

**CITY OF ROCK FALLS**  
**COMMITTEE OF THE WHOLE**  
**Monday, February 14, 2011 – 6:30pm**  
**Minutes**

Those present at the meeting were as follows: Mayor David Blanton, Aldermen Mark Vandersnick, Glen Kuhlemier, Daehle Reitzel, Dave Hand, Brian Snow, Bob Thurm and Richard Downey – City Administrator, Jim Reese – City Attorney, Sandy Henrekin – RFCDC and Sylvia Frey.

Members Absent: Aldermen Jim Schuneman and Lee Folsom

Audience Members: Rod Kleckler

Discussion was opened by Mayor Blanton pertaining to upcoming ordinances and resolutions for financing the necessary costs of certain capital projects at the city-owner property located at 201 East 2<sup>nd</sup> Street and approval for an intergovernmental agreement between all concerned parties. Along with general obligation bonds for financing this project, the city is also looking at other sources at this time through Speer Financial. The Mayor stated the city needs to establish funding as soon as possible to begin the infrastructure construction necessary to facilitate the project to be 'shovel ready' in all aspects. The general design plan does include the finished East 2<sup>nd</sup> Street road which is necessary to accommodate traffic flow; whereas, removing the road design could hamper any future development prospects in this area. Mayor Blanton, City Attorney Jim Reese and Sandy Henrekin have been working feverishly over the past several months trying to prepare and develop a suitable financial solution which would be attractive to the developer and would be beneficial to the city's future development prospects in this area.

Each member was given a Building Project Financing Summary for their review. The summary states that \$4.2mil of this project is guaranteed by the tenant, even if lease is terminated; whereas, 41.48% of project cost would be considered actual risk. Rough figures for a 20 year projection show a net profit of approx. \$159,000.00

Council members asked various questions regarding the proposed financial strategies associated with the bonds and the risk involved for future administrations. Mayor Blanton assured the members that without the prospect of financial security, this project and its developer would not be able to be finalized. He reiterated the fact that the city council members, have over the years, taken the responsibility to make important financial decisions to accelerate various projects, such as new sewer plant, hydro plant, Broadband and clean-up of PA and Reliant properties along the river front.

Mayor mentioned a discrepancy with bids coming in for the 6 generator lift station proposal. The lowest bid contractor stated that an accounting error was made on their part and they wanted to negotiate their bid with the city. City Attorney and the Mayor have contacted this contractor; whereas the bid stands as presented or the contractor must rescind the bid.

With no further business, meeting was adjourned at 7:15p.m.

Respectfully submitted,

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Mayor David H. Blanton