

**Minneapolis  
Park & Recreation Board**

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March 28, 2013

The Honorable Betsy Hodges, Chair  
Ways and Means / Budget Committee  
Minneapolis City Council  
Room 317 City Hall  
Minneapolis MN 55415

**RE: Request the City Council of the City of Minneapolis to Approve and Request the Board of Estimate and Taxation to Issue and Sell Taxable Bonds in the amount of \$7,000,000 and Tax-Exempt Bonds in the Amount of \$2,800,000 for Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the Minneapolis Park System.**

Dear Council Member Hodges:

Please place this letter on the next Ways and Means / Budget Committee meeting agenda.

Attachments include MPRB Resolution 2013-124 requesting the issue and sale of bonds, the MPRB Resolution 2013-126 adopting the project scope and MPRB Resolution 2013-125 establishing the MPRB's intent to reimburse itself for preliminary project costs.

The project was submitted for planning and design review on March 28, 2013 and will be before the Planning Commission on April 11, 2013.

The Minneapolis Park and Recreation Board will repay the City of Minneapolis for the debt service costs related to the above indebtedness through project generated operational savings; project generated additional revenues and any other sources as necessary, including property taxes and local government aid if needed.

Sincerely,



Jayne Miller  
Superintendent

*President*

John Erwin

*Vice President*

Liz Wielinski

*Commissioners*

Brad Bourn

Bob Fine

Carol A. Kummer

Jon C. Olson

Anita Tabb

Scott Vreeland

M. Annie Young

*Superintendent*

Jayne Miller

*Secretary to the Board*

Michael P. Schmidt

MINNEAPOLIS PARK AND RECREATION BOARD

AN ACTION, RESOLUTION OR ORDINANCE

In accordance with Chapter 3, Section 1, of the City Charter, there is herewith submitted to you, the Mayor of the City of Minneapolis, an action, resolution or ordinance adopted by the Minneapolis Park and Recreation Board which you may approve by affixing your signature herein below or if you disapprove of same to return to the Board, with your objection thereto, by depositing the same with the Secretary of the Board to be presented to the Board at their next meeting where the question of its passage will be put again before the Board.

8.A.2 That the Board adopt Resolution 2013-124 captioned as follows:

Resolution 2013-124

Resolution to Request the City Council of the City of Minneapolis To Approve and Request the Board of Estimate and Taxation to Issue and Sell Taxable Bonds in the Amount of \$7,000,000 and Tax-Exempt Bonds in the Amount of \$2,800,000 for Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the Minneapolis Park System

PASSED February 20, 2013



Secretary of the Board

APPROVED \_\_\_\_\_



Mayor

Offered by: *Scott Vucland*

Seconded by: *Anita Tall*

**Resolution 2013-124**

**Resolution to Request the City Council of the City of Minneapolis To  
Approve and Request the Board of Estimate and Taxation to Issue and Sell Taxable Bonds in  
the Amount of \$7,000,000 and Tax-Exempt Bonds in the Amount of \$2,800,000 for  
Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the  
Minneapolis Park System**

Whereas, The Minneapolis Park & Recreation Board (MPRB) is the steward of Minneapolis parks and is responsible for the capital upkeep of facilities under its control;

Whereas, The MPRB has identified and committed to substantial rehabilitation and energy upgrades at Parade Ice Garden and has identified and committed to cost-effective energy upgrades at other facilities owned by the MPRB with the issuance of \$9,800,000 in bonds;

Whereas, The MPRB has determined that the nature of the Parade Ice Garden's business operations necessitate that the bonds sold be a combination of taxable and tax-exempt bonds;

Whereas, MPRB staff and consultants have packaged the upgrades into a two-phased project for 2013 and 2014;

Whereas, The MPRB has identified Phase I of the project be financed with taxable bonds in the amount of \$7,000,000; and

Whereas, The MPRB has identified Phase II of the project be financed with tax-exempt bonds in the amount of \$2,800,000;

Whereas, The MPRB has identified and dedicated a combination of energy/operating cost savings and increased revenues to fund the debt service of this bond sale;

Whereas, The MPRB agrees to use all other revenue sources including property taxes and local government aid if needed to repay the debt;

**RESOLVED**, That the Board of Commissioners request the City Council of the City of Minneapolis to approve and request the Board of Estimate and Taxation to issue and sell taxable bonds in the amount of \$7,000,000 and tax-exempt bonds in the amount of \$2,800,000; and

RESOLVED, That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell taxable bonds in the amount of \$7,000,000 and tax-exempt bonds in the amount of \$2,800,000 the proceeds of which are to be used for rehabilitation of the Parade Ice Garden facility and energy upgrades at other facilities in the Minneapolis Park System; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.

