



**CITY COUNCIL
MEETING AGENDA
AUGUST 14, 2023 AT 5:30 PM
HJEMKOMST CENTER AUDITORIUM**

City Council Meeting

Disclaimer: Voting requirements may be subject to changes in the law, parliamentary procedural matters, or other unforeseen issues. The City Attorney provides opinion on questions of voting requirements in accordance with the Moorhead City Code, Minnesota State Statues, and parliamentary procedure.

1. Call to Order and Roll Call

2. Pledge of Allegiance

3. Agenda Amendments

4. Consent Agenda

All items listed with an asterisk () are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in accordance with the "Council Rules of Procedure". In such event, the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.*

5. Recognitions - Presentations

A. MoorHeart Recognition: Bill Bartholomay

B. Recognitions: City of Moorhead Police Department

C. Presentation: 2023 Bond Sale Issuance - Baker Tilly Municipal Advisors

6. Approve Minutes

A. July 24, 2023 Meeting Minutes

7. Citizens Addressing the Council (Time Reserved: 15 Minutes)

During "Citizens Addressing the Council", the Mayor will invite residents to share issues, concerns and opportunities. Individuals must limit their comments to three minutes. The Mayor may limit the number of speakers on the same issue in the interest of time and topic. Individuals should not expect the Mayor or Council to respond to their comments tonight.

8. Mayor and Council Appointments

A. Resolution to Appoint Ward 4 Council Member

9. Public Hearings (5:45 pm)

During "Public Hearings", the Mayor will ask for public testimony after staff and/or applicants make their presentations. The following guidelines are in place to ensure an efficient, fair, and respectful hearing: limit your testimony to three minutes and to the matter under consideration; the Mayor may modify times, as deemed necessary; avoid repeating remarks or points of view made by previous speakers. The use of signs, clapping, cheering or booing or any other form of verbal or nonverbal communication is not allowed.

10. Engineering Department

A. *Resolution to Approve Change Order No. 1 for the Brick Sewer Rehabilitation Project, Phase 2

& 3. Eng. No. 18-06-04C

- B. *Resolution to Authorize PROTECT Grant Application
- C. *Resolution to Waive Municipal Consent for the Downtown Underpass Project (Eng. No. 14-02-03)

11. Public Works

- A. *Resolution Accepting Grant awarded by the Minnesota Department of Natural Resources for Emerald Ash Borer (EAB) Response

12. Administration

- A. Resolution Providing for the Competitive Sale of General Obligation Improvement Bonds Series 2023A
- B. Resolution to Approve Agreement with McGough Construction Co., LLC for Construction Manager At Risk Services for the Moorhead Community Center and Public Library
- C. *Resolution to Approve Amendment to the Employment Agreement between the City of Moorhead and City Manager
- D. *Resolution to Approve Amendments to the 2020-2024 Consolidated Plan and to the Annual Action Plans of 2022 & 2023 - Community Development Block Grant (CDBG)

13. Mayor and Council Reports

14. City Manager Reports

15. Executive Session

- A. Closed executive session pursuant to Minn. Stat. § 13D.05, subdivision 3 (b), for attorney-client consultation with external litigation counsel in the matter of Ames Construction Inc. vs. City of Moorhead.

16. New Business

17. Adjourn



City Council Communication

August 14, 2023

SUBJECT:

MoorHeart Recognition: Bill Bartholomay

RECOMMENDATION:

The Mayor and City Council are asked to recognize and honor Bill Bartholomay with the MoorHeart award.

BACKGROUND/KEY POINTS:

The MoorHeart award recognizes individuals and organizations that go above and beyond to demonstrate community within our City by their actions and service. A team of volunteers from City boards and commissions selects award recipients who are recognized at City Council meetings. The MoorHeart selection committee recommends Bill Bartholomay to be recognized on August 14 for his generous deeds done for the betterment of our community.

Bill is a vehicle enthusiast involved in planning and executing Moorhead Cruise Night, a monthly summer gathering that unites people who love cars. He also has repaired cars and donated them to community members who needed a vehicle. His joyful spirit lifts up everyone he meets and motivates others to make Moorhead a better place.

Zoe Johnson, former City of Moorhead Administrative Intern, wrote in the nomination: "Bill has been a champion for anyone looking for some advice or help. Moorhead Cruise Night is as fantastic and fun as it is because Bill is behind all of it, getting it all together to ensure a fun and safe way for the community to come together and spend quality time outside. Borrowing trucks, helping setup stages and tents, moving sandbags, and leading when people need it...they aren't easy tasks he's helping with, but Bill does them with a smile. If his consideration and kindness weren't going far enough, he is also always willing to sit and talk to someone, which I have always appreciated about Bill."

Sheri Larson, Executive Director of the Moorhead Business Association, wrote: "Bill is that person who comes up to you with a smile and will ask the question 'What can I do for you?' He has been there for the City of Moorhead, Moorhead Cruise Night and the MBA. He was featured in the Forum for his efforts to find, fix up, and donate a vehicle to a nursing student at M|State Community and Technical College. The young woman is raising seven children on her own and had just settled in after fleeing Liberia. She could no longer get to work because her old car had stopped running, and Bill took it upon himself to find her a car, lead M|State students toward the common goal of fixing up the car in order to give it away, and finally, when restoration was complete, the students and Bill gave the woman the vehicle so she could get herself and her family around the community. There have been other charity car projects, with this story being the most recent. Bill is a treasure! You just don't find good people like Bill every day. He knows everyone and can make things happen, and Moorhead is lucky to have him in our corner."

Bill, we thank you for your generous heart and dedication to the Moorhead community. Your



City Council Communication

August 14, 2023

giving nature makes Moorhead a better place and allows everyone to feel supported while also encouraging others to be a little more selfless every day.

As you learn of others in our community doing great things, large and small, please consider submitting a nomination. Information on nominating others for MoorHeart consideration is found at cityofmoorhead.com.

FINANCIAL CONSIDERATIONS:

Not Applicable

Voting Requirements: Not Applicable

Submitted By:

Dan Mahli, City Manager

Lisa Bode, Governmental Affairs Director

Mark Dickerson, Communications Coordinator

Attachments:



**CITY COUNCIL
MEETING MINUTES
JULY 24, 2023 AT 5:30 PM
HJEMKOMST CENTER AUDITORIUM**

1. Call to Order and Roll Call

Roll call of the members was made as follows:

Present: Council Member: Ryan Nelson

Council Member: Matthew Gilbertson

Council Member: Heather Nesemeier

Council Member: Laura Caroon

Council Member: Deb White

Council Member: Larry Seljevold

Council Member: Steve Lindaas

Council Member: Chuck Hendrickson

Mayor: Shelly Carlson

Absent:

2. Pledge of Allegiance

Mayor Carlson shared a moment of silence in honor of Fargo Police Officer Jake Wallin.

3. Agenda Amendments

4. Consent Agenda

Motion to Approve made by Heather Nesemeier and seconded by Steve Lindaas

Motion Passed

For: 8; Nelson, Gilbertson, Nesemeier, Caroon, White, Seljevold, Lindaas, Hendrickson

Against: 0;

Abstain/Recuse: 0;

Absent: 0;

5. Recognitions - Presentations

6. Approve Minutes

A. July 10, 2023 Meeting Minutes

Motion to Approve July 10, 2023 Meeting Minutes made by Matthew Gilbertson and seconded by Steve Lindaas

Motion Passed

For: 8; Nelson, Gilbertson, Nesemeier, Caroon, White, Seljevold, Lindaas, Hendrickson

Against: 0;

Abstain/Recuse: 0;

Absent: 0;

7. Citizens Addressing the Council (Time Reserved: 15 Minutes)

8. *Mayor and Council Appointments

9. Public Hearings (5:45 pm)

A. Public Hearing on Amendments to the Community Development Block Grant 2020-2024 Consolidated Plan and the 2022 & 2023 Annual Action Plans

Motion to Open Public Hearing Public Hearing on Amendments to the Community Development Block Grant 2020-2024 Consolidated Plan and the 2022 & 2023 Annual Action Plans made by Chuck Hendrickson and seconded by Heather Nesemeier

Motion Passed

For: 8; Nelson, Gilbertson, Nesemeier, Caroon, White, Seljevold, Lindaas, Hendrickson

Against: 0;

Abstain/Recuse: 0;

Absent: 0;

Community Development Program Administrator Tanya Kuzna presented proposed updates and amendments to Moorhead's Community Development Block Grant Consolidated Plan and Annual Action Plan.

Motion to Close Public Hearing Public Hearing on Amendments to the Community Development Block Grant 2020-2024 Consolidated Plan and the 2022 & 2023 Annual Action Plans made by Ryan Nelson and seconded by Heather Nesemeier

Motion Passed

For: 8; Nelson, Gilbertson, Nesemeier, Caroon, White, Seljevold, Lindaas, Hendrickson

Against: 0;

Abstain/Recuse: 0;

Absent: 0;

10. Community Development Department

A. *Resolution to Approve Vacation of Two 5-foot Drainage & Utility Easements within Twelfth Avenue Business Park and Twelfth Avenue Business Park Second Addition

B. *Resolution to Approve Vacation of a portion of 9th Street N between Center Avenue and 1st Avenue N

C. *Resolution to Approve Preliminary and Final Plat relating to Horizon Shores Holiday Addition

D. *Resolution to Approve Developer's Agreement for Horizon Shores Holiday Addition

E. *Resolution to Approve Future Land Use Map Updates in the Onward Moorhead Comprehensive Plan

11. Administration

A. *Resolution to Authorize Contract with MnDOT for 2024 Public Transportation Services

B. *Resolution to Authorize Contract with MnDOT for 2024 Special Transportation Services for Persons with Disabilities and Senior Citizens

C. *Resolution to Approve Contracts with Moorhead Higher Education Institutions for 2023-24 MATBUS U-Pass Program

D. Ward 4 City Council Candidate Interviews

The following candidates were interviewed to fill the Ward 4 City Council seat vacancy:

Dorothy Suomala
Andrew Rockhold
Darren Opsahl
Sebastian McDougall
Ryan Larson
Trenton Gerads - virtual

City Council members will discuss further at the next regular City Council meeting on August 14.

12. Mayor and Council Reports

Council member Deb White mentioned Pride in the Park and the Pride Parade are seeking volunteers on August 12 and 13. Council member White stated the Indigenous Community Picnic will occur on August 19 at MB Johnson Park. Deb White also congratulated the executive officers that were inaugurated to the United Liberian Association of ND during a recent Liberian Independence Day celebration.

Council member Chuck Hendrickson stated he was honored to present a proclamation for the Honor Flight.

Mayor Shelly Carlson mentioned she is chairing the FM Diversion project in 2024. She added she is no longer the Vice Chair for the Red River Regional Dispatch Center. Mayor Carlson stated she participated in a Farm in the Dell event, a local nonprofit that grows and shares vegetables and flowers. Mayor Carlson recognized Access of the Red River Valley for its expansion into Moorhead.

