

**MINUTES
OF THE REGULAR MEETING OF THE
EDINA CITY COUNCIL
HELD AT CITY HALL
JULY 6, 1998 - 7:00 P.M.**

ROLLCALL Answering rollcall were Members Faust, Hovland, Maetzold and Mayor Smith. Member Kelly entered the meeting at 7:08 P.M.

LEAGUE OF MINNESOTA CITIES LEADERSHIP AWARD PRESENTED Mayor Smith explained at the League of Minnesota Cities convention in Duluth recently, City Manager Rosland received the State Leadership Award for Distinguished Municipal Service from the League of Minnesota Cities. The LMC presents one Leadership Award each year in Minnesota, to a person who is judged by peers, other city managers, council members, civic groups, residents, and elected officials, etc. Manager Rosland was presented with a plaque for his years of leadership to the City of Edina

CONSENT AGENDA ITEMS APPROVED Motion made by Member Hovland and seconded by Member Maetzold approving the Consent Agenda with the exception of Agenda Item I. Approval of Minutes for June 15, 1998, and Agenda Item VI.A. Robert Malby Request for Ordinance Amendment - "Eyesore" Ordinance.

Rollcall:

Ayes: Faust, Hovland, Maetzold, Smith

Motion carried.

MINUTES OF THE REGULAR MEETING OF JUNE 15, 1998, APPROVED Member Faust explained she had asked the Minutes of June 15, 1998, be removed from the Consent Agenda for amendment of the motion appointing her to the SHERPA Board.

Motion made by Member Maetzold approving the Minutes of the Regular Meeting of June 15, 1998, as amended. Member Hovland seconded the motion.

Rollcall:

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Motion carried.

***MINUTES OF THE SPECIAL MEETING OF JUNE 15, 1998, AND SPECIAL MEETING OF JUNE 16, 1998, APPROVED** Motion made by Member Hovland and seconded by Member Maetzold approving the Minutes of the Special Meeting of June 15, 1998, and Special Meeting of June 16, 1998.

Motion carried on rollcall vote - four ayes.

***HEARING DATE OF JULY 20, 1998, SET FOR PLANNING MATTERS** Motion made by Member Hovland and seconded by Member Maetzold setting July 20, 1998, as hearing date for the following planning matters:

1. Preliminary Plat Approval, Smiley 2nd Addition, Christ Presbyterian Church, east of Highway 100 and north of West 70th Street;
2. Preliminary Rezoning POD-1, to APD for 7010 & 7100 France Avenue South;

3. Preliminary Plat Approval, Room & Board/New Traditions, 7010 & 7100 France Avenue South; and
4. Final Development Plan, Room & Board/New Traditions, 7010 & 7100 France Avenue South.

Motion carried on rollcall vote - four ayes.

*LOT DIVISION APPROVED - 5312/5314 WEST 70TH STREET (ROGER KULLANDER)
Member Hovland introduced the following resolution, seconded by Member Maetzold and moved its adoption:

RESOLUTION

WHEREAS, the following described tracts of land constitute separate parcels:

Lot 1, Block 1, Brookview Heights 3rd Addition, Jacobson Replat, except that part lying Easterly of the following described line: Commencing at the Northeast corner of Lot 1, thence Southerly along the East line of Lot 1 a distance of 128.72 feet to the point of beginning, thence Southwesterly to a point on the South line of Lot 1, said point being 12.0 feet Northwesterly of the Southeast corner of Lot 1, as measured along the South line of Lot 1, all in Block 1, Brookview Heights 3rd Addition, Jacobson Replat and there terminating.

PARCEL A:

That part of Lot 1 lying Easterly of a line described as beginning at a point on the South line of said Lot 1, a distance of 69.1 feet Northwesterly of the Southeast corner of said Lot 1, along a line 100.0 feet, (said line, if extended, would intersect the Northeasterly line of said Lot 1 a distance of 35.26 feet Northwesterly from the Northeast corner of said Lot 1,) thence North 109 feet more or less to a point on the Northeasterly line 50.0 feet Northwest of the Northeast corner of said Lot 1 and there terminating.