Vote:

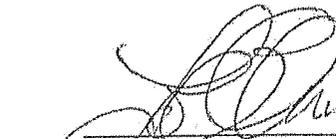
Commissioner	Aye	Nay	Abstain	Absent
Bourn	X			
Erwin	X			
Fine	X			
Kummer	X			
Olson				X
Tabb	X			
Vreeland	X			
Wielinski	X			
Young	X			

Adopted by the Minneapolis Park and Recreation Board  
 In formal meeting assembled on February 20, 2013

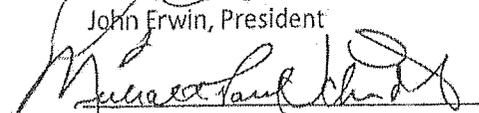
Approved:



R.T. Rybak, Mayor



John Erwin, President



Michael P. Schmidt, Secretary

MINNEAPOLIS PARK AND RECREATION BOARD

AN ACTION, RESOLUTION OR ORDINANCE

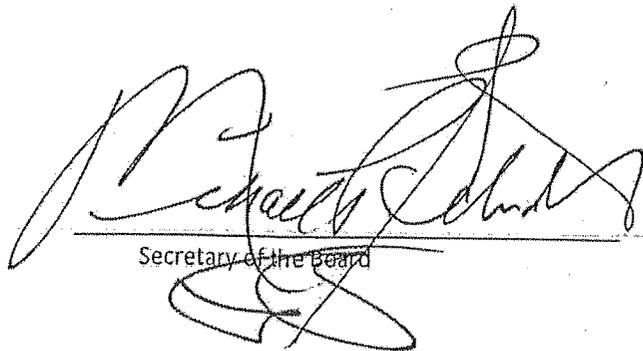
In accordance with Chapter 3, Section 1, of the City Charter, there is herewith submitted to you, the Mayor of the City of Minneapolis, an action, resolution or ordinance adopted by the Minneapolis Park and Recreation Board which you may approve by affixing your signature herein below or if you disapprove of same to return to the Board, with your objection thereto, by depositing the same with the Secretary of the Board to be presented to the Board at their next meeting where the question of its passage will be put again before the Board.

8.A.3 That the Board adopt Resolution 2013-125 captioned as follows:

Resolution 2013-125

Resolution to Declare the Minneapolis Park and Recreation Board's Intent to Reimburse Expenditures for Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the Minneapolis Park System Funded with Bond Proceeds by Incurring Tax-Exempt Debt by the City of Minneapolis

PASSED February 20, 2013



Secretary of the Board

APPROVED \_\_\_\_\_

Mayor

Resolution 2013-125

**Resolution to Declare the Minneapolis Park and Recreation Board's Intent to Reimburse Expenditures for Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the Minneapolis Park System Funded with Bond Proceeds by Incurring Tax-Exempt Debt by the City of Minneapolis**

Whereas, The Minneapolis Park & Recreation Board (MPRB) is the steward of Minneapolis parks and is responsible for the capital upkeep of facilities under its control;

Whereas, The MPRB has identified and committed to substantial rehabilitation and energy upgrades at Parade Ice Garden and has identified and committed to cost-effective energy upgrades at other facilities owned by the MPRB with the issuance of \$9,800,000 in bonds;

Whereas, The MPRB has identified Phase II of the project be finance with tax-exempt bonds in the amount of \$2,800,000;

Whereas, The MPRB declares pursuant to IRS Treasury Regulations Section 1.150-2 that the MPRB intends to reimburse expenditures which may be made for rehabilitation of the Parade Ice Garden facility and energy upgrades at other facilities in the Minneapolis Park System designated herein to be funded with bond proceeds by incurring tax-exempt debt of the City of Minneapolis; and

Whereas, The expenditures to be reimbursed include all preliminary expenses for planning, design, legal, consulting services and staff costs reasonably allocated to the project as well as costs incurred and paid for related to the design and construction of the projects after approval of the capital budget;

RESOLVED, That the Board of Commissioners approve the Minneapolis Park and Recreation Board declaration of intent to reimburse expenditures for rehabilitation of the Parade Ice Garden facility and Energy Upgrades at other facilities in the Minneapolis Park System funded with bond proceeds by incurring tax-exempt debt by the City of Minneapolis and;

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.

