

FINANCE COMMITTEE MEETING MINUTES

March 28, 2017 – 5:00 p.m.

Council Chambers, Public Safety Building

Present:

Alderpersons Paul Lawrence, Regina Hirsch, Pat O'Connor, Tim Swadley, and Mayor Olson

Others Present:

Clerk Lana Kropf, Finance Director LaBorde, Laura Peck, Mike Migar, Brett Johnson, Attorney Dregne and Joe Murray

Absent and Excused:

None

Call to order:

Chairperson Lawrence called the meeting to order at 5:00 p.m.

Communications:

None

R-35-2017- Designating officials authorized to declare official intent under reimbursement bond regulations:

Finance Director LaBorde explained that the City needed to update this resolution to reflect her as the Chief Financial Officer for the City.

Motion by O'Connor, to approve R-35-2017 and to move to Council for consideration, second by Hirsch. Motion carried 5-0.

Consideration and possible action on the following items relating to the sale of land in Business Park North to NAFA:

R-41-2017- Resolution by the Common Council of the City of Stoughton to approve the Indemnification agreement relating to Agricultural Conversion Fee:

Attorney Dregne explained the indemnification agreement to the Finance Committee. He noted that an ag conversion fee could be triggered for this land as its' use has changed from agricultural to industrial. He also indicated that the land had been farmed until the fall of 2015, but had been fallow since then. Since the land had laid fallow that both the City Assessor and the Dane County Clerk agreed that an ag conversion fee would not be triggered.

Motion by Swadley, to approve the indemnification agreement relating to Agricultural conversion fee and recommend to Council for consideration, second by Hirsch. Motion carried 5-0.

R-42-2017- Resolution by the Common Council of the City of Stoughton to Assign the NAFA Development Agreement.

Attorney Dregne explained that this resolution would allow NAFA to change its name and the new name would be assigned to the existing developer's agreement. He noted that the name change is necessary as NAFA, the parent company, would like the portions of the businesses that oversee manufacturing to hold a different name than

those who handle real estate transactions. He also noted that NAFA and all subsidiary companies would be held responsible to the developer's agreement should the business no longer be viable.

Motion by Swadley, to approve the resolution by the Common Council of the City of Stoughton to Assign the NAFA Development Agreement and recommend to Council for consideration, second by O'Connor. Motion carried 5-0.

R-43-2017- Resolution by the Common Council of the City of Stoughton to Extend the deadline to close. (Currently the agreement would expire if not closed by April 10):

Attorney Dregne explained that NAFA would like to extend the date of closing from April 10, 2017 to May 12, 2017. NAFA indicated that they would like to close before May 12, 2017, but that date would be the absolute latest.

Motion by O'Connor, to approve the resolution by the Common Council of the City of Stoughton to extend the deadline to close and recommend to Council for consideration, second by Hirsch. Motion carried 5-0.

R-44-2017- Resolution by the Common Council of the City of Stoughton to Approve the Borrow Site Agreement:

Attorney Dregne explained that NAFA would have a borrow site agreement to come before the committee and the Council, but it was not yet completed. This agreement would allow NAFA to use the materials that the City removes for a stormwater management pond to fill around the build site. NAFA would be responsible for digging the pond to the City's specifications. Dregne stated that he will send the agreement to staff as soon as it is ready for Council consideration. No action was taken.

****Consideration and possible action regarding Property acquisition for Public Works Facility and Future Uses**

***The committee may convene in closed session pursuant to Wis. Stat sec 19.85(1)(e), to consider the acquisition of property for Public Works Facility, Stoughton, WI and may return into open session to take action on matters discussed in closed session.*

Motion by Hirsch, to convene the Finance Committee into closed session, second by Olson. Motion carried 5-0. The Committee convened into closed session at 5:32 p.m.

Motion by O'Connor, to reconvene the Finance Committee into open session, second by Hirsch. Motion carried 5-0. The Committee convened into open session at 5:59 p.m.

R-45-2017- Resolution of Necessity relating to the acquisition of land needed for a new public works facility:

Motion by Swadley, to approve the resolution of necessity relating to the acquisition of land needed for a new public works facility and recommend to Council for consideration, second by O'Connor. Motion carried 5-0.

R-40-2017 – Resolution by the Common Council of the City of Stoughton to Amend the 2017 Borrowing, Equipment Replacement Fund, Capital Outlay Fund, Building Maintenance Fund, and Technology Fund:

Finance Director LaBorde reviewed the amended CIP borrowing with the committee. She explained that the City had recently received bids for the street construction projects and equipment purchases which either had increased or decreased. She also

stated that the Council recently authorized the purchase some land in various areas and that the borrowing needed to be changed to reflect those potential purchases. LaBorde noted that the borrowing did include projects to be completed in 2018, but due to the borrowing for the new public works facility in 2018, those projects would be borrowed for in 2017, which had been approved back in September 2016. She noted that the new borrow amount would be approximately \$7.5 Million and that the debt service for this borrow would carry until 2030. The City's Financial Advisor, Joe Murray of Springsted Inc, noted that an additional \$1.2 million would be borrowed in addition to the amounts discussed in September 2016.

Motion by O'Connor, to approve the resolution by the Common Council of the City of Stoughton to Amend the 2017 Borrowing, Equipment Replacement Fund, Capital Outlay Fund, Building Maintenance Fund, and Technology Fund and to authorize the proper city officials to move forward with the borrowing totaling approximately \$7,547,937 and to recommend to Council for consideration, second by Hirsch. Motion carried 5-0.

Motion by O'Connor, to adjourn the March 28, 2017 meeting of the Finance Committee, second by Lawrence. Motion carried 5-0. The meeting of the Finance Committee adjourned at 6:21 p.m.