PARCEL B:

That part of Lot 1 lying Westerly of a line described as beginning at a point on the South line of said Lot 1, a distance of 69.1 feet Northwesterly of the Southeast corner of said Lot 1, along a line 100.00 feet, (said line, if extended, would intersect the Northeasterly line of said Lot 1 a distance of 35.26 feet Northwesterly from the Northeast corner of said Lot 1,) thence North 109 feet more or less to a point on the Northeasterly line 50.0 feet Northwest of the Northeast corner of said Lot 1 and there terminating all in Block 1, Brookview Heights 3rd Addition, Jacobson Replat, Hennepin County, Minnesota.

WHEREAS, it has been determined that compliance with the Subdivision and Zoning Regulations of the City of Edina will create an unnecessary hardship and said Parcels as separate tracts of land do not interfere with the purposes of the Subdivision and Zoning Regulations as contained in the City of Edina Code Sections 810 and 850.

NOW, THEREFORE, it is hereby resolved by the City Council of the City of Edina that the conveyance and ownership of the second above described Parcels as separate tracts of land is hereby approved and the requirements and provisions of Code Sections 850 and 810 are hereby waived to allow said division and conveyance thereof as separate tracts of land, but only to the extent permitted under code Section 810 and Code Section 850 and subject to the limitations set out in Code Sections 850 and said ordinances are not waived for any other purpose or as to any other provisions thereof, and further subject, however, to the provision that no further subdivision be made of said Parcels unless made in

compliance with the pertinent ordinances of the City of Edina or with the prior approval of this Council as may be provided for by those ordinances.

Dated this 6th day of July, 1998.

Motion carried on rollcall vote - four ayes.

*LOT DIVISION 4232 & 4234 VALLEY VIEW ROAD (KAREN KELLY & PAUL EMCH)
APPROVED Member Hovland introduced the following resolution, seconded by Member Maetzold moved its adoption:

RESOLUTION

WHEREAS, the following described property is at present a single tract of land:

Lot 3, Block 1, WOODHULL ADDITION, Hennepin County, Minnesota, and

WHEREAS, the owners have requested the subdivision of said tract into separate parcels (herein called "Parcels") described as follows:

PARCEL A:

The North 43.1 feet of Lot 3 as measured at right angles to the North line of said Lot 3, Block 1, Woodhull Addition, Hennepin County, Minnesota, together with an easement for driveway and garage over the North 12 feet and the East 40 feet of said Lot 3, Block 1, Woodhull Addition

PARCEL B:

That part of Lot 3, lying South of the North 43.1 feet as measured at right angles to the North line of said Lot 3, Block 1, Woodhull Addition, Hennepin County, Minnesota, together with an easement for driveway and garage over the North 12 feet and the East 40 feet of said Lot 3, Block 1, Woodhull Addition.

WHEREAS, the requested subdivision is authorized under Code Section 810 and it has been determined that compliance with the Subdivision and Zoning Regulations of the City of Edina will create an unnecessary hardship and said Parcels as separate tracts of land do not interfere with the purpose of the Subdivision and Zoning Regulations as contained in the City of Edina Code Sections 810 and 850;

NOW, THEREFORE, it is hereby resolved by the City Council of the City of Edina that the conveyance and ownership of the second above described Parcels as separate tracts of land is hereby approved and the requirements and provisions of Code Sections 850 and 810 are hereby waived to allow said division and conveyance thereof as separate tracts of land but only to the extent permitted under Code Section 810 and Code Section 850 subject to the limitations set out in Code Section 850 and said Ordinances are not waived for any other purpose or as to any other provisions thereof, and further subject, however, to the provision that no further subdivision be made of said Parcels unless made in compliance with the pertinent ordinances of the City of Edina or with the prior approval of this Council as may be provided for by those ordinances.

Adopted this 6th day of July, 1998.

Motion carried on rollcall vote - four ayes.

*AWARD OF BID FOR WORKERS COMPENSATION, GENERAL LIABILITY, EQUIPMENT, LIQUOR AND POLLUTION INSURANCE APPROVED Motion made by Member Hovland and seconded by Member Maetzold approving insurance renewals for Workers Compensation, General Liability, Equipment, Liquor and Pollution to sole bidder, St. Paul Fire and Marine, at \$377,359.00.

Motion carried on rollcall vote - four ayes.