13. City Manager Reports

City Manager Dan Mahli shared details on upcoming Night to Unite neighborhood events that will take place on August 1. Dan Mahli also thanked Community Policing Coordinator Leann Wallin and the many residents and households that are participating in Night to Unite.

14. Executive Session

15. New Business

16. Adjourn

Meeting adjourned at 6:19pm

APPROVED BY:

Michelle (Shelly) A. Carlson
Mayor

ATTEST:

Christina Rust
City Clerk

The proceedings of this meeting are digitally recorded and are available for public review.



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Appoint Ward 4 Council Member

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution appointing one of the candidates for the Fourth Ward City Council Seat.

BACKGROUND/KEY POINTS:

The need to fill the City Council seat vacancy in Ward 4 is due to Council member Steve Lindaas resigning from the City Council effective August 31, 2023. The process has been as follows:

June 26, 2023: Council member Steve Lindaas submitted a formal notice of resignation. The City Council accepted the resignation and declared a vacancy in Ward 4.

July 10, 2023: The application to fill the Ward 4 seat vacancy was approved by the City Council and published.

July 21, 2023: The following Ward 4 citizens submitted applications for candidacy:

- Trenton Gerads
- Ryan Larson
- Sebastian McDougall
- Darren Opsahl
- Andrew Rockhold
- Dorothy Suomala

July 24, 2023: The candidates took part in an interview process at the regular City Council meeting.

August 14, 2023: The City Council will discuss and vote on a candidate. The applicant who receives a majority of the votes of the City Council members will be appointed to fill the vacancy in the Fourth Ward City Council Seat.

FINANCIAL CONSIDERATIONS:

Not Applicable



City Council Communication

August 14, 2023

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager
Christina Rust, City Clerk

Attachments: Draft Resolution

RESOLUTION

Resolution to Appoint Ward 4 Council Member

WHEREAS, Council member Steve Lindaas (Ward 4) submitted a resignation letter to the Moorhead City Council on Monday, June 26, 2023; and

WHEREAS, upon receipt of the resignation letter, the City Council approved a motion to accept his resignation and declare the office of the Ward 4 council member vacant effective August 31, 2023; and

WHEREAS, pursuant to Section 2.06, subd. 2 of the Moorhead City Charter, when a vacancy exists in a city council member's office, the City Council must by resolution declare that the vacancy exists and give public notice of the vacancy; and

WHEREAS, at the June 26, 2023, City Council meeting, the City Council declared a vacancy to exist in the Fourth Ward of the Moorhead City Council; and

WHEREAS, pursuant to Section 2.06, subd. 2 of the Moorhead City Charter, anyone who is qualified for the position may apply and the City Council shall appoint from the applicants a replacement for the City Council position; and

WHEREAS, the City Council received applications from qualified applicants; and at the July 21, 2023, City Council meeting, the City Council conducted the interviews; and

WHEREAS, at the August 14, 2023, City Council meeting selected the finalist with a simple majority of votes to be appointed to the Fourth Ward City Council seat, after said vote, _____, received a simple majority of votes and the City Council appointed _____ to fill the vacancy in the Fourth Ward City Council seat.

NOW, THEREFORE, be it resolved by the City Council of the City of Moorhead, Minnesota, that the City Council does hereby appoint _____ to replace City Council member Steve Lindaas to the City Council seat in the Fourth Ward effective September 11, 2023.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Approve Change Order No. 1 for the Brick Sewer Rehabilitation Project, Phase 2 & 3. Eng. No. 18-06-04C

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to approve Change Order No. 1 for the Brick Sewer Rehabilitation Project, Phase 2 & 3.

BACKGROUND/KEY POINTS:

On April 25, 2022, the City Council awarded a contract to Visu-Sewer, Inc. in the amount of \$6,565,238.90 for this project. The project includes trenchless lining of brick sewers originally constructed in the 1940s.

Change Order No. 1, in the amount of \$601,392.74, is necessary to complete the project.

During cleaning and inspection, the contractor discovered two locations on Main Ave from 6 St to 7 St where sections of brick pipe were missing. In addition, an undocumented, previous repair of approximately 75 feet where brick sewer was replaced with undersized concrete pipe was found. These are sections of pipe that were not able to be televised in advance of the design, and therefore, had unknown conditions. The section of concrete pipe must be replaced with a larger pipe to facilitate the repair of the missing brick sections before the entire block of sewer can be lined. The cost for this work is \$451,324.11.

After bid award, MnDOT issued a permit to work within trunk highway right-of-way that required that the affected area of Trunk Highways 75 and 10 excavated under the project receive a full width mill and overlay. MnDOT also required additional traffic control above and beyond the original design. The cost for this work is \$150,068.63.

At the time of the bid award, the City Council authorized the City Manager to approve change orders up to a cumulative amount of 5% of the construction contract. This streamlines management of the project because delays in approving change orders can result in increased construction costs. Change Order No. 1 exceeds that threshold, requiring it and any future change orders to be brought to the City Council for approval. Since the project isn't complete, staff is requesting approval of Change Order No. 1 and a revised change order/contingencies authorization from this point forward as outlined in the Financial Considerations below.

FINANCIAL CONSIDERATIONS:

This project is being financed by a Clean Water Revolving Fund (CWRF) loan through the Public Facilities Authority (PFA). The City will pay debt service on the loan through the Wastewater Treatment Fund.



City Council Communication

August 14, 2023

The total cost for Change Order No 1 is \$601,392.74 or 9.2% of the contact amount. An additional \$50,000.00 or 0.7% of the revised contract amount is requested for future change orders/contingencies.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager

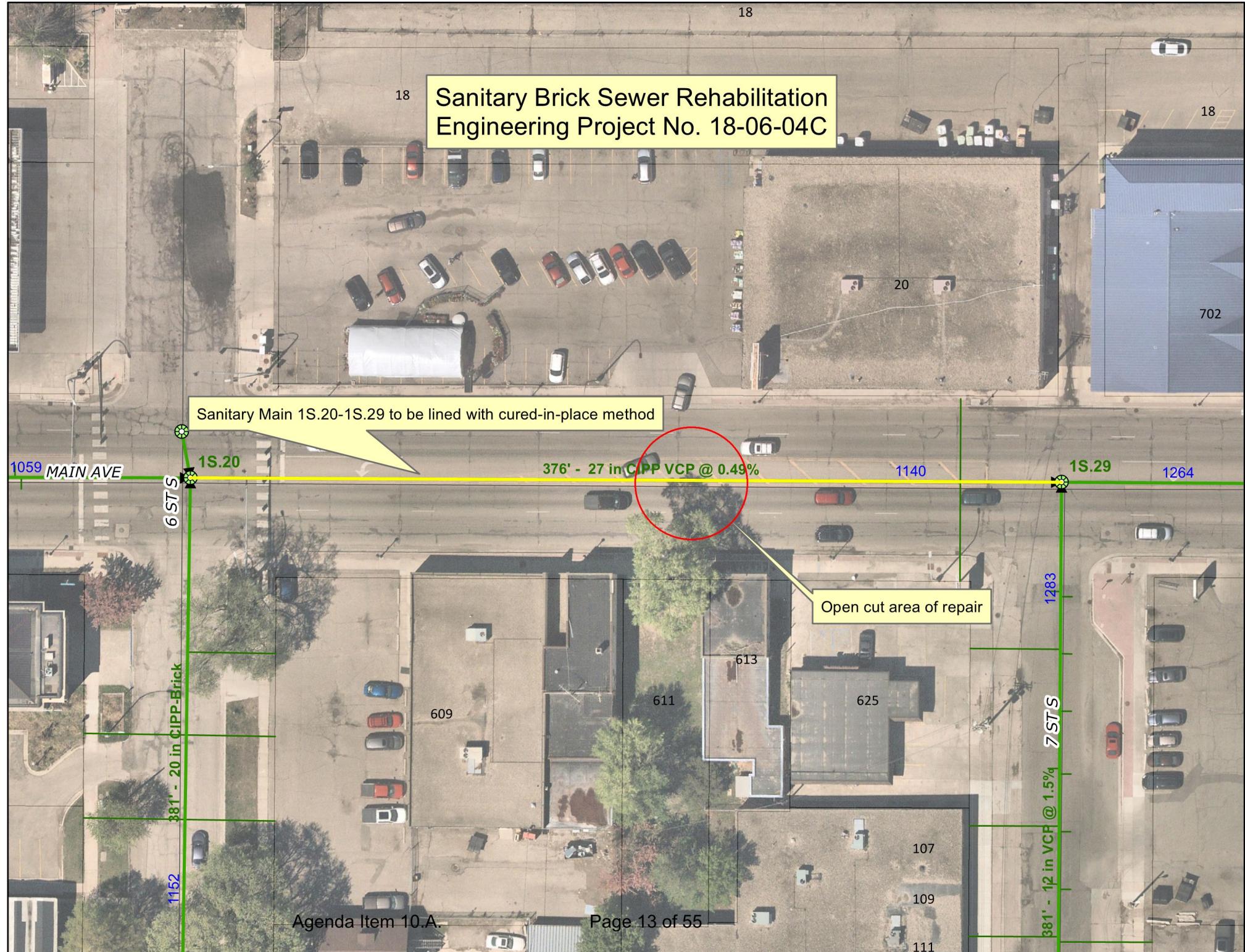
Tom Sopp, Assistant Superintendent

Bob Zimmerman, Engineering Director

Ruth Sierra, Office Specialist

Attachments: Location Map

18 Sanitary Brick Sewer Rehabilitation
Engineering Project No. 18-06-04C



RESOLUTION

Resolution to Approve Change Order No. 1 for the Brick Sewer Rehabilitation Project, Phase 2 & 3. Eng. No. 18-06-04C

WHEREAS, on April 25, 2022, the City Council awarded the bid for the Brick Sewer Rehabilitation Project, Phase 2 & 3 (Eng No. 18-06-04C) to Visu-Sewer, Inc., in the amount of \$6,565,238.90; and

WHEREAS, on April 25, 2022, the Mayor and Council authorized the City Manager to approve change orders as necessary to complete the construction up to a cumulative total amount not-to-exceed \$328,261.95; and

WHEREAS, Change Order No. 1, in the amount of \$601,392.74, is required for the completion of the project; and

WHEREAS, the cost of Change Order No. 1 and future contingencies will be paid through the Clean Water Revolving Fund loan with debt service on the loan paid from the Wastewater Treatment Fund.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the aforementioned Change Order #1 is hereby approved.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to approve additional minor extra work orders and change orders as necessary to satisfactorily complete the project up to a cumulative total not-to-exceed \$50,000.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Authorize PROTECT Grant Application

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to authorize an application for funding through the Federal Highway Administration (FHWA) Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) discretionary grant program.

