



**CITY COUNCIL  
MEETING MINUTES  
MAY 16, 2018  
7:00 PM**

**1. CALL TO ORDER**

**Mayor Pro Tem FitzGerald** called the City Council Meeting to order at 7:00 PM.

**2. FLAG SALUTE**

**Mayor Pro Tem FitzGerald** led the Council, Staff and Audience in the Pledge of Allegiance to the Flag.

**3. ROLL CALL**

City Council

Mayor Matt Hartman	Absent
Steven Glenn	Present
Tom FitzGerald	Present
Erin Hogan	Present
Bruce Straughn	Present

City Staff

City Clerk Darla Reese
City Manager Brent Kirk
<u>Consultants</u>
Thom Graafstra - Weed, Graafstra & Assoc.
Christopher Ferreira – S.C.S.O.
Warren Perkins – Gray & Osborne, Inc.

**Councilmember Hogan** moved to excuse Mayor Hartman. Councilmember Straughn seconded. Motion carried.

**4. CONSENT AGENDA**

- A. AB 070-2018 Approval of May 16, 2018 Claims, Checks #407713 through #407752 and Two EFT's totaling \$676,517.83
- B. AB 071-2018 Approval of Payroll from April 16, 2018 to April 30, 2018 Checks #27117 through #27123 and Twelve EFT's totaling \$56,038.46

**Councilmember Glenn** moved to approve the Consent Agenda. Councilmember Straughn seconded. Motion carried.

**5. STAFF REPORTS**

**Consultant Police Chief Ferreira** mentioned the Deer Creek gate is open early.

**Council** asked about the Coffee with the Chief meeting; state growth mandates and crime trends and mentioned the start of Forest Patrol (next weekend) – funded with contract grant with federal funds.

**City Manager Kirk** discussed the following items:

- Testified in Olympia yesterday in the pension policy sub-committee for Department of Retirement Systems (DRS).
- Gave Fred Cruger the award he received on Fred's behalf for all of the GIS/Archiving data work from the State of Historical Presentation.
- DRS timeframe

## **6. PUBLIC COMMENTS/RECOGNITION OF VISITORS-NON-ACTION ITEMS**

No one from the audience signed up or chose to comment during this portion of the meeting.

## **7. NEW BUSINESS**

### **A. AB 072-2018 Public Hearing – 7:15 PM**

**For consideration of Ordinance No. 947-2018 adopting a Limited Tax General Obligation Bond in an amount not to exceed \$3,000,000.00 for construction of capital facilities.**

**Councilmember Glenn** moved to open the public hearing. Councilmember Hogan seconded. Motion carried.

**City Clerk Reese** submitted the following exhibits into the record:

Exhibit 1 – Public Hearing Notice, dated May 5, 2018, 1 page

Exhibit 2 – Verification of Public Hearing Posting, dated May 4, 2018, 1 page

Exhibit 3 – Affidavit of Publication for the Public Hearing Notice from the Everett Daily Herald, dated May 7, 2018, 2 pages

Exhibit 4 – DA Davidson Draft Schedule of Events, 1 page

Exhibit 5 - Ordinance No. 947-2018, 17 pages

Exhibit 6 – **Adding New Exhibit #6** DA Davidson – City of Granite Falls, Limited Tax General Obligation Bond – Request for proposals, 5 pages

**City Manager Kirk** and the City Council discussed the following:

- Private sector loan
- Request for Proposals were sent out to 26 banks
- Responding banks have questions and will be submitting offers within the next week
- Suggested rate terms starting in 2018 is half a year and moving forward at 3 ½ %
- Financial forecast – 3.7% was factored in
- Good to lock in something now or rates will go higher

- Budget predictions (shown in the red on year 5 and 6)
- Loan terms – refinance debt in ten years?
- Moving around funds to improve score to get a better interest rate?
- REET money
- Water and Sewer tax
- Bond ratings
- Current low rates

**Cynthia Weed, Partner with K & L Gates (Bond Council)**

**Mrs. Weed** is representing the City in connection with issuance of the bond if ordinance is passed tonight. She moved on to discuss and explain the following information:

- Ordinance includes everything the City Manager has described
- Ordinance authorizes a delegation ordinance and authorizes the City Manager to proceed with the solicitations of bids for the purchase of the bonds
- Ordinance sets the maximum dollar rate of the bond at \$3,050,000.00 and is proposed that the bond will be sold to a bank/financial institution who will hold this as a loan for the life of the bond
- The proposals have already been sent out to 26 banks
- She has found that bank loans are offering better rates as opposed to public rates out to the general public and has a lower cost at issuance
- The delegation is good until December 31, 2018, proposals are due in a week or two with the advice from Jim Nelson with DA Davidson on the advice of the best bid
- After bid is sold, there will be a fix rate carried for the life of the loan, just capped at 10 years
- Tax reform bill passed last year also offered relief to banks on interests' rates. Interest rates are higher than they were last year but not significantly higher.

**Council** questions included:

- 15-year loan is what paperwork that is signed will say (Cynthia to send a revised page 11 showing the right amount of years)
- Interest rates are 3.25%-3.75% currently
- Explanation on language on page 11 and what it means

**Mayor Pro Tem FitzGerald** declared the public testimony portion of the public hearing as open.

No one from the audience chose to give public testimony during this portion of the meeting.

**Mayor Pro Tem FitzGerald** declared the public testimony portion of the public hearing as closed.

**Councilmember Straughn** moved to close the public hearing. Councilmember Glenn seconded. Motion carried.

**Councilmember Hogan** moved to adopt limited tax general obligation bond 2018 Ordinance 947-2018 with amended page 11. Councilmember Glenn seconded. Motion carried.

**B. AB 073-2018 Consideration of Approval of Bid Award for Civic Center Project to Saybr Construction**

**Councilmember Glenn** moved to award contract to Saybr Construction, Inc. for construction of the new Civic Center/City Hall building and associated improvements and authorize City Manager to sign. Councilmember Hogan seconded. Motion carried.

**C. AB 074-2018 Recognition of AWC Center for Quality Community Scholarship Choice Representative**

**Councilmember FitzGerald** moved to continue Item 7C to June 6, 2018. Councilmember Straughn seconded. Motion carried.

**D. AB 075-2018 Consideration of Approval of Final Plat – Suncrest Farms Phase II**

**Councilmember Glenn** moved to approve the final plat of Suncrest Farms Phase 2 and authorize the Mayor and City Engineer to sign. Councilmember Hogan seconded.

**Councilmember Straughn** moved to amend the motion to have the City Manager sign in lieu of the Mayor. Councilmember Hogan seconded. Motion carried.

*Original motion:*

Motion carried.

**8. CURRENT BUSINESS**

There were no Current Business items for the Agenda.

**9. MAYOR'S COMMENTS**

There were no Mayor comments as he was absent from tonight's meeting.

**10. COUNCIL COMMENTS**

**Councilmember FitzGerald** attended tonight's school board meeting where the school recognized the Success in Education winners then he had to leave to come to the Council meeting. Will report

on other items going on in the future. He also added that Schoolboard Member Eadie is stepping down. The AWC scholarship application response came in this week and we did not win.

**Councilmember Glenn** had nothing to report.

**Councilmember Hogan** had nothing to report.

**Councilmember Straughn** asked about turning dirt with the gold shovels.

## **11. CITY MANAGER**

**City Manager Kirk** mentioned the SCC dinner is tomorrow night.

## **12. ADJOURNMENT**

**Mayor Pro Tem FitzGerald** adjourned the meeting.

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City Clerk Darla Reese, MMC

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Mayor Matthew Hartman