

**FIRST AMENDMENT TO
PURCHASE AGREEMENT**
(Columbus, MN)

THIS FIRST AMENDMENT TO PURCHASE AGREEMENT (this “**Agreement**”) is entered into as of December __, 2021 (the “**Effective Date**”), by and between **E&R INVESTMENTS, LLC**, a Minnesota limited liability company (“**Buyer**”), and the **CITY OF COLUMBUS**, a Minnesota municipal corporation (“**Seller**”).

RECITALS

A. Seller is the owner of certain unimproved real property located at the northeast quadrant of the intersection of Highway 97 and Interstate 35 in Columbus, Minnesota, which is legally described in Exhibit A attached hereto (the “**Master Parcel**”).

B. Buyer desires to purchase approximately .80-acre of the Master Parcel from Seller which is legally described in the Purchase Agreement (the “**Property**”), and Seller desires to sell the same to Buyer.

C. Buyer and Seller have entered into that certain Purchase Agreement dated July 29, 2021 (the “Purchase Agreement”) and desire to now enter into this First Amendment to extend the Contingency Date as defined in the Purchase Agreement and to address conditions of closing on the purchase of the Property.

NOW, THEREFORE, Buyer and Seller agree as follows:

1. **Contingency Date Extended.** The Contingency Date set forth in Section 7.1 of the Purchase Agreement is changed from “one hundred sixty (160)” to “two hundred five (205)” to allow Seller additional time to complete subdivision approval and platting, with plat approved for recording
2. **Removal of Excess Soil.** Section 6.1.1 is amended as follows:

6.1.1 **Condition of Property at Closing.** On the Closing Date, Seller shall deliver to Buyer exclusive vacant possession of the Property, free and clear of personal property, any excess soil that is currently located on the Property, waste and debris of any kind. **The Parties mutually agree that Seller is the responsible party to remove excess soil, on the Property and the Master Parcel after the Closing Date with such commitment memorialized in the Development Agreement for the Property.** Development Agreement to be signed at closing.
3. **Full Force and Effect.** Except as amended and modified herein, all of the terms and provisions of the Purchase Agreement shall remain in full force and effect.
4. **Counterparts; Facsimiles.** This Amendment may be executed in counterparts, and each of the signatures to this Amendment, taken together, shall constitute one

and the same Amendment. Facsimile or PDF signatures on this Amendment shall be treated as originals.

IN AGREEMENT, the parties have executed this Agreement as of the Effective Date.

BUYER:

SELLER:

E&R INVESTMENTS, LLC

CITY OF COLUMBUS

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____



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December 28, 2021

Elizabeth Mursko, City Administrator
 City of Columbus
 16319 Kettle River Boulevard NE
 Columbus, MN 55025

VIA EMAIL

Re: Issuance of conduit bonds for the benefit of The Blake School

Dear Elizabeth,

The Blake School, a Minnesota nonprofit corporation (“Blake”), operates educational facilities located in the City of Hopkins, the City of Minneapolis, and the City of Wayzata. Blake has proposed to refinance conduit bonds previously issued for refinancing improvements to the Hopkins campus and the Wayzata campus and to finance the construction of an early learning center to be located on the Hopkins campus (collectively, the “Project”). In order to finance the Project, Blake is requesting that the City of Columbus (the “City”) issue conduit bonds in the estimated principal amount not to exceed \$34,000,000 and loan the proceeds thereof to Blake.

The City is authorized under the Internal Revenue Code of 1986, as amended (the “Tax Code”), to issue tax-exempt bonds as a conduit for the benefit of nonprofit entities for the purpose of financing projects. Because the interest on these bonds is not taxable, bond purchasers will buy them at a lower interest rate, which allows nonprofits to borrow money at a reduced cost. When cities issue conduit bonds, there is no financial obligation of the City to pay the debt service or other costs of the bonds. These conduit bonds are different from general obligations bonds in that the full faith, credit, and taxing powers of the City are not pledged to the payment of debt service. Rather, the City would issue the conduit bonds and loan the proceeds thereof to Blake, and Blake would pledge to repay the loan by executing and delivering a loan agreement. The loan repayments to be made by Blake would be assigned by the City to a lender (in this case, STI Institutional & Government, Inc.) and would be payable from the revenue generated from the operation of the Project. The obligation of Blake to make the loan repayments would be evidenced and secured by a mortgage, a security agreement, and/or one or more guaranties. If Blake is not able to make a payment, holders of the conduit bonds cannot require the City to levy a tax to make up for the deficiency.