BACKGROUND/KEY POINTS:

On April 21, 2023, the FHWA issued a Notice of Funding Opportunity for the PROTECT discretionary grant program created under the Infrastructure Investment and Jobs Act (IIJA). This nationwide, competitive grant solicitation will award funds to “plan for and strengthen surface transportation to be more resilient to natural hazards, including climate change, sea level rise, flooding, extreme weather events, and other natural disasters”. Grants will be awarded in four categories: planning grants (up to \$45M available), resilience improvement grants (up to \$638M available), community resilience and evacuation route grants (up to \$45M available), and at-risk coastal infrastructure grants (up to \$120M available). The Federal grant share for an eligible project cannot exceed 80% of the total project cost. Grant funds can only be used for activities that are primarily for the purpose of resilience (i.e. only the incremental cost of making assets more resilient are eligible for grant funds).

Applications for resilience improvement projects will be evaluated based on how the improvements address specific merit criteria which include:

- Vulnerability & Risk
- Criticality to Community
- Design Elements
- Public Engagement, Partnership & Collaboration
- Equity & Justice
- Climate Change & Sustainability
- Schedule & Budget
- Innovation

Grant applications are due on August 18, 2023.

In 2022, the City received a planning grant from the Minnesota Pollution Control Agency to study stormwater, wastewater, and community resilience. The planning study evaluated risks associated with increasing rainfall intensity resulting from climate change on the function of components of the City’s storm sewer system that were designed according to standards that are now outdated. The report was finalized in June, 2023 and included an analysis of future conditions rainfall events, an impact analysis and risk assessment based on storm sewer



City Council Communication

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modeling, and concept-level infrastructure improvements to mitigate vulnerabilities in areas at greatest risk.

The concept-level improvements shown in the attached map will be the basis for the PROTECT grant application. The report includes additional improvements beyond those selected for the grant application, but requesting additional funding would likely overwhelm the City's capacity to provide the required local match

FINANCIAL CONSIDERATIONS:

The total estimated cost for the proposed improvements is \$23.186M, including storm sewer improvements and street reconstruction costs. Of this, \$12.341M is estimated to be eligible, and will be requested, through PROTECT grant funds. If grant funds are received, the street reconstruction projects associated with these improvements will be programmed into the City's Capital Improvement Plan. The street reconstruction costs would be funded through the sources of funds routinely used for street projects. The grant funds would be used to avoid or minimize the use of special assessments and/or stormwater utility funds for the storm sewer improvements.

This is the first solicitation for discretionary PROTECT grant funds. There is no guarantee that funding will be received.

Voting Requirements: Majority of Quorum

Submitted By:

Dan Mahli, City Manager

Bob Zimmerman, Engineering Director

Tom Trowbridge, Assistant City Engineer

Ruth Sierra, Office Specialist

Attachments: Location Map

RESOLUTION

Resolution to Authorize PROTECT Grant Application

WHEREAS, on April 21, 2023, the Federal Highway Administration issued a Notice of Funding Opportunity for the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) discretionary grant program created under the Infrastructure Investment and Jobs Act (IIJA); and

WHEREAS, this nationwide, competitive grant solicitation will award funds to “plan for and strengthen surface transportation to be more resilient to natural hazards, including climate change, sea level rise, flooding, extreme weather events, and other natural disasters”; and

WHEREAS, in 2022, City received a planning grant from the Minnesota Pollution Control Agency to study stormwater, wastewater, and community resilience; and

WHEREAS, the improvements identified in the report funded through the Minnesota Pollution Control Agency grant are eligible for funding under the PROTECT program; and

WHEREAS, staff has identified a subset of candidate improvements for a PROTECT grant application; and

WHEREAS, the total estimated cost for the proposed improvements is \$23.186M, of which, \$12.341M is estimated to be eligible, and will be requested, through the PROTECT grant application.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that submission of a PROTECT grant application is hereby approved and that staff is authorized to take any reasonable actions necessary to support submission of the application.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Waive Municipal Consent for the Downtown Underpass Project (Eng. No. 14-02-03)

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to waive municipal consent for the Downtown Underpass Project.

BACKGROUND/KEY POINTS:

Draft final plans for the Downtown Underpass Project are complete. The plans will proceed through various internal MnDOT reviews and next steps in the Construction Manager General Contractor project delivery process with a goal of awarding a construction contract in early 2024. The final project layout is attached.

In accordance with State statute, MnDOT is required to obtain municipal consent for any trunk highway project within a municipality that alters access, increases or reduces traffic capacity, or requires acquisition of permanent right-of-way. Municipal consent is the City's approval of the final project layout.

The City Council may provide municipal consent through a formal process whereby the City schedules and holds a public hearing. After holding the public hearing, the City Council would consider a resolution to approve or disapprove the layout. Alternatively, the City Council may choose to waive the municipal consent approval action.

City staff has been deeply involved in the project development process working cooperatively with MnDOT to develop the final layout and plans to achieve the overarching goals of the project while remaining within the overall budget. Therefore, staff recommends that the City Council waive municipal consent for the project.

FINANCIAL CONSIDERATIONS:

Throughout project development, staff has worked diligently to allocate various sources of funding to the project including:

- 2024, 2025, 2026, and 2027 Federal Surface Transportation Block Grant Program-Urban (STBGP-U) funds totaling \$5,815,500. This source of funding is routinely available to the City to improve functionally classified (minor arterial and collector) streets. Allocating these funds to the underpass project will delay other street projects originally planned to be completed over the next few years.
- 2024 and 2026 Federal STBGP Transportation Alternative funds totaling \$775,000. This source of funding is routinely available through a competitive process within MnDOT District 4 to complete bicycle/pedestrian improvement projects.



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- 2024 Federal STBGP On-system Bridge Funds totaling \$1,291,773. This is new funding made available through the Infrastructure Investment and Jobs Act (IIJA) through a competitive solicitation within MnDOT District 4 for bridge projects.
- 2024 Federal Discretionary Funds totaling \$500,000. These are funds secured through a congressionally directed spending (earmark) request for Center Ave and eligible to be used on the underpass project.

In addition to the funds outlined above, the City actively led and/or supported the following initiatives:

- Advocated for and secured approximately \$65,000,000 in State Trunk Highway Bond Rail Grade Separation Program funds during a 2020 special legislative session.
- Partnered with MnDOT to secure a Federal Rural Surface Transportation Grant Program award in the amount of \$26,309,600 through a nationwide competitive solicitation.
- Advocated for and secured an additional \$10,000,000 State General Fund appropriation through the Transportation Omnibus Bill during the 2023 legislative session.

The City's cost-share will be detailed and formalized in a cooperative agreement with MnDOT (separate from the municipal consent process) that will be presented for City Council consideration at a future date. The above-referenced funding allocations are tentative until the cooperative agreement has been executed.

Staff does not anticipate a need to allocate additional local funds and/or to use special assessments to support the City's contribution to the project.

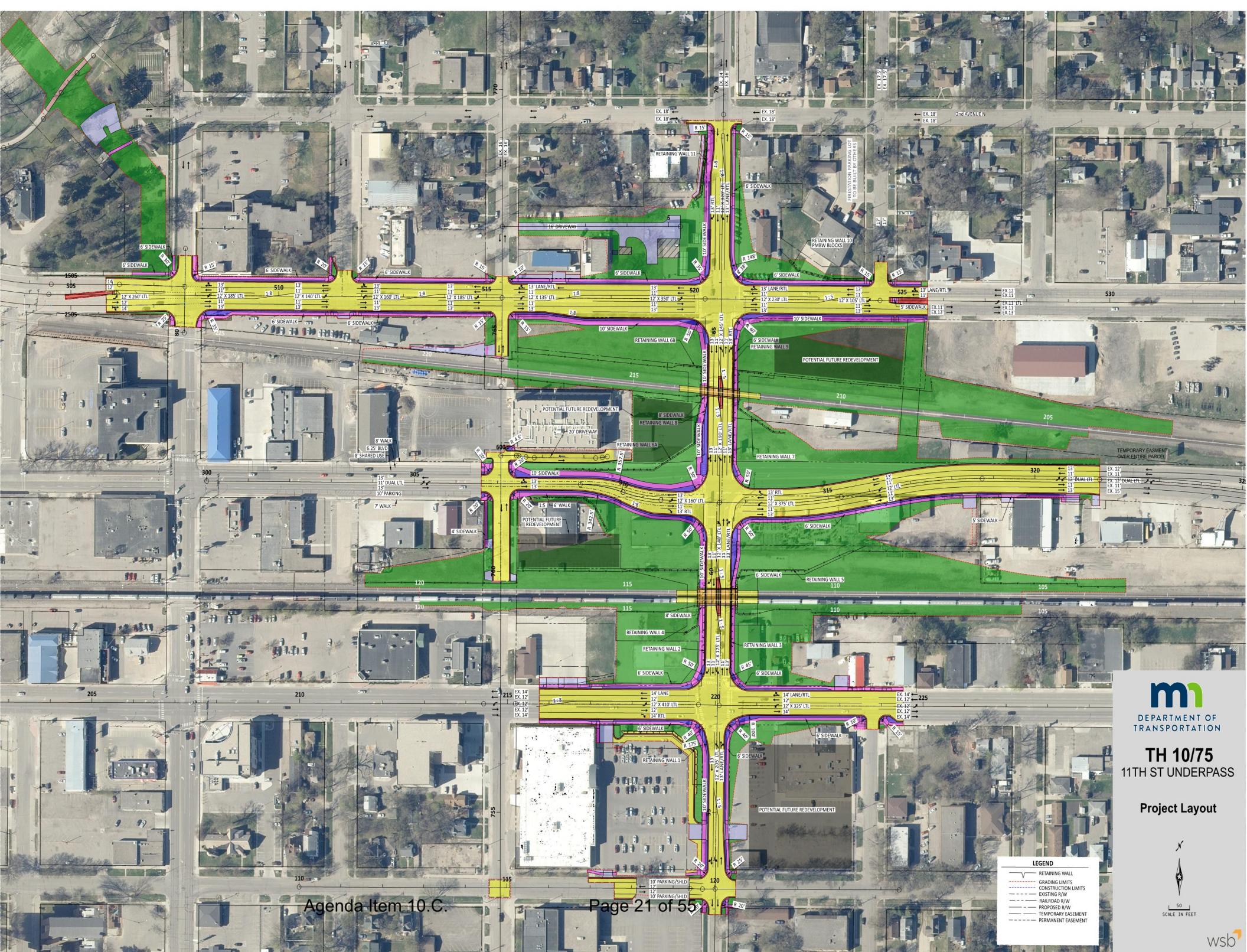
Voting Requirements: Majority of Quorum

Submitted By:

Dan Mahli, City Manager

Bob Zimmerman, Engineering Director

Attachments: Layout



Agenda Item 10.C.

