

MINUTES
BUHL CITY COUNCIL SPECIAL MEETING
BUHL CITY HALL
05/25/2023

Thursday, May 25, 2023

6:30 P.M.

1. CALL TO ORDER by Mayor Carter at 6:30 p.m.

2. ROLL CALL:

Councilors: X Hadrava X Kealy X Loeffler X Towner
Mayor: X Carter

Administrator: X Jeffries
Public Works Foreman: Pink
Attorney: Kearney
Engineer: X Jamnick

3. APPROVAL OF AGENDA/COUNCIL ADDITIONS TO AGENDA

Motion by Kealy to approve the agenda as presented.
Supported by Towner.

Motion carried unanimously.

4. BUSINESS:

- A. Consider Damian Addition Phase III Infrastructure Construction Schedule Modification

The final phases of construction work on the Damian 2nd Addition are scheduled to be kicking off in the near future.

These activities were highlighted at the May 16, 2023 regular City of Buhl Council Meeting.

The Administrator has identified that potential funding may be available for a portion of these activities, which are in addition to the original scope of the project, and requests consideration that the 2023 construction schedule be modified in order to explore and pursue this potential funding.

Specifically, the scope of this project, originally set forth in preliminary fashion in late 2020, was expanded in mid-2022 to create and provide an enhanced and improved neighborhood development project.

The original preliminary project scope included the development of ten (10) residential lots with water and sanitary sewer service to eight (8) of these lots, as well as rough-graded access roads to service them.

The project was subsequently expanded to include water and sanitary service to all of the lots, complete storm sewer infrastructure to the new development, as well as final roadbed grading and installation of curb and gutter, and roadway paving throughout.

This expanded scope of the project has increased the total cost of the neighborhood development and created the opportunity to explore this funding opportunity.

Eligibility to receive any potential funding must be determined prior to construction activities being conducted. As such, since there is additional construction work required to complete the project, deferring the 2023 construction activities is prudent.

Administrator believes that potentially \$150,000 - \$160,000 in grant money may be available to pursue. Contractor(s) and subcontractor(s) are okay with this proposed postponing and rescheduling.

THERE ARE POTENTIALLY TWO (2) MOTIONS WHICH WILL NEED TO BE CONSIDERED:

- 1) Motion to modify the construction schedule, and, if this passes,
- 2) Motion to authorize applying for IRRR Infrastructure Grant and accepting funds if awarded.

Recommendation from Administration is to approve a modification to the construction schedule, to authorize the Administrator to apply for IRRR Infrastructure Grant funds, and to accept these funds, if awarded.

Rough grading of access road(s) will be improved to allow private construction activities to commence yet this summer.

The original construction schedule was very tight to begin with, so a reschedule will be okay and is acceptable.

This process needs to occur immediately; the next opportunity will not be until at least October. No downside has been identified with this scenario.

Motion by Loeffler to approve modifying the Damian 2nd Addition 2023 construction schedule by deferring these activities until August 2023.

Supported by Kealy.

Discussion. Approve/Reject/Table.

Motion carried unanimously.

Motion by Towner to approve City of Buhl Resolution 23-28, authorizing the Administrator to apply for a State of Minnesota Department of Iron Range Resources and Rehabilitation (IRRR) Infrastructure Grant for the revised Damian 2nd Addition infrastructure and development construction, and to accept said funds from the IRRR if awarded.

Supported by Hadrava.

Discussion. Approve/Reject/Table.

Roll call vote: Hadrava – Aye; Kealy – Aye; Loeffler – Aye; Towner – Aye; Carter – Aye. Motion carried unanimously.

5. ADJOURN:

Motion by Kealy to adjourn. Supported by Loeffler. Motion carried unanimously and the meeting was adjourned at 6:50 p.m.



Brandin Carter, Mayor

ATTEST:



Tony Jeffries, City Clerk

MINUTES
BUHL CITY COUNCIL SPECIAL MEETING
BUHL CITY HALL
05/30/2023

Tuesday, May 30, 2023

4:30 P.M.

1. **CALL TO ORDER** by Mayor Carter at 4:31 p.m.