Conduit bonds are not subject to any debt limitation imposed on the City, and the issuance of the conduit bonds will not have any adverse effect on the credit rating of the City, even in the event that Blake encounters financial difficulties with respect to the Project. If a default did occur, the lender would work with Blake to develop a work-out strategy for the payment of the conduit bonds.

Tax-exempt obligations are usually not eligible for purchase by banks and other financial institutions, but each year the City has the ability to designate up to \$10,000,000 in tax-exempt bonds as “qualified tax-exempt obligations” (sometimes referred to as “bank-qualified bonds”) for purposes of Section 265(b)(3) of the Code, which are eligible for purchase by banks and other financial institutions.

In order to issue bank-qualified bonds, the issuer of the conduit bonds must not expect to issue more than \$10,000,000 of bonds in the calendar year, including its own general obligation bonds. The City of Hopkins has issued conduit bonds on behalf of Blake in the past. However, the City of Hopkins intends to issue its own general obligation bonds in calendar year 2022 and designate such bonds as bank-qualified bonds; therefore, the City of Hopkins is unable to issue the conduit bonds in calendar year 2022 for the benefit of Blake. As a result, Blake is requesting that the City issue the conduit bonds and loan the proceeds thereof to Blake to finance the Project and pay closing costs. If the City issues the conduit bonds for Blake, the City will be unable to designate any general obligation bonds issued in 2022 as bank-qualified bonds.

If the City Council is interested in issuing conduit bonds to help finance the Project, the City will be asked to hold a public hearing in accordance with state statutes and the Tax Code and approve the issuance of the conduit bonds and related documents after the public hearing. Kennedy & Graven, Chartered, as bond counsel, would prepare the necessary public hearing notice (and handle its publication in the official newspaper of the City), resolution, and bond documentation. Blake would like to close on the financing in late February or early March, so the City Council could conduct the public hearing at its meeting on January 26 or February 9. In addition, the City Council of the City of Hopkins will need to conduct a public hearing and provide "host approval" for the issuance of the conduit bonds by the City, in accordance with state statutes and the Tax Code. The City of Hopkins has already agreed to provide host approval for Columbus to issue the conduit bonds.

All costs of issuing the conduit bonds will be paid for by Blake, including any out-of-pocket expenses of the City with respect to this transaction as well as an administrative fee that the City may charge as an issuer of conduit bonds. I understand that the City's administrative fee is \$75,000.

I will attend the meeting tomorrow night in case there are any questions. Please feel free to contact me if you have any questions with respect to this letter. If the City decides to move forward with issuing the conduit bonds, I look forward to working with you and the City on this financing.

Sincerely,

Julie A. Eddington



**City of Columbus
PUBLICATION NOTICE
Ordinance Publication Summary**

An Ordinance Relating to and Regulating the
2022 Fee Schedule for the City of Columbus

The City of Columbus City Council passed and adopted Ordinance 21-XX on the 28th day of December 2021. Ordinance 21-XX regulates and lists the 2022 fee schedule which includes fees for building permits, fire permits, licenses, liquor, parks, planning & zoning, public utilities, services and other miscellaneous items for the City of Columbus. This is only a summary of Ordinance 21-XX. A printed copy of Ordinance 21-XX is available for inspection by any person during regular office hours at the office of the City Clerk and on the City's Official website www.ci.columbus.mn.us. This title and summary of the Ordinance 21-XX is published in accordance with Minn. Stat. § 412.191 subd. 4.