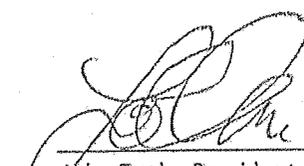
Vote:

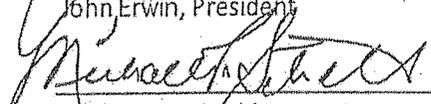
Commissioner	Aye	Nay	Abstain	Absent
Bourn	X			
Erwin	X			
Fine	X			
Kummer	X			
Olson				X
Tabb				
Vreeland	X			
Wielinski	X			
Young	X			

Adopted by the Minneapolis Park and Recreation Board  
In formal meeting assembled on February 20, 2013

Approved:

  
\_\_\_\_\_  
R.T. Rybak, Mayor

  
\_\_\_\_\_  
John Erwin, President

  
\_\_\_\_\_  
Michael P. Schmidt, Secretary

MINNEAPOLIS PARK AND RECREATION BOARD

AN ACTION, RESOLUTION OR ORDINANCE

In accordance with Chapter 3, Section 1, of the City Charter, there is herewith submitted to you, the Mayor of the City of Minneapolis, an action, resolution or ordinance adopted by the Minneapolis Park and Recreation Board which you may approve by affixing your signature herein below or if you disapprove of same to return to the Board, with your objection thereto, by depositing the same with the Secretary of the Board to be presented to the Board at their next meeting where the question of its passage will be put again before the Board.

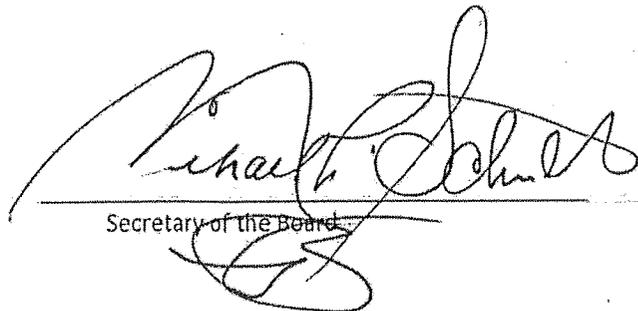
8.A.1 That the Board adopt Resolution 2013-126 captioned as follows:

Resolution 2013-126

Resolution Approving the Project Scope and Project Budget of \$9,753,734 for Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the Minneapolis Park System

PASSED February 20, 2013

APPROVED



Secretary of the Board

Mayor

Offered by: *Scott McElroy*Seconded by: *Anita Tabb*

## Resolution 2013-126

## Resolution Approving the Project Scope and Project Budget of \$9,753,734 for Rehabilitation of the Parade Ice Garden and Energy Upgrades at Other Facilities in the Minneapolis Park System

Whereas, The Minneapolis Park & Recreation Board (MPRB) is the steward of Minneapolis parks and is responsible for the capital upkeep of facilities under its control;

Whereas, The MPRB has identified substantial rehabilitation and energy upgrade needs at Parade Ice Garden and has identified cost-effective energy upgrade opportunities at other facilities owned by the MPRB;

Whereas, MPRB's engineering consultant, Arena Solutions, Inc. and their sub-consultants have prepared construction documents for the project and requested construction bids from subcontractors to arrive at a project cost estimate of \$9,753,734 including construction contingencies and excluding the costs of financing;

Whereas, Project consultants have determined that the project will result in present value annual energy savings of nearly \$93,000, budgeted annual operating cost savings of nearly \$150,000 and reduced anticipated rehabilitation costs of \$280,000 annually;

Whereas, The groups who are the primary renters of ice time at the Parade Ice Garden have committed to at least \$150,000 of increased annual revenues upon project completion through increased ice rental and, if necessary, increased rates;

Whereas, The combination of energy/operating cost savings and increased revenues will be utilized for the payment of debt service associated with financing the project over twenty years;

Whereas, MPRB staff and consultants have packaged the upgrades into a two-phased project for 2013 and 2014 that would not conflict with current ice availability; and

Whereas, This resolution is supported by the MPRB 2007-2020 Comprehensive Plan, which envisions "Recreation that inspires personal growth, healthy lifestyles, and a sense of community";

RESOLVED, That the Board of Commissioners approves the project scope and project budget of \$9,753,734 for rehabilitation of the Parade Ice Garden and energy upgrades at other facilities in the Minneapolis park system; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.

Vote:

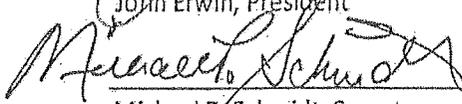
Commissioner	Aye	Nay	Abstain	Absent
Bourn	X			
Erwin	X			
Fine	X			
Kummer	X			
Olson				X
Tabb	X			
Vreeland	X			
Wielinski	X			
Young	X			

Adopted by the Minneapolis Park and Recreation Board  
In formal meeting assembled on February 20, 2013

Approved:



R.T. Rybak, Mayor

  
\_\_\_\_\_  
John Erwin, President  
\_\_\_\_\_  
Michael P. Schmidt, Secretary