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Project Layout

TH 10/75
11TH ST UNDERPASS



wsb

RESOLUTION

Resolution to Waive Municipal Consent for the Downtown Underpass Project (Eng. No. 14-02-03)

WHEREAS, the Commissioner of Transportation has prepared a final layout for State Project 1401-177 on Trunk Highway 10, from 8th Street to 14th Street within the City of Moorhead for the construction of two underpasses under the BNSF railroad and other safety improvements; and seeks the approval thereof, as described in Minnesota Statutes 161.162 to 161.167; and

WHEREAS, said final layout is on file in the District 4 Minnesota Department of Transportation office, Detroit Lakes, Minnesota, being marked as Layout No. 1D, S.P. 1401-177, from R.P. 00+00.494 to 00+00.978.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the City Council waives the municipal consent approval action, described in Minnesota Statutes 161.162 to 161.167, of the final layout for SP 1401-177 for the improvement of said Trunk Highway 10 within the corporate limits.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution Accepting Grant awarded by the Minnesota Department of Natural Resources for Emerald Ash Borer (EAB) Response

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to accept a \$50,000 grant awarded by the Minnesota Department of Natural Resources for Preparing for Emerald Ash Borer (EAB) in the City of Moorhead.

BACKGROUND/KEY POINTS:

The Public Works Department applied for a grant with the Minnesota Department of Natural Resources (DNR) to respond to the arrival of the Emerald Ash Borer (EAB). A total of \$315,000 in grants was available. The City of Moorhead is being awarded a grant of \$50,000 from the MN DNR.

The project will fund citywide removal and replacement of 85 trees and the purchase of an additional 135 trees to be planted. The newly planted trees will consist of a diverse mixture of species to create a more sustainable and resilient future urban forest

The grant funding is supporting the City of Moorhead EAB Management Plan. The project has a total cost of \$71,166.56 to be funded with the \$50,000 grant and \$21,166.56 in-kind services to match the grant.

FINANCIAL CONSIDERATIONS:

The grant requires a minimum 25% match by grantees. The match will be provided with in-kind services from the City of Moorhead Forestry Division and does not require additional funding from the Forestry enterprise fund.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager

Paul Fiechtner, Public Works Director

Nichole Parr, Administrative Assistant

RESOLUTION

Resolution to Approve Acceptance of Grant for Preparing for Emerald Ash Borer (EAB)

WHEREAS, the City has detected Emerald Ash Borer (EAB) within city limits in February of 2023; and

WHEREAS, the City has been awarded a grant of \$50,000 from the Minnesota Department of Natural Resources; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota, the City of Moorhead is authorized to accept the \$50,000 grant from the Minnesota Department of Natural Resources to respond to Emerald Ash Borer (EAB).

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution Providing for the Competitive Sale of General Obligation Improvement Bonds Series 2023A

RECOMMENDATION:

The Mayor and City Council are asked to consider resolutions to authorize Baker Tilly, the City's financial advisor, to solicit bids for the competitive negotiated sale of the following bond: \$15,785,000 General Obligation Improvement Bonds, Series 2023A

BACKGROUND/KEY POINTS:

\$15,785,000 General Obligation Improvement Bonds, Series 2023A – Proceeds will be used to pay for infrastructure projects in various areas of the City as outlined in the table below and previously approved.

Project #	Description	Bid Award Date	Bond Amount	Amount to be Assessed	Estimated City Costs
22-A2-02	11 th St S	4/24/23	\$1,886,600	377,320	\$1,509,280
22-A2-04	Elm St & River Drive Area	3/27/23	2,932,309	586,500	2,345,809
22-A2-06	7 th & 8 th St N	2/27/23	142,000	28,400	113,600
23-A2-01	19 ½ St S & 14 th Ave S	3/27/23	416,452	84,000	332,452
23-A2-03	14 th St, 16 th -18 th St & 27 th Ave S	3/27/23	457,207	270,000	187,207
23-A2-04	2 nd Ave N & 12 th St N	5/8/23	1,159,000	231,800	927,200
23-A2-07	6 th St S, 18 th & 20 th Ave S	3/27/23	1,268,000	253,600	1,014,400
23-A2-08	Hampton 3 rd Final Wear	3/27/23	227,785	227,785	0
22-A6-02	Hampton 4 th Addition	5/23/22	3,220,069	3,220,069	0
23-A6-01	Johnson Farms 5 th & 7 th	2/27/23	1,709,890	1,709,890	0
22-A6-01	Misc. Sewer Service Repairs	Various	420,000	420,000	0
17-A6-02	MCCARA 5 th	8/22/22	2,586,828	2,586,828	0
	TOTALS		\$16,426,140	\$9,996,192	\$6,429,948



City Council Communication

August 14, 2023

As outlined above, all or a portion of each of the identified projects will be assessed to benefiting properties according to standard guidelines. Special assessment will be assessed over terms of 20 and 25 years at an interest rate of 5.55%. In addition to the special assessments and other revenue sources, there will be an annual property tax levy requirement to finance the City Cost listed on the table above. The estimated true interest cost for these bonds is 4.05% and will require an estimated annual tax levy of approximately \$469,000.

Proposals for the Bonds will be received on Monday, September 11th until 10:30am at the offices of Baker Tilly, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be made by the City Council at 5:30pm on the same day.

FINANCIAL CONSIDERATIONS:

The City pledges special assessments to be levied against benefited property, as well as the City's full faith and credit to levy general ad valorem taxes for repayment of the 2023A G.O. Improvement Bonds. Special assessments in the amount of approximately \$9.9 million will be assessed over terms of 20 and 25 years at an interest rate of 5.55%. The 2023A Bonds will require an annual tax levy of approximately \$469,000.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager
Jenica Flanagan, Finance Director

Attachments:

City of Moorhead, Minnesota

Pre-Sale Summary for Issuance of Bonds

\$15,785,000 General Obligation Improvement Bonds, Series 2023A

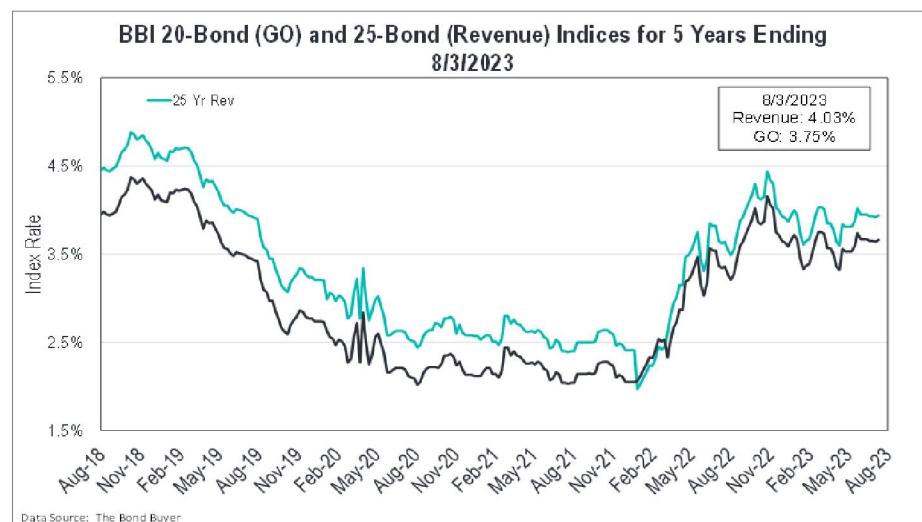
The City Council has under consideration the issuance of bonds (the "Bonds") to finance various improvement projects within the City. This document provides information relative to the proposed issuance.

KEY EVENTS: The following summary schedule includes the timing of key events that will occur relative to the bond issuance:

August 14, 2023	Council sets sale date and terms
Week of August 21, 2023	Rating conference is conducted
September 11, 2023, 10:30 a.m.	Competitive proposals are received
September 11, 2023, 5:30 p.m.	Council considers award of the Bonds
October 12, 2023	Proceeds are received

RATING: An application will be made to Moody's Investors Service (Moody's) for a rating on the Bonds. The City's general obligation debt is currently rated "Aa3" by Moody's.

THE MARKET: Performance of the tax-exempt market is often measured by the Bond Buyer's Index ("BBI") which measures the yield of high-grade municipal bonds in the 20th year for general obligation bonds rated Aa2 by Moody's or AA by S&P (the BBI 20-Bond GO Index) and the 30th year for revenue bonds rated A1 by Moody's or A+ by S&P (the BBI 25-Bond Revenue Index). The following chart illustrates these two indices over the past five years:



PURPOSE:	Proceeds of the Bonds, along with other available City funds in the total amount of \$5,632,444, will be used to finance various public improvements throughout the City. Project detail and sources of funds are provided in the attached sources and uses schedule.
AUTHORITY:	<p><u>Statutory Authority:</u> The Bonds are being issued pursuant to Minnesota Statutes, Chapters 429 and 475.</p> <p><u>Statutory Requirements:</u> Pursuant to Minnesota Statutes, Chapter 429, at least 20% of the City's share of the estimated cost of the projects must be paid from special assessments. The City meets this statutory requirement.</p>
SECURITY AND SOURCE OF PAYMENT:	<p>The Bonds will be a general obligation of the City for which the City pledges its full faith and credit and taxing power to levy general ad valorem taxes. The Bonds will be repaid with a combination of special assessments filed against benefited properties and ad valorem property taxes.</p> <p>Special assessments in the total aggregate principal amount of \$9,996,620 will be filed in fall 2023 for first collection in 2024. Assessments will be collected with equal payments of principal over 20 and 25 years with interest charged on the unpaid balance at a rate of 1.5% over the true interest rate (TIC) of the Bonds; currently estimated to be 5.55%.</p>
	<p>Assessment detail are as follows:</p> <ul style="list-style-type: none"> • Principal of \$9,912,620 – repayment term of 20 years • Principal of \$84,000 – repayment term of 25 years
STRUCTURING SUMMARY:	<p>The City will be required to levy taxes for debt service not paid from special assessments. The City will make its first levy for the Bonds in 2023 for collection in 2024. Each year's collection of assessments and taxes will be used to make the August 1 interest payment due in the year of collection and the principal and interest payment due February 1 of the following year.</p>
SCHEDULES ATTACHED:	<p>In consultation with City staff, the Bonds have been structured with two purposes; projects that have 20-year assessments and projects that have 25-year assessments.</p> <p>Each purpose has been structured around the projected assessment income to result in an approximately level annual tax levy requirement with 20 years of principal repayment.</p>
RISKS/SPECIAL CONSIDERATIONS:	<p>Schedules attached for the Bonds include: (i) sources and uses of funds (ii) pricing summary (iii) net debt service for the Bonds as a whole and by purpose, and (vi) projected assessment income.</p> <p>The outcome of this financing will rely on the market conditions at the time of the sale. Any projections included herein are estimates based on current market conditions. The current structure has an estimated premium of \$848,669, which has been applied towards financing the projects, thereby reducing the par amount of the Bonds. Actual pricing on the day of sale could result in a larger or smaller premium than estimated which may impact the par amount of the Bonds.</p> <p>Levy projections for the Bonds are based on the estimated assessment income. If actual assessment collections are different than projected, the resulting levy requirement could</p>

differ significantly from what is projected in these schedules. The City's finance department annually updates the cash flow on all its special assessment supported debt to identify any changes in assessment income and adjusts debt service tax levies as needed.

SALE TERMS AND MARKETING:

Variability of Issue Size: A specific provision in the sale terms permits modifications to the issue size and/or maturity structure to customize the issue once the price and interest rates are set on the day of sale.

