

## Common Council Special Meeting Minutes

June 16, 2015

*Approved*

Call to order at 6:23 pm by Mayor Stanek

Roll Call.

Klipstein – here  
Lindemann - here  
Garvin – here  
Huber – here  
Pfof – here  
Stanek – here

Also in attendance: Steward and Jim Mann of Ehlers

Discussion and possible action on Resolution #983 a Resolution authorizing the issuance and establishing parameters for the sale of not to exceed \$1,695,000 Water System Revenue Bonds.

Garvin asked about our current debt being at \$1.3M at 4.25% or so for the Water Utility and the plan is to have it paid off by 2027? If we refinance will we break even?

Jim Mann – said we will save about \$46k and will try to pay off in 2027

3 options to get \$270k:

1. Revenue Bond
2. Bond anticipation note – roll into revenue bond in future (permanent financing later)
3. City borrows funds on General Obligation capacity

Once we refinance we cannot refi that money for 7 years.

Garvin quoted Klipstein that we need to pay off debt sooner rather than dragging it out.

Garvin stated he is comfortable refinancing existing debt.

Huber says we need to find out everything before taking other debt.

Garvin wants savings and same terms and lower interest rate.

Lindemann asked if there is legitimacy in paying an anticipation note in 5 years.

Jim Mann says yes.

Garvin/Pfof motion to do refinancing of existing water utility debt note from 2006 by approving Resolution #983 with the following changes:

- a. Not to exceed \$1,410,000
- b. In 8<sup>th</sup> “Whereas” change word “restructuring” to “reducing”, and “obligations” to “obligation”
- c. Striking out (removing or deleting) the 9<sup>th</sup> “Whereas ...”
- d. Change all \$1,695,000 to \$1,410,000
- e. Change bond schedule to terminate in 2027
- f. Change interest rate to not exceed 3.25% (page 3 second paragraph)

Roll Call. All ayes. Carried.

Next meeting date – July 14, 2015

Garvin/Pfost motion to adjourn at 6:40 pm. All ayes. Carried.

Mark Steward  
City Administrator