

City of Vernon Center
1/28/2025
Special Council Meeting

Council Present: Mayor Dana Ziegler, Emily Edwards, Lisa Peterson

Staff Present: Clerk Kara Hansen

Others Present: Ed Gilmore of USDA-RD and Shannon Sweeney of David Drown Associates

Mayor Ziegler called the special meeting to order at 6:00 PM

Mayor Ziegler asked Ed Gilmore of USDA-RD where the City stands in terms of funding with the current project. Ed Gilmore said, with regards to the City wishing to refinance the current loan they have with Northland Trust and PFA, to make that happen, USDA-RD would need a 50/50 split between the new cost and the refinance. Right now, the city would need to spend \$475,000 for water and \$210,000 for sewer to qualify for refinancing, but stressed this was a very rough estimate. He recommended the city look at what they have for available for other contracts, and this would include wells, treatments, and what is left from the street and utility project including engineering costs. Mayor Ziegler said the \$475,000 would cover the cost of another well, and said the City is looking at purchasing water meters and rehabbing water filters they purchased in 2023. He wondered if a portion of the rehab could be covered by any money left over. Ed Gilmore said it's possible the WTP filters would be covered, and the water meters would fall under both water and sewer. He stressed it would be tricky to meet the 50/50 split. If the City came in lower than the loan amount, and they didn't want to use all of the money, than it would be fine, but the loan would be closed at a lower amount. If the City came in too high, the council would have to decide on what to spend the money on. Mayor Ziegler asked when the proposed closing date would be. Ed Gilmore said he'd have to ask for an extension, but he guessed it would be February 2026. Mayor Ziegler said the City should have a work study on items that need to get done, and get a general price for each of them and then send those numbers over to Ed Gilmore to check if they would qualify. Engineer Chris Knutson would need to be present for the work study as well. He asked what date would be best to have those figures, and suggested 12/31/2025. Ed Gilmore said that was a reasonable target date.

Councilor Peterson made a motion to adjourn. 2nd by Councilor Edwards. All approved. Motion carried.

Meeting adjourned at 7:04 PM

Kara Hansen, Clerk-Treasurer

Dana Ziegler, Mayor

Date approved