Minutes/Edina City Council/July 6, 1998

***AWARD OF BID FOR PROPERTY INSURANCE RENEWAL APPROVED** Motion made by Member Hovland and seconded by Member Maetzold for award of bid for property insurance renewal to sole bidder, Travelers Insurance at \$41,679.00.

Motion carried on rollcall vote - four ayes.

***BID AWARD CONTINUED TO JULY 20, 1998, FOR FRED RICHARDS GOLF COURSE GOLF NETTING SYSTEM** Motion made by Member Hovland and seconded by Member Maetzold continuing the award of bid for the Fred Richards Golf Course golf netting system to July 20, 1998.

Motion carried on rollcall vote - four ayes.

***AWARD OF BID FOR RE-ROOF OF FIRE STATION #1 APPROVED** Motion made by Member Hovland and seconded by Member Maetzold for award of bid for partial re-roof of Fire Station #1 to recommended low bidder, Dalco Roofing at \$53,661.00.

Motion carried on rollcall vote - four ayes.

REQUEST FOR C.D.B.G. FUNDS APPROVED FOR TASKS UNLIMITED Planner Larsen reminded Council a letter, dated May 20, 1998, had been received from Tasks Unlimited requesting Community Block Grant Funds (C.D.B.G.) to be used toward the purchase of a duplex at 6312-6314 France Avenue South. At the June 15, 1998, regular Council meeting, Attorney Gilligan was requested to further study whether the funds could be encumbered for a payback at the time the property is re-sold.

Planner Larsen noted Attorney Gilligan submitted a memorandum addressing State licensing requirements for certain types of group homes. The Repayment Agreement would require repayment of the grant if Tasks Unlimited sells the property at some future date. He noted that Tasks Unlimited has agreed to sign the Agreement.

He noted that Craig Brett, Director of Tasks Unlimited was present to answer questions or concerns.

Mayor Smith inquired where the City of Edina would be in line for the payback when the property is re-sold. Planner Larsen said the City would be in third place behind the major lenders. Mayor Smith asked what would happen if the program doesn't work, would we receive the payback. Planner Larsen responded that the risk would be if the value of the property is not maintained the City would be unable to recapture the investment.

Member Maetzold asked if there would be a fee charged to the City for the mortgage regulation tax. Attorney Gilligan said there would not be a major tax, only a minor filing fee.

Member Maetzold made a motion approving the expenditure of \$33,250.00 of Community Block Grant funds to Tasks Unlimited towards the purchase of a home at 6312 - 6314 France Avenue South. Tasks Unlimited shall sign a repayment agreement agree to repay the funds if the home is sold in the future. Member Hovland seconded the motion.

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Motion carried.

POLICY REVIEWED FOR USE OF CITY TOWERS/REQUESTS FOR PROPOSALS

Assistant Manager Hughes explained that current City policy does not allow for private use of City owned water towers. The revised policy would allow for some private use of towers while preserving the top of towers for public use. Recently, the Metropolitan Radio System requested use of the top of the Gleason water tower.

The policy also sets forth criteria for private antenna installations on other City properties, including parks.

Staff recommends a Request for Proposal (RFP) process be followed for use of the four City water towers, City Hall, Braemar and Van Valkenburg parks. At City Hall, the proposal calls for replacing the exiting monopole as the existing pole can not handle additional antennas. At Braemar and Van Valkenburg parks, one 75 foot tower would be permitted.

Assistant Manager Hughes explained staff feels the draft RFP should be submitted to proposers interested in placing antenna arrays on City locations. All proposals received would come before the Council for a decision on whether to place an antenna on City property.

Assistant Manager Hughes said Jeff Nelson, consultant with W. W. Montgomery, Inc., was present to answer any concerns.

Mayor Smith asked, 1) do we receive financial compensation for the antennas in place at present, and 2) would co-location of the antennas be permissible. Assistant Manager Hughes pointed out we receive \$1,000 per month rental on each of the two sites in the City. The City Hall tower would need to be beefed-up, however, in order to be operate like the antenna at the Fire Station. Mr. Nelson answered co-location would be fine and the draft policy encourages co-location.

Assistant Manager Hughes stated the Ordinance in place has a height limit at 75 feet and co-location may be difficult at that height.

