

City of Ellendale
September 26th, 2024
Special Council Meeting 6:30 pm
AIA Contract for Fire Hall & M.E.& P. Drawings

Agenda

6:30 Call Meeting to Order

1. Pledge of Allegiance
2. Approve Agenda

6:35

1. AIA Contract review-discussion-changes
2. M.E.& P. Drawings

7:00 Adjournment

**MINUTES OF ELLENDALE
CITY COUNCIL SPECIAL MEETING
AIA CONTRACT
THURSDAY SEPTEMBER 26TH, 2024
6:30 PM**

Present: Mayor Matthew Bartsch; Council Members Derek Bartness, Jon Asplund, and Scott Groth; City Clerk/Treasurer Steve Engel

Absent: Jackie Froman

Visitors: City residents: Joel Meyer; Fire Chief Logan Busho, Fire Building Committee members: Travis Ladwig, and Tyler McGowan.

Call Meeting to Order: Meeting was called to order at 6:30 pm by Mayor Bartsch. The Pledge of Allegiance was recited.

Agenda: A motion was made to approve the Agenda by Council Member Asplund. Council Member Groth advanced. Motion carried, all in favor.

1. AIA Contract review-discussion.-changes. The council and committee reviewed City Attorney Mark Rahrlick's comments and opinions on language to be changed or added. It was noted that his comments did not appear to apply to the AIA contract that was to be reviewed. The contract review will be postponed until a later date.

Mayor Bartsch asked Engel about the possibility of bonding. Engel had talked to Shannon Sweeney, our financial advisor with David Drown Associates. The current rates are 5.15% on a 20 year bond. The closing costs on a \$550,000 bond would be approximately \$20,000. The annual payments would about \$45,000 to \$46,000. It is tough to get a longer term bond on this small amount. It may be possible to find someone willing to buy the bonds, but the rates would most likely be higher. When asked about the USDA terms, Engel said we were trying to go with a 30 year term loan for a maximum of \$450,000. That is the maximum allowed on the type of loan available through the USDA. The city needs to cover the difference, along with a 5% contingency. The last interest rate he was given several months ago was around 3.15%. Engel checked this later and found it was 3.75% last January. We were hoping to keep the annual payments around \$30,000. The council members agreed that we should pursue bonding, in order to simplify the entire process and get the building done in 2025. Engel will contact Shannon Sweeney and Mark Rahrlick on the bonding requirements. The council will discuss the options at the October 10th meeting.

It was brought to look at building on the Keen Bank lot now, instead of the fire lot. Council member Groth said the agreement with the bank was the lot could be used for the benefit of the community or city, so it is possible to use the lot for that purpose. It was asked about the setbacks. Engel will check on this by the next council meeting. The consensus of those present was to look into building on the Keen lot.

Questions that arose are:

- Will prevailing wage requirements be required for bonds over \$500,000?
- Will we have to rebid the entire project, or can we stay with APX as the contractor since they were selected by the bidding process?
- What type of bonds are available? Will it require a referendum?
- What are the setback requirements on the bank lot as commercially zoned?

2. M.E. & P. Drawings The main concern was to change the water service from 1" as shown on the plumbing schematic, to a 4" line. We also want to use the fire hydrant for filling. Logan will ask Jackie to contact Mitch Rohlifing of APX, about the water line change request. No other big issues arose about the schematics.

A motion was made by Council Member Groth to adjourn the Council Meeting. Mayor Bartsch advanced. Motion carried, all in favor. The meeting was adjourned at 7:43 pm.



Steve Engel, City Clerk/Treasurer

10/10/24

Date



Matthew Bartsch, Mayor

10/10/2024

Date

The Minutes are a true and exact copy of the Minutes as they appear in the City of Ellendale Minutes Book.