Prepayment Provisions: Bonds maturing on or after February 1, 2034 may be prepaid at a price of par plus accrued interest on or after February 1, 2033.

Bank Qualification: The principal amount of the Bonds exceeds \$10 million; therefore, the Bonds are not designated as bank qualified.

Post Issuance

**POST ISSUANCE
COMPLIANCE:**

The issuance of the Bonds will result in post-issuance compliance responsibilities. The responsibilities are in two primary areas: (i) compliance with federal arbitrage requirements and (ii) compliance with secondary disclosure requirements.

Federal arbitrage requirements include a wide range of implications that have been taken into account as this issue has been structured. Post-issuance compliance responsibilities for this tax-exempt issue include both rebate and yield restriction provisions of the IRS Code. In general terms the arbitrage requirements control the earnings on unexpended bond proceeds, including investment earnings, moneys held for debt service payments (which are considered to be proceeds under the IRS regulations), and/or reserves. Under certain circumstances any “excess earnings” will need to be paid to the IRS to maintain the tax-exempt status of the Bonds. Any interest earnings on gross bond proceeds or debt service funds should not be spent until it has been determined based on actual facts that they are not “excess earnings” as defined by the IRS Code.

The arbitrage rules provide for spend-down exceptions for proceeds that are spent within either a 6-month, 18-month or, for certain construction issues, a 24-month period each in accordance with certain spending criteria. Proceeds that qualify for an exception will be exempt from rebate. These exceptions are based on actual expenditures and not based on reasonable expectations, and expenditures, including any investment proceeds will have to meet the spending criteria to qualify for the exclusion. The City expects to meet the 18-month spending exception.

Regardless of whether the issue qualifies for an exemption from the rebate provisions, yield restriction provisions will apply to Bond proceeds (including interest earnings) unspent after three years and the debt service fund throughout the term of the Bonds. These moneys should be monitored until the Bonds are retired.

Secondary disclosure requirements result from an SEC requirement that underwriters provide ongoing disclosure information to investors. To meet this requirement, any prospective underwriter will require the City to commit to providing the information needed to comply under a continuing disclosure agreement.

Baker Tilly Municipal Advisors currently provides both arbitrage and continuing disclosure services to the City and provide those services for the Bonds.

**SUPPLEMENTAL
INFORMATION:**

Supplementary information will be available to staff including detailed terms and conditions of sale, comprehensive structuring schedules and information to assist in meeting post-issuance compliance responsibilities.

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and controlled subsidiary of Baker Tilly US, LLP, an accounting firm. Baker Tilly US, LLP trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2023 Baker Tilly Municipal Advisors, LLC.

\$15,785,000

City of Moorhead, Minnesota

General Obligation Improvement Bonds, Series 2023A

Issue Summary

Total Issue Sources And Uses

Dated 10/12/2023 | Delivered 10/12/2023

	Projects 20 Year Assessments	Projects 25 Year Assessments	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$15,385,000.00	\$400,000.00	\$15,785,000.00
State of Minnesota	3,902,337.00	-	3,902,337.00
Moorhead Public Service	985,236.00	-	985,236.00
Reoffering Premium	829,076.90	19,592.35	848,669.25
MSA Maint. Funds	494,871.00	-	494,871.00
Stormwater	250,000.00	-	250,000.00
Total Sources	\$21,846,520.90	\$419,592.35	\$22,266,113.25
Uses Of Funds			
MCCARA 5th	4,586,828.00	-	4,586,828.00
Elm St & River Drive Area	3,775,309.00	-	3,775,309.00
2nd Ave N & 12th St N	3,319,035.00	-	3,319,035.00
Hampton 4th Addition	3,220,069.00	-	3,220,069.00
11th St S	2,400,830.00	-	2,400,830.00
Johnson Farms 5th & 7th	1,709,890.00	-	1,709,890.00
6th St S, 18th & 20th Ave S	1,367,762.00	-	1,367,762.00
14th St, 16th-18th St & 27th Ave S	457,207.00	-	457,207.00
Misc. Sewer Service Repairs	420,000.00	-	420,000.00
19-1/2 St S & 14th Ave S	-	416,452.00	416,452.00
Hampton 3rd Final Wear	227,785.00	-	227,785.00
7th & 8th St N	157,417.00	-	157,417.00
Total Underwriter's Discount (0.800%)	123,080.00	3,200.00	126,280.00
Costs of Issuance	78,557.55	2,042.45	80,600.00
Rounding Amount	2,751.35	(2,102.10)	649.25
Total Uses	\$21,846,520.90	\$419,592.35	\$22,266,113.25

\$15,785,000

City of Moorhead, Minnesota

General Obligation Improvement Bonds, Series 2023A

Issue Summary

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
02/01/2025	Serial Coupon	5.000%	3.620%	480,000.00	101.735%	-	-	-	488,328.00
02/01/2026	Serial Coupon	5.000%	3.520%	705,000.00	103.241%	-	-	-	727,849.05
02/01/2027	Serial Coupon	5.000%	3.390%	715,000.00	104.985%	-	-	-	750,642.75
02/01/2028	Serial Coupon	5.000%	3.330%	720,000.00	106.638%	-	-	-	767,793.60
02/01/2029	Serial Coupon	5.000%	3.260%	730,000.00	108.405%	-	-	-	791,356.50
02/01/2030	Serial Coupon	5.000%	3.220%	740,000.00	110.075%	-	-	-	814,555.00
02/01/2031	Serial Coupon	5.000%	3.200%	750,000.00	111.634%	-	-	-	837,255.00
02/01/2032	Serial Coupon	5.000%	3.230%	765,000.00	112.795%	-	-	-	862,881.75
02/01/2033	Serial Coupon	5.000%	3.310%	775,000.00	113.432%	-	-	-	879,098.00
02/01/2034	Serial Coupon	5.000%	3.380%	790,000.00	112.834%	c 3.505%	02/01/2033	100.000%	891,388.60
02/01/2035	Serial Coupon	5.000%	3.480%	800,000.00	111.986%	c 3.693%	02/01/2033	100.000%	895,888.00
02/01/2036	Serial Coupon	5.000%	3.630%	815,000.00	110.728%	c 3.894%	02/01/2033	100.000%	902,433.20
02/01/2037	Serial Coupon	5.000%	3.810%	825,000.00	109.242%	c 4.092%	02/01/2033	100.000%	901,246.50
02/01/2038	Serial Coupon	5.000%	3.920%	845,000.00	108.345%	c 4.217%	02/01/2033	100.000%	915,515.25
02/01/2039	Serial Coupon	5.000%	3.970%	860,000.00	107.940%	c 4.287%	02/01/2033	100.000%	928,284.00
02/01/2040	Serial Coupon	4.000%	4.230%	875,000.00	97.305%	-	-	-	851,418.75
02/01/2041	Serial Coupon	4.000%	4.280%	885,000.00	96.596%	-	-	-	854,874.60
02/01/2042	Serial Coupon	4.000%	4.340%	895,000.00	95.731%	-	-	-	856,792.45
02/01/2043	Serial Coupon	4.000%	4.400%	900,000.00	94.828%	-	-	-	853,452.00
02/01/2044	Serial Coupon	4.000%	4.430%	915,000.00	94.275%	-	-	-	862,616.25
Total	-	-	-	\$15,785,000.00	-	-	-	-	\$16,633,669.25

Bid Information

Par Amount of Bonds	\$15,785,000.00
Reoffering Premium or (Discount)	848,669.25
Gross Production	\$16,633,669.25
Total Underwriter's Discount (0.800%)	\$(126,280.00)
Bid (104.576%)	16,507,389.25
Total Purchase Price	\$16,507,389.25
Bond Year Dollars	\$180,619.35
Average Life	11.442 Years
Average Coupon	4.5465136%
Net Interest Cost (NIC)	4.1465624%
True Interest Cost (TIC)	4.0510277%

2023A GO Imp Bonds (8.8.2 | Issue Summary | 8/8/2023 | 11:19 AM

\$15,785,000

City of Moorhead, Minnesota

General Obligation Improvement Bonds, Series 2023A
Issue Summary

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	105% of Total	Assessment	Levy Required
02/01/2024	-	-	-	-	-	-	-	-
02/01/2025	480,000.00	5.000%	969,983.19	1,449,983.19	1,449,983.19	1,522,482.35	1,053,803.41	468,678.94
02/01/2026	705,000.00	5.000%	720,550.00	1,425,550.00	1,425,550.00	1,496,827.50	1,026,109.40	470,718.10
02/01/2027	715,000.00	5.000%	685,300.00	1,400,300.00	1,400,300.00	1,470,315.00	998,415.40	471,899.60
02/01/2028	720,000.00	5.000%	649,550.00	1,369,550.00	1,369,550.00	1,438,027.50	970,721.40	467,306.10
02/01/2029	730,000.00	5.000%	613,550.00	1,343,550.00	1,343,550.00	1,410,727.50	943,027.40	467,700.10
02/01/2030	740,000.00	5.000%	577,050.00	1,317,050.00	1,317,050.00	1,382,902.50	915,333.40	467,569.10
02/01/2031	750,000.00	5.000%	540,050.00	1,290,050.00	1,290,050.00	1,354,552.50	887,639.40	466,913.10
02/01/2032	765,000.00	5.000%	502,550.00	1,267,550.00	1,267,550.00	1,330,927.50	859,945.40	470,982.10
02/01/2033	775,000.00	5.000%	464,300.00	1,239,300.00	1,239,300.00	1,301,265.00	832,251.40	469,013.60
02/01/2034	790,000.00	5.000%	425,550.00	1,215,550.00	1,215,550.00	1,276,327.50	804,557.40	471,770.10
02/01/2035	800,000.00	5.000%	386,050.00	1,186,050.00	1,186,050.00	1,245,352.50	776,863.40	468,489.10
02/01/2036	815,000.00	5.000%	346,050.00	1,161,050.00	1,161,050.00	1,219,102.50	749,169.40	469,933.10
02/01/2037	825,000.00	5.000%	305,300.00	1,130,300.00	1,130,300.00	1,186,815.00	721,475.40	465,339.60
02/01/2038	845,000.00	5.000%	264,050.00	1,109,050.00	1,109,050.00	1,164,502.50	693,781.40	470,721.10
02/01/2039	860,000.00	5.000%	221,800.00	1,081,800.00	1,081,800.00	1,135,890.00	666,087.40	469,802.60
02/01/2040	875,000.00	4.000%	178,800.00	1,053,800.00	1,053,800.00	1,106,490.00	638,393.40	468,096.60
02/01/2041	885,000.00	4.000%	143,800.00	1,028,800.00	1,028,800.00	1,080,240.00	610,699.40	469,540.60
02/01/2042	895,000.00	4.000%	108,400.00	1,003,400.00	1,003,400.00	1,053,570.00	583,005.40	470,564.60
02/01/2043	900,000.00	4.000%	72,600.00	972,600.00	972,600.00	1,021,230.00	555,311.40	465,918.60
02/01/2044	915,000.00	4.000%	36,600.00	951,600.00	951,600.00	999,180.00	527,617.40	471,562.60
02/01/2045	-	-	-	-	-	-	4,292.40	(4,292.40)
02/01/2046	-	-	-	-	-	-	4,105.92	(4,105.92)
02/01/2047	-	-	-	-	-	-	3,919.44	(3,919.44)
02/01/2048	-	-	-	-	-	-	3,732.96	(3,732.96)
02/01/2049	-	-	-	-	-	-	3,546.48	(3,546.48)
Total	\$15,785,000.00		\$ 8,211,883.19	\$23,996,883.19	\$23,996,883.19	\$25,196,727.35	\$15,833,805.21	\$9,362,922.14

