

MINUTES OF THE SPECIAL COUNCIL MEETING

May 29, 2019

At 6:00 p.m. the meeting was called to order by Mayor Mac Pooler.

A roll call of the Council resulted as follows:

Anna Moody
Ron Delcamp
Sid Armstrong
Ron Mercado

Councilmembers Terry Douglas and Dennis Norris were absent.

Officers present were:

Mayor Mac Pooler
City Clerk/Treasurer Nila Jurkovich

Councilmember Armstrong led the Pledge of Allegiance.

DG&S Contract – McKinley Rebuild & Paved Road Project

Mr. Ben Davis, Alta Science & Engineering provided the City with the contract with DG&S for the 2019 Rebuild and Paved Road Project on McKinley Avenue. The contract was reviewed and approved by the City's attorney. The bid was awarded to DG&S as they provided the low bid with all of their documents being in order. Mr. Davis advised the Council the figures were checked and Alta's engineering team.

It was moved by Councilmember Delcamp and seconded by Councilmember Armstrong to enter into the contract with DG&S in the amount of \$830,184.25 for the 2019 McKinley Rebuild and Paved Road Project, authorize the mayor and in his absence the council president to execute all contract documents.

A roll call vote of the Council resulted as follows:

Councilmember Armstrong-Aye
Councilmember Mercado-Aye
Councilmember Delcamp-Aye
Councilmember Moody-Aye

Motion carried.

Notice To Proceed DG&S – McKinley Paved Road Rebuild Project

Mr. Ben Davis, Alta Science & Engineering provided the City with the Notice To proceed with a start date of June 10, 2019.

The City Clerk thanked Mr. Davis for his efforts to move the start date from June 17th to June 10th and reminded the Council that DG&S had previously requested an early start date and that is why the Council held this special council meeting.

It was moved by Councilmember Mercado and seconded by Councilmember Delcamp to provide DG&S the Notice To Proceed with a start date of June 10, 2019.

A roll call vote of the Council resulted as follows:

Councilmember Mercado-Aye
Councilmember Armstrong-Aye
Councilmember Moody-Aye
Councilmember Delcamp-Aye

Motion carried.

Resolution 2019-07 Reimbursement by USDA RD for the Third Interim Loan

Mayor Pooler asked if the Council had any questions or comments on the proposed resolution.

Councilmember Armstrong stated the City had a unique circumstance to provide funding for the third interim loan. By funding the third interim loan, the City is saving approximately \$15,000 in interest and bank fees.

City Clerk Nila Jurkovich advised the Council the City had reached out to USDA RD, the City Attorney and the City Bond Counsel, along with the City's auditor to seek their opinion and the City received approvals from all of the parties stated. The City Council had approved moving forward with this process at the May 8th Council meeting and this proposed resolution was provided by the City's bond counsel.

CITY OF KELLOGG, SHOSHONE COUNTY, IDAHO

**REIMBURSEMENT RESOLUTION
2019-07**

[Official Intent pursuant to Section 1.150-2, Code of Federal Regulations]

WHEREAS, the City of Kellogg, Shoshone County, Idaho (the "City") has determined to make further improvements together with necessary facilities, equipment and related expenses (collectively, the "Project") to its wastewater collection system and facilities (the "System");

WHEREAS, the City expects to incur capital expenditures related to the Project from its general fund or any other available revenues;

WHEREAS, utilizing the remaining authorization under the City's successful bond election held November 4, 2014, which authorized the City to issue up to \$8,080,000 principal of revenue bonds, the City has entered into a loan agreement, as amended and supplemented, with the USDA to provide financing(s) through the issuance of tax-exempt bond(s) to USDA, and plans to enter into interim financing of additional Project costs prior to the issuance of another bond to USDA up to \$1,090,000 in principal (the "Bond");

WHEREAS, Section 1.150-2 of the Code of Federal Regulations (the "Regulations") authorizes issuers of bonds to reimburse certain Project expenditures (the "Reimbursable Expenditures") with proceeds of later issued bonds so long as the issuer evidences an official intent in accordance with the Regulations; and

WHEREAS, the City reasonably intends to reimburse itself from the proceeds of the Bond for certain expenditures on the Project (the "Reimbursable Expenditures") incurred (i) within 60 days prior to the date hereof, or (ii) after the date hereof but prior to the delivery of the Bond; and

WHEREAS, the maximum principal amount of the proposed Bond to be allocated to the Reimbursable Expenditures is not expected to exceed \$1,090,000, which is the City's remaining electoral authorization; and

WHEREAS, the City expects such reimbursement to occur not later than 18 months after the later of the (i) the date of the Reimbursable Expenditures, or (ii) the date the Project is placed in service, but no later than three years after the date of the Reimbursable Expenditures.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kellogg, Shoshone County, Idaho, as follows:

The purpose of this Resolution is to preserve the ability of the City to reimburse itself for prior Reimbursable Expenditures relating to the Project from the proceeds of the Bond.

The City has or intends to incur Reimbursable Expenditures with respect to the Project, and reasonably expects to be reimbursed for such Reimbursable Expenditures from the proceeds of such Bond.

The maximum principal amount of the Bond to be issued to finance the Project is \$1,090,000.

This declaration of official intention is made pursuant to the Regulations, which provide that the City may reimburse Reimbursable Expenditures incurred up to 60 days prior to the date hereof and after the date hereof but prior to the delivery of the Bond.

The officers of the City are hereby authorized and directed, for and in the name and on behalf of the City to take any and all actions and execute, acknowledge and deliver any and all agreements, instruments or other documents and revisions or corrections thereof and amendments thereto, as may in their discretion be deemed necessary or desirable to carry out the terms, provisions and intent of this Resolution.

ADOPTED AND APPROVED this 29th day of May, 2019.

CITY OF KELLOGG, SHOSHONE
COUNTY, IDAHO

By: _____
Mayor

Attest:

By: _____
Clerk

It was moved by Councilmember Armstrong and seconded by Councilmember Delcamp to approve the proposed resolution 2019-07 which enables the City of Kellogg to be reimbursed by USDA RD for the third interim sewer loan in the amount not to exceed \$1.09 million.

A roll call vote of the Council resulted as follows:

Councilmember Mercado-Aye
Councilmember Armstrong-Aye
Councilmember Moody-Aye
Councilmember Delcamp-Aye

Motion carried.

Panhandle Area Council Task Order #1 – Administration for SCFD#2 Grant Activities

City Clerk Nila Jurkovich advised the Council that previously the City entered into a three year contract with Panhandle Area Council which enables the City to work with PAC by approval of task orders. The City is utilizing the contract with this first task order which is being used for the administration of the ICDBG funding for SCFD#2's fire station. The City will not be expending any City funds, the ICDB Grant funds will be paying all costs of administration.

It was moved by Councilmember Delcamp and seconded by Councilmember Moody to approve Task Order #1 with Panhandle Area Council.

A roll call vote of the Council resulted as follows:

Councilmember Mercado-Aye
Councilmember Armstrong-Aye
Councilmember Moody-Aye
Councilmember Delcamp-Aye

Motion carried.

There being no further business to come before the Council at this time, it was adjourned at 6:12 P.M.

ATTEST:

Mac Pooler, Mayor

Nila Jurkovich, City Clerk