By order of the City Council
Elizabeth Mursko, City Administrator

Submitted to the Forest Lake Times on December 30, 2021.
Published in the Forest Lake Times January 6, 2021.
Posted December 30, 2021.

RESOLUTION 21-_____

**CITY OF COLUMBUS
COUNTY OF ANOKA
STATE OF MINNESOTA**

**RESOLUTION TO ORDER A STUDY FOR
REGULATION OF PET BOARDING/GROOMING**

WHEREAS, the City of Columbus (the “City”) is authorized under Minnesota Statutes Section 462.355, subd. 4 to regulate, restrict, or prohibit any use, development or subdivision within the jurisdiction or a portion thereof while the City is conducting studies, or has authorized a study to be conducted to consider adoption or amendment of official zoning controls; and

WHEREAS, The City Council finds that the existing zoning controls governing the establishment, expansion or continued use of property for “small animal indoor boarding, grooming, or day care, including ancillary veterinary care” (“Pet Boarding/Grooming”), as these term are used in Chapter 7A of the City Code, may not effectively minimize the nuisance characteristics of such uses or protect nearby property; and

WHEREAS, the City Council finds that absent a thorough analysis of potential amendments to the official zoning controls could result in the approval of new or renewal of existing Pet Boarding/Grooming could have unintended detrimental consequences to the health, safety, and welfare of the City.

NOW, THEREFORE, be it resolved that the City of Columbus does hereby direct the City Planning Commission and staff to conduct a study of the City’s existing zoning controls and potential amendments to regulation of Pet Boarding/Grooming to mitigate potential negative impacts and effects of the establishment or renewal of such use on the health, safety, and welfare of its citizens and the community.

Passed and adopted by the City Council of the City of Columbus, Minnesota, this 29th day of December, 2021.

By: _____
Jesse H. Preiner
Its: Mayor

ATTEST:

Elizabeth Mursko
City Administrator

ORDINANCE NO. 21-___

CITY OF COLUMBUS
COUNTY OF ANOKA
STATE OF MINNESOTA

AN INTERIM ORDINANCE ESTABLISHING A MORATORIUM ON THE
ISSUANCE OF PERMITS FOR
SMALL ANIMAL INDOOR BOARDING, GROOMING, OR DAY CARE
WITHIN THE CITY OF COLUMBUS

The City Council of the City of Columbus ordains the following:

SECTION 1. MORATORIUM.

A. Authority and Intent. The City of Columbus (the “City”) is authorized under Minnesota Statutes Section 462.355, Subd. 4, to regulate, restrict, or prohibit any use, development or subdivision within the jurisdiction or a portion thereof while the City is conducting studies, or has authorized a study to be conducted or has scheduled a hearing to consider adoption or amendment of the Comprehensive Plan or official zoning controls. Pursuant to the aforementioned statute, the City declares a City-wide moratorium (the “Moratorium”) on the issuance of any permits, including without limitation, building permits or interim use permits, for the establishment or renewal of small animal indoor boarding, grooming, or day care, including ancillary veterinary care (as that term is used in Chapter 7A or elsewhere in the City Code) in accordance with this ordinance.

B. Findings. The City finds it necessary to study the impacts and effects of the establishment, use or operation of small animal indoor boarding, grooming, or day care, including ancillary veterinary care (“Pet Boarding/Grooming”) on the health, safety, and welfare of its citizens and the community. The City Council further finds that the existing controls governing Pet Boarding/Grooming may not provide the desired level of oversight and regulation of such uses, which makes it necessary to study the existing ordinance and alternative ordinances, including recent amendments of the ordinance. Following the study, the City intends to update and amend its official controls.

C. Effect of Moratorium. For the duration stated herein and until the City has completed a study of the need for amendments or additions to the City’s official controls to protect the public health, safety and welfare, the City shall not accept, issue or process any application for use of real property anywhere in the City for the purpose of establishment or renewal of Pet Boarding/Grooming, except as provided in this ordinance. This Moratorium shall apply, without limitation, to comprehensive land use plan amendments, requests for rezoning, subdivisions, variances, conditional use permits, interim use permits, site plan review or any other permits for the establishment or renewal of Pet Boarding/Grooming.

