Wykoff City Council Meeting
Regular Meeting Minutes
May 12, 2025 ~ 7:00 pm

A meeting of the Wykoff City Council was held in the Council Room at 106 Gold St. N. on May 12, 2025, at 7:00 pm. Attendees included Mayor Ryan Breckenridge, Barb Fate and Jane Baker. Absent Jeff Hare. Also, present City Administrator, Becky Schmidt. Those present said the Pledge of Allegiance.

Council Replacement Vote-Becky noted that there were two letters of interest received for the vacant council seat, which the members had received in their packets. Ballots were handed out to the three council members present, which she then read the results with Missy Musel receiving two votes and Mary Tjepkes receiving one. Missy then read the Oath of Office, and the council welcomed her as a member. Mayor noted that there are three committee seats vacant that were held by Himli. The Mayor agreed to serve on the Street/Snow Committee, Baker agreed to the Park and Recreation Committee and Missy Musel will serve on the Personnel Committee.

Agenda-Mayor Breckenridge called for any additions and noted that added to the agenda will be under Zoning d) Karen Finke Chicken Coup and e) Barb Fate Deck request. Old Business-Resolution 2025-10 Bond Proposal. New Business C. change from sidewalk to street approval. Motion by Baker and seconded by Fate to approve the agenda with the noted additions. Motion carried 4-0.

Consent Agenda- Mayor called for approval of the Consent Agenda. Mayor noted that there is a correction to the Mayors report in the April minutes as the Pork Producers are donating 150 pork patties and 150 brats not 150 cans of pop. Motion to accept the consent agenda as amended by Fate and Baker. Motion carried 4-0.

Visitors- None

WWTP- Rick Whitney reported that the past weekend due to construction on Bartlett Street the Commons and several homes experienced low if no water pressure. He had been notified by Becky that the Commons had a large water leak after investigating the problem was found. He stated that the Commons or other residents should not be charged for the increase water usage as they had poor water pressure quality and it was a result of the construction in that area. It was suggested that Brett Grabau from Stantec should be questioned if their company could be held responsible for at least part of the expense as 160,000 gallons of water usage will need to be absorbed by the city. Rick noted he had submitted the grant for the Engineering and Design for the EQ Tank. Conversation with Arvig about the line being shut off at the plant. MDH had tested the water samples, and they were found in compliance.

Fire Department – No report.

First Responders- Cory Bremseth was not present but had sent the report that there are two new certified EMT’s joining the First Responders, Chris Schultz and Kathleen Whiting with a third retesting.

<u>Personnel</u> – Fate reported that she would like to see all employees keep track of their daily duties and submit to the committee. Becky noted that John Baker and Patrick Heusinkveld already do this and that her and LuAnn will comply if possible.

<u>Streets-</u> Fate noted that she had been told that people are throwing garbage into the roll offs at the Fire Hall and City Shed. She questioned if anyone could drop garbage off there, as she had a phone call from a concerned citizen. Becky reported that she had been notified by Mike Lund that he had given permission to the Gateway as the food etc. from the fire needed to be placed in something until, they can get regular garbage pickup. Mayor noted that for future meetings the Street Committee will be meeting on the Thursday before the regular meeting at 4:30 following the Sewer and Water Committee.

<u>Community Education</u>- Fate reported that her and Baker will be meeting with Community Ed Director, Becky Bicknese to brainstorm classes for Wykoff.

<u>Park and Recreation, Joint Trails Board</u>- No report as Hare was absent. The Mayor noted that they had discussed finding a date to recognize this ballpark in memory of Al Williams, but no date has been set.

<u>Revolving Loan Committee-</u> Fate noted that her and Baker will be meeting with Becky to review the three loans and areas they should be looking into.

<u>Zoning –</u> Mayor Breckenridge noted the following zoning requests:

- Chicken Permit – Tony Rahe
- Fence Permit – Chelsey Gartner
- Fence Permit – Shooters
- Deck Permit – Barb Fate
- Chicken Permit – Karen Finke

Becky noted that the Finke request also included a structure to enclose the Chicken Coup which is being handled as a second request and has to be approved by Zoning. Motion by Musel and seconded by Baker to approve the permits presented. Motion carried 4-0.

<u>Sheriff's Report-</u> Included in packet.

