

CITY OF GALESVILLE
SPECIAL COUNCIL MEETING

March 19, 2024

Mayor Vince Howe called the meeting to order at 5:00 p.m.

Council attending: Thomas Thatcher, Kelly Kreger, Dave Carlson, Tory-Kale Schulz, Jean Wallner. Council Absent: Diane Redsten Others in attendance: Public Works Director-Todd Peterson, Sean Lentz, Jeremy Tomesh, Dave Walter, Randy Larson

Open meeting laws have been met

Sean Lentz from Ehlers went over the current debt service for the water and sewer utility and what capacity the utilities currently have to finance additional projects and pay for them with the net revenues currently being generated.

Ehlers can provide a cash flow analysis for the utilities to provide information on how financing of the project would be by increasing the rates or applying for loans and grants.

Jeremy Tomesh from Short Elliott Hendrickson, Inc. (SEH) confirmed that the proposed area currently has 4" water mains that would be required to be replaced by the DNR if you are doing a street project. The scope of the work will include replacement of the water mains, sewer, curb & gutter, sidewalks and the street. The estimated construction cost of the project is 2.8 million with an additional 15% of the project for administration costs. Plan specs and all documents need to be submitted to the DNR by June 30, 2024 for a project in 2025.

Motion by Dave Carlson to approve phase 1 cash flow analysis to be completed by Ehlers for the proposed sewer and water improvements not to exceed \$5,000.00 to come from the water and sewer funds; seconded by Kelly Kreger. Vote: Thatcher-yes, Schulz-yes, Kreger-yes, Carlson-yes, Wallner-yes. Motion carried.

Motion by Dave Carlson to hire SEH, Inc. to administer the Clean Water Fund loan application for \$28,000 and the Safe Drinking Water loan application for \$30,750.00 with the funds to come from the water and sewer funds; seconded by Kelly Kreger. Vote: Thatcher-yes, Schulz-yes, Kreger-yes, Carlson-yes, Wallner-yes. Motion carried.

The council has 3 options:

1. Close the TID by April 15, 2024 and re-distribute the revenue to all of the taxing jurisdictions that include the city, county, school district, technical college and lake district based on the ending balance in 2023 and the collection in 2024 for an estimated \$773,285.00.

2. Collect the final tax increment in 2024 estimated at \$236,519.00 and create an affordable housing fund that could be used anywhere in the city. The remaining funds from 2023 would be re-distributed to the taxing jurisdictions for an estimated \$536,767.00.
3. Leave the TID open for another year and create an affordable housing fund.

Motion by Dave Carlson to adjourn the meeting; seconded by Tom Thatcher. Ayes -5, Nays -0, Motion carried.

X

Jennifer Hess
City Clerk/Treasurer