D. Study Authorized. During the period of this Moratorium, City staff and consultants will conduct a study of the official controls related to establishment, use and expansion of Pet Boarding/Grooming, including appropriate permitting, licensing, land use controls and development standards that may need to be adopted or revised to protect the public health, safety and welfare. The study will focus, among other things, on regulations designed to minimize the nuisance characteristics of such uses, including protection of nearby residential homes, quiet enjoyment of neighbors and expansion of the City's tax base.

E. Duration. The Moratorium shall expire, without further action of the City Council, one (1) year from its effective date. In the alternative, it may be repealed earlier if the Council determines that the requisite studies have been completed and that appropriate evaluation and action, including any necessary revisions to the City Code, official controls and/or Comprehensive Plan, have been finalized, adopted by the City Council and made effective by publication. The duration of the Moratorium may be extended by adoption of an amendment hereto for a total time not to exceed the limits set forth in Minnesota Statutes Section 462.355, Subd. 4, as amended from time to time.

F. Moratorium Declaration and Applicability. The City Council specifically finds and declares that the findings, intent and purpose of this Moratorium of City Code applies Citywide and it hereby imposes on any parcel of land, lot or part thereof within the boundaries of the City a prohibition on the establishment or renewal of any Pet Boarding/Grooming for the duration of the Moratorium. City staff, consultants, and Planning Commission members are directed for the duration of this Moratorium to carefully study and consider the adequacy and effectiveness of the existing licensing, zoning and Comprehensive Plan regulations necessary to protect the public health, safety and welfare, as well as to study and consider amendments to those regulations. The City Council further finds that it is critical to the protection of the public health, safety and welfare that the study process be protected by a moratorium.

G. Hardship Waiver. In cases of hardship, any person having a legal or equitable interest in land and aggrieved by the requirements of this Moratorium may apply to the City Council for a waiver of all or a portion of the applicable restrictions. A waiver may be granted when the City Council finds substantial and unique hardship caused by the restrictions and finds that the waiver will not unduly affect the integrity of the planning process or the purposes for which this Moratorium was enacted.

H. Severability. If any section, subsection, sentence, clause or phrase of this Moratorium is for any reason held to be invalid or any action taken hereunder be held invalid, it shall not affect any other section, subsection, sentence, clause or phrase herein. Every section, subsection, sentence, clause and phrase herein is declared severable from every other section, subsection, sentence, clause or phrase.

SECTION II. Enforcement. The City may enforce this ordinance by mandamus, injunction or other appropriate civil remedy in any court of competent jurisdiction.

SECTION III. EFFECTIVE DATE.

This Ordinance was adopted by the Columbus City Council on this 29th day of December, 2021 and shall become effective after its publication.

Jesse H. Preiner, Mayor

ATTEST:

Elizabeth Mursko, City Administrator

Published in the Forest Lake Times on _____, 2022.

The Personnel Committee, consisting of Mayor Preiner, Elizabeth Mursko and Janet Hegland, met on December 20, 2021.

Planning Commissioner Appointments

Background

Planning Commissioners Pam Wolowski's and Barb Bobick's Appointment ends December 31, 2021.

Commissioner Wolowski, a member of the Planning Commission since 2012, has submitted a letter indicating that she does not wish to be reappointed at this time. The Personnel Committee would like to recognize the nine years of exceptional service that Commissioner Wolowski has provided the City of Columbus. She has served admirably during some very challenging years and has always kept the good of the community as her top priority. We gratefully acknowledge her leadership and commitment to the city and thank her for the many years of service. Staff will post this vacancy to be filled sometime in January 2022.

Commissioner Bobick has been a member of the Planning Commission since March, 2019 and has been recognized for the thoroughness of her review and reports. She frequently takes extra time to dive deep into applications and provides additional valuable research that has been so helpful to Planning Commission discussions. She submitted a letter indicating that she wishes to be reappointed for another three-year term.

