

Village of Rapids City
June 21st, 2021
Committee of the Whole Meeting

Committee of the Whole Meeting to discuss:

- Borrowing Proposals for Infrastructure Projects
- Public Works Employee
- Jr. Bass Tournament

President Mire called the meeting of the Committee of the Whole to order at 6:00pm.

Roll Call:

Physically Present: Fiems, Fowler, Robertson, Rankin, Enloe, Schnieder and Mire

Absent: None.

Others:

Physically Present: Treasurer Barber, Clerk Housenga

Virtually Present: None.

Mire opened this Committee of the Whole Meeting reviewing two proposals from two banks which were referred to as Bank #1 and Bank #2. Mire expressed borrowing funds will be needed as many of our streets and public facilities are needing improvements sooner rather than later. Borrowing will also be a must since bidding came in much higher for water loop project. Mire noted the village's maximum borrowing capacity is \$2,300,000.00.

Mire and Barber agree the village will need approximately \$1,100,000.00 for general infrastructure projects such as road repairs including 17th Street hill estimated in 2017 around \$500,000.00, roofs on municipal buildings, and many other projects.

Barber and Mire also agreed the village water fund could sustain expending \$138,000.00 from the checking account to pay for the water loop project, but to complete the project a loan in the \$400,000.00 would be needed.

The Board reviewed both bank offers which included amounts, term length, interest, taxed or tax-free options, early payoff options and requirements to obtain each loan. Attorney Mason was provided documentation concerning each bank offer, Mire and Clerk Housenga have not received feedback from Mason on his thoughts. Discussion took place concerning borrowing too much, unforeseen expenses and paying interest on funds when projects are not finalized and following processes. Through conversation it was identified interest rates will only be escalating and projects cannot be pushed off any further. Barber recommended borrowing from Bank #2 for a 15-year term in the amount of \$1,100,000.00, tax-free with an interest rate of 2.5% for general infrastructure projects, funds for repayment of the loan are to come out of the general fund. Barber also recommended Bank # 2 for funds to cover the remainder of water loop costs of \$400,000.00 with a term of 10 years, tax-free with an interest rate of 2.10%.

Rankin motioned to accept proposal and applying for a loan from Bank #2 for the water loop project in the amount of \$400,000.00 with a tax-free loan for the term of 10 years at a rate of 2.10%, authorized signers for the loan will be Village President Mire, Treasurer Barber and Clerk Housenga; Fowler seconded. All members of the board voted yes, motion carries.

Robertson motioned to accept the proposal and apply for a loan from Bank #2 to cover costs 17th Street and other infrastructure projects deemed necessary by the Village Board in the amount of \$1,100,000.00 with a tax-free loan for the term of 15 years at a rate of 2.5%, authorized signers for the loan will be Village President Mire, Treasurer Barber and Clerk Housenga; Enloe seconded. All members of the board voted except for Schnieder voted yes, motion carries 5 to 1.

Mire noted Bank # 2 is Blackhawk Bank and Trust.

Mire noted an Assistant Public Works Director has been hired, start date will be July 6th, 2021.

Fiems and Mire have been working with Lynn Hunt from the Quad Cities Visitors Bureau to coordinate the Jr. Bass Federation Tournament to be held July 27th through 30th, 2021. A letter will be sent to residents informing them of the tournament. Emergency services will be provided by Rock Island County Sherriff's Department.

With no further business to conduct Schnieder motioned to adjourn this Committee of the Whole Meeting; Rankin seconded. All present members concurred; motion passed. President Mire adjourned by consensus of the Board at 7:05pm.

Missy M. Housenga
Village Clerk