Member Faust asked if the City would need to insure the antennas and if provision had been put in the draft policy handling termination of an agreement, e.g. non-payment. Assistant Manager Hughes said insurance is the responsibility of the lessee and that termination due to non-payment could be made a condition of each lease.

Member Maetzold asked if the policy could include regulation of the number of antennas permitted and the color they could be. He asked for further information on the Wireless Telecommunication Dedicated Fund. Assistant Manager Hughes noted the Fund was not in existence, but could be established and used to update City facilities in the future. Member Maetzold asked if staff would be used to review each proposal and if fees would be generated for these reviews. Assistant Manager Hughes said the Engineering staff would conduct the reviews and a fee schedule could be implemented. He noted that Bloomington has a review process in place, however he has heard it is very restrictive.

Minutes/Edina City Council/July 6, 1998

Mayor Smith noted he is not a fan of dedicated funds and believes the Council should be the decision making body for decisions relating to funds.

Assistant Manager Hughes noted the Ordinance in place regulates all City owned properties, but not private property.

Attorney Gilligan said allowing the private use of City owned water towers is a common practice.

Greg Korstad, APT Minneapolis, Aerial Communications, pointed out the area at Gleason and the Crosstown is a problem with reception. An antenna at the site would need to be at 175 feet or on top of the tower to be effective. The Edina policy prevents this private use of City owned water towers. Mr. Korstad said APT would rely on the advice of the Engineering Department to develop ways of co-location.

Bill Buell, Nextel Communications, told that timing, price and location are very important with tower installation as well as consideration of the impact on police and fire communications. Police Chief Bernhjelm noted the Police Department is affected the most by the location of the sites.

Assistant Manager Hughes explained the Metropolitan Radio system would use the top of the Gleason water tower while other towers could be used for City uses.

Member Maetzold made a motion to adopt the revised policy for private use of City properties and authorize staff to proceed to issue the Request for Proposals, a copy of which is on file in the office of the City Clerk. Motion seconded by Member Hovland.

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Motion carried.

***PUBLIC HEARING DATE SET OF AUGUST 3, 1998, FOR VACATION OF PORTION OF MAVELLE DRIVE** Motion made by Member Hovland and seconded by member Maetzold setting a public hearing date of August 3, 1998, for the vacation of a portion of Mavelle Drive.

Motion carried on rollcall vote - four ayes.

LIMITED USE PERMIT OF MnDOT PROPERTY REQUESTED Director Keprios explained Frank Cardarelle and his neighbors approached the Park Board in May requesting the City maintain approximately 2½ acres of trees and grass in the northwest quadrant of Crosstown 62 and Highway 100, for use as open space. The approximately 2½ acres of excess highway right-of-way is owned by MnDOT and would require \$4,600 for new fencing. The cost per year to maintain the area as park land would be \$1,500 - \$1,800. If MnDOT issues a Limited Use Permit, it would be valid for 10 years.

Director Keprios expressed concern for safety due to the close proximity of the freeway entrance ramp, if the City assumes liability on the property. Staff feels that aesthetically, the

space is not suitable for use as park land. He added that no other mini-parks are located nearby, although Birchcrest Park is located approximately 2,400 feet from this property.

Director Keprios pointed out the Park Board recommends:

- Limited Use of Property From MnDOT;
- No Expenditure of City Dollars for Maintenance or Fencing;
- The Neighborhood to Fund the Maintenance and Fence; and

staff recommends:

- Limited Use of Property from MnDOT;
- Neighborhood Funds Fencing;
- Retention of Property as Open Space with No Maintenance Provided by City.

Frank Cardarelle, 6125 Wilryan Avenue, commented the neighborhood has no place for children to play. Opening up the area, adjusting the alignment of the fence, and prohibiting the development by MnDOT would allow children a safe open space in which to play. He suggested the neighbors would install the fence if the City provided it as well as supplying the maintenance on the space. Mr. Cardarelle presented signatures from the neighborhood requesting the City apply for a Limited Use Permit from MnDOT for use of the space by the neighborhood as open space.

Tammy Kaminsen, 6128 Wilryan, indicated acquisition of a Limited Use Permit would keep development out of the open area for 10 years or as long as the permit is in affect. She asked if the City would know how the maintenance would be accomplished.

