

# City of Oronoco

## Special City Council Meeting

### Minutes

### October 4, 2022

<https://us02web.zoom.us/j/89427297407>

NOTE: DUE TO TECHNICAL DIFFICULTIES; ZOOM MAY BE UNAVAILABLE AT THIS MEETING

#### I. Call to Order

Mayor Ryland Eichhorst called the meeting to order at 5:30 p.m.

#### II. Roll Call

Present: Mayor Eichhorst; Councilors Jim Phillips, Dana Bergner, Jim Richards

Absent: Councilor Carl Krause

Staff Present: Consulting Engineer Joe Palen, Stantec  
City Administrator Sunny Bjorklund Schultz

#### III. Presentation by City Engineer, Joe Palen of Stantec

Joe Palen, Consulting City Engineer (Stantec), walked Council members through a comprehensive overview of the proposed assessment roll and corresponding amounts for the Phase 1A Wastewater System and Water Distribution Project. In addition to the overview, Palen explained the methodology used in developing the assessments amounts, as well as the detail of the individual assessments to 510 parcels.

Materials reviewed included:

- 2022-0929 Phase 1A Assessment Roll Figures
- Final Assessment Roll (Fall 2022) v3
- Project Summary Handout (Fall 2022) v2

Given the complexity of the data, and the import of all council members being on board with a shared and united understanding to explain and counter any misinformation they might hear from residents, it was agreed that Palen and Bjorklund Schultz will schedule a one-on-one session with Councilor Krause who was unable to attend this meeting.

Administrator Bjorklund Schultz noted an interesting fact that the meeting at which the project was approved to proceed occurred on October 12, 2021, nearly one year ago. Palen noted that although bid costs exceeded the initial project estimates, the total proposed project cost is virtually unchanged since the time bids were opened and the contracts awarded. That total remains at \$46,248M.

As noted in the Project Summary Handout, project costs include bid construction costs, engineering, property acquisition, legal services, construction engineering services and a 2.5 percent construction contingency. The local share totaling \$12.221M represents the City of Oronoco's cost share of the project, which is approximately 26.4 percent of the total project costs. The local share has been financed via low interest loans through the Public Facility Authority (PFA) over a 30-year term at 2.047% interest for Oronoco Wastewater System costs and over a 20-year term at 2.252% interest for Oronoco Water Distribution Improvement costs.

The City is assessing fees for the proposed improvements to existing and future benefitting properties (including Oronoco Estates Mobile Home Community) to fund the repayment of the local share loan. Utility rates and tax revenue may also be used to fund the local share if needed.

**Resolution 2022-24**

**Calling Hearing on Assessments for Phase 1A Wastewater System and Water Distribution Improvements [with attached Exhibits A and B]**

**Exhibit A to Resolution 2022-24**

**Notice of Public Hearing on Assessments for Phase 1A Wastewater System and Water Distribution Improvements (Published)**

**Exhibit B to Resolution 2022-24**

**Notice of Public Hearing on Assessments for Phase 1A Wastewater System and Water Distribution Improvements (Mailed)**

**Motion by Bergner, seconded by Phillips, to adopt Resolution 2022-24 Calling Hearing on Assessments for Phase 1A Wastewater System and Water Distribution Improvements [with attached Exhibits A and B].**

As noted in the resolution, the hearing is scheduled for November 1, 2022 at 7:00 PM in the Oronoco Community Center City Council Chambers.

**Roll call vote followed; Motion carried (4-0-1 absent).**

IV. Adjournment

**Motion by Eichhorst, seconded by Richards, to adjourn the October 4, 2022 Special Council Meeting at 7:57 p.m.**

**Motion carried by unanimous consent.**

  
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Ryland Eichhorst, Mayor

Attest:

  
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Sunny Bjorklund Schultz, City Administrator