



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, JUNE 22, 2021

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The regular meeting of the City Council was called to order by Mayor Kevin Voracek at 6:00 pm. Councilors Sara Caron, Royal Ross, Tom Spooner, and Jon Wood were in attendance. Councilors Peter van Sluis and Janna Viscomi were absent. Also in attendance was City Administrator Tim Murray, Assistant to the City Administrator Heather Slechta, Police Chief Andy Bohlen, Parks and Recreation Director Paul Peanasky, Public Works Director Travis Block, City Engineer Mark DuChene and Finance Director Jeanne Day.

Presentations/Introductions - None

Approve minutes of June 8, 2021 Regular Council Meeting and June 8, 2021 Special City Council Meeting (closed session)

Motion by Ross, seconded by Wood to approve the minutes of the June 8, 2021 Regular Council Meeting and June 8, 2021 Special City Council Meeting (closed session) and carried unanimously.

Consent Agenda:

- A. List of Claims for Release
- B. Approve Union Pacific Railroad Right of Way Agreement
- C. Resolution 2021-133 Approve Execution of MnDOT Contract No. 1046450 Trunk Highway Maintenance Agreement for Fiscal Years 2022 and 2023
- D. Resolution 2021-131 Approve Archery Deer Hunt at River Bend Nature Center
- E. Approve SELCO Public Library Membership Agreement
- F. Revise Policy and Procedures for Non-Profit/Civic Organization Funding
- G. Resolution 2021-135 Accept Donation Made by Laura and Logan Lin
- H. Resolution 2021-138 Approve Massage Therapist License
- I. Approve Temporary 1-4 Day Temporary On-Sale Liquor License

Motion by Caron, seconded by Wood to approve Consent Agenda Items 4A-4I and carried unanimously.

Andy Bohlen, Police Chief, thanked Laura and Logan Lin for their generous donation to the Police Department. The donation will be put in the mental health fund for the Police Department.

Requests to be Heard – None

Public Hearings

Resolution 2021-132 Authorizing of Issuance of a Taxable Revenue Obligation for the Benefit of Shattuck-St. Mary's School; Authorization to Execute the Taxable Revenue Obligation and Related Documents and Taking Other Actions Related Thereto

Finance Director Jeanne Day explained that Shattuck-St. Mary's School has requested that the City of Faribault issue revenue obligations in an estimated principal amount not to exceed \$25,000,000 to refinance the Educational Facility Revenue Bonds (Shattuck-St. Mary's School Project), Series 2015 issued by Rice County, Minnesota in the original aggregate principal amount of \$25,000,000. The

Series 2015 Bonds mature on August 1, 2022 and are not subject to optional redemption prior to maturity. In order to refinance the Series 2015 Bonds for cost savings, Shattuck-St. Mary's School proposed that the City issue the revenue obligations on a taxable basis this month, to be designated as the Taxable Revenue Refunding Note (Shattuck-St. Mary's School Project), Series 2021, which will allow the Series 2015 Bonds to be defeased prior to maturity. Next year, the City will be asked to issue a revenue refunding note on a tax-exempt basis, the proceeds of which will be used to refund the Series 2021 Note.

The Series 2021 Note will be issued pursuant to Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Act"). Pursuant to Section 469.154, subdivision 4 of the Act, requires that the City Council conduct a public hearing on the issuance of the Series 2021 Note, which will be taking place tonight. Following the public hearing, the City Council will be asked to consider the enclosed resolution approving the issuance of the Series 2021 Note and the execution of documents in connection with the Series 2021 Note. Tonight's public hearing will satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, which will allow the Series 2022 Note to be issued on a tax-exempt basis next year. The issuance of the Series 2021 Note will not affect the general obligation bonds previously issued by the City this year or the City's ability to issue additional general obligation bonds or conduit revenue bonds in calendar year 2021.

Shattuck-St. Mary's School has agreed to pay the out-of-pocket expenses of the City with respect to this transaction as well as the City's administrative fee.

Motion by Wood, seconded by Spooner to open the public hearing and carried unanimously. The public hearing opened at 6:03 pm.

There were no comments from the public.

Motion by Ross, seconded by Caron to close the public hearing and carried unanimously. The public hearing was closed at 6:04 pm.

Motion by Ross, seconded by Caron to approve Resolution 2021-132 Authorizing of Issuance of a Taxable Revenue Obligation for the Benefit of Shattuck-St. Mary's School; Authorization to Execute the Taxable Revenue Obligation and Related Documents and Taking Other Actions Related Thereto and carried unanimously.

Councilor Ross stated that passage of this resolution does not put any burden on the City, Shattuck will be paying the bond payments.

Items for Discussion – None

Bids

Resolution 2021-134 Accept Bids for NW Area Watermain, Contract 2019-12B

City Engineer Mark DuChene informed the Council that on Wednesday, June 16, 2021 bids were received for the proposed NW Area Watermain Improvements, City Contract 2019-12B, including extension of public watermain from Acorn Trail (CSAH 76) to the proposed NW Area Water Tower location. The water tower itself is to be bid under a separate contract with those bids due July 6, 2021.

The bids were tabulated as follows:

Ryan Contracting Companies, Elko New Market, MN	\$ 684,040.75
Heselton Construction, Faribault, MN	\$ 697,599.00
BCM Construction, Inc, Faribault, MN	\$ 738,634.00
GM Contracting, Inc, Lake Crystal, MN	\$ 786,303.55
A-1 Excavating, Bloomer, WI	\$ 807,857.00

Krueger Excavating, Inc, Prior Lake, MN	\$1,036,461.00
SL Contracting, Inc, Rochester, MN	\$1,107,905.25
Engineer's Estimate	\$1,170,611.50

The low project bid is well under the Engineer's Estimate and a majority of the construction costs for this contract will be financed through a low interest loan from the Minnesota Public Facilities Authority (PFA) Drinking Water Revolving Loan Fund. Final funding breakdowns will be completed after the water tower project is bid as the two projects share funding sources. DuChene recommended to award to the low bidder, Ryan Contracting Companies. There is a flexible start date on the construction for this project as the watermain is not needed to be operational until such time as the water tower is to go online so construction may start this fall or next spring depending on the Contractor's work load.

Mayor Voracek asked if this would loop from County Road 46 to the other side, DuChene explained that it is set up to come down Bagley and connect to the existing watermain, but that portion was not included with this bid.

Motion by Spooner, seconded by Wood to approve Resolution 2021-134 Accept Bids for NW Area Watermain, Contract 2019-12B and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates

The Monthly Financial Report was provided to the Council as part of the meeting materials.

Councilor Ross provided an update from the Buckham West Board meeting. Buckham West will be opening for dining on July 1, curbside pick-up will still be an option, the coffee shop is open, and activities will be starting again as well.

Councilor Spooner informed the Council that on August 20, River Bend Nature Center will be holding their annual River Bend Ramble.

Mayor Voracek stated that the City made it through Heritage Days.

Adjournment

Motion by Ross, seconded by Caron to adjourn the Regular City Council Meeting.

Meeting adjourned at 6:09 pm.

Respectfully Submitted,



Heather Slechta
Assistant to the City Administrator