Requested Action

The Personnel Committee is seeking direction from the Council to reappoint Commissioner Bobick to a three-year term through December 31, 2024.

2022 Step, Cost of Living (COLA) and Equity Increases

Background

The City of Columbus has utilized a **Step Increase** program for more than 20 years to reward performance and longevity in a position. Step programs progress employees incrementally along the salary range in prescribed steps as defined in HR policy. Most local municipalities in Minnesota use a 5-step program, Columbus utilizes a 7-step program. When employees are hired, they are shown the step table for their position and the policy that defines how step increases are awarded is described. Once an employee reaches the last step, they are no longer eligible for step increases, unless they move to a different position with its own step progression table. Step increases are defined by policy, annually budgeted for, recommended by the supervisor based on performance and length of service in the position, endorsed by the Personnel Committee and approved by the City Council. Although we are not contractually obligated to follow this model, we have recognized that it is in our best interest to do so to attract and retain employees and successfully compete with other nearby municipalities that seek similar talent under bargaining unit contracts employing a similar compensation model. Therefore, every year we come before the Council to request permission to grant the step increases due in the upcoming 12 months. It is the opinion of the Personnel Committee that the step increases should be executed as scheduled on hire anniversary dates unless Columbus is in a state of a fiscal emergency or stringency.

Step increases should not be confused with **Cost-of-Living Adjustments (COLA)**. COLA increases are separate from Step increases and are awarded to adjust the salary range and compensate an employee's wages for inflationary impacts on their earnings. COLA increases are discretionary based on rate of inflation, budgetary constraints, and market forces. COLA increases are annually budgeted (or not), recommended by the Personnel Committee and approved by the City Council.

The Personnel Committee last came before the Council seeking approval for Step increases at the January 27, 2021 City Council meeting. At that meeting, five of our ten staff positions were granted step increases: (Accountant, a Public Works II Worker, Associate Planner, Public Information Coordinator, Building Permit Tech/Planning Commission Secretary). There were also five employees that were at the top of their salary ranges (City Administrator, Building Official, a Public Works II

Worker, Public Works Director, Deputy Clerk). Because the city had forgone COLA raises for the prior five years, several of these ranges had not been adjusted for at least that long and were not competitive with market. An analysis of our salary ranges against the League of Minnesota City sponsored Minnesota Navigator Database, using metro cities with populations between 4000-5000, the State of Minnesota salary database, the American Planning Association and current job postings was done to propose updated ranges consistent with current market. This process included the impact of COLA increases, so a separate adjustment for COLA was not done last year. Six ranges were considered for adjustment to align them with market, job evaluation and equity review and five were adjusted. These were: City Administrator, PW Director, Building Official, PW II Worker, Public Communications Coordinator and Deputy Clerk. After receiving Council approval to contract with MnSpec for Building Official services, the Building Official range was removed from consideration. The Deputy Clerk range was deemed to be consistent with market and was not adjusted. The Public Information Coordinator had earlier received a step increase and was not awarded another increase to reflect a market adjustment. The incremental steps for those remaining positions (City Admin., PW Director, PW Worker II) requiring adjustment were recalculated and next eligible step increase established. The Council approved movement to the next step for those three positions at their February 10, 2021 meeting.

Pay Equity Analysis: State law requires each local government to analyze its pay structure for evidence of inequities, and to report this information to the Department of Management and Budget every three years, although the City Administrator reviews salary ranges against equity every year to keep from having to make large changes to our ranges. Columbus is required to perform and report the results of this analysis to the state, using data as of December 31, 2021. This is why you will see the Personnel Committee's recommendation with an effective date of December 30, 2021.

This history brings us to current times.

