

## FINANCE COMMITTEE MEETING MINUTES

February 13, 2018- 5:30 p.m.

Council Chambers, Public Safety Building

### **Present:**

Chairperson Pat O'Connor, Tom Majewski, Lisa Reeves, Tim Swadley and Mayor Olson

### **Others Present:**

City Attorney Matt Dregne, Finance Director LaBorde, Clerk Licht, Planning Director Scheel, Parks and Recreation Director Glynn, Public Works Director Hebert, IT Director Montgomery, Court Clerk Gienza, and Joe Murray of Springsted

### **Absent and Excused:**

None

### **Call to Order:**

Chairperson O'Connor called the meeting to order at 5:30 p.m.

### **Communications:**

None

### **Reports**

Finance Director LaBorde provided the Contingency Fund report for 2017.

### **OLD BUSINESS**

Old business was moved to the end of the agenda.

### **Discussion and possible action regarding McFarland State Bank proposal to donate property, located at 207 Forrest Street, to the City**

Swadley asked if there had been any response from the Bank since the last meeting. Planning Director Scheel contacted a company who conducts building assessments and stated that the cost for this would be approximately \$3,000. Olson stated that she contacted all of the leadership team and there does not appear to be a need at this time for the building. O'Connor noted that it doesn't seem like the needs justify the whole building. The Mayor stated that she would follow up with McFarland State Bank.

### **NEW BUSINESS**

### **Approval of the January 23, 2018 Finance Committee Minutes**

Motion by Majewski, second by Reeves, to approve the January 23, 2018 Finance Committee minutes. Motion carried 5-0.

### **Discussion and possible action to enter into an agreement with Kenneth F. Sullivan Co. for the 2018 New Public Works Facility Project**

Planning Director Scheel stated that there were several competitive bids for the project. He added the awarded bid would be under project costs estimates from October and included the

solar option. Scheel stated the project is estimated to take 270 construction days.

Motion by Majewski, second by Reeves to recommend that the Common Council enter into an agreement with Kenneth F. Sullivan Co. for the 2018 New Public Works Facility Project in the amount of \$7,544,300 with the contingency to wait to execute the agreement after the bond paperwork is in order. Motion carried 5-0.

**Authorizing and Directing the proper City Official(s) to Approve the network infrastructure Agreement with Spectrum to deliver Tele-Data service to the proposed Public Works Building located at 2439 CTH A**

IT Director Montgomery said that there would be a fiber connection from the new Public Works Facility to the Public Safety Building because there is already a fiber connection in the Public Safety Building. He added that fiber would be reliable and provide adequate bandwidth. Montgomery said that the monthly payment would decrease as the City starts to add fiber to more City buildings.

Motion by Swadley, second by Majewski, to recommend that the Common Council approve a resolution authorizing and directing the proper City official(s) to approve the infrastructure agreement with Spectrum to deliver Tele-Data service to the Proposed Public Works Building, located at 2439 CTH A in the amount of \$1,000 for a onetime installation fee and a reoccurring monthly payment of \$1,460. Motion carried 5-0.

**Discussion and action to borrow funds for the Public Works Facility Project and Refinancing of 2015 Note Anticipation Notes as follows:**

- A. Initial Resolution Authorizing General Obligation Bonds in an Amount Not to Exceed \$9,000,000 for Public Works Facility Project
- B. Initial Resolution Authorizing \$4,070,000 General Obligation Refunding Bonds
- C. Resolution Directing Publication of Notice to Electors Relating to Bond Issue
- D. Resolution Providing for the Sale of Not to Exceed \$13,070,000 General Obligation Corporate Purpose Bonds, Series 2018A

Joe Murray of Springsted provided financial background for the project. The refunding of the 2015 note anticipation notes will utilize \$600,000 of increment generated by TIF 7 to pay down the amount to be borrowed. The proposal is to have level debt service over a 20-year period. The impact of a new Public Works Facility is \$5.75 per \$100,000 of equalized value, with the overall tax impact estimated at \$115. A permissive referendum could be required if residents were to pursue. There is a 30 day period where residents would have time to collect the required signatures.

Motion by Olson, second by O'Connor to recommend that the Common Council approve an Initial Resolution Authorizing General Obligation Bonds in an Amount Not to exceed \$9,000,000 for Public Works Facility Project. Motion carried 5-0.

Motion by O'Connor, second by Swadley to recommend that the Common Council approve an Initial Resolution Authorizing \$4,070,000 General Obligation Refunding Bonds. Motion carried 5-0.

Motion by O'Connor, second by Reeves to recommend that the Common Council approve a Resolution Directing Publication of Notice to Electors Relating to Bond Issue. Motion carried 5-0.

