



**CITY OF RIVER FALLS, WISCONSIN
COMMON COUNCIL PROCEEDINGS**

September 27, 2022

Mayor Dan Toland called the meeting to order at 6:30 p.m.

City Council Members Present: Todd Bjerstedt, Jeff Bjork, Nick Carow, Sean Downing, Scott Morrissette, Alyssa Mueller, Diane Odeen

Members Absent: None

Others Present: John Welter, Patricia LaRue, Gary Horvath, Alexandra Johnson, Alyssa Spado, Jeff Wesley, others

Staff Present: City Administrator Scot Simpson; City Attorney Chris Gierhart; IT Specialist Sterling Hackney; City Planner Emily Shively; Sergeant Logan Dohmeier; Utility Director Kevin Westhuis; Finance Director Josh Solinger; City Engineer Todd Nickleski; Assistant to the City Administrator Jennifer Smith; Management Analyst Ellen Massey

The Pledge of Allegiance was said.

APPROVAL OF MINUTES:

Approval of Minutes – September 13, 2022, minutes

MSC Downing/Bjork move to approve minutes. Unanimous.

APPROVAL OF BILLS:

Bills: \$947,708.17

MSC Bjork/Bjerstedt move to approve bills subject to the Comptroller. Unanimous.

PUBLIC COMMENT, PETITIONS, REQUESTS AND COMMUNICATIONS:

John Welter, 329 S. Lincoln Avenue, Viroqua, WI – came to affirm Kinni Corridor Collaborative's (KCC) commitment to help support the feasibility study with the US Army Corps of Engineers (USACE) as a next step in the dam removal process. He talked about KCC's mission, the possible funding that the Corps could bring to the project, the fundraising that KCC has done (almost \$300,000), and a grant from the DNR. He talked in more detail about the feasibility study and said KCC needs to have a place at the table as a voice of the community and a partner of the city as things move forward.

Patricia LaRue, 489 Marcella Court – came to talk about the dams. LaRue recapped recent history with the dams. She said the private partners of the public/private partnership have shown little financial will to help the River Falls utility rate payers finance the dam removal project. LaRue said despite what was previously stated, only \$20,000 has been given so far. She talked about the funding and offered ideas on using grant monies. LaRue also talked about her utility bill noting the increase in a PCAC charge saying it was counterintuitive to spend millions of dollars to remove an electrical generation source when residents are paying a premium for shortage of generation. She ended by saying Junction Falls dam's serviceable life after reconstruction was 50-75 years.

Gary Horvath, 623 W. Pine Street – came to speak on behalf of Trout Unlimited. The group is in favor of entering into an agreement with the Corps of Engineers for environmental restoration of the Kinni. He provided background about Trout Unlimited and talked about working with the city to maintain and

preserve the river. Horvath talked about confidence in working with the Corps. He strongly urged the Council to enter into an agreement with the Corps saying this is a project that is in the best interest of the river.

Arbor Place Presentation

Alexandra Johnson and Alyssa Spado came to provide a presentation. Their mission is working with families that are experiencing substance abuse. They provided Wisconsin statistics, information about Delta 8, why prevention is needed and their prevention efforts.

Aldersperson Bjork asked if they needed help with anything. Spado said the program was just beginning. They want people to know they are here. The mayor asked for contact information. Spado gave website information.

Aldersperson Downing appreciated what they do. He asked if they have seen an uptick in the community with fentanyl geared toward children. Spado said its creeping back in saying opioids are coming back in younger populations. Downing thanked them for all they do.

Kinni Corridor Plan Update

Utility Director Westhuis provided an update on the Kinni Corridor Plan. He talked about the history of the plan, the implementation beginning in 2018, the formation of the public/private partnership with the KCC, the next steps for Junction Falls, the June 2020 flood and damage resulting in a drawdown of the lake. Westhuis talked about the costs for the hydroelectric relicensing and the \$1 million grant offer from the US Army Corps of Engineers (USACE). He provided details talking about the next steps which include a feasibility study and timelines.

Aldersperson Mueller asked how common it is to remove a working hydroelectric plant that is providing wattage to customers. Westhuis said it is common for dams to be removed but doesn't know about working facilities. City Administrator Simpson said this process has been unique to River Falls. There is a lot of data about dam removals but doesn't know there's data about licensed dams that are operating. He doesn't believe it is a common practice. Simpson talked about other unique things to River Falls including the city owning the dams and 90 percent of the adjacent properties, and the electric utility.