Dated 10/12/2023
Delivery Date 10/12/2023
First Coupon Date 8/01/2024

Yield Statistics

Bond Year Dollars	\$180,619.35
Average Life	11.442 Years
Average Coupon	4.5465136%
Net Interest Cost (NIC)	4.1465624%
True Interest Cost (TIC)	4.0510277%
Bond Yield for Arbitrage Purposes	3.8735142%
All Inclusive Cost (AIC)	4.1085817%

IRS Form 8038

Net Interest Cost 3.9391370%
Weighted Average Maturity 11.238 Years

2023A GO Imp Bonds (8.8.2 | Issue Summary | 8/8/2023 | 11:19 AM)

\$15,385,000

City of Moorhead, Minnesota

General Obligation Improvement Bonds, Series 2023A

Projects 20 Year Assessments

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	105% of Total	Assessment	Levy Required
02/01/2024	-	-	-	-	-	-	-
02/01/2025	470,000.00	5.000%	945,621.25	1,415,621.25	1,486,402.31	1,045,781.41	440,620.90
02/01/2026	690,000.00	5.000%	702,350.00	1,392,350.00	1,461,967.50	1,018,273.88	443,693.62
02/01/2027	700,000.00	5.000%	667,850.00	1,367,850.00	1,436,242.50	990,766.36	445,476.14
02/01/2028	705,000.00	5.000%	632,850.00	1,337,850.00	1,404,742.50	963,258.84	441,483.66
02/01/2029	715,000.00	5.000%	597,600.00	1,312,600.00	1,378,230.00	935,751.32	442,478.68
02/01/2030	725,000.00	5.000%	561,850.00	1,286,850.00	1,351,192.50	908,243.80	442,948.70
02/01/2031	735,000.00	5.000%	525,600.00	1,260,600.00	1,323,630.00	880,736.28	442,893.72
02/01/2032	745,000.00	5.000%	488,850.00	1,233,850.00	1,295,542.50	853,228.76	442,313.74
02/01/2033	755,000.00	5.000%	451,600.00	1,206,600.00	1,266,930.00	825,721.24	441,208.76
02/01/2034	770,000.00	5.000%	413,850.00	1,183,850.00	1,243,042.50	798,213.72	444,828.78
02/01/2035	780,000.00	5.000%	375,350.00	1,155,350.00	1,213,117.50	770,706.20	442,411.30
02/01/2036	795,000.00	5.000%	336,350.00	1,131,350.00	1,187,917.50	743,198.68	444,718.82
02/01/2037	805,000.00	5.000%	296,600.00	1,101,600.00	1,156,680.00	715,691.16	440,988.84
02/01/2038	820,000.00	5.000%	256,350.00	1,076,350.00	1,130,167.50	688,183.64	441,983.86
02/01/2039	835,000.00	5.000%	215,350.00	1,050,350.00	1,102,867.50	660,676.12	442,191.38
02/01/2040	850,000.00	4.000%	173,600.00	1,023,600.00	1,074,780.00	633,168.60	441,611.40
02/01/2041	860,000.00	4.000%	139,600.00	999,600.00	1,049,580.00	605,661.08	443,918.92
02/01/2042	870,000.00	4.000%	105,200.00	975,200.00	1,023,960.00	578,153.56	445,806.44
02/01/2043	875,000.00	4.000%	70,400.00	945,400.00	992,670.00	550,646.04	442,023.96
02/01/2044	885,000.00	4.000%	35,400.00	920,400.00	966,420.00	523,138.52	443,281.48
Total	\$15,385,000.00	-	\$7,992,221.25	\$23,377,221.25	\$24,546,082.31	\$15,689,199.21	\$8,856,883.10

Dated	10/12/2023
Delivery Date	10/12/2023
First Coupon Date	8/01/2024

Yield Statistics

Bond Year Dollars	\$175,748.24
Average Life	11.423 Years
Average Coupon	4.5475400%
Net Interest Cost (NIC)	4.1458307%
True Interest Cost (TIC)	4.0499153%
Bond Yield for Arbitrage Purposes	3.8735142%
All Inclusive Cost (AIC)	4.1075409%

IRS Form 8038

Net Interest Cost	3.9377307%
Weighted Average Maturity	11.219 Years

\$400,000

City of Moorhead, Minnesota

General Obligation Improvement Bonds, Series 2023A

Projects 25 Year Assessments

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	105% of Total	Assessment	Levy Required
02/01/2024	-	-	-	-	-	-	-
02/01/2025	10,000.00	5.000%	24,361.94	34,361.94	36,080.04	8,022.00	28,058.04
02/01/2026	15,000.00	5.000%	18,200.00	33,200.00	34,860.00	7,835.52	27,024.48
02/01/2027	15,000.00	5.000%	17,450.00	32,450.00	34,072.50	7,649.04	26,423.46
02/01/2028	15,000.00	5.000%	16,700.00	31,700.00	33,285.00	7,462.56	25,822.44
02/01/2029	15,000.00	5.000%	15,950.00	30,950.00	32,497.50	7,276.08	25,221.42
02/01/2030	15,000.00	5.000%	15,200.00	30,200.00	31,710.00	7,089.60	24,620.40
02/01/2031	15,000.00	5.000%	14,450.00	29,450.00	30,922.50	6,903.12	24,019.38
02/01/2032	20,000.00	5.000%	13,700.00	33,700.00	35,385.00	6,716.64	28,668.36
02/01/2033	20,000.00	5.000%	12,700.00	32,700.00	34,335.00	6,530.16	27,804.84
02/01/2034	20,000.00	5.000%	11,700.00	31,700.00	33,285.00	6,343.68	26,941.32
02/01/2035	20,000.00	5.000%	10,700.00	30,700.00	32,235.00	6,157.20	26,077.80
02/01/2036	20,000.00	5.000%	9,700.00	29,700.00	31,185.00	5,970.72	25,214.28
02/01/2037	20,000.00	5.000%	8,700.00	28,700.00	30,135.00	5,784.24	24,350.76
02/01/2038	25,000.00	5.000%	7,700.00	32,700.00	34,335.00	5,597.76	28,737.24
02/01/2039	25,000.00	5.000%	6,450.00	31,450.00	33,022.50	5,411.28	27,611.22
02/01/2040	25,000.00	4.000%	5,200.00	30,200.00	31,710.00	5,224.80	26,485.20
02/01/2041	25,000.00	4.000%	4,200.00	29,200.00	30,660.00	5,038.32	25,621.68
02/01/2042	25,000.00	4.000%	3,200.00	28,200.00	29,610.00	4,851.84	24,758.16
02/01/2043	25,000.00	4.000%	2,200.00	27,200.00	28,560.00	4,665.36	23,894.64
02/01/2044	30,000.00	4.000%	1,200.00	31,200.00	32,760.00	4,478.88	28,281.12
02/01/2045	-	-	-	-	-	4,292.40	(4,292.40)
02/01/2046	-	-	-	-	-	4,105.92	(4,105.92)
02/01/2047	-	-	-	-	-	3,919.44	(3,919.44)
02/01/2048	-	-	-	-	-	3,732.96	(3,732.96)
02/01/2049	-	-	-	-	-	3,546.48	(3,546.48)
Total	\$400,000.00	-	\$219,661.94	\$619,661.94	\$650,645.04	\$144,606.00	\$506,039.04

Dated	10/12/2023
Delivery Date	10/12/2023
First Coupon Date	8/01/2024

Yield Statistics

Bond Year Dollars	\$4,871.11
Average Life	12.178 Years
Average Coupon	4.5094833%
Net Interest Cost (NIC)	4.1729615%
True Interest Cost (TIC)	4.0917096%
Bond Yield for Arbitrage Purposes	3.8735142%
All Inclusive Cost (AIC)	4.1466497%

IRS Form 8038

Net Interest Cost	3.9901609%
Weighted Average Maturity	11.950 Years

\$9,996,620

City of Moorhead, Minnesota

General Obligation Bonds, Series 2023A

Assessment Income

Aggregate Assessment Income

DATE	20-Year Assessments	25-Year Assessments	TOTAL
12/31/2024	1,045,781.41	8,022.00	1,053,803.41
12/31/2025	1,018,273.88	7,835.52	1,026,109.40
12/31/2026	990,766.36	7,649.04	998,415.40
12/31/2027	963,258.84	7,462.56	970,721.40
12/31/2028	935,751.32	7,276.08	943,027.40
12/31/2029	908,243.80	7,089.60	915,333.40
12/31/2030	880,736.28	6,903.12	887,639.40
12/31/2031	853,228.76	6,716.64	859,945.40
12/31/2032	825,721.24	6,530.16	832,251.40
12/31/2033	798,213.72	6,343.68	804,557.40
12/31/2034	770,706.20	6,157.20	776,863.40
12/31/2035	743,198.68	5,970.72	749,169.40
12/31/2036	715,691.16	5,784.24	721,475.40
12/31/2037	688,183.64	5,597.76	693,781.40
12/31/2038	660,676.12	5,411.28	666,087.40
12/31/2039	633,168.60	5,224.80	638,393.40
12/31/2040	605,661.08	5,038.32	610,699.40
12/31/2041	578,153.56	4,851.84	583,005.40
12/31/2042	550,646.04	4,665.36	555,311.40
12/31/2043	523,138.52	4,478.88	527,617.40
12/31/2044	-	4,292.40	4,292.40
12/31/2045	-	4,105.92	4,105.92
12/31/2046	-	3,919.44	3,919.44
12/31/2047	-	3,732.96	3,732.96
12/31/2048	-	3,546.48	3,546.48
Total	\$15,689,199.21	\$144,606.00	\$15,833,805.21

2023A GO Bonds Assess-20 Year	9,912,620.00
2023A GO Bonds Assess-25 Year	84,000.00

TOTAL	9,996,620.00
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\$9,912,620