Motion by Swadley, second by Majewski to recommend that the Common Council approve a Resolution providing for the Sale of Not to Exceed \$13,070,000 General Obligation Corporate Purpose Bonds, Series 2018A. Motion carried 5-0.

**Discussion and possible action regarding Joint Court Agreements with the Town of Dunkirk, Town of Pleasant Springs, and Town of Rutland**

Court Clerk Giemza explained that the Townships of Dunkirk, Pleasant Springs, and Rutland have asked to use court resources to process traffic citations. She added that City would receive \$33 per citation for administrative costs. Mayor Olson said that if the number of citations coming from the towns were to significantly increase and the workload became cumbersome, the City should reevaluate the agreement.

Motion by Majewski, second by Swadley to recommend that the Common Council approve Joint Court Agreements with the Town of Dunkirk, Town of Pleasant Springs and Town of Rutland. Motion carried 5-0.

**Discussion and possible action to authorize a reduction in the amount of the TIF Guarantee Letter of Credit provided by McFarland State Bank**

Attorney Dregne explained this is part of the Memorandum of Understanding the City signed. He added that based on values from January 1, 2017, DOR certified that Kettle Park West has generated more than 110% of the debt service costs.

Motion by O'Connor, second by Reeves to recommend that the Common Council approve a resolution to authorize a reduction in the amount of the TIF Guarantee Letter of Credit provided by McFarland State Bank. Motion carried 5-0.

**Discussion and possible action regarding authorizing and directing the proper city official(s) to execute the return of the Mandt Center at completion of repayment of loan**

Attorney Dregne said that the City currently owns the building and land the Mandt Center is on. He added that MCCI has paid off all the debt relating to the building and the City will transfer the title of the building to MCCI. The land will still be owned by the City and leased by MCCI.

Motion by Olson, second by Swadley to recommend that the Common Council approve an amendment and reinstatement of ground lease and bill of sale relating to the building and land located at 400 Mandt Parkway (Mandt Community Center). Motion carried 5-0.

**Discussion and possible action regarding Stoughton Electric Utility Lease and Leaseback Addendum to Amendment and Extension of Real Estate Lease**

Finance Director LaBorde noted that Stoughton Utilities rent would increase (9.5%) and the EMS rent would decrease. She also recommended moving forward with the First Renewal for

a period of 5 years.

Motion by O'Connor, second by Majewski to recommend that the Common Council approve the Stoughton Utility Lease and Leaseback Addendum to Amendment and Extension of Real Estate Lease for Stoughton Utilities for the First Renewal Period. Motion carried 5-0.

**Discussion and possible action to authorize and direct the proper city official(s) to award the contract for the Pickleball Court at Mandt Park**

Parks & Recreation Director Glynn stated that the 6 court pickleball complex would go over the existed basketball court that is in disrepair. He said that the Lions Club donated \$20,000, the City received a \$20,000 grant from the Bryant Foundation, and \$20,000 would come from the Park Development fund. Majewski said that the project was not well thought out because there is not a master plan for Mandt Park. He added that he was concerned about parking, especially for the fair grounds.

Motion by O'Connor, second by Olson to authorize and direct the proper city official(s) to award the contract for the Pickleball Court at Mandt Park to Tri-County Paving in the amount of \$56,535.71. Motion carried 4-1 with Majewski voting 'no'.

**Discussion and possible action regarding declaring intent to exercise special assessment powers for the 2018 Streets Projects**

Director Scheel presented the information for the 2018 Street Projects. Majewski requested that this go to the next Council meeting for discussion related to the Special Assessment Policy.

Motion by O'Connor, second by Majewski to recommend that the Common Council approve a resolution declaring intent to exercise special assessment powers for the 2018 Streets Projects. Motion carried 5-0.

**Discussion and possible action to authorize and direct the proper city official(s) to establish a fee structure for perpetual care costs and to increase fees for interments at Riverside Cemetery and Wheeler Prairie Cemetery**

Public Works Director Hebert explained that free for interments have increased effective January 1, 2018 and that the City has not raised fees in the previous years the internment frees have increased. He added that the City would set a mixed rate for perpetual care fee: \$400 for full burials and \$365 for cremations.

Motion by Swadley, second by Reeves to recommend that the Common Council approve a resolution to authorize and direct the proper city official(s) to establish a fee structure for perpetual care costs and to increase fees for interments at Riverside Cemetery and Wheeler Prairie Cemetery. Motion carried 5-0.

**Adjournment:**

Motion by Swadley, second by Majewski to adjourn at 6:51 p.m. Motion carried 5-0.