



## CITY OF FREEPORT

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### October 5, 2016 – Meeting Minutes

A special meeting of the Freeport City Council was convened at 7:00 pm by Mayor Rodney Atkinson with Councilmembers, Ken Goebel, Tim Hennen, Mike Eveslage and Ben Eittle present.

Staff in attendance: Clerk-Treasurer Adrianna Hennen

Others in attendance: Freeport Fire Department Chief John Gilk, Firefighters Natascha Hennen, Chris Williams, and Larry Hoeschen. Dave Gruenes with Stearns Electric Association.

#### **Resolution 2016-10 Requesting USDA REDLG Funding Through Stearns Electric Association**

Dave Gruenes with Stearns Electric presented three financing options the City of Freeport might be eligible for, for the purchase of a new pumper fire truck. First, Gilk stated the truck will most likely be around the \$420,000 area from the options they have been looking at. The first option was a Community Facilities Direct Loan and Grant through USDA. Atkinson stated he didn't think Freeport would be eligible for that program because Freeport's median household income had increased and made Freeport ineligible for USDA grants. Gruenes stated that is something that can be looked into, but there are two other potential options. The second was a Rural Economic Development Loan Program through Stearns Electric and USDA. The maximum of this program is \$300,000 from USDA and then Stearns Electric must contribute 20% for a maximum combined total of \$360,000. It is a 10 year 0% interest, with a .5% yearly administrative cost to execute the program. Atkinson stated that would be a good plan for Freeport since the City is currently making .85% on the City's accounts. This is also a competitive program, which requires an application to be in the hands of the decision makers before any purchases are made and the application is prepared free of cost to the City by Stearns Electric Assoc. Gruenes stated another option was a program was through Stearns Electric Assoc. which is their revolving loan program. Gruenes stated he doesn't know exactly how much is in fund since money is always coming and going. Gruenes stated that Stearns Electric Assoc. is completely liable for the loan; there is a 3.5% interest rate. Council agreed there would be no reason to not try for the Rural Economic Development Loan Program since there is no cost incurred by the City in doing so and if the City was selected, the City would be saving money. Council agreed to apply for the full amount of \$300,000 for the Rural Economic Development Loan Program. Eittle moved to pass Resolution 2016-10 – "A Resolution Requesting USDA REDLG Funding through Stearns Electric Association", seconded by Eveslage. Motion carried 5-0.

#### **Adjourn**

Eittle moved to adjourn at 7:30, seconded by T. Hennen. Motion carried 5-0.

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Mayor, Rodney Atkinson

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City Clerk-Treasurer, Adrianna Hennen