Mueller asked how will we replace Junction Falls with another renewal energy source. Westhuis said there is not a plan to do that but will look for partners to help with that. Mueller asked if there was a possibility for Junction Falls dam to remain, removing Powell Falls dam, and creating a corridor project that continues to keep Junction Falls working lowering the costs for our ratepayers. Westhuis said staff asked the Corps that, and they are less interested in the project with the removal of one dam. They need to have enough ecological impact to justify the grant, and they didn't think the removal of one dam would do that.

Mueller asked how long would it take for Junction Falls hydroelectric plan to recover the funding the Corps would give if we decided not to go with the grant and spend city dollars to do the restoration? Westhuis said there are \$80,000 of avoided costs but there are expenses.

Bjork asked if the city would give direction to the Corps for the project. What happens if only one dam is removed? He talked about it being a shame if the city didn't take advantage of the hydroelectricity the dam produces. Bjork asked if there no interest if there's only one dam. Simpson said yes; he thinks there is no interest if only one dam is removed. In USACE's professional judgment, there isn't enough ecological impact to be a project of federal interest. Simpson said that specific question was asked and provided further details. The project scope as they would imagine it would qualify would be removing both dams and substantial restoration to the corridor. Simpson talked further about 'what ifs'. We have learned a lot through this process and would suggest any kind of modification from the core vision we have would be met with opposition, studies, money, and time. Simpson said it is near

insanity the way things are set up as far as what you have to study just to do things. We have been successful so far because we have a joint vision that's been adopted by the community to remove both dams eventually. Other parties have gone along with that because they see the vision we are heading toward. If we would modify those pieces significantly, as staff, we would have a hard time giving you the 'what if' answers. It doesn't look like there is a clear path to do those things. We think the choices are to proceed on the path that we have. We can remove the lower dam or continue the pause on the lower dam. Simpson talked about the feasibility study. The community could choose a different path, but he doesn't want community or Council to underestimate the complexity or cost of changing from the adopted vision. All the funding has substantial strings attached. The funders have provided the funding with specific expectations about delivery, and they approve the steps. Simpson spoke further providing more details and cautioned a heavy push of 'what ifs'. Simpson spoke further touching upon Mueller's question about recouping funding. He talked about the customers choosing green energy.

Bjork asked if the city proceeds with the project, who manages the project? Westhuis said it would be USACE's project, but we would be partners. He provided further details. Simpson reminded Council that staff was providing an update on the process and said this will come back to Council for approval. Once we say yes, it's their project, and we match. They go up to \$10 million, and we are on the hook for the rest in the scope. Simpson talked about the USACE's record being good. The communities that we have spoken to are pleased.

Westhuis said the \$10 million project does require a 35 percent City match. We would need to pay \$3.5 million. Mueller asked where the money comes from. Westhuis provided different examples of the funds that could pay for it. Simpson said no general property taxes is the direction we have been given. He spoke further about being eligible for two grants – one for each dam and funding. Until we are done with the feasibility study, we are using best estimates.

Aldersperson Downing asked if the \$10 million grant includes total sediment removal and erosion mitigation? Simpson said yes; it would be a complete restoration. He provided more details.

PUBLIC HEARING:

Request for a Combination "Class B" Liquor and Class "B" Beer License – Kinnikinnick Hospitality LLC dba Junior's Restaurant & Tap House, 414 S. Main Street

At 7:38 p.m., Mayor Toland moved into a public hearing and asked for public comments. As there were none, the mayor moved back into Open Session at 7:39 p.m. MS Morrisette/Odeen move to approve the license.

Morrisette asked if the agent could come forward and ask the agent questions. Morrisette asked agent Jeff Wesley asked if he understood the role of an agent, if he currently possesses his responsible server's certificate, and if he understands that if an alcohol related violation occurs even if he isn't there, he is responsible. Agent Jeff Wesley answered yes to all the questions. **With no other comments, the mayor asked for a vote on the motion. It passed unanimously.**

CONSENT AGENDA:

Acknowledgement of the following minutes: Police and Fire Commission – 9/1/22; 6/27/22; Historic Preservation Commission – 8/24/22; River Falls Housing Authority – 8/11/22; Library Board – 8/1/22; 6/6/22; Park and Recreation Advisory Board – 8/17/22; Plan Commission – 8/2/22; BID Board – 8/9/22; Utility Advisory Board – 8/15/22; West Central Biosolids – 8/18/22

Resolution No. 6705 - Awarding Bid for North Loop Extension Construction
Resolution Approving the General Development Plan for a Multi-family Building on Paulson Road (PID 276-1093-60-100) →→→**pulled by Morrisette**

Preliminary Resolution No. 6706 - Declaring Intent to Exercise Special Assessment Police Powers Under Section 66.0703 Wisconsin Statutes for the Benefit of the River Falls Business Improvement District

MSC Odeen/Bjerstedt move to approve remainder of the Consent Agenda. Unanimous.