1. **Equity Analysis:** Three positions required adjustments to maintain compliance with the State's Pay Equity policy. These were: City Administrator, Deputy Clerk and Permit Coordinator. **The total impact to budget is \$2080, which was not budgeted but can be absorbed.** City Administrator Mursko can provide more detail on how this analysis is performed and what is required to bring the city into compliance.
2. **COLA increases:** The past few years have seen low rates of inflation, but forecasts of significant inflation have resulted in the Social Security Administration to institute a 5.9% COLA increase in 2022. Consumer Price Index (CPI) for Minneapolis/St. Paul/Bloomington from November 2020, reported from the Bureau of Labor Statistics, reveal a 6.9% increase in prices from a year ago, and a 1% increase in just the past two months. The major contributors to this increase were food (5.6% increase over last year), energy (41.4% over last year, mainly due to gasoline and natural gas costs), shelter (5.1 % increase) and new and used motor vehicles (20.1%). Nationally, the CPI increased 6.8% over November 2020, the largest 12-month increase since the period ending June 1982. An informal review of salary increases afforded to State and other surrounding municipal employees ranged from 3%-4%.

The Personnel Committee is recommending a 3% COLA for all positions except for the Public Communications Coordinator (which is currently open) and the PWI Worker (who starts in January). **This equates to an \$17901.06 cost to the city, which was budgeted for.**

3. **Step Increases:** On January 27, 2021, the City Council approved Step Increases upon annual eligible month as established in payroll. The following are the anniversary months for current employees: **January Anniversary Dates:** Mursko (City Admin.), Hughes (Public Infor Coord/Asst to Admin), Sawatsky (PWII), Karth (PWII). Start date for Kranz (Permit Coordinator) was August 9, 2021. Personnel Committee agrees with Staff that Permit Coordinator step increase date be moved to January based on the speed in which she has achieved competency in her position. **March Anniversary Dates:** Windingstad (PW Dir), Werner (Acct.), Spangler (Deputy Clerk). **April Anniversary Date:** Gutknecht (Assoc Planner). Note: A Step Increase from 3 to 4 was granted in April 2021 for this employee, and from Step 4 to 5 effective Payroll 17 for additional duties added to the job.

All positions are eligible for Step increases with exception of the newly established Asst. to City Administrator and PW I Worker and Deputy Clerk, who is at the top of the salary range. **The annual impact of adding the new positions of Asst. to City Admin and PWI Worker and moving eligible employees to the next step on their anniversary date is \$57,576.00. This amount also reflects a voluntary deferral of one half of last year's approved salary increase for the City Administrator and Public Works Director to 2022, to meet the 2021 budget.**

Total payroll budgeted for 2021= \$642,356.48. This included Building Official through his resignation date, half year of Asst. to City Admin, and one quarter of PW I position. **Total 2022 payroll budget, including Step Increases, Adjustment and COLA for 2022 is \$719,913.54.**

Requested Action

The Personnel Committee recommends approval of the equity adjustments as detailed in the report above, effective December 30, 2021.

The Personnel Committee recommends approval of the COLA increases as detailed in the report above, effective December 30, 2021.

The Personnel Committee recommends approval of the Step Increases as detailed in the report above, effective December 30, 2021.

Respectfully,

Janet Hegland
Columbus City Council and
Personnel Committee Member

MEMO

To: Columbus City Council
 From: Jessica Hughes, Public Communications Coordinator
 Date: December 29, 2021
 RE: Council's Corner Assignments

In preparation for 2022 City Council meetings, I would like to propose the following assignments for the Council's Corner message:

January 12	Shelly Logren	July 13	Sue Wagamon
January 26	Mayor Preiner	July 27	Rob Busch
February 9	Sue Wagamon	August 10	Janet Hegland
February 23	Rob Busch	August 24	Shelly Logren
March 9	Janet Hegland	September 14	Mayor Preiner
March 23	Shelly Logren	September 28	Sue Wagamon
April 13	Mayor Preiner	October 12	Rob Busch
April 27	Sue Wagamon	October 26	Janet Hegland
May 11	Rob Busch	November 9	Shelly Logren
May 25	Janet Hegland	November 21	Mayor Preiner
June 8	Shelly Logren	December 14	Sue Wagamon
June 22	Mayor Preiner	December 28	Rob Busch