<u>The Mayor's Report</u>- Mayor stated he had talked to John Baker about the new mower that was purchased and that John felt it was a good purchase, a time saver and has met his needs.

Old Business – Mike Bubany was present to bring the council up to speed on the recent bonding for the 2025 Street Project. He noted at the last meeting the council had agreed to go with the Public Market for the bonding. Since then, he had found a bank willing to take on the debt at 5.05% over 20 years which in the long term will save the city approximately $26,000. He had felt comfortable making this change as the council had made the statement last month that he should continue to look into this financing. He also reported that the residents on Line Streett adjacent to the sewer project will not be assessed for that project.

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL
CITY OF WYKOFF, MINNESOTA
HELD: MAY 12, 2025

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Wykoff, Fillmore County, Minnesota, was duly called and held at the City Hall on May 12, 2025, at 7:00 P.M., for the purpose, in part, of authorizing the issuance and awarding the sale of a $836,000 General Obligation Water Revenue and Disposal System Bond, Series 2025A.

The following members were present: Barb Fate, Ryan Breckenridge, Jane Baker, Missy Musel

and the following were absent: Jeff Hare

Member Fate introduced the following resolution and moved its adoption:

RESOLUTION NO. 2025-10

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A $836,000 GENERAL OBLIGATION WATER REVENUE AND DISPOSAL SYSTEM BOND, SERIES 2025A, PLEDGING FOR THE SECURITY THEREOF NET REVENUES, SPECIAL ASSESSMENTS AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council of the City of Wykoff, Minnesota (the "City"), has heretofore determined and declared that it is necessary and expedient to issue $836,000 General Obligation Water Revenue and Disposal System Bond, Series 2025A (the "Bond"), pursuant to Minnesota Statutes, Chapter 475 and pursuant to:

(i) Section 115.46 to finance improvements to the municipal sanitary sewer system (the "Disposal System Project") and the portion of the Bond issued to finance the Disposal System Project is herein referred to as the "Disposal System Portion"; and

(ii) Section 444.075 to finance improvements to the Water System (the "Water System Project") and the portion of the Bond issued to finance the Water System Project is herein referred to as the "Water System Portion" (together with the Disposal System Project and the Water System Project, the "Project"); and

B. WHEREAS, the Disposal System Project and all its components have been ordered prior to the date hereof, after a hearing thereon for which notice was given describing the Disposal System Project and all its components by general nature, estimated cost, and area to be assessed; and

C. WHEREAS, the City owns and operates a municipal water system (the "Water System"), a municipal sanitary sewer system, and a municipal storm sewer system, which are operated as separate revenue producing public utilities; and

D. WHEREAS, the net revenues of the Water System pledged to the payment of the principal and interest of the City's outstanding General Obligation Water Revenue Note of 2007, in the original principal amount of $470,195, dated May 14, 2007 (the "Outstanding Water Note"); and

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

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

1. Acceptance of Offer. The offer of the Security Bank & Trust Co., Winsted, Minnesota (the "Purchaser"), to purchase the Bond of the City, in accordance with the terms and the rates of interest hereinafter set forth, and to pay therefor the sum of $1,508,000 is hereby accepted.

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

(a) Allocation. The aggregate principal amount of $427,000 maturing in each of the years and amounts hereinafter set forth are issued to finance the Disposal System Project (the "Disposal System Portion"); and the aggregate principal amount of $409,000 maturing in each of the years and amounts hereinafter set forth are issued to finance the Water System Project (the "Water System Portion"):

Year	Disposal System Portion	Water System Portion	Total Amount
2027	$13,000	$12,000	$25,000
2028	14,000	13,000	27,000
2029	14,000	14,000	28,000
2030	15,000	14,000	29,000
2031	16,000	15,000	31,000
2032	16,000	16,000	32,000
2033	17,000	17,000	34,000
2034	18,000	17,000	35,000
2035	19,000	18,000	37,000

2036	20,000	19,000	39,000
2037	21,000	20,000	41,000
2038	22,000	21,000	43,000
2039	23,000	22,000	45,000
2040	24,000	23,000	47,000
2041	26,000	25,000	51,000
2042	27,000	26,000	53,000
2043	28,000	27,000	55,000
2044	30,000	29,000	59,000
2045	31,000	30,000	61,000
2046	33,000	31,000	64,000

If the Bond is prepaid, the prepayments shall be allocated to the portions of debt service (and hence allocated to the payment of the Bond treated as relating to a particular portion of debt service) as provided in this paragraph. If the source of prepayment moneys is the general fund of the City, or other generally available source, including a tax levy, the prepayment may be allocated to any portion of debt service in such amounts as the City shall determine. If the source of a prepayment is special assessments pledged to the Disposal System Project, the prepayment shall be allocated to the Disposal System Portion of debt service If the source of a prepayment is excess net revenues of the Water System pledged to the Water System Project, the prepayment shall be allocated to the Water System Portion of debt service.

