for adoption by Council Member _____ and seconded by Council Member _____.

Voting for the Resolution:
Voting Against the Resolution:
Abstained from Voting:
Absent:

Motion carried and resolution adopted this 8th Day of June, 2020.

Steve Donney, Mayor

ATTEST:

Devin Swanberg, Administrator

Harmony EDA Minutes

June 3, 2021
7:30 AM

Community Center
Council Room

Present: Kerry Kingsley, Andy Batstone, Steve Sagen, and Greg Schieber

Also Present: Josh Bergey, Kelsey Bergey, Melissa Vander Plas, Devin Swanberg, and Chris Giesen

The regular meeting was called to order at 7:31 AM by Kerry Kingsley.

Minutes

The board reviewed the minutes of the May 6, 2021 meeting. Motion by Sagen, second by Schieber to approve the minutes as presented. Motion carried unanimously.

Batstone entered the meeting at 7:32 AM.

Financial Reports & Claims

The board reviewed the loan portfolio. All loans were current. There were no claims for payment.

EDA Loan Request: Josh & Kelsey Bergey

An application from Josh and Kelsey Bergey for a loan was presented. The Bergey's requested a \$25,000 loan to purchase the Harmony Car Wash. Giesen reported that the total project cost was \$100,000. The loan would be repaid over a term of 10 years at a rate of 3.25% fixed APR and security would be a second mortgage and personal guarantees from the borrowers. The loan committee reviewed the particulars of the application and recommended approval. Motion by Sagen, second by Batstone to recommend that that city council approve the loan as requested. Motion carried 3-0. Kinglsey abstained.

Industrial Park Update

The board discussed several matters regarding the industrial park. Giesen reported that the plat of the 2nd Addition was moving forward and presented the proposed layout. The board agreed that the proposed layout made sense. Schieber suggested that the utility easement on the eastern side could be enlarged slightly to easily avoid issues getting around the large sinkhole that is present. Giesen said he would consult with the city engineer and move the proposed plat forward accordingly.

Giesen reported that he had confirmed with Randy Mayer that he has begun overseeing the maintenance of the industrial park property commonly referred to as "Phase III" which was recently purchased by the board. Mr. Mayer will proceed forward accordingly as approved by the board in prior discussions.

The board discussed the pricing schedule of the property at length. In an effort to price the property and recover costs of improvements, the board agreed that price increases were necessary. Consensus of the board was to continue the effort to break even on the land sales based on the costs of extending road, water, sewer, and other utilities so that further development can occur. Because of size and proximity to the highway, some lots were also discussed as being more valuable. It was agreed that the prices listed would in

effect be the “sticker price” – meaning that the listed price would reflect the actual value of the lot, but that assistance measures such as TIF, abatement, loans, grants, etc... could be applied to reduce that price if available and the project met the development goals of the city. It was stressed that even though the sticker price might reflect the cost to be recovered, the board would do everything in its power to reduce that price via tools like TIF, abatement, etc... as much as they could, based on the project presented - possibly even down to a \$0 out of pocket cost to the buyer. But, through assistance tools such as TIF, abatement, etc... the board would be able to then collect the full value of the property and reinvest in additional needed industrial park improvements. The example that was given was that if someone purchased a lot listed for \$100,000 and their project was qualified and created \$80,000 in TIF, the board could choose to apply the TIF toward the sale price and the buyer would then only need to pay \$20,000 for the property. The remaining \$80,000 would be paid to the city over time with interest via TIF.

The board discussed particular pricing on specific lots. It was agreed that the three unplatted but planned-for lots near the storm retention pond should remain at \$120,000 each, the two approximately 2.4 acre lots in the newly platted 2nd Addition should be increased to \$100,000 each, the small lot in the 2nd Addition adjacent to 9th Street should be \$75,000, and the three lots (which are currently under an option contract) should be increased to \$90,000 each. These prices would be inclusive of any public improvement costs and bring a total of \$905,000 once sold which would offset the approximate future improvement costs. Motion by Batstone, second by Schieber to adopt the individual lot pricing according to the board’s consensus, effective immediately. Motion carried unanimously.

It was noted that, of course, the board would honor the terms of and prices set in the existing option contract with Harmony Veterinary Clinic for three lots in Phase I.

