

KINDRED CITY COUNCIL SPECIAL MEETING MINUTES

Tuesday, June 17, 2025 | 7:00 pm | Kindred City Hall

MEETING CALLED TO ORDER AT 7:01 pm by Council President Spelhaug with CMs Ozzie Peraza and Lydia Ronningen, and Mayor Darrell Kersting (virtual until 8pm) present. Absent: Matt Sharp. Others present: Auditor Tabitha Arnaud, PWS Rich Schock, City Attorney Sarah Wear (virtual), Attorney/Bond Counsel John Shockley (virtual), Park District Members Kevin Mehrer and Lloyd Hoffarth, Mark Ottis, Kevin Bartram, Andrew ____.

City Park Updates/Playground Installation: CM Ronningen provided an update on the project, stating that there were some communication issues between the equipment vendors, installers, herself, volunteers on required items and timelines. Arrangements have been made for a site survey to ensure elevations are proper and footings are correctly placed, however, the expense for this was not included in the project estimates. Additional discussion regarding Park District contributions, layout versus a site plan, electrical services and the existing light pole, and excavation/removal of dirt. Park District Member Mehrer said they approved purchasing benches, garbage cans, and mulch but Parks Director was unsure of the status of the order. Mehrer ensured that this project would be added to their next agenda so the board can discuss and identify their contribution. CM Ronningen shared additional incidentals would include tools, gas, and shipping/delivery of equipment. **MOTION, passed – To approve up to \$6800 for incidentals. Ronningen moved; Peraza seconded. RCV; MCU.**

Improvement District 2025-2 (Meadow Trails Development) Engineering Services: Discussed financing options and status of audits causing issues with securing financing. CM Peraza and Arnaud reported that an agreement with Brady Martz has been signed to assist with the financial reporting needed for the audits; they propose starting July 1 but will be scheduling an engagement meeting to discuss that and express the need to expedite the process as much as possible. Attorney/Bond Counsel John Shockley explained that there are four options for funding the project: 1) Hold on completing the projects until the audits are finished, then use BND/SRF and/or Bonds to fund it. 2) The Developers can purchase an Interim Bond on behalf of the City, then a permanent bond could be done later once the audits are done. 3) The Developers can finance the project, the City could reimburse the Developers with a permanent bond later when audits are done. 4) The Developers privately fund and construct the project, then the City would accept the infrastructure once it is completed (like Norman Acres First Addition was handled). Discussed BND/SRF lenders allowance to review City funding applications once audit reports are completed through the year 2022, if they can be completed before the end of 2025. Discussed market/interest for temporary bonds (Shockley noted that having delinquent audits may result in little to no buyers but there might be some in the private market; he will check), standard bonds are about 4/5%-5% interest right now. Discussed alternate options to proceed with project prior to audits being completed: possible proposed phasing of construction (risk: possible bidder issues if the project bid did not originally propose this option), contractor withholding payment submittals for non-SRF applicable expenses (risk: although SRF is confident that it can reimburse the City of applicable expenses, the City does not have a guarantee for BND/SRF funds. CM Peraza and Arnaud will be scheduling meetings and/or calling to meet with both Brady Martz and Widmer Roel to discuss timelines and see if a commitment can be made to get the audit reports through 2022 completed by December.

MOTION, passed – To adjourn meeting at 8:17 pm. Peraza moved, Ronningen seconded. RCV; MCU.

(Minutes subject to council approval.) (Agenda deadline is noon Wednesday the week before the meeting.)

Darrell Kersting, Mayor

Tabitha Arnaud, City Auditor

Date approved