City of Moorhead, Minnesota

General Obligation Bonds, Series 2023A

Assessment Income 20 Year

ASSESSMENT INCOME

Date	Principal	Coupon	Interest	Total P+I
12/31/2024	495,631.00	5.550%	550,150.41	1,045,781.41
12/31/2025	495,631.00	5.550%	522,642.88	1,018,273.88
12/31/2026	495,631.00	5.550%	495,135.36	990,766.36
12/31/2027	495,631.00	5.550%	467,627.84	963,258.84
12/31/2028	495,631.00	5.550%	440,120.32	935,751.32
12/31/2029	495,631.00	5.550%	412,612.80	908,243.80
12/31/2030	495,631.00	5.550%	385,105.28	880,736.28
12/31/2031	495,631.00	5.550%	357,597.76	853,228.76
12/31/2032	495,631.00	5.550%	330,090.24	825,721.24
12/31/2033	495,631.00	5.550%	302,582.72	798,213.72
12/31/2034	495,631.00	5.550%	275,075.20	770,706.20
12/31/2035	495,631.00	5.550%	247,567.68	743,198.68
12/31/2036	495,631.00	5.550%	220,060.16	715,691.16
12/31/2037	495,631.00	5.550%	192,552.64	688,183.64
12/31/2038	495,631.00	5.550%	165,045.12	660,676.12
12/31/2039	495,631.00	5.550%	137,537.60	633,168.60
12/31/2040	495,631.00	5.550%	110,030.08	605,661.08
12/31/2041	495,631.00	5.550%	82,522.56	578,153.56
12/31/2042	495,631.00	5.550%	55,015.04	550,646.04
12/31/2043	495,631.00	5.550%	27,507.52	523,138.52
Total	\$9,912,620.00	-	\$5,776,579.21	\$15,689,199.21

\$84,000

City of Moorhead, Minnesota

General Obligation Bonds, Series 2023A

Assessment Income 25 Year

ASSESSMENT INCOME

Date	Principal	Coupon	Interest	Total P+I
12/31/2024	3,360.00	5.550%	4,662.00	8,022.00
12/31/2025	3,360.00	5.550%	4,475.52	7,835.52
12/31/2026	3,360.00	5.550%	4,289.04	7,649.04
12/31/2027	3,360.00	5.550%	4,102.56	7,462.56
12/31/2028	3,360.00	5.550%	3,916.08	7,276.08
12/31/2029	3,360.00	5.550%	3,729.60	7,089.60
12/31/2030	3,360.00	5.550%	3,543.12	6,903.12
12/31/2031	3,360.00	5.550%	3,356.64	6,716.64
12/31/2032	3,360.00	5.550%	3,170.16	6,530.16
12/31/2033	3,360.00	5.550%	2,983.68	6,343.68
12/31/2034	3,360.00	5.550%	2,797.20	6,157.20
12/31/2035	3,360.00	5.550%	2,610.72	5,970.72
12/31/2036	3,360.00	5.550%	2,424.24	5,784.24
12/31/2037	3,360.00	5.550%	2,237.76	5,597.76
12/31/2038	3,360.00	5.550%	2,051.28	5,411.28
12/31/2039	3,360.00	5.550%	1,864.80	5,224.80
12/31/2040	3,360.00	5.550%	1,678.32	5,038.32
12/31/2041	3,360.00	5.550%	1,491.84	4,851.84
12/31/2042	3,360.00	5.550%	1,305.36	4,665.36
12/31/2043	3,360.00	5.550%	1,118.88	4,478.88
12/31/2044	3,360.00	5.550%	932.40	4,292.40
12/31/2045	3,360.00	5.550%	745.92	4,105.92
12/31/2046	3,360.00	5.550%	559.44	3,919.44
12/31/2047	3,360.00	5.550%	372.96	3,732.96
12/31/2048	3,360.00	5.550%	186.48	3,546.48
Total	\$84,000.00	-	\$60,606.00	\$144,606.00

RESOLUTION

Resolution Providing for the Competitive Sale of the Series 2023A Bonds

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

HELD: August 14, 2023

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Moorhead, Clay County, Minnesota, was duly called and held at the City Hall in said City on Monday, August 14, 2023, at 5:30 p.m., for the purpose of calling for the competitive sale of \$15,785,000 General Obligation Improvement Bonds, Series 2023A, of the City of Moorhead, Minnesota.

The following members were present: _____; and the following were absent: _____.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION PROVIDING FOR THE COMPETITIVE SALE OF \$15,785,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023A

A. WHEREAS, the City Council of the City of Moorhead, Minnesota, has heretofore determined that it is necessary and expedient to issue its \$15,785,000 General Obligation Improvement Bonds, Series 2023A (the "Bonds"), to finance the construction of various municipal infrastructure improvements within the City;

B. WHEREAS, the City has retained Baker Tilly Municipal Advisors, LLC, in Saint Paul, Minnesota ("Baker Tilly"), as its independent financial advisor and is therefore authorized to sell these obligations by a competitive sale in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9).

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

(1) Authorization; Findings. The City Council hereby authorizes Baker Tilly to solicit bids for the competitive sale of the Bonds.

(2) Meeting; Bid Opening. This City Council shall meet at the time and place specified in the Terms of Proposal attached hereto as Exhibit A for the purpose of considering sealed bids for, and awarding the sale of, the Bonds. The City Manager, or his designee, shall open bids at the time and place specified in such Terms of Proposal.

(3) Terms of Proposal. The terms and conditions of the Bonds and the negotiation thereof are fully set forth in the “Terms of Proposal” attached hereto as **Exhibit A** and hereby approved and made a part hereof.

(4) Official Statement. In connection with said competitive sale, the City Manager and other officers or employees of the City are hereby authorized to cooperate with Baker Tilly and participate in the preparation of an official statement for the Bonds, and to execute and deliver it on behalf of the City upon its completion.

(5) Electronic Signatures. In the event that any signature required to execute this Resolution, the Bond documents, or other closing documents is delivered by facsimile transaction or by e-mail delivery of a “pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “pdf” signature page were an original thereof. The Moorhead Mayor, Moorhead City Manager, and Moorhead Finance Director are authorized to execute documents with electronic signatures as permitted by law or regulation.

APPROVED BY:

Mayor

ATTEST:

City Clerk

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: _____

_____. The following voted agsint the same: none, whereupon said resolution was declared duly passed and adopted.

EXHIBIT A

TERMS OF PROPOSAL

(See Following Page)

*Preliminary; subject to change.

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and controlled subsidiary of Baker Tilly US, LLP, an accounting firm. Baker Tilly US, LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2023 Baker Tilly Municipal Advisors, LLC.

THE CITY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

TERMS OF PROPOSAL

\$15,785,000*

CITY OF MOORHEAD, MINNESOTA

GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023A

(BOOK ENTRY ONLY)

Proposals for the above-referenced obligations (the "Bonds") will be received by the City of Moorhead, Minnesota (the "City") on Monday, September 11, 2023 (the "Sale Date") until 10:30 A.M., Central Time (the "Sale Time") at the offices of Baker Tilly Municipal Advisors, LLC ("Baker Tilly MA"), 30 East 7th Street, Suite 3025, Saint Paul, MN 55101, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the City Council at its meeting commencing at 5:30 P.M., Central Time, of the same day.

SUBMISSION OF PROPOSALS

Baker Tilly MA will assume no liability for the inability of a bidder or its proposal to reach Baker Tilly MA prior to the Sale Time, and neither the City nor Baker Tilly MA shall be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the proposal is submitted.

(a) **Sealed Bidding.** Completed, signed proposals may be submitted to Baker Tilly MA by email to bids@bakertilly.com, and must be received prior to the Sale Time.

OR

(b) **Electronic Bidding.** Proposals may also be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all proposals submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the City, its agents, nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents, nor PARITY® shall be responsible for a bidder's failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The City is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the City.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018
Customer Support: (212) 849-5000

DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery and will bear interest payable on February 1 and August 1 of each year, commencing August 1, 2024. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature February 1 in the years and amounts* as follows:

2025	\$480,000
2026	\$705,000
2027	\$715,000
2028	\$720,000
2029	\$730,000
2030	\$740,000
2031	\$750,000
2032	\$765,000
2033	\$775,000
2034	\$790,000
2035	\$800,000
2036	\$815,000
2037	\$825,000
2038	\$845,000
2039	\$860,000
2040	\$875,000
2041	\$885,000
2042	\$895,000
2043	\$900,000
2044	\$915,000

*The City reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the amount of any maturity or maturities in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the City for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The lowest bidder (the "Purchaser"), as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

REGISTRAR

U.S. Bank Trust Company, National Association will serve as Registrar (the "Registrar") for the Bonds, and shall be subject to applicable regulations of the Securities and Exchange Commission. The City will pay for the services of the Registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2033, and on any day thereafter, to redeem Bonds due on or after February 1, 2034. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. The proceeds of the Bonds will be used to finance various improvement projects within the City.

NOT BANK QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will not designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BIDDING PARAMETERS

Proposals shall be for not less than \$15,785,000 (Par) plus accrued interest, if any, on the total principal amount of the Bonds. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater.

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth herein. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the proposal form.

No proposal can be withdrawn or amended after the time set for receiving proposals on the Sale Date unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

ESTABLISHMENT OF ISSUE PRICE

In order to provide the City with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the "Code"), the Purchaser will be required to assist the City in establishing the issue price of the Bonds and shall complete, execute, and deliver to the City prior to the closing date, a written certification in a form acceptable to the Purchaser, the City, and Bond Counsel (the "City Price Certificate") containing the following for each maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity): (i) the interest rate; (ii) the reasonably expected initial offering price to the "public" (as said term is defined in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (iii) pricing wires or equivalent communications supporting such offering or sale price. Any action to be taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Baker Tilly MA.

The City intends that the sale of the Bonds pursuant to this Terms of Proposal shall constitute a "competitive sale" as defined in the Regulation based on the following:

- (i) the City shall cause this Terms of Proposal to be disseminated to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (ii) all bidders shall have an equal opportunity to submit a bid;
- (iii) the City reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and
- (iv) the City anticipates awarding the sale of the Bonds to the bidder who provides a proposal with the lowest true interest cost, as set forth in this Terms of Proposal (See "AWARD" herein).

Any bid submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, as specified in the proposal. The Purchaser shall constitute an "underwriter" as said term is defined in the Regulation. By submitting its proposal, the Purchaser confirms that it shall require any agreement among underwriters, a selling group agreement, or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with the provisions of the Code and the Regulation regarding the initial sale of the Bonds.

If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the Purchaser of such fact prior to the time of award of the sale of the Bonds to the Purchaser. **In such event, any proposal submitted will not be subject to cancellation or withdrawal.** Within twenty-four (24) hours of the notice

of award of the sale of the Bonds, the Purchaser shall advise the City and Baker Tilly MA if 10% of any maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) has been sold to the public and the price at which it was sold. The City will treat such sale price as the "issue price" for such maturity, applied on a maturity-by-maturity basis. The City will not require the Purchaser to comply with that portion of the Regulation commonly described as the "hold-the-offering-price" requirement for the remaining maturities, but the Purchaser may elect such option. If the Purchaser exercises such option, the City will apply the initial offering price to the public provided in the proposal as the issue price for such maturities. If the Purchaser does not exercise that option, it shall thereafter promptly provide the City and Baker Tilly MA the prices at which 10% of such maturities are sold to the public; provided such determination shall be made and the City and Baker Tilly MA notified of such prices whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Bonds or until all of the Bonds of a maturity have been sold.

GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit via wire transfer to the City in the amount of \$157,850 (the "Deposit") no later than 1:30 P.M., Central Time on the Sale Date. The Purchaser shall be solely responsible for the timely delivery of its Deposit, and neither the City nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

A Deposit will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the City and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the City.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the City. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

The City has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the City) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

CUSIP NUMBERS

If the Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Bonds; however, neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

SETTLEMENT

On or about October 12, 2023, the Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Ohnstad Twichell, P.C. of West Fargo, North Dakota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the City, or its agents, the Purchaser shall be liable to the City for any loss suffered by the City by reason of the Purchaser's non-compliance with said terms for payment.

CONTINUING DISCLOSURE

On the date of actual issuance and delivery of the Bonds, the City will execute and deliver a Continuing Disclosure Undertaking (the "Undertaking") whereunder the City will covenant for the benefit of the owners of the Bonds to provide certain financial and other information about the City and notices of certain occurrences to information repositories as specified in and required by SEC Rule 15c2-12(b)(5).

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds, and said Preliminary Official Statement has been deemed final by the City as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For an electronic copy of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the City, Baker Tilly Municipal Advisors, LLC, by telephone (651) 223-3000, or by email bids@bakertilly.com. The Preliminary Official Statement will also be made available at <https://bondcalendar.bakertilly.com/>.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Bonds, together with any other information required by law. By awarding the Bonds to the Purchaser, the City agrees that, no more than seven business days after the date of such award, it shall provide to the Purchaser an electronic copy of the Final Official Statement. The City designates the Purchaser as its agent for purposes of distributing the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the City, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated August 14, 2023

BY ORDER OF THE CITY COUNCIL

/s/ Christina Rust
/ City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Approve Agreement with McGough Construction Co., LLC for Construction Manager At Risk Services for the Moorhead Community Center and Public Library

RECOMMENDATION:

The Mayor and City Council are asked to approve an Agreement with McGough Construction Manager At Risk Services for the Moorhead Community Center and Public Library

BACKGROUND/KEY POINTS:

- On November 8, 2022, Moorhead voters approved a 0.5% local options sales tax that will be used to fund a new Community Center/Public Library.
- On May 8, 2023, the City Council authorized an Agreement with JLG Architects for Architectural/Engineering Services.
- On June 12, 2023, the City Council authorized advertisement for a Construction Manager At Risk (CMAR)

Construction Manager At Risk (CMAR) is a project delivery method which includes a construction manager providing a Guaranteed Maximum Price (GMP) for a project based on the construction documents and specifications provided by the Architect/Engineering team. The CMAR stands in as the owner's representative and advocate, managing every step of the construction process, providing pre-construction services in the design phase, and overseeing all bidding, subcontractor hiring, oversight, insurance and health/safety measures for the project during the construction phase.

Five members of the Design Review Team reviewed the six CMAR proposals that were received and interviewed three CMAR teams. Following the interviews, the Design Review CMAR Team recommended that the City Council consider contracting with McGough for CMAR services. McGough has provided CMAR services for 66 years and the McGough team is working/has worked on many CMAR projects in the FM area, including the Fargo Parks Sports Complex, UND Fritz Pollard Athletic Complex, Block 9, Concordia College Integrated Science Complex and many more.

The proposed Agreement with McGough includes:

- Phase I of II: Pre-construction services (price estimating, procurement plan, schedule, site logistics, etc.)
- Phase II of II – Amendment to the contract noted above once the project scope, schedule and GMP are known for Project Management (ie: coordinating all site/building activities, meeting regularly with project team, management of overall project budget, monitor/adjust schedule, specification review, inspections, quality control, full-time on-site supervision – this will include fees and staffing costs and items such as required bond and insurance. This phase is estimated to commence April 2024.



City Council Communication

August 14, 2023

FINANCIAL CONSIDERATIONS:

- Phase I of II: Pre-Construction fee of \$49,000 (Resolution before Council tonight)
- Phase II of II: GMP Amendment will include building construction costs including CMAR Fee (2.5% of GMP); Staffing (based on GMP and timeline); Job Site Costs, Subcontractor Costs, Facilities/Controls, Project Safety, Onsite Equipment, Clean Up/Trash Removal, etc. (based on GMP and timeline); General Liability Insurance (0.95% of GMP); and Bond (0.65% of GMP).

This final cost will be established once the project scope, schedule, and GMP value are known, but is estimated to be approximately \$25 million.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager
Kristie Leshovsky, Community Development Director

Attachments: Draft Resolution

RESOLUTION

Resolution to Approve Agreement with McGough Construction Co., LLC for Construction Manager At Risk Services for the Moorhead Community Center and Public Library

WHEREAS, Moorhead voters approved a 0.5% local option sales tax for a new Community Center/Public Library on November 8, 2022 and the City Council subsequently adopted and the Minnesota Department of Revenue approved such tax to begin April 1, 2023; and

WHEREAS, the City of Moorhead hired a design firm for architectural and engineering services to prepare design, planning and construction cost estimating for the Community Center/Public Library as outlined in Resolution 2023-0508-2; and

WHEREAS, the City of Moorhead desires to hire a Construction Manager at Risk for pre-construction and construction services for the project; and

WHEREAS, a Request for Proposals for a Construction Manager at Risk was issued on June 13, 2023 and six proposals were received and evaluated; and

WHEREAS, three out of the six firms were interviewed on July 19, 2023.

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

1. The Mayor and City Manager are hereby authorized and directed to execute an agreement with McGough for Construction Manager At Risk Services beginning with Pre-Construction Services for the Moorhead Community Center/Public Library for a cost not to exceed \$49,000.00.
2. Following the completion of Pre-Construction services, the Mayor and City Council will consider an amendment to the above noted Construction Manager At Risk agreement outlining the construction services to be provided during construction of the Moorhead Community Center and Public Library.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Approve Amendment to the Employment Agreement between the City of Moorhead and City Manager

RECOMMENDATION:

The Mayor and City Council are asked to consider approving the amendment to the employment agreement for City Manager.

BACKGROUND/KEY POINTS:

The City of Moorhead entered into an employment agreement with City Manager Dan Mahli on December 21, 2020. Per the employment agreement between the City and Dan Mahli it states, "Performance evaluations utilizing written performance standards will be conducted annually, in January of each year, and the City agrees to consider an increase in compensation to Employee at the same level or greater than those given to other nonunion employees, dependent upon the results of the annual performance evaluation."

The Mayor and City Council met on June 26, 2023, and had a performance conversation with City Manager Dan Mahli. During this performance conversation, the Mayor and City Council evaluated Mr. Mahli and determined that his performance ranged from "exceeds expectations" to "exceptional" and his overall performance as City Manager is currently exceeding expectations.

FINANCIAL CONSIDERATIONS:

The City will fund the City Manager's salary within the City Manager budget.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager
Amy Settergren, HR Director

Attachments:

RESOLUTION

Resolution to Approve Amendment to the Employment Agreement between the City of Moorhead and City Manager

WHEREAS, the City and Employee entered into an Employment Agreement dated as of December 21, 2020 (the "Agreement") in which the City and Employee agreed to terms and conditions of Employee's employment as City Manager; and

WHEREAS, following the Employee's performance review, the parties negotiated over the terms of the Agreement between the parties; and

WHEREAS, the parties reached a tentative agreement to amend the terms of the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the City Council does approve the amendment to the Agreement between the City of Moorhead and Dan Mahli.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk



City Council Communication

August 14, 2023

SUBJECT:

Resolution to Approve Amendments to the 2020-2024 Consolidated Plan and to the Annual Action Plans of 2022 & 2023 - Community Development Block Grant (CDBG)

RECOMMENDATION:

The Mayor and City Council are asked to approve proposed amendments to the Five-Year 2020-2024 Consolidated Plan and the 2022 & 2023 Annual Action Plans for the Community Development Block Grant (CDBG).

BACKGROUND/KEY POINTS:

UPDATE: Following a public hearing on July 24, and completion of a public comment period ending August 12, a draft resolution approving amendments to the Five Year Consolidated Plan and the 2022 and 2023 CDBG Action Plans is being presented for City Council consideration. No public comments have been received to date. Should any comments be received, they will be provided to the City Council in advance of the meeting and this item will be removed from the consent agenda.

The U.S. Department of Housing and Urban Development (HUD) is in the final review process of Moorhead's 2023 Annual Action Plan. Upon review, HUD has determined the need for the City of Moorhead to implement the following amendments:

- The Five-Year Consolidated Plan must specify a strategic goal to support the snow removal program introduced in 2022. The new program, which is proving very popular, is eligible as a public service CDBG activity under the Non-Homeless Special Needs Services category. The proposed goal to be included in the Consolidated Plan is: Provide services for low to moderate income homeowners that are elderly and/or disabled so that they may safely access their homes. Qualifying homeowners are those who would not have the means to conduct services independently and would not have access to the service would result in the homeowner being unable to live independently. The newly proposed goal will support the basis of the snow removal program which will be reflected in the 2022 & 2023 annual plans.
- The Opportunities Under Transit (OUT) program must remove the job seeking/work transportation requirement. The 2023 City Council approved annual plan includes public service program, Opportunities Under Transit (OUT). The programs intent is to provide discounted bus passes to individuals on a referral basis. The requirement of OUT is that the client must meet income qualifications which target those who are homeless or extremely low income of 30% AMI or less and seeking employment, attending job training, or going to work. The amendment is to make this opportunity available for all income qualifying individuals and to remove the job seeking/work requirement since the City cannot document that participants are solely using the bus passes for employment training.

FINANCIAL CONSIDERATIONS:

Not Applicable



City Council Communication

August 14, 2023

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager

Lisa Bode, Governmental Affairs Director

Tanya Kunza, Community Development Program Administrator

Attachments:

RESOLUTION

Resolution to Approve Amendments to the 2020-2024 Consolidated Plan and to the Annual Action Plans of 2022 & 2023 - Community Development Block Grant (CDBG)

WHEREAS, the City of Moorhead receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, in compliance with federal regulations, the City of Moorhead hereby amends the 2020 – 2024 5 Year Consolidated Plan to include an additional strategic goal, Non-Homeless Special Needs Services; and

WHEREAS, in compliance with the federal regulations, the City of Moorhead hereby amends the 2022 and 2023 Annual Action Plans to include the Snow Removal Assistance Program as an activity under this goal; and

WHEREAS, in compliance with the federal regulations, the City of Moorhead hereby amends the 2023 Annual Action Plan to remove the requirement of seeking employment as a qualifying factor for the Opportunity Under Transit (OUT) Program; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the Mayor and City Manager are herein authorized and directed to approve the Amendments to the 2020-2024 Consolidated Plan and the 2022 and 2023 Annual Action Plans.

PASSED: August 14, 2023 by the City Council of the City of Moorhead.

APPROVED BY:

Michelle (Shelly) A. Carlson, Mayor

ATTEST:

Christina Rust, City Clerk