

**MINUTES FROM THE
CITY OF WAUTOMA
REGULAR MEETING OF THE COMMON COUNCIL
FEBRUARY 13, 2012**

Mayor Helena Waala called the regular meeting of the City of Wautoma Common Council to order at 7:30 p.m. on Monday, February 13, 2012.

Present: Mayor Helena Waala, Alderpersons Jeff Deuel, Aaron Grimm, Robert Helbing, Patrick King, Steve Ryerson, and Lee Wise.

Others Present: Stan Charron from MSA Professionals, Ted Johnson and Scott Bundy, both from the Wisconsin Department of Natural Resources (WDNR), Joel Jodarski and Watson Woodruff from the Silver Lakes Sanitary District Mr. and Mrs. Neal Olson, Mike Barth and Ryan McCue, City Administrator/ Clerk/ Treasurer

Prayer and Pledge took place.

Alderson King moved approval of the minutes from the Common Council meeting held January 9, 2012. The motion was seconded by Alderson Grimm and carried 6-0.

The December receipts report, general fund budget comparison report and bank account report were presented and reviewed.

Alderson King moved approval of the agenda. The motion was seconded by Alderson Ryerson and carried 6-0.

Alderson Ryerson moved approval of Resolutions 12-001 which authorizes the submission of a Community Development Block Grant Application for the Storm Sewer Project. The motion was seconded by Alderson Deuel and carried 6-0.

Alderson Ryerson moved approval of Ordinances 12-001 which amends Chapter 4, Alcohol Beverages, Sec. 4-62, Closing Hours. The motion was seconded by Alderson Wise and carried 4-0-2 with Aldersons Grimm and King abstaining.

Mr. McCue presented his Administrator/ Clerk/ Treasurer's monthly report, Chief Reilly's Monthly Report and the Fourth Quarter Report from CAP Services regarding the Community Development Block Grant Program.

Mayor Waala announced that Habitat for Humanity's "Swing into Spring" will be held on March 10, 2012 at Camp Lakotah.

Mr. Bundy and Mr. Johnson spoke on the pros and cons of draining the Mill Pond. They shared their past experiences with other bodies of water and in nearly all cases draining a body of water, such as the Wautoma Mill Pond, improves the quality of the fish, water life and eco system.

Alderson Helbing moved approval of submitting an application with the WDNR which will allow the city to drain the Mill Pond for up to three years. The motion was seconded by Alderson Grimm and carried 6-0.

Mr. Jodarski and Mr. Woodruff discussed Silver Lakes Sanitary District's (SLSD) decision to purchase 34.6 acres of land for \$105,000, which abuts the SLSD. Via unanimous consent, council directed to Mr. McCue to work with representatives from the SLSD and the city's financial advisors to find the best way for the city share of the purchase which equates to roughly \$61,950.

Mr. McCue shared with the council that a draft version of the "Commitment Letter" from the USDA- Rural Development was sent outlining the terms and conditions for the sanitary sewer project. The actual "Commitment Letter" will be sent by February 21, 2012. Mr. McCue recommended that the items that need to be approved in order to move the project forward be approved subject to receiving the USDA-Rural Development's final "Commitment Letter".

Alderson Helbing moved approval of: **a)** an agreement to engage Kubasta, Rathjen, Bickford and Lorensen, LLP as general counsel in connection with the City's Sanitary Sewer project, **b)** to entering into and Owners/ Engineers Agreement with MSA Professional for services pertaining to the Sewer Rehabilitation Project, **c)** Discussion and appropriate action regarding an engagement for general financial advisory services associated with the planning and execution of interim and long-term financing for the wastewater system improvements and related city improvements with Ehlers and Associates, **d)** two agreements to engage Quarles & Brady LLP as bond counsel in connection with the City's financing of the sanitary sewer project and related street construction, specifically: (1) bond counsel services for the construction financing through the Wisconsin Rural Water Construction Loan Program and (2) bond counsel services for the permanent financing through USDA Rural Development. The motion was seconded by Alderson Ryerson and carried 6-0 on a roll call vote.

Mr. Wagner discussed the financials for the sanitary sewer project. The first of these is for a \$3,002,000 long-term loan and up to a \$996,000 grant.

- a. This loan/grant would pay for costs determined to be "eligible" by the USDA-RD
 - b. The loan is to be repaid from net revenues from the sanitary sewer utility over a 40 year period at 3.00 % interest, with annual principal and interest payments of \$129,388
 - c. We have attached an updated analysis of the ability of the City to repay this loan assuming the terms identified above and the previously-recommended \$12.00 per month sewer rate increase between 2011 rates and January 1, 2013. That analysis confirms the sufficiency of the proposed rate increase, assuming sanitary sewer operation and maintenance costs increase as shown.
 - d. The loan portion of this will require interim financing
2. The second of these is for a \$414,000 long-term loan only.
- a. This loan would pay for costs determined to be "ineligible" by the USDA-RD
 - b. The loan is to be repaid from secured by net revenues from the sanitary sewer utility and the City's two tax incremental financing ("TIF") districts over an 11 year period at 3.75% interest, with annual principal and interest payments of \$43,164
 - c. Analysis shows more than \$3,000,000 in TIF revenues available to repay this loan that are projected; an amount more than sufficient to cover the loan payments totaling \$414,804
 - d. This loan also requires that the City obtain interim financing

Alderson Helbing moved approval of the payment of the monthly vouchers/ claims. The motion was seconded by Alderson Grimm and carried 6-0.

Alderson Helbing moved approval of adding additional lights in the WWII Memorial parking lot. The motion was seconded by Alderson Deuel and carried 6-0.

Alderson Helbing moved approval of entering into a service agreement with Miljevich Corp. to log a portion of the city's land at the old municipal dump. The motion was seconded by Alderson Deuel and carried 6-0.

Mr. McCue presented the 2011 vendor expenditure list.

Alderson King moved to adjourn. The motion was seconded by Alderson Helbing and carried 6-0. The council adjourned at 9:10 p.m.

Ryan P. McCue
City Administrator/ Clerk/ Treasurer