Downtown Revitalization Program Concept

The board discussed the proposed downtown revitalization concept program again. Batstone suggested that the program stress a purpose of preserving the character of the city. That without preserving the unique buildings, the vibrancy and history of the community will be diminished. The board agreed. Giesen will take the comments given by the board and propose a program outline and application process for board consideration.

Co Working Center Project

Swanberg and Giesen gave a brief update on the status of the co working space project discussed at a prior meeting. They recommended conducting a community survey to determine need and gather information but that preliminary reception has been very positive.

Chamber of Commerce Report

Melissa Vander Plas was present to give the chamber report. She reported that they experienced pre-Covid visitor numbers in May. That in fact May 2021 was busier than May 2019. The chamber has been very busy planning for the 4th of July festivities which should be back to its pre-Covid normal. The visitor’s center is now open 6 days a week, 10-12 hours of which are staffed by volunteers. Visitor guides have been distributed, and a mailing will be sent to Fountain, Ostrander, and Lanesboro. The chamber is also going to hold “running with scissors” ribbon cutting marathon on July 2nd for several businesses that opened or changed hands during Covid and were not able to hold such an

event during that time because of pandemic restrictions. Vander Plas said the ribbon cuttings would be an excellent media opportunity, the board agreed.

Prospects/Community Update

Sagen and Swanberg reported that two electric vehicle charging stations were ordered and could likely be installed sometime this summer.

Giesen reported he is still coordinating with the school district in regards to the proposed June 15, 2021 joint board meeting. If held, it would start at 6 PM and be held in the council room at city hall.

Giesen reported that progress is being made on the trail project. The public hearing should be held later this summer and he and Schieber are working with the DNR to acquire short term construction leases for areas of the trail where grading is an issue. The board stressed the importance of the Iowa state line connection and that an effort should be made to impress its importance to the DNR; especially at the public hearing.

Giesen said that he started a conversation with the county engineer to formally recognize 1st Ave SW as the “in town connection” for the bike route. The county engineer made a recommendation to mark 1st Ave SW with MnDOT approved signs, but not pavement markings. Schieber suggested that in addition to the signage pavement markings would be ideal, the board concurred. Giesen will discuss the issue further with the county engineer. However, the board wanted to move the process forward and was otherwise agreeable to the county’s recommendations. Motion by Batstone, second by Sagen to recommend to the city council that the city fund, install, and maintain the county engineer’s recommended bike route signage along 1st Ave SW. Motion carried unanimously.

Hearing no objections, Kingsley adjourned the meeting. The meeting adjourned at 9:26 AM.

The next regular meeting is scheduled for July 1, 2021 at 7:30 AM at the Community Center.

REVOLVING LOAN FUND

Loan Proposal (as requested by applicant)

Applicant: Josh and Kelsey Bergey
JoKe Holding, LLC
315 Main Ave N
Harmony, MN 55939
Josh: 507-259-7610 or Kelsey: 507-251-0281

Loan Terms: Amount of Loan: \$25,000
Rate: 3.25% APR fixed
Term: 10 years (120 payments)
Other: Applicant has paid \$300 application fee.

Purpose: To purchase the existing car wash business located at 315 Main Ave North, Harmony.

The EDA's loan proceeds will be used to pay for:

<u>Acquisition</u>	<u>\$ 25,000</u>
Total	\$ 25,000

Security:

- 2nd mortgage on real estate financed.
- Personal guarantee from borrower.

Uses of Funds:	<u>Acquisition</u>	<u>\$100,000</u>
	Total:	\$100,000

Sources of Funds:	Owner Equity:	\$ 10,000	(10%)
	Bank Loan:	\$ 65,000	(65%)
	<u>EDA Loan:</u>	<u>\$ 25,000</u>	<u>(25%)</u>
	Total:	\$100,000	(100%)

Repayment: Fully amortized at 120 monthly payments of \$244.30. All payments will first be credited towards outstanding interest and the balance towards principal. The loan may be prepaid in whole or in part without penalty or premium.

First payment to be scheduled approximately 45 days after first draw.

Payments are to be made by ACH, per guidelines.

Jobs: N/A

Closing Date: June 30, 2021.