3. Purpose. The Disposal System Portion of the Bond and the Water System Portion of the Bond shall provide funds to finance construction of the Project. The total cost of the construction of the Project, including legal and other professional charges, publication and printing costs, interest accruing on money borrowed for the Project before the collection of special assessments and net revenues pledged and appropriated therefor, and all other costs necessarily incurred and to be incurred from the inception to the completion of the Project, is estimated to be at least equal to the amount of the Bond. The Disposal System Portion of the Bond is issued to aid in financing a disposal system or part thereof, pursuant to Minnesota Statutes, Section 115.46. The City covenants that it shall do all things and perform all acts required of it to assure that work on the Project proceeds with due diligence to completion and that any and all permits and studies required under law for the Project are obtained.

4. Registrar. Northland Bond Services, a division of First National Bank of Omaha, in Minneapolis, Minnesota, is appointed to act as registrar and transfer agent with respect to the Bond (the "Registrar"), and shall do so unless and until a successor Registrar is duly appointed, all pursuant to any contract the City and Registrar shall execute which is consistent herewith. The Registrar shall also serve as paying agent unless and until a successor paying agent is duly

appointed. Principal and interest on the Bond shall be paid to the registered holder (or record holder) of the Bond in the manner set forth in the form of Bond.

5. Form of Bond. The Bond, together with the Certificate of Authentication, shall be in substantially the following form attached to this Resolution as Exhibit A.

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

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

8. Funds and Accounts. There is hereby established a special fund to be designated the "General Obligation Water Revenue and Disposal System Bond, Series 2025A Fund" (the "Fund") to be administered and maintained by the City Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bond and the interest thereon have been fully paid. The Operation and Maintenance Account heretofore established by the City for the Water System (the "Operation and Maintenance Account") shall continue to be maintained in the manner heretofore and herein provided by the City. All moneys remaining after paying or providing for the items set forth in the resolution establishing the Operation and Maintenance Account shall constitute or are referred to as "net revenues" until the Water System Portion of the Bond has been paid. In such records there shall be established accounts of the Fund for the purposes and in the amounts as follows:

(a) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Bond, less capitalized interest, plus any special assessments levied with respect to the Disposal System Project and collected prior to completion of the Disposal System Project and payment of the costs thereof. From the Construction Account there shall be paid all costs and expenses of making the Project, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. Moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bond may also be used to the extent necessary to pay interest on the Bond due prior to the anticipated date of commencement of the collection of taxes, special assessments or net revenues herein levied or covenanted to be levied; and provided further that if upon completion of the Project there shall remain any unexpended balance in the Construction Account, the balance (other than any special assessments) may be transferred to the Debt Service Account provided that any funds attributable to the Disposal System Portion of the Bond may be transferred to the fund of any other improvement instituted pursuant to Minnesota Statutes, Chapter 429, and provided further that any special assessments credited to the Construction Account shall only be applied towards payment of the costs of the Disposal System Project upon adoption of a resolution by the City Council determining that the application of the special assessments for such purpose will not cause the City to no longer be in compliance with Minnesota Statutes, Section 475.61, Subdivision 1.

