

## **SPECIAL CITY COUNCIL MEETING**

March 10, 2021

5:00 PM

The March 10, 2021 council meeting was called to order by Mayor Lowell Helget at 5:30 PM. Those present include Lowell Helget, Mike Rothmeier, John Ryan, Theresa Beckman, Nicholas Klisch. Others present were City Attorney Paul Muske, City Manager Joe Stremcha, City Clerk Amy Vogel, Jessica Green, Wendy Krier, Ron and Sharon Sturm, Don Wellner, Larry and Kathy Smith, Tom Anderson, Carol Carlson, John Nicholson, Justin Robertson, Tim Gramentz, Brian Veenstra, and Dotty DeLambert . The Pledge of Allegiance was recited.

Motion by Mike Rothmeier, second by Theresa Beckman to adopt the agenda.  
Yes 5, No 0, Abstained 0

The public hearing for the approval of a 5-yr capital improvement plan to allow for the financing of these improvements. The plan includes remodeling city hall for \$200,000 and the old ambulance building for the police dept for \$125,000. Green recapped the plan and amounts. There is also a proposal to bond for \$205,000 for fire equipment, including a tanker. The equipment purchase does not require a public hearing. The anticipated sale date is April 13, 2021.

There were concerns about committing to the city hall remodel before the audit is completed and it is known if LGA will be unallotted. It was noted that during the budget meeting in August, the police dept remodel was not talked about. However, it was in the capital outlay plan by December. Green stated that these projects could be bonded later but there wouldn't be a bond rating and maybe not as favorable of an interest rate. A larger bond issue usually garners a lower interest rate. The capital improvement plan could still be adopted even if not proceeding with the bonding of it to be ready in the event the city chooses to bond for the projects in the future. The council would have until about 1.5 weeks before the sale date of April 13 to change their minds if they included the remodels now. Stremcha noted that there is a good interest rate at this time and it would leave available dollars in the capital equipment fund for other needed improvements and have 3 years to complete the remodels.

There was public comment about not proceeding with the bonding because they believe the taxes are too high now. it was noted that a petition requesting a vote on issuance of bonds has to be signed by voters equal to 5% of the votes cast in the last municipal general election and filed with the City Clerk no later than April 9, 2021. There were 1,087 voters in 2020 so would need 55 signatures.

The early estimate is that the 2020 fund balance will increase by over \$200,000. If this is the case, the council discussed paying for these improvements rather than bonding for them. Motion by Mike Rothmeier, second by Theresa Beckman to close the hearing at 5:47 PM. Yes 5, No 0, Abstained 0 Passed

Green explained the next step would be to adopt the capital improvement plan and to set the sale date for the bonds by resolution. She recapped the finance plan for the sale of 2021 GO Bonds amounting to \$4,730,000. This amount would finance the Central St and Hwy 14 realignment, the remodels at city hall and the police department and the purchase of fire equipment. A special meeting would be needed on April 13, 2021 at 5:30 to consider awarding the sale of bonds.

Motion by John Ryan, second by Mike Rothmeier to not approve the capital improvement plan. Yes 5, No 0, Abstained 0 Passed

The council reviewed tanker quotes ranging from \$230,000 to \$260,000. This tanker would replace the 1986 Chev tanker that has a rusting tank and the pump is going out. It was mentioned that there is value in bonding as the costs will continually increase. Green stated that the city could not borrow more than \$221,901 or a published notice would be required subject to a reverse referendum vote of at least 10% of voters. Motion by Theresa Beckman, second by Nicholas Klisch to approve continuing with bonding for fire equipment at the \$220,000 level. Yes 5, No 0, Abstained 0 Passed

Motion by Mike Rothmeier, second by Theresa Beckman to adopt Res. #21-031001 providing for the competitive negotiated sale of GO Bonds 2021B. Yes 5, No 0, Abstained 0 Passed

Motion by John Ryan, second by Theresa Beckman to approve the municipal advisory agreement with Northland Securities for a fee of \$21,960. Yes 5, No 0, Abstained 0 Passed

Motion by Theresa Beckman, second by Mike Rothmeier to set a special council meeting for Tuesday, April 13, 2021 at 5:30 to consider awarding the sale of bonds. Yes 5, No 0, Abstained 0 Passed

Council agreed to look at April 12 or April 19 at 5:30 PM for LMC training for council members. The City of Sanborn will be invited to join.

Motion by Mike Rothmeier, second by Theresa Beckman to adjourn at 06:27 PM. Yes 5, No 0, Abstained 0 Passed

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Lowell Helget, Mayor

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Amy A. Vogel, City Clerk