RESOLUTION NO. 21-XX

**CITY OF COLUMBUS
COUNTY OF ANOKA
STATE OF MINNESOTA**

A RESOLUTION SETTING A PUBLIC HEARING ON THE ISSUANCE OF AN ABATEMENT ORDER

WHEREAS, the City Council of the City of Columbus (the “City Council”) has authority under City Ordinance Section 16C-203 to issue an abatement order for nuisances affecting public health, safety, or general welfare as defined in Section 5-100 of the City Code,

WHEREAS, Tara and Ronald Hagle, the owner and tenant, respectively, of the property at 16658 W. Iverson Street NE have failed to comply with an order to perform corrective work; and

NOW, THEREFORE be it resolved by the City Council that:

1. The City Council will consider the issuance of an abatement order installing a fence surrounding the in-ground pool and a public hearing shall be held on such proposed order on the 9th day of February, 2022, before the City Council in the City Hall located at 16319 Kettle River Blvd. NE, Columbus, Minnesota, at 7:00 p.m.
2. The City Clerk is hereby directed to give published, posted, and mailed notice of such hearing as required by law.

Passed and adopted by the City Council of the City of Columbus, Minnesota, this 29th day of December, 2021.

ATTEST:

By:

Elizabeth Mursko, City Administrator

Jesse H. Preiner
Its: Mayor

RESOLUTION 21-__
CITY OF COLUMBUS
COUNTY OF ANOKA
STATE OF MINNESOTA

**RESOLUTION AUTHORIZING AMERICAN RESCUE PLAN ACT EXPENDITURE AND
MAKING RELATED BUDGET ADJUSTMENTS**

WHEREAS, the City Council of the City of Columbus is the official governing body of the City of Columbus, Minnesota (“City”); and

WHEREAS, the United States Congress enacted the American Rescue Plan Act of 2021 (ARP) which included over \$350 billion in funding to state, local, territorial, and Tribal governments under the Coronavirus State and Local Fiscal Recovery Fund (“Recovery Funds”); and

WHEREAS, the City applied for Recovery Funds and was allocated \$451,335 (\$437,024 + 14,311.34) in funding from the State of Minnesota; and

WHEREAS, Sections 602(c)(1)(C) and 603(c)(1)(C) of ARP provide local governments with broad latitude to use Recovery Funds for the provision of government services including expansion of broadband internet, maintenance and protection of critical utility infrastructure, and modernization of cybersecurity systems; and

WHEREAS, the United States Treasury issued Interim Final Rule 31 CFR part 35 (the “Interim Rule”) implementing the distribution and approved uses of Recovery Funds; and

WHEREAS, § 35.6(e)(2) of the Interim Final Rule requires that Recovery Funds used for broadband infrastructure projects must provide service to unserved or underserved households and businesses and be designed to reliably meet or exceed symmetrical 100 Mbps download speed and upload speed; and

WHEREAS, § 35.6(e)(1) of the Interim Final Rule restricts use of Recovery Funds to utility infrastructure projects eligible under the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF); and

WHEREAS, the City Council desires to allocate \$300,000 in Recovery Funds to broadband infrastructure projects pursuant to the restrictions and guidelines provided by the Interim Rule; and

WHEREAS, the City Council desires to allocate the remaining \$151,335 in Recovery Funds to eligible utility infrastructure projects and modernization of the City’s cybersecurity systems pursuant to the restrictions and guidelines provided by the Interim Rule; and

WHEREAS, the City Council has determined that it is in the City's best interest to make the necessary budget alterations to the approved budget and to expend Recovery Funds as herein described.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLUMBUS, MINNESOTA, based on the foregoing recitals and in furtherance of the intent of this Resolution, that the Mayor and City Administrator are hereby authorized and directed to make any and all necessary alterations to the approved budget of the City.

Passed and adopted by the City Council of the City of Columbus, Minnesota this 29th day of December, 2021

By: _____
Jesse H. Preiner
Its: Mayor

ATTEST:

Elizabeth Mursko
City Administrator