(b) Debt Service Account. There shall be maintained three separate subaccounts in the Debt Service Account to be designated the "Disposal System Debt Service Subaccount" and the "Water Revenue Debt Service Subaccount." There are hereby irrevocably appropriated and pledged to, and there shall be credited to the separate subaccounts of the Debt Service Account:

(i) Disposal System Debt Service Subaccount. To the Disposal System Debt Service Subaccount there shall be credited: (A) all collections of special assessments herein covenanted to be levied with respect to the Disposal System Project and either initially credited to the Construction Account and not already spent as permitted above and required to pay any principal and interest due on the Disposal System Portion of the Bond or collected subsequent to the completion of the Disposal System Project and payment of the costs thereof; (B) any collections of all taxes which herein or hereafter levied for the payment of the principal and interest on the Disposal System Portion of the Bond; (C) a pro rata share of all funds remaining in the Construction Account after completion of the Disposal System Project and payment of the costs thereof; (C) capitalized interest in the amount of $14,615 (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest on the Disposal System Portion of the Bond on or before February 1, 2026; (D) all investment earnings on funds held in the Disposal System Debt Service Subaccount; and (E) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Disposal System Debt Service Subaccount. The amount of any surplus remaining in the Disposal System Debt Service Subaccount when the Disposal System Portion of the Bond and interest thereon are paid shall be used consistent with Minnesota Statutes, Section 475.61, Subdivision 4. The Disposal System Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Disposal System Portion of the Bond and any other obligation of the City hereafter issued by the City and made payable from said subaccount as provided by law.

(ii) Water Revenue Debt Service Subaccount. To the Water Revenue Debt Service Subaccount there shall be credited: (A) the net revenues of the Water System not otherwise pledged and applied to the payment of other obligations of the City, in an amount, together with other funds which may herein or hereafter from time to time be irrevocably appropriated to the Water Revenue Debt Service Subaccount, sufficient to meet the requirements of Minnesota Statutes, Section 475.61 for the payment of the principal and interest of the Water System Portion of the Bond; (B) capitalized interest in the amount of $13,999 (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest on the Water System Portion of the Bond on or before February 1, 2026; (C) any collections of all taxes which may hereafter be levied in the event that the net revenues of the Water System and other funds herein pledged to the payment of the principal and interest on the Water System Portion of the Bond is insufficient therefore; (D) a pro rata share of all funds remaining in the Construction Account after completion of the Water System Project and payment of the costs thereof; (E) all investment earnings on funds held in the Water Revenue Debt Service Subaccount; and (F) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Water Revenue Debt Service Subaccount. The Water Revenue Debt Service Subaccount shall be used solely to pay the principal and interest and any premium for redemption of the Water System Portion of the Bond and any other General Obligation Water Revenue and Disposal System Bonds of the City hereafter issued by the City and made payable from said subaccount as provided by law.

No portion of the proceeds of the Bond shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bond was issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bond or $100,000. To this effect, any proceeds of the Bond and any sums from time to time held in the Construction Account, Operation and Maintenance Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bond to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

9. Covenants Relating to the Disposal System Portion of the Bond.

(a) Assessments. It is hereby determined that a portion of the cost to the City of each Disposal System Project financed hereunder Minnesota Statutes, Section 475.58, Subdivision 1(3), shall be paid by special assessments to be levied against every assessable lot, piece and parcel of land benefited by any of the Disposal System Project. The City hereby covenants and agrees that it will let all construction contracts not heretofore let within one year after ordering each Disposal System Project financed hereunder unless the resolution ordering the Disposal System Projects specifies a different time limit for the letting of construction contracts. The City hereby further covenants and agrees that it will do and perform as soon as they may be done all acts and things necessary for the final and valid levy of such special assessments, and in the event that any such assessment be at any time held invalid with respect to any lot, piece or parcel of land due to any error, defect, or irregularity in any action or proceedings taken or to be taken by the City or the City Council or any of the City officers or employees, either in the making of the assessments or in the performance of any condition precedent thereto, the City and the City Council will forthwith do all further acts and take all further proceedings as may be required by law to make the assessments a valid and binding lien upon such property.

It is hereby determined that the assessments shall be payable in equal, consecutive, annual installments, with general taxes for the years shown below and with interest on the declining balance of all such assessments at a rate per annum not greater than the maximum permitted by law and not less than the rates per annum shown opposite their collection years specified below:

Improvement Designation	Levy Years	Collection Years	Amount	Rate
2025 Disposal System Improvements	2025-2044	2026-2045	$126,354	6.05%

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

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

Year of Tax Levy	Year of Tax Collection	Amount
2025	2026	$25,231
2026	2027	25,591
2027	2028	24,849
2028	2029	25,157
2029	2030	25,411
2030	2031	24,563
2031	2032	24,765
2032	2033	24,913
2033	2034	25,009
2034	2035	25,051
2035	2036	25,041
2036	2037	24,977
2037	2038	24,861
2038	2039	24,691
2039	2040	25,519
2040	2041	25,190
2041	2042	24,808
2042	2043	25,423
2043	2044	24,883
2044	2045	25,339

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

(b) General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Disposal System Portion of the Bond as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Disposal System Debt Service Subaccount is ever insufficient to pay all principal and interest then due on the Disposal System Portion of the Bond payable therefrom, the deficiency shall be promptly paid out of any other accounts of the City which are available for such purpose, and such other funds may be reimbursed without interest from the Disposal System Debt Service Subaccount when a sufficient balance is available therein.

