



## CITY OF FRAZEE

### SPECIAL COUNCIL MEETING MINUTES

Monday, August 28, 2017

6:01 pm

#### Special Council Meeting

The special Council meeting of the Frazee City Council was called to order at 6:01 p.m. by Mayor Hank Ludtke. Council members present were Mayor Hank Ludtke, Council Members Ken Miosek, Mark Flemmer, Mike Sharp, and Bonnie Julius. City staff present: Denise Anderson, City Administrator/Clerk/Treasurer, Chris Thorson and Kris Carlson City Engineer/Ultieg Engineering, Jason Murray/David Drown & Associates, Tyler Trieglaff /Police Chief and Barbie Porter.

Ludtke led the meeting with the Pledge of Allegiance.

Ludtke read the purpose of the business of the special meeting which was ordered as follows:

#### Discussion of Bonding – Jason Murray/David Drown & Associates

Murray explained to Council the **two components** of the 2017A Bonding procedure.

- 1.) The acceptance of Minnesota Public Facilities Authority (PFA) grant awards for the SE, Cherry, and West main Project and the SW Maple and 4<sup>th</sup> Street Project. The grants awarded totaled \$876,173.00.00 with a low interest loan at 1% of \$393,040 totaling \$1,269,213.00.

- 2.) The 0828-17A Resolution to be considered is to authorize Bonding of a General Obligation Bond in the amount of \$404,000.00 for costs which are non-eligible for PFA consideration. This bond is calculated at a 3% interest rate which Murray said was a very good rate, and said after the sale the funds should transfer into the City general bank account on September 11, 2017. Murray also reminded Council members that payments are 100% assessed because this is a General Obligation Bond and in the event of any short fall of such revenue the City levy would need to be raised to cover payments.

#### Resolution No. 0828-17A Authorizing the Issuance, Sale and Delivery of \$404,000 General Obligation Improvement Note, Series 2017A

Miosek made a motion to approve Resolution 0828-17A Authorizing the Issuance, Sale and Delivery of \$404,000 General Obligation Improvement Note, Series 2017A. Seconded by Julius. All present in favor. Motion carried.

**Resolution 0828-17B Frazee Economic Development Authority Intention of Land Purchase of Parcel 50.7029.880 Formerly Gary's Furniture from Becker County, Minnesota**

Ludtke informed Council Members that the Economic Development Authority (EDA) had met on August 16, 2017 and discussed the option of purchasing the parcel formerly known as Gary's Furniture from Becker County. It was a unanimous decision that it was in the best interest of the EDA to secure ownership of the parcel to accomplish the Downtown redevelopment. The EDA requires Council's consideration of Resolution 0828-17B to move forward with the purchase of parcel 50.7029.880 from Becker County.

Sharp made a motion to approve Resolution 0828-17B Frazee Economic Development Authority Intention of Land Purchase of Parcel 50.7029.880 Formerly Gary's Furniture from Becker County, Minnesota. Seconded by Julius.

Discussion – Sharp expressed concern regarding development in the Downtown area which would also provide 2<sup>nd</sup> floor housing rental units. He stated he has reservations that it may turn into an undesirable situation in future years. Ludtke said that the EDA will meet on August 29, 2017 and an agenda item will be to commission a Market Study for the area for direction for the best suitable options for the redevelopment and there will be a need to conduct a Public input session to address resident's ideas and concerns.

Ludtke called for a vote on the motion to accept Resolution 0828-17B Frazee Economic Development Authority Intention of Land Purchase of Parcel 50.7029.880 Formerly Gary's Furniture from Becker County, Minnesota. All present voted in favor. Motion carried.

Ludtke stated that all business on the agenda had been concluded and motioned to adjourn the meeting. All present in favor, meeting was adjourned at 6:09 pm.

ATTEST;



Denise L. Anderson, Admin/Clerk/Treas.

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