Dick Bielke, 6201 Wilryan, informed Council he has lived in the area since 1971 and has witnessed one accident. Opening up the area for an open space park would not affect the safety factor as the orientation of the exit ramp would control itself by centrifugal force further up the ramp. He does not believe traffic will be a factor for safety of the space.

Following a brief discussion, where concerns were expressed such as; 1) who would own the fence if the City bought it and installed it, 2) safety for children with a standard chain link fence; 3) cost of a guard rail to deter an errant automobile from entering the space, 4) not a good idea to spend public dollars, and 5) recommend approving the Park Board's recommendation.

A letter was received from Wilford W. Nelson, 6205 Wilryan Avenue, dated July 3, 1998, in support of the use of the open space at Roberts Place and Wilryan Avenue for an open space park.

Member Maetzold made a motion approving the Park Board recommendation as, "That the City request permission from the Minnesota Department of Transportation to move the fence subject to the caveat that no City funds be used for that fence and no City dollars would be spent on maintenance with the understanding that the neighborhood would come forward with the money for maintenance and for the fence". Member Faust seconded the motion.

Ayes: Faust, Kelly, Maetzold, Smith

Minutes/Edina City Council/July 6, 1998

Nays: Hovland
Motion carried.

REPORT GIVEN ON STORM CLEAN-UP Engineer Hoffman gave background information on the City's clean-up efforts from storm events on Friday June 26, 1998, and Saturday, June 27, 1998. Recent storms left us without power on eleven lift stations for a short time. The City had rented five stand-by generators previously so no problems occurred other than additional tree debris, and wires down on streets from different utility companies.

The City utilized its Public Works Department crews and equipment to continue clean-up along with twenty-three outside vendors and contractors to assist with clean-up. Four firms will exceed the \$15,000.00 level for purchase orders; Ceres Environmental, DeMenge Trucking and Forest Products, Global Specialty and Cohasset Tree Service. Previously, Council approved Ceres Environmental and Cohasset Tree Service emergency purchase orders. Staff recommends continued emergency authorization to use those firms as necessary.

Current cost estimates from the last two storm events added to the May 15 and May 30th storm events are approaching \$450,000.00 to \$500,000.00.

The first two storms (May 15 and May 30) were declared federal disasters and as such, the City will be able to recoup 90% of its expenses for the clean-up. The last two storms have not been declared federal disasters at this time. The City can claim reimbursement for overtime labor, equipment use and contract services.

Contract services provided log loader trucks, dump trucks, tree and stump grinding, generator rentals, chipper rentals, truck cranes, emergency electrical services and 5 ton loaders. The estimated cost of these services are approximately \$260,000.00 of which the City will recover approximately \$235,000.00 from Federal Disaster Funds.

The estimated labor costs for City provided services are approximately \$200,000.00 with \$50,000.00 paid in overtime. The City will recover \$45,000.00 of the estimated \$50,000.00 in overtime from the Federal Disaster Funds. Additionally, the Federal Disaster funds pay for use of City equipment on a rental-rate basis and we will recover 90% of those costs. The rental rate value is approximately \$100,000.00 and we anticipate recovering about \$90,000.00.

If the total clean-up is approximately \$500,000.00, we expect to recover approximately \$370,000.00 from the Federal Disaster Funds.

The City will not recover normal labor costs which are already budgeted, so net costs should leave the City close to a balance or a small amount of funds required from contingencies.

Staff expects clean-up to be 99% complete by July 7, 1998, and are advising residents that no more pick-up will be done after July 15, 1998. The Parks Department said a small crew with a bucket truck and log loader will continue trimming along City streets/parks where deemed

necessary, and may take the remainder of the summer. Other City staff must resume normal repair duties on storm sewers, curb and gutters, streets and other planned maintenance.

Member Hovland made a motion authorizing continued emergency purchase orders as necessary to conduct clean-up and adopt a schedule for final clean-up if no other extreme weather events occur. Member Maetzold seconded the motion.

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Motion carried.