10. Covenants Relating to the Water System Portion of the Bond.

(a) Sufficiency of Net Revenues. It is hereby found, determined and declared that the net revenues of the Water System are sufficient in amount to pay when due the principal of and interest on the Water System Portion of the Bond and a sum at least five percent in excess thereof. The net revenues of the Water System are sufficient in amount to pay when due the principal of and interest on the Outstanding Water Note and a sum at least five percent in excess thereof. The net revenues of the Water System are hereby pledged on a parity lien with the Outstanding Water Note and shall be applied for that purpose, but solely to the extent required to meet the principal and interest requirements of the Water System Portion of the Bond as the same become due.

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

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

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

(d) General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Water System Portion of the Bond as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Water Revenue Debt Service Subaccount is ever insufficient to pay all principal and interest then due on the Water System Portion of the Bond payable therefrom, the deficiency shall be promptly paid out of any other accounts of the City which are available for such purpose, and such other funds may be reimbursed without interest from the Water Revenue Debt Service Subaccount when a sufficient balance is available therein.

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

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

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

14. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bond, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

(a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Program"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Program; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Program, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the "issue price" of the Bond, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of $100,000 or 5% of the proceeds of the Bond.

(b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bond or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

(c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bond, and not later than three years after the later of (i) the date of the payment of the Reimbursement Expenditure, or (ii) the date on which the Program to which the Reimbursement Expenditure relates is first placed in service.

(d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within thirty days after the Bond is issued, shall be treated as made on the day the Bond is issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its bond counsel for the Bond stating in effect that such action will not impair the tax-exempt status of the Bond.

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

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

For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements for governmental units issuing $5,000,000 or less of bonds, the City hereby finds, determines and declares that (i) the Bond is issued by a governmental unit with general taxing powers; (ii) no Bond is a private activity bond; (iii) 95% or more of the net proceeds of the Bond are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and (iv) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all entities subordinate to, or treated as one issuer with the City) during the calendar year in which the Bond is issued and outstanding at one time is not reasonably expected to exceed $5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

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

(a) the Bond is issued after August 7, 1986;

(b) the Bond is not a "private activity bond" as defined in Section 141 of the Code;

(c) the City hereby designates the Bond as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code;

(d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2025 will not exceed $10,000,000;

(e) not more than $10,000,000 of obligations issued by the City during this calendar year 2025 have been designated for purposes of Section 265(b)(3) of the Code; and

(f) the aggregate face amount of the Bond does not exceed $10,000,000.

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

18. State Credit Enhancement Program. The City hereby ratifies and confirms its covenants in the resolution duly adopted on April 14, 2025, obligating itself to notify the Commissioner of Management and Budget of the State of Minnesota of a potential default in payment of the Bond and to use the provisions of Minnesota Statutes, Section 446A.086 to guarantee the payment of principal and interest on the Bond. The Mayor and City Administrator are hereby authorized and directed to enter into an agreement with the paying agent for the Bond or any department of the State of Minnesota required by the provisions of Minnesota Statutes, Section 446A.086.

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

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

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

The motion for the adoption of the foregoing resolution was duly seconded by member Baker and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Barb Fate, Ryan Breckenridge, Jane Baker and Missy Musel.

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF FILLMORE
CITY OF WYKOFF

I, the undersigned, being the duly qualified and acting City Administrator of the City of Wykoff, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council duly called and held on the date therein indicated, insofar as such minutes relate to providing for the issuance and sale of a $836,000 General Obligation Water Revenue and Disposal System Bond, Series 2025A.

WITNESS my hand on May 12, 2025.