2. **ROLL CALL:**

Councilors: ___ Hadrava X Kealy X Loeffler X Towner
Mayor: X Carter

Administrator: X Jeffries
Public Works Foreman: ___ Pink
Attorney: ___ Kearney

3. **APPROVAL OF AGENDA/COUNCIL ADDITIONS TO AGENDA**

Motion by Kealy to approve the agenda as presented.
Supported by Towner.

Motion carried unanimously.

4. **BUSINESS:**

A. Approval of United States Department of Agriculture Rural Utilities Service Water and Waste System Grant Agreement Bulletin 1780-12

The United States Department of Agriculture (USDA) Rural Utilities Service (RU) has been a partner with and has offered financial assistance to the City throughout the various phases of the Capital Improvements Project (CIP).

On September 3, 2019 the City approved and adopted a Loan Resolution to aide in obtaining financial assistance from the USDA. A provision of this loan resolution was that the City would accept a grant from the USDA RU in the amount of \$476,000.

That Grant Agreement has now been prepared by the USDA RU, and the City needs to execute this instrument.

Recommendation from administration is to accept and approve this grant agreement and execute the same.

Motion by Kealy to accept and approve the Water and Waste System Grant Agreement from the United States Department of Agriculture Rural Utilities Service in the amount of \$476,000.

Supported by Loeffler.

Discussion. Approve/Reject/Table.

Motion carried unanimously.

B. Approval of Bond Resolution(s) from Fryberger Law Firm to Effect General Obligation Bond Transfer to United States Department of Agriculture

Fryberger Law Firm is the Bond Counsel for a General Obligation bond which was secured to assist in financing the City Capital Improvements Project (CIP).

This \$3,716,000 bond, which was issued for short-term construction temporary financing, will be satisfied by a sewer loan and a water loan from the United States Department of Agriculture (USDA) in the amounts of \$600,000 and \$3,116,000 respectively.

It is in the best interests of the City to issue long-term obligations to refund the outstanding principal amount of the temporary obligations by obtaining loans from the USDA and issuing bonds to evidence its obligation to repay the loans.

The USDA committed to make these loans on May 1, 2023.

USDA will purchase the bonds, and the City shall repay the bonds over a 40-year period at 3% interest per annum.

In order to effect the issuance, sale, and delivery of these bonds to the USDA, separate Bond Resolutions – one for the Sewer Revenue Bond and one for the Water Revenue Bond - need to be approved and adopted by the City Council.

Those Bond Resolutions have now been prepared by Fryberger Law Firm, and the City needs to adopt these instruments.

Recommendation from administration is to accept and approve these bond resolutions and execute the same.

Motion by Towner to adopt City of Buhl Resolution 23-29 Authorizing the Issuance, Sale, and Delivery of a \$600,000 General Obligation Sewer Revenue Bond, Series 2023A.

Supported by Loeffler.

Discussion. Approve/Reject/Table.

Maturity date is June 2063.

Payments will be made separately from different accounts for the next 40 years.

Roll Call Vote:

Ayes: **Kealy, Loeffler, Towner; Carter.**

Nays: **None.**

Abstentions: **None.**

Absent: **Hadrava.**

Motion carried unanimously.

Motion by Kealy to adopt City of Buhl Resolution 23-30 Authorizing the Issuance, Sale, and Delivery of a \$3,116,000 General Obligation Water Revenue Bond, Series 2023B.

Supported by Loeffler.

Discussion. Approve/Reject/Table.

Roll Call Vote:

Ayes: **Kealy, Loeffler, Towner; Carter.**

Nays: **None.**

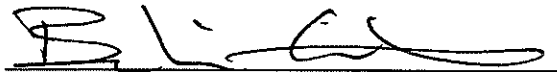
Abstentions: **None.**

Absent: **Hadrava.**

Motion carried unanimously.

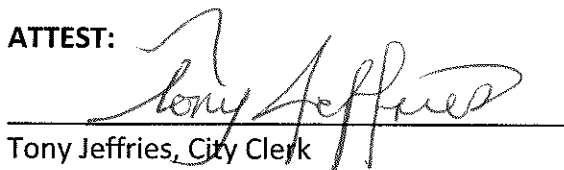
5. ADJOURN:

Motion by Kealy to adjourn. Supported by Loeffler. Motion carried unanimously and the meeting was adjourned at 4:46 p.m.



Brandin Carter, Mayor

ATTEST:



Tony Jeffries, City Clerk