

POLSON CITY COMMISSION MEETING MINUTES
 CITY HALL – CITY COMMISSION CHAMBERS
 MONDAY JULY 29, 2013, 7:00 PM

ATTENDANCE: City Commissioners: John Campbell, Todd Erickson, Fred Funke, Mike Lies, Dan Morrison, Stephen Turner, and Mayor Pat DeVries presiding. Interim City Manager, Karen Sargeant, City Clerk, Cora Pritt. Others present (that voluntarily signed in): Rory Horning, Ken Siler, Jill Southerland, and Rick LaPiana. The following person(s) was absent: City Attorney James Raymond

Mayor Pat DeVries called the meeting to order. The pledge of allegiance was recited.

APPROVAL OF PROPOSED AGENDA: Commissioner Campbell moved to approve the proposed agenda, seconded by Commissioner Erickson. Commission discussion: None Public Discussion: None. Vote: Unanimous. Motion carried.

APPROVAL OF RECOMMENDATION FROM FINANCE OFFICER REGARDING FINANCING FOR RIVERSIDE PARK TO SACAJAWEA PARK WALKWAY & WEST PIER REPLACEMENT PROJECTS USING TAX INCREMENT URBAN RENEWAL FINANCING BONDS, SERIES 2013.

(NOTE: City Finance Officer Cindy Dooley distributed the following documents and gave her presentation from them)

CITY OF POLSON					
PRIVATE NEGOTIATED SALE OF:					
\$900,000 TAX INCREMENT URBAN RENEWAL REVENUE BONDS, SERIES 2013 INITIAL PROPOSALS DUE BY 3:00 PM JULY 24, 2013 Prepared by Cindy M Dooley CPA, City Finance Officer					
FINAL FINANCING TERMS PRESENTED: \$800,000 TAX INCREMENT URBAN RENEWAL BONDS. SERIES 2013 FOR A 12 YEAR TERM**					
	INTEREST RATE FIXED	ANNUAL DEBT SERVICE*	ESTIMATED INTEREST COST	OTHER COSTS	ESTIMATED TOTAL COSTS
PROPOSAL #1					
A consortium of 5 local banks have agreed to share equally in the financing:					
Community Bank (Ronan), Eagle Bank (Polson),					
First Citizens Bank (Polson), First Interstate Bank (Polson)					
Valley Bank (Ronan)					
BANK CONSORTIUM	2.987%	\$73,986.44	\$167,551.42	\$0.00	\$167,551.42
PROPOSAL #2					
GLACIER BANK - POLSON	4.15%	\$79,714.14	\$236,283.82	\$7,000.00	\$243,283.82
MOUNTAIN WEST BANK - HELENA	NO PROPOSAL				
* semi-annual payments on June 15th & December 15th					
**Initial Proposal Rates/Costs					
	20 yr term	15 yr term	Costs		
Bank Consortium	4.79%	4.33%	\$ -		
Glacier Bank	4.59%	4.25%	\$ 9,000.00		

Tax Increment Financing Fund
Fund #2310
Cash Flow Projection through December 2013

Current Cash Balance at 6/30/2013	\$ 207,968.79
Due to Lake County for Personal Property Decrement	(14,512.71)
Due from State of Montana for Entitlement	6,540.57
Advance for materials for construction	(140,000.00)
Setup Bond Reserve	(43,500.00)
Pay costs associated with construction & financing	(55,000.00)
Reimbursement of materials payment	140,000.00
December 15th bond payment	(45,000.00)
Estimate of tax collections	<u>70,000.00</u>
Balance of Cash at December 31, 2013	<u><u>\$ 126,496.65</u></u>

Commissioner Campbell clarified that the annual payment would be \$73, 986.00. Commissioner Morrison congratulated Cindy on a job well done. Mayor DeVries commented on the surprise at the low interest rate.

Cindy informed the Commissioners that the next step will be the approval of the bond resolution at the August 5th meeting.

Mayor DeVries asked for any public comment. Ken Avison thanked the commissioners for the special meeting so the process could continue, and also thanked Cindy for re-negotiating and a big thank you to the bank consortium for a very nice piece of business for Polson. We will get the contract signed and keep moving.

Commissioner Stephen Turner makes the motion to approve the Bank Consortium proposal.
Commissioner Fred Funke second.

Commissioner Stephen Turner also thanked Cindy for a job well done.

Rory Horning asked if there would be any pre-payment penalty. Cindy replied that there would not be any penalty.

Interim City Manager Karen Sargeant passed along her kudos to Cindy. Karen explained that this was the first negotiated sales that Cindy had done on behalf of the City.

Vote on the motion: Unanimous. Motion passed

Meeting adjourned at 7:12 p.m.

Mayor Pat DeVries

Attest: Cora E. Pritt, City Clerk