Ss: Rebecca Schmidt

City Administrator

EXHIBIT A

BOND FORM

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

MINNESOTA CREDIT ENHANCEMENT PROGRAM

R-1 $836,000

GENERAL OBLIGATION WATER REVENUE AND DISPOSAL SYSTEM
BOND, SERIES 2025A

INTEREST RATE	MATURITY DATE	DATE OF ORIGINAL ISSUE
5.05%	February 1, 2036	May 27, 2025

REGISTERED OWNER: SECURITY BANK & TRUST, WINSTED, MINNESOTA

PRINCIPAL AMOUNT: EIGHT HUNDRED THIRTY SIX THOUSAND DOLLARS

THE CITY OF WYKOFF, FILLMORE COUNTY, MINNESOTA (the "City" or "Issuer"), acknowledges that it is indebted and, for value received, hereby promises to pay to the registered owner specified above, or assigns duly certified on the Certificate of Registration attached to and made a part of this Bond (the "Registered Owner"), unless called for earlier redemption, in the manner hereinafter set forth, the $836,000 principal amount of this Bond in the principal installments due on February 1 of the years and in the amounts, respectively, as follows with each such principal installment bearing interest until paid at the interest rate of 5.05% per annum:

Principal Installments

Due February 1	Amount
2027	$25,000
2028	27,000
2029	28,000
2030	29,000
2031	31,000
2032	32,000
2033	34,000

2034	35,000
2035	37,000
2036	39,000
2037	41,000
2038	43,000
2039	45,000
2040	47,000
2041	51,000
2042	53,000
2043	55,000
2044	59,000
2045	61,000
2046	64,000

Interest. Interest shall be payable semiannually on February 1 and August 1 of each year, commencing February 1, 2026, and shall be calculated on the basis of a 360 day year consisting of twelve thirty day months.

Payment Instructions. Principal installments and interest shall be paid by check, ACH debit, wire transfer or draft mailed to Northland Bond Services, a division of First National Bank of Omaha, in Minneapolis, Minnesota (the "Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. The principal installments and interest on this Bond are payable in lawful money of the United States of America. At the time of final payment of all principal installments and interest on this Bond, the Owner shall surrender this Bond to the Registrar.

Grace Period and Late Note Payment Penalty. If the bond payment due on February 1 or August 1 is not received by the due date, the Owner will allow a grace period of eleven (11) days for the bond payment to be paid. If the bond payment is not received by the Owner prior to the end of the grace period, the City shall pay to the Owner a late fee in an amount equal to 5% of the scheduled amount due on the applicable bond payment date.

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

Redemption. This Bond is subject to redemption and prepayment at the option of the City on February 1, 2033 and on any day thereafter, in whole or in part, in multiples of $1,000, at a price of par plus accrued interest. If redemption is in part, the principal amount to be redeemed shall be determined by the City. Mailed notice of redemption shall be given to the Registrar and to the Registered Owner of the Bond at least thirty (30) days prior to the date fixed for redemption.

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

Issuance; Purpose; General Obligation. This Bond is issued as a single instrument in the total principal amount of $836,000, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and a resolution adopted by the City Council on May 12, 2025 (the "Resolution"), for the purpose of providing money to finance public improvement projects within the jurisdiction of the Issuer. The portion of the Bond allocated to the disposal system projects will provide money to finance a disposal system or part thereof pursuant to Minnesota Statutes, Section 115.46. This Bond is payable out of the General Obligation Water Revenue and Disposal System Bond, Series 2025A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Fees upon Transfer or Loss. The Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bond.

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

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

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

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

Date of Registration:

____

Registrable by: NORTHLAND BOND SERVICES, A DIVISION OF FIRST NATIONAL BANK OF OMAHA

Payable at: NORTHLAND BOND SERVICES, A DIVISION OF FIRST NATIONAL BANK OF OMAHA

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is the Bond described in the Resolution mentioned within.

NORTHLAND BOND SERVICES, A DIVISION OF FIRST NATIONAL BANK OF OMAHA

Minneapolis, Minnesota

Registrar

By: [do not sign]

Authorized Signature

CITY OF WYKOFF

FILLMORE COUNTY, MINNESOTA

[do not sign]

Mayor

[do not sign]

City Administrator

Roll Call Vote Taken with the following voting in favor thereof:

Barb Fate
Ryan Breckenridge
Jane Baker
Missey Musel
Voting Against: none

Motion carried 4-0.