Resolution No. 6707 - Approving the General Development Plan for a Multi-family Building on Paulson Road (PID 276-1093-60-100)

Morrisette had a conflict of interest and needed to abstain from the vote. **MS Downing/Bjerstedt move to approve resolution. All voted in favor except for Morrisette who abstained.**

ORDINANCES AND RESOLUTIONS:

Sean Lentz, from Ehlers and Associates, provided a presentation on the bonding resolutions. He talked about the projects that were being financed and the amounts. Lentz said the refunding for the 2011 water revenue bonds was pulled. He provided a bonds rating update. The general obligation bonds are rated Aa2 and the water revenue bonds are rated Aa3. Lentz provided further details about the ratings and talked about the strengths, challenges, and factors that are considered for upgrades and downgrades.

Lentz provided sales results for the general obligation notes and talked about the Tattersall incentive and the Mann Valley land. He talked about the general obligation sewer bonds and the water system revenue bonds, the winning bids, and the interest rates. Morrisette asked about the prepayment on the water bonds. Lentz said it was the same as the G.O. after year eight.

Lentz concluded by talking about the action items and next steps. Downing asked how Lentz felt about the process of getting to the best bid. Lentz it was a good process. There's a lot of uncertainty in the market. There was lots of interest. He provided further details.

Bjork asked out of the four, were they the lowest bid. Lentz answered talking about the bids for the local loans.

Alderperson Bjerstedt asked if the decisions will impact the bond ratings. Lentz said the ratings were done the week before and the bidders were notified of the rating that was being applied.

Resolution No. 6708 - Awarding the Sale of \$5,155,000 General Obligation Sewerage Bonds, Series 2022C

MS Morrisette/Bjork move to approve the resolution. The mayor asked for a roll call vote. The vote passed unanimously with all voting in favor.

Resolution No. 6709 - Authorizing the Issuance and Sale of \$4,845,000 Water System Revenue Bonds, Series 2022D of the City of River Falls, Pierce and St. Croix Counties, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds

MS Morrisette/Odeen move to approve the resolution. The mayor asked for a roll call vote. The vote passed unanimously with all voting in favor.

Resolution No. 6710 - Regarding \$750,000 Taxable General Obligation Promissory Notes for Tattersall Development Incentive

MS Mueller/Bjerstedt move to approve the resolution.

Finance Director Josh Solinger asked about the previous vote for the water bonds. The bond amount listed on the agenda reflected the original amount and was more than the actual amount of the financing as it had changed. Simpson asked if enough was on the record for the vote. The City Attorney Chris Gierhart said the resolution had the correct amount, so the vote was okay.

The mayor asked for a roll call vote. The vote passed unanimously with all voting in favor except for Morrissette who abstained.

Resolution No. 6711 - Regarding \$749,000 Taxable General Obligation Promissory Notes for Mann Valley Land Acquisition

MS Bjerstedt/Downing move to approve the resolution. The mayor asked for a roll call vote. The vote passed unanimously with all voting in favor except for Morrissette who abstained.

REPORTS:

Comptroller's Report for August 2022

Comptroller Odeen read the following report: General Fund revenues through the end of August were \$8,661,048 or 74% of total budgeted revenues for the year. Revenues in August include \$1,989,537 in general property tax \$58,792 in payment in lieu of tax and \$74,690 in building permits. Year to date expenditures through the end of August were \$7,622,805 or 65% of total budget expenditures for the year. As of August 30th, 2022, net revenues over expenditures were \$1,038,244.

ANNOUNCEMENTS:

Mayor's Appointment to the BID Board

New appointment of Amy Freeman through December 2025

MSC Morrissette/Downing move to approve the mayor's appointment. Unanimous.

MSC Bjerstedt/Morrissette to adjourn at 8:02 p.m. Unanimous.

Respectfully submitted,

Kristi McKahan, Deputy Clerk