



## **CITY COUNCIL SPECIAL MEETING**

### **Minutes**

6:00 p.m.  
February 9<sup>th</sup>, 2022  
Frazee Event Center

ZOOM Information:

Join Zoom Meeting

<https://us02web.zoom.us/j/85654806954?pwd=UlcwbXd4MnJqVkVWM1RTK0dqamtMUT09>

Meeting ID: 856 5480 6954

Passcode: 145310

Find your local number: <https://us02web.zoom.us/u/kgkFGotjf>

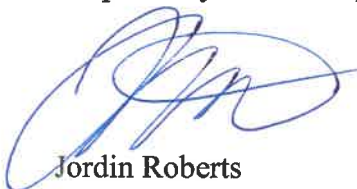
### **City of Frazee Council Meeting**

1. Call the Meeting to Order: 6:03 PM - Roll Call
  - a. Ken Miosek
  - b. Mike Sharp
  - c. Nicole Strand
  - d. Mark Flemmer
  - e. Jordin Roberts
  - f. Kris Carlson
  - g. Jason Murrey
2. Pledge of Allegiance
3. Business of Special Meeting
  - a. Carlson reviewed the numbers the DOT preliminarily provided for us, new information came this morning stating they did not figure in the max grant money on those preliminary numbers, so the total cost is about \$42,000 less. The multi-use trail total components came to \$695,000, with the grant money it totals about \$249,000 and the preliminary estimate was about \$235,000 for the trail piece. The parking lane was calculated at 90% MNDOT Share and 10% city, the city cost is \$6,000. Lighting, utilities, and miscellaneous expenses, of the \$1.4 million construction cost about \$1.1 million is PFA eligible. With PFD preliminarily pledging an 80% grant on the water, the

sewer is not determined yet. Carlson explained at this time the money has to be in place to have it ready for MNDOT. MNDOT had two bids for the project, the low bid was \$6.3 million, the other was \$7.1 million. From the engineers estimate they were about \$1 to \$1.5 million higher; that seems to be a trend everywhere. DOT is looking to award in March.

- b. Resolution Authorizing the Issuance, Sale and Delivery of a \$1,078,000 Temporary General Obligation Utility Revenue Note, Series 2022A
    - i. Loan Agreement
    - ii. Jason Murrey with David Drown explained we asked the bank to give flexibility, interest rates got to be challenging and this is why we separated it into two issuances, if it would have been one large bond the interest would have increased. 2022A is a general obligation temporary revenue note for the PFA portion of \$1,078,000 to be taken out over the next 3 years to get us through the application and approval process with the PFA, it is callable at any time and does not require the full three years, it gives flexibility to pay off early. There is an interest rate of 2.3%, due on a 6-month period scheduled for March 1st and Sept. 1st. The city is pledging utility water and sewer funds for this bond payment. The project is being treated as one big project where assessments and revenues will be combined to make the permanent financing payments, however for this temporary financing the 2022B will have the utility assessments pledged to it.
    - iii. Motion to approve resolution 0209-22A and associated loan agreement by Sharp, second by Strand. **All in favor motion carried.**
  - c. Resolution Authorizing The Issuance, Sale And Delivery of a \$792,000 General Obligation Improvement Note, Series 2022B
    - i. This bond is the city portion for the trails, sidewalk, and amenities. Payments will be Feb. 1st and Aug. 1st; this bond has a 15 year term. Principal will run from \$44,000 to \$63,000, interest of 2.55%. Assessments and tax levies will be pledged towards this, this is something to be conscious of while making annual budgets and levies. Due to the grant that was discussed previously in the meeting that difference will help the city to delay the increasing of the levy by at least one year.
    - ii. Motion to approve resolution 0209-22B and the associated loan agreement by Strand, second by Sharp. **All in favor, motion carried.**
4. Adjournment
- a. Motion to adjourn by Strand, second by Sharp. **All in favor, motion carried.**  
Adjourned at 6:34 PM.

Respectfully Submitted,



Jordin Roberts  
City Administrator