***RESOLUTION APPROVED RECOMMENDING NO WAIVER OF STATUTORY TORT LIMITS FOR THE I-494 CORRIDOR COMMISSION LIABILITY INSURANCE** Motion made by Member Hovland and seconded by Member Maetzold introducing the following Resolution and moving its approval:

RESOLUTION

WHEREAS, cities obtaining liability coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased, and the decision to waive or not to waive the statutory limits has the following effect;

WHEREAS, if the City does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$300,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$750,000. These statutory tort limits would apply regardless of whether or not the city purchases the optional excess liability coverage, and

WHEREAS, if the City waives the statutory tort limits and does not purchase excess liability coverage, a single claimant could potentially recover up to \$750,000 on a single occurrence to which the statutory tort limits apply would also be limited to \$750,000, regardless of the number of claimants, and

NOW, THEREFORE, a decision must be made by the City Council that cities purchasing coverage must complete and return a form to the LMCIT before the effective date of the coverage.

Motion carried on rollcall vote - four ayes.

NEW CITY MANAGER APPOINTED Mayor Smith gave background into the process that had been followed culminating in the recommendation that Assistant City Manager Gordon Hughes be appointed as City Manager due to the retirement of City Manager Kenneth Rosland.

Following Council Members individual 'votes of confidence', a **unanimous Council motion was made appointing Gordon Hughes as Edina City Manager.**

Rollcall:

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Motion carried.

CONCERN EXPRESSED BY RESIDENT - "EYESORE" ORDINANCE Member Maetzold said he removed this resident concern letter from the Consent Agenda as the resident was attendance at the meeting. Robert Malby, 6517 Limerick Drive, spoke to his letter of June 1,

Minutes/Edina City Council/July 6, 1998

1998, expressing concern with the crying need for an “eyesore” ordinance in Edina. The specific “eyesore” he spoke of are cars parked on driveways, seldom moved and polluting the neighborhood. He presented a letter dated June 27, 1998, with seven neighborhood signatures attesting to their displeasure with the “blight” in their neighborhood.

Following a brief Council discussion, the consensus was for staff to research the City’s existing nuisance ordinances and to present their findings at the August 17, 1998, regular Council meeting.

CONCERN EXPRESSED BY RESIDENT OF POSSIBLE LOSS OF GREEN SPACE Rosanne Malevich, 4241 Alden Drive voiced concern regarding the possibility of the loss of very precious, very scarce greenspace in Edina if the Edina School District’s proposal using Weber Park field for a magnet school is approved. She implored the City to be proactive in their communication to the School District that Edina parks are not for sale.

PUBLIC HEAIRNG HELD, RESOLUTION ADOPTED APPROVING THE VOLUNTEERS OF AMERICA CARE FACILITIES REVENUE BOND PROJECTS, SERIES 1995 REFUNDING Affidavits of Notice were presented, approved and ordered placed on file.

Jerry Neill, Attorney with Foley and Lardner, explained the Volunteers of America (VOA) Care Facilities is asking approval from the City of Edina for issuance by he Colorado Health Facilities Authority of revenue bonds to refund bonds issued by the City of Edina in 1995 on behalf of VOA to finance and refinance facilities of VOA located in Edina and in Crystal. Federal law relating to issuance of tax-exempt bonds requires that the City of Edina hold a public hearing on the proposed financing and approve the issuance of the bonds by the Colorado Authority.

The City has previously approve the issuance of bonds by the City of Minneapolis on behalf of Fairview Hospital and Healthcare Services to finance improvements at Fairview Southdale Hospital.

Member Maetzold inquired whether the City would incur any out of pocket costs. Mr. Neill said none.

Member Kelly introduced the following resolution:

**RESOLUTION GIVING APPROVAL, FOR
PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS
AMENDED, OF REVENUE BONDS TO BE ISSUED BY TH
COLORADO HEALTH FACILITIES AUTHORITY FOR THE
BENEFIT OF VOLUNTEERS OF AMERICA CARE FACILITIES AND
VOLUNTEERS OF AMERICA ASSISTED LIVING COMMUNITIES;
AUTHORIZING THE REDEMPTION OF THE CITY OF EDINA, MINNESOTA HEALTH
CARE FACILITIES REVENUE BONDS (VOLUNTEERS OF AMERICA CARE
FACILITIES PROJECTS), SERIES 1995; AND AUTHORIZING
EXECUTION OF AN ESCROW DEPOSIT AGREEMENT
AND ALL NECESSARY RELATED ACTIONS AND CERTIFICATES**