Swimming Pool Plan Review Application

INCLUDING WADING, THERAPY, SPA, AND PLUNGE POOLS

Pool Project

Pool Project Name City of Hamrony Splash Pad

Project Street Address 2nd AVE NW Trailhead park

City Harmony County Fillmore

Check all that apply: Indoor Pool Outdoor Pool

What type of facility will the pool be located at? Splashpad

Pool Designer/Submitter Information

Return approved plans to this address

Pool Designer/Submitter Name City of Hamrony

Address 225 3rd Ave SE

City Harmony State MN ZIP 55939

Contact Phone 507-886-8122 Email Administrator@harmony.mn.us

Project Owner Information

Return approved plans to this address

Project Owner Name _____

Address _____

City _____ State _____ ZIP _____

Contact Phone _____ Email _____

Pool Builder/Submitter Information

Return approved plans to this address

Pool Builder/Submitter Name _____

Address _____

City _____ State _____ ZIP _____

Contact Phone _____ Email _____

Pool Plan Review and Inspection Fee Schedule

(Please select type of project and corresponding fee**)

- | | |
|--|--|
| <input type="checkbox"/> Swimming Pools - \$1,500 each | <input type="checkbox"/> Spa Pool - \$800 each |
| <input type="checkbox"/> Wading Pools - \$1,500 each | <input type="checkbox"/> Slides - \$600 each |
| <input type="checkbox"/> Therapy Pools - \$1,500 each | <input type="checkbox"/> Disinfection System Change - \$100 |
| <input checked="" type="checkbox"/> Spray Decks & Interactive Water Features - \$1,500 each | <input type="checkbox"/> Request for Variance - \$500 |
| <input type="checkbox"/> Alterations not Altering Shape/Size - \$600 | <input type="checkbox"/> Second Main Drain Addition - \$600 each |
| <input type="checkbox"/> *Pool Project greater than \$250,000 in value \$ _____ (see page 2) | |

**Please submit larger fee if the project fee falls in between \$250, 000 and fee per pool.

SWIMMING POOL PLAN REVIEW APPLICATION

***Pool Projects Greater Than \$250,000 in Value**

The project engineer or architect must sign and submit an Estimated Value List (EVL) for the project. The EVL must include the value of all items commonly reviewed by this department, including all slides and towers, all pumps, filters, chemical treatment systems, piping, decking, diving boards, ladders, railings, play structures, theme-work within 5 feet of water, fencing and the pool structure itself. The EVL need not include items that are commonly reviewed by another inspector, program or department, such as: electrical, the roof and walls, domestic drinking water and sewer system, HVAC, site prep, landscaping and lighting. The fee of 0.5% will be assessed to the EVL total, to a maximum of \$15,000 per pool project. If the maximum fee is paid, the EVL is not required.

The following information must be included with your pool plan submittal

- Completed Plan Review Application**
- Plan Review and Inspection Fees** – All fees are due at time of submittal.
 - Checks should be made payable to: **Minnesota Department of Health**
 - Checks returned for non-payment will be charged a \$30 fee (M.S. 604.113, subd. 2)
- Site Plan** – A scaled drawing showing facility and deck dimensions, fencing, access, security, showers and mechanical room locations.
- Pool Plan** – Pool volume, surface area (length, width), minimum and maximum depth and design flowrate; scaled drawings showing top and profile views, including dimensions and all equipment such as:
 - skimmers, gutters, inlets, drains, lights;
 - diving boards, slides, ladders, steps, handrails.
- Recirculation Plan** – Must show all pipe sizing, valves, flow meters, equipment connections and pool fill method.
- Deck and Mechanical Room Plan** – Must show drains, sumps, deck slopes, air gaps and backflow prevention devices.
- Equipment Specifications** – Make, model number, maximum capacity, and NSF-50 approval for all pumps, filters, disinfection feeders, safety equipment, signs, vacuums and water quality test kit.

Note: All plans submitted require following pool information

- Length x width = surface area
- Minimum and maximum depth
- Volume
- Existing equipment

For alterations, only the alteration information is required, along with the pool information, plan review application and fee.

Mail or deliver **page 1** of this application along with the **correct fee and required paperwork** to MDH using the appropriate address below.

