

**NEW YORK MILLS CITY COUNCIL  
SPECIAL MEETING  
August 19, 2015  
5:00 p.m.**

**CALL TO ORDER AND DETERMINATION OF A QUORUM**

The special meeting of the New York Mills City Council was called to order at 5:05 p.m. in the Council Chambers of the City Hall Building at 28 Centennial 84 Drive West, New York Mills, Minnesota, all members of the Council having been notified of the meeting and the business to be transacted.

**Members Present** Gerber, Maki, Roder, Hoaby, and Oakland

**Members Absent** None

**Staff Present** City Clerk Darla Berry, Administrative Assistant Cheri Kopveiler

**Guests Present** NYM Dispatch Owner Chad Koenen, Jon Pratt of Apex Engineering, Al Berube

**Call to Order** The meeting was called to order at 5:05 p.m. A quorum was present.

**PFA Drinking Water and Clean Water Revenue Notes of 2015** – Mayor Gerber introduced the first matter on the special meeting agenda. Clerk Berry explained that the City had secured funding from the State Public Facilities Authority (“PFA”) with one line for \$1,305,832, at a 1% interest rate and 20 year repayment to fund the Sewer portions of the 2015 project, and another line for \$1,373,065, at a 1% interest rate and 20 year repayment to fund the Water portions on the 2015 project. The paper work and loan documentation included in the packet on pages 3-78 are those prepared by Bond Counsel Briggs and Morgan. Following on pages 79 – 105 are the loan documents prepared and submitted for Council approval by PFA. Included on pages 5-18 is a Resolution prepared by Bond Counsel which we are to execute prior to approving the loan documents for the sewer line, while a similar Resolution is included on pages 44 – 55 of the packet for the water line. The resolutions were not in an electronic format to allow for incorporation into the minutes, so they can be viewed in the paper copy of the council packet for this meeting.

**A motion was made by Hoaby and seconded by Roder to approve the Resolution Accepting the Offer of the Minnesota Public Facilities Authority to Purchase a \$1,305,832 General Obligation Sewer Revenue Note of 2015, Providing for its Issuance and Authorizing Execution of a Bond Purchase and Project Loan Agreement. The motion carried with Aye votes cast by Gerber, Maki, Roder, Hoaby, and Oakland. There were neither Naye votes nor abstentions cast.**

**A motion was made by Roder and seconded by Maki to approve the Resolution Accepting the Offer of the Minnesota Public Facilities Authority to Purchase a \$1,373,065 General Obligation Water Revenue Note of 2015, Providing for its Issuance and Authorizing Execution of a Bond Purchase and Project Loan Agreement. The motion carried with Aye votes cast by Gerber, Maki, Roder, Hoaby, and Oakland. There were neither Naye votes nor abstentions cast.**

**A motion was made by Hoaby and seconded by Maki to approve all the paperwork as presented by Bond Counsel and by the Public Facilities Authority for the water and sewer lines, as presented. The motion carried without a dissenting vote.**

**GO Improvement Bonds, 2015A** – The handouts relating to this funding piece were included on pages 106 – 129 in the Council Packet. Since the meeting last week, Berry reported that she had ascertained the likely assessment amounts for both the school district and the county. She spoke with representatives from both and received assurances that they would pay the assessments off rather than let them be certified. These two assessments are estimated at about \$209,000, so Berry instructed David Drown to reduce the principal of this bond by \$200,000, in addition to a reduction of \$50,000 already made upon Berry’s suggestion based on funding available from TIF District 1-1. Berry noted that if we do hold assessment hearings this fall, that means the payoffs would likely come in December of 2015 or January of 2016. Pratt mentioned that it could be that the Contractor is unable to progress as planned and the certification of assessments could be delayed and not appear on tax rolls until 2017. Berry noted that the amount of \$200,000 relating to these early prepay assessments was manageable for the City to carry out of cash reserves if necessary for a year, and that it was fiscally prudent to lower the bond by this amount to save financing costs. Upon making these adjustments, the paperwork prepared by David Drown now shows a reduction from the original bond face value of \$730,000 to the current needed amount of \$475,000. David was able to shave off an additional \$5,000 due to lower financing charges associated with the MIDI loan program of MRWA versus a public bond sale process. So a reduction of \$255,000 has been achieved.

**A motion was made by Council Member Maki and seconded by Council Member Roder, authorizing David Drown Associates to secure or negotiate a funding commitment for \$475,000 of G.O. Improvement Bond debt utilizing the MRWA MIDI loan program, a local bank placement, or a negotiated bond sale, for consideration and acceptance at the September 8, 2015, City Council meeting. The motion carried without a dissenting vote. Those voting in favor included Gerber, Maki, Roder, Hoaby, and Oakland.**

**Payment of Claims** – Claims were included in the packet.

**A motion was made by Hoaby and seconded by Maki to pay the bills as presented. The motion carried without a dissenting vote.**

**A motion was made by Maki and seconded by Oakland to adjourn. The motion carried without a dissenting vote.**

**A motion was made by Hoaby and seconded by Roder to approve the Resolution Accepting the Offer of the Minnesota Public Facilities Authority to Purchase a \$1,305,832 General Obligation Sewer Revenue Note of 2015, Providing for its Issuance and Authorizing Execution of a Bond Purchase and Project Loan Agreement. The motion carried with Aye votes cast by Gerber, Maki, Roder, Hoaby, and Oakland. There were neither Naye votes nor abstentions cast.**

The meeting was adjourned at 5:34 p.m.

Respectfully submitted by,

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Darla Berry  
City Clerk