WHEREAS, the City of Edina, Minnesota (the "City") has previously issued its \$8,340,000 Health Care Facilities Revenue Bonds (Volunteers of America Care Facilities Projects), Series 1995 (the "City Bonds") the proceeds of which were used by the Volunteers of America Care Facilities, a Minnesota nonprofit corporation (the "Corporation") for the purpose of financing the acquisition of and improvements to a nursing home facility located at 6200 Xerxes Avenue South in the City, and a nursing home facility located at 3245 Vera Cruz Avenue North, in the City of Crystal; and

WHEREAS, the Corporation has requested that the Colorado Health Facilities Authority issue one or more series of revenue bonds (the "Series 1998 Bonds") in a principal amount not to exceed \$40,000,000 to (i) refund the City Bonds, (ii) refund other outstanding debt of the Corporation and of Volunteers of America Assisted Living Communities, a Minnesota nonprofit corporation ("VOAALC"), (iii) provide funds for certain capital expenditures at other nursing home and housing facilities owned and/or operated by the Corporation or VOAALC, (iv) fund a debt service reserve fund for the Series 1998 Bonds and (v) pay certain costs of issuance with respect to the Series 1998 Bonds; and

WHEREAS, on July 6, 1998, a public hearing was held at 4801 West 50th Street, Edina, Minnesota, that was conducted in a manner that provided a reasonable opportunity to be heard for persons with differing views on the issuance of the Series 1998 Bonds and the facilities to be financed and refinanced therewith; and

WHEREAS, notice of the public hearing was published by an insertion in the Star Tribune in accordance with state and local laws, no less than 14 days before the scheduled date of the hearing substantially in the form attached hereto as Exhibit A and incorporated herein; and

WHEREAS, the Star Tribune is a newspaper of general circulation available to the residents of the City; and

WHEREAS, this body is an elected legislative body of the City of Edina;

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF EDINA THAT:

1. The issuance of the Colorado Health Facilities Authority of the Series 1998 Bonds (and the Series 2000 Bonds, if issued) for the purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended is hereby approved.
2. The appropriate officers of the City are hereby authorized, empowered and directed to call the City Bonds for redemption upon the deposit, into escrow, of sufficient funds to pay all principal of, premium on and interest with respect to the City Bonds and to execute an appropriate escrow deposit agreement in connection with such deposit.
3. The appropriate officers of the City are hereby authorized, empowered and directed to take all necessary and appropriate action and execute all necessary and appropriate documents to accomplish the purposes of this Resolution.
4. This Resolution shall take effect immediately upon adoption.

The foregoing resolution of the City of Edina, Minnesota was adopted and recorded on July 6, 1998. Member Maetzold seconded the motion

Rollcall:

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Resolution adopted.

Minutes/Edina City Council/July 6, 1998

CLAIMS PAID Member Hovland made a motion to approve payment of the following claims as shown in detail on the Check Register dated July 2, 1998, and consisting of 48 pages: General Fund \$437,254.35; C.D.B.G. \$3,840.00; Communications \$24,362.38; Working Capital \$23,786.93; Art Center \$44,623.24; Golf Dome Fund \$1,101.23; Swimming Pool Fund \$23,999.46; Golf Course Fund \$86,866.45; Ice Arena Fund \$22,638.81; Edinborough/Centennial Lakes \$27,163.40; Utility Fund \$298,024.14; Storm Sewer Utility Fund \$1,810.42; Liquor Dispensary Fund \$279,556.53; Construction Fund \$30,361.66; Park Bond Fund \$124,674.20; I-494 Commission \$13.42; TOTAL \$1,430,076.62; and for confirmation of the following claims as shown in detail on the Check Register dated July 2, 1998, and consisting of one page: General Fund \$364,831.88; Communications \$3,300.00; Utility Fund \$255.00; Liquor Dispensary Fund \$81,899.67; I-494 commission \$7,422.44; TOTAL \$457,708.99. Member Faust seconded the motion.

Rollcall:

Ayes: Faust, Hovland, Kelly, Maetzold, Smith

Motion carried.

There being no further business on the Council Agenda, Mayor Smith declared the meeting adjourned at 11:08 P.M.

City Clerk