Mail - Minnesota Department of Health
Swimming Pool Engineering – Plan Review
P.O. Box 64975
St. Paul, Minnesota 55164-0975

Delivery - Minnesota Department of Health
Swimming Pool Engineering – Plan Review
Orville L. Freeman Building
625 North Robert Street
St. Paul, Minnesota 55155

651-201-4500
health.poolsbeaches@state.mn.us
www.health.state.mn.us

03/20/13

To obtain this information in a different format, call: 651-201-4500.

FILLMORE COUNTY SHERIFF



Office of the FILLMORE COUNTY SHERIFF

JOHN DEGEORGE Sheriff
LANCE BOYUM Chief Deputy
901 Houston St. NW
PRESTON, MN 55965-1080

Tel: 507-765-3874
Emergency Dial 911
Fax: 507-765-2703

Date: June 1, 2021
To: Harmony City Council
From: Jason Harmening, Deputy Sheriff
John DeGeorge, Fillmore County Sheriff
Re: June 2021 Monthly Council Report

Calls for Service / Patrol Activity:

Reported Date	Title	Street Name
2021-04-01	Traffic	Hwy 52
2021-04-07	Ambulance	1ST AVE
2021-04-08	Domestic Disturbance	MAIN ST
2021-04-08	Noise Complaint	MAIN AVE
2021-04-08	Crash	MAIN AVE
2021-04-08	Parking Complaint	CENTER ST
2021-04-08	Assist	MAIN AVE
2021-04-09	Warrant	MAIN AVE
2021-04-09	Parking Complaint	CENTER ST
2021-04-10	Welfare Check	MAIN AVE
2021-04-10	Disorderly Conduct	MAIN AVE
2021-04-12	Information	MAIN AVE
2021-04-13	Fires	MAIN AVE
2021-04-13	Possession of Stolen Property	2ND AVE
2021-04-13	911 Hang Up	MAIN AVE
2021-04-14	Welfare Check	MAIN AVE
2021-04-14	Crash	MAIN AVE

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2021-04-15	Parking Complaint	CENTER ST
2021-04-16	Agency Assist	MAIN AVE
2021-04-18	Suspicious Activity	MAIN AVE
2021-04-19	School Call	MAIN AVE
2021-04-20	MAARC	MAIN AVE
2021-04-20	MAARC	MAIN AVE
2021-04-20	Civil	MAIN AVE
2021-04-20	911 Hang Up	4TH ST
2021-04-21	Assist	MAIN ST
2021-04-23	Fraud/Scam	3RD AVE
2021-04-26	Criminal Damage to Property	INDUSTRIAL BLVD
2021-04-27	Animal Complaint	Hwy 139
2021-04-27	Information	MAIN AVE
2021-04-29	Civil	6th ST
2021-04-30	Suspicious Activity	MAIN AVE
2021-04-30	Ambulance	4th St
2021-04-30	Parking Complaint	WICKETT DR
2021-05-01	Driving Complaint	3rd AVE
2021-05-04	Harassment	MAIN AVE
2021-05-05	Suspicious Activity	MAIN AVE
2021-05-05	911 Hang Up	COUNTY 44
2021-05-06	Domestic Disturbance	1st Ave
2021-05-06	Warrant	3RD AVE
2021-05-06	Crash	MAIN AVE
2021-05-06	Crash	MAIN AVE
2021-05-07	Traffic	HWY 52

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2021-05-07	Traffic	HWY 52
2021-05-07	Traffic	Highway 52
2021-05-11	Suspicious Activity	3RD ST
2021-05-12	Assist	MAIN AVE
2021-05-12	Traffic	HWY 52
2021-05-12	Traffic	CENTER ST
2021-05-12	Traffic	Main st
2021-05-13	Court Order Violation	MAIN AVE
2021-05-14	Crash	MAIN AVE
2021-05-14	Traffic	HWY 44
2021-05-14	Fires	120th ST
2021-05-14	Traffic	MAIN ST
2021-05-15	Traffic	HIGHWAY 52
2021-05-16	Suspicious Activity	MAIN AVE
2021-05-22	Suspicious Activity	MAIN AVE
2021-05-25	Traffic	HWY 52
2021-05-25	Court Order Violation	2nd Ave
2021-05-27	Animal Complaint	2nd AVE
2021-05-28	Mental Health	Main Ave
2021-05-30	Domestic Disturbance	MAIN AVE