

City Council Workshop
MINUTES
October 23, 2023, at 5:00 PM

CALL TO ORDER

Mayor Byron Sanford called the meeting to order at 5:00 p.m.

Present: Byron Sanford Mayor
 Carol Langley City Council Place #1
 Casey Olson City Council Place #2
 Sara Countryman City Council Place #3
 Cheryl Fox City Council Place #4
 Stan Donaldson City Council Place #5

Also Present: Gary Palmer City Administrator
 Nici Browe City Secretary
 Maryann Carl Finance Director
 Chris Roznovsky City Engineer
 Mike Muckleroy Public Works Director
 James Gilley Financial Advisor

CONSIDERATION AND POSSIBLE ACTION:

1. Review and Discuss the Proposed Capital Improvement Plan and Funding Through Certificates of Obligation

Mr. Gary Palmer, City Administrator, stated that they have officially adopted the budget, and during that process they touched on the CIP. What we must do now is adopt a plan to make it all work.

Mr. Palmer said that they have discussed projects as a priority and Chris is here to walk the council through projects and James Gilley is here to advise on the certificate of obligations. He added that tomorrow there is a resolution on the City Council Agenda to issue a Notice of Intent.

Mr. Chris Roznovsky presented a schedule (*attached to the minutes herewith*) which outlines the MUST DO items, they should do and what can be deferred. He stated that based on the must do's it is a proposed amount of \$3.5 million.

He explained that the well, storage tank and rehabilitation project is ongoing; within the year Wastewater Plant 3(WWP) a booster pump is needed; design for WWP 4. The rest within the column is development driven.

He went on to explain that the Water Line at Buffalo Springs project is linked to the Downtown Development Project and is as needed.

Councilmember Sara Countryman inquired if that is on track for 2024.

Mr. Roznovsky confirmed 2024 is most likely, the MEDC has to decide on a map, the funds have not been set aside for this project, however.

Mr. Roznovsky led a discussion regarding the booster pumps and the cooling tower along with the current need, lead time and current running time of existing pumps.

Mike Muckleroy noted that the costs involved do not take into account the incidental expenses like electrical and piping.

Mr. Roznovsky concluded that all of the projects to include engineering costs comes in at \$4.2 million, with the bond being \$3.5 million you have an \$800,000 delta.

Mr. Roznovsky added that to date all projects and a portion of the water line improvement can be funded in part with impact fees. Montgomery Bend Section II paid their first \$292,000, the second payment is yet to happen, and with Redbird Phase one there is \$633,000 fees to be paid. This will still leave approximately a \$1.2 million shortfall.

Mr. Roznovsky spoke regarding Redbird's agreement to fund the water line and force main and stated that in total the city would need \$4.2 million.

Councilmember Sara Countryman stated that she could not see the \$4.2 million.

Mr. Roznovsky broke down all of the projects and needs to demonstrate the \$4.2 million.

Councilmember Carol Langley felt that the \$4.2 million was too much money for her to be comfortable with, however, accepted that projects need to be done.

Councilmember Casey Olson said we should know what we are going to do with our bonds and asked Mr. Muckleroy what the system is that monitors the street conditions.

Mr. Muckleroy stated that he had wanted that feature but had not pulled the trigger for that yet.

Councilmember Casey Olson said he would prefer that the city gets a comprehensive list of conditions of the streets before we commit to doing the streets.

Mr. Roznovsky said he would rank the streets and Mr. Muckleroy stated that there is an app that actually scans the streets and tells you the conditions.

Councilmember Casey Olson inquired about the cost.

Mr. Muckleroy responded that it is \$5,000.00.

Councilmember Sara Countryman said then it is not a capital project at that price.

Councilmember Casey Olson stated it is if we are going to spend money on the streets.

Councilmember Cheryl Fox said that we need to prioritize which needs repairing.

Mr. Muckleroy noted that there was a different version that is conducted by a company that drives and scans and that is approximately \$30,000 - \$40,000.

Councilmember Carol Langley stated that the county must use something, and we have an ILA with them, will you call and ask maybe they can assist.

Mr. Palmer then began to go through the resolution in detail to explain what the resolution process would be.

Mr. James Gilley stated that what would happen now is he will look at the income and see what debt it could cover and based on utility revenues and assuming there is no rate increase, which he would suggest we do implement he can work the numbers up.

Councilmember Sara Countryman stated that the impact fees will increase for sure.

The council held a discussion about potential increases in impact fees.

Councilmember Stan Donaldson asked for clarification on what self-supporting debt is.

Mr. Palmer directed him to review Exhibit BI. He went on to inform the council that he is putting a cap in the resolution of \$5million.

James Gilley stated that Nici would need to place a notice in the paper at least 45 days prior to the public hearing and a notice to remain on the city website until close of sale of bonds.

Mr. Gilley noted that the AG must look at the bond sale, which can be a 30-day process so we are looking at January for the funds to be available for use.

Councilmember Casey Olson asked how long the bonds were for.

Mr. Gilley responded that typically they are for twenty (20) years.

Councilmember Carol Langley asked if this resolution will be presented like any other resolution at city council tomorrow evening.


Mr. Gary Palmer responded that it has been reviewed by legal and it is a Notice of Intent resolution.

Mayor Byron Sanford said he likes that it is covered by self-supporting revenues.

Ms. Maryann Carl noted that in the body of resolution the date is incorrect for the city council meeting. It should read December 12 at 6:00 PM not 7:00 PM.

ADJOURNMENT

Adjourned at: 5:47 P.M.


Submitted by: Nici Browe, TRMC
City Secretary

Date Approved: 11-14-23



Byron Sanford, Mayor