The council members thanked Mr. Bubany for taking such good care of the City financially.

Community Center Door Purchase – Becky reported that the company that had bid the door previously reduced the price and with the urgent need to replace the door she had polled the council members who agreed to the purchase. Motion by Baker and seconded by Musel to approve the expenditure of $9,956.63 to Priority Construction for the Commercial Door. Motion carried 4-0. She also noted that the cement work at the Community Center will need to be put on hold as the bids had been coming in at over $18,000 which was $4,000 more than what was budgeted. Those dollars will now be used to purchase the new door at the Community Center.

Emailing Bills Update- Becky updated the council on the plan to use email for the statements at this time is not financially possible.

New Business –

Final Approval of Changes and Additions to City Ordinances – Mayor noted that as there was no one in attendance at the Public Hearing the following Ordinances should move forward.
Motion by Fate and seconded by Baker to approve the Ordinance #114.1 Regulate Cannabis Businesses and Cannabis Business Registration Form and Release of Information Form. Roll call vote taken with Missy Musel, Jane Baker, Ryan Breckenridge and Barb Fate all voting in favor. Voting against-none. Motion carried 4-0.
Motion by Breckenridge and seconded by Baker to approve Ordinance #151.07 Telecommunications. Roll Call Vote taken with Barb Fate, Ryan Breckenridge, Jane Baker and Missy Musel voting in favor. Voting against- None. Motion carried 4-0.

Permission to place roll offs on street/Gateway – Discussion on Gateways request to place the roll-offs on Hwy. 80 during demolition. Jennie Moreland, owner of Gateway, reviewed with the council where they are at with the process. It will take 3-5 roll-offs and 1-2 weeks to remove the debris. She stated that the main dining area was demolished but only smoke damage on the second floor. The DOT will need to be contacted to get permission to place the roll-offs on Hwy. 80. Motion by Fate and seconded by Musel to approve the placement pending the permission received from the DOT. Motion carried 4-0. She understood that the city would like the RV she has been living in removed. She asked the city for an extension in removing the camper from behind the restaurant as she has no other place to take it. Her plan is to still complete the upstairs into living quarters. Mayor Breckenridge stated that at this time the only item on the agenda was the approval to use the roll offs on the street and that the council would be addressing the camper at a later time.

Motion by Fate and seconded by Musel to approve the following Resolution 2025-09

RESOLUTION NO. 2025-09

A RESOLUTION ACCEPTING A DONATION TO THE CITY

WHEREAS, the City of Wykoff is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 et seq. for the benefit of its citizens and is specifically authorized to accept gifts.

WHEREAS, the following persons and entities have offered to contribute the used equipment set forth below to the city:

Name of Donor	Amount
CHS	Used Carbon Dioxide Gas Reader

WHEREAS, all such donations have been contributed to the city for the Wykoff Fire Department

WHEREAS, the City Council finds that it is appropriate to accept the donations offered.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF Wykoff, MINNESOTA AS FOLLOWS:

1. The donation described above are accepted and shall be used to establish and/or operate services either alone or in cooperation with others, as allowed by law.

Roll Call Vote:
Barb Fate ***yes***
Ryan Breckenridge ***yes***
Jane Baker ***yes***
Missy Musel ***yes***
Voting against: none Motion carried 4-0.

Passed by the City Council of Wykoff, Minnesota this 12th day of May , 2024.

Ss: Ryan Breckenridge

Mayor

Attested:

Ss: Rebecca Schmidt

City Administrator

Becky noted that the Carbon Dioxide Reader has a value of $2,500.

Siren Sale Bids – Becky noted that they city had received two bids for the siren and opened the sealed bids. Robert Schmidt bid $151.00 and Ryan Breckenridge bid $105.00. Office will notify Mr. Schmidt that he received the bid for the siren.

Jail Haus Paint Estimates – Becky noted that the city had received two bids for painting the interior of the Jail Haus and putting Waynes-Coating on the bottom. She stated that the plaster is falling off and something is needed to be done to keep it from falling onto the floors. The Paint Squad bid was $2,229 and a local bid from Proside Construction for $1,075. Motion by Fate and seconded by Musel to award the bid to Proside Construction for $1,075.00. Motion carried 4-0.

The meeting was adjourned at 8:02 p.m.

Adjournment

____________________________City Administrator ____________________ Date of approval