

Pursuant to due call and notice thereof, a City Council Work Session was duly held in the City Council chambers at 4:00 p.m. on the 22<sup>nd</sup> day of April 2020. The following were present: City Administrator Mark Vahlsing, Engineer Derek Olinger

Via Zoom Video Conferencing the following members were present: Mayor Doug Henke; council members, Dan Rehtzigel, John Mortensen, Richard Nielsen, and Tom Gard; Also, present: Engineer Joe Rhein, and George Eilertson

Via Teleconference: Richard Nielsen

Mayor Henke called the special meeting to order at 4:25 pm.

### **George Eilertson Northland Securities - Review Final Financing Options for Upcoming Projects**

George Eilertson of Northland Securities reviewed the combined financing for the Red Wing Av. Business Park and 2<sup>nd</sup> St. projects. The current interest rate is 2.4%. The Bonds would be repaid from a combination of assessments, utility rates, and the Business Park project. The actual Call for Bond Sale Resolution Council consideration will occur at the May 14 Council meeting. The tentative bond sale date would be June 23, 2020.

Project Engineer Derek Olinger updated the Council on the business Park development final project costs and upcoming schedule of events. The final project specifications will be reviewed at the April 28, 2020 EDA meeting. The engineer then stated that Council hold a special meeting the last week of April to review and possible approve the plans and specs for the project. If approved, the project would be advertised for bids. Under the current projected schedule, the project could start in late June or July 2020. He also stated that the turn lane was being changed to an alternate to the plans and specs.

Councilmen Rehtzigel stated that City should pursue funding assistance from Goodhue County for the turn lane

City Engineer Joe Rhein stated that revenue from the sale of lots would be applied to the repayment of the project.

City Administrator Vahlsing stated that the project would be set up as a TIF district. This would also generate revenue that could be applied to the project financing.

City Administrator Vahlsing discussed paying a portion of the project costs from utility funds and the impact on rates for the Sewer, Water and Storm water utility funds.

### **Red Wing Av. Project – Change Order #1**

Project Engineer Derek Olinger updated the Council on Change Order 1 for the Red Wing Av. Project. The Change Order is requesting approval to allow the contractor to directionally drill watermain in the alley and for Modifications to the Phase 2A area (between 5th and 6th St) of the project to allow the contractor to remove pavement early, extend the phase 2A work area to the south ~250' and extend timing for this area. The Change Order will not change the project cost or schedule.

Mayor asked how the contractor will handle ground water in the trench work areas.

Motion by Mortenson Second by Nielsen To approve Change Order 1 Red Wing Avenue Project  
Motion Carried 5-0-0

Motion by Nielsen, Second by Rehtzigel to adjourn the special meeting at 5:30 pm.  
Motion Carried 5-0-0

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Mark Vahlsing, City Administrative

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Douglas Henke, Mayor