

CLOSED SESSION MINUTES

TUESDAY, APRIL 18, 2022

The City Council met in a closed session at 7:10p.m. on Monday, April 18, 2022 during a recess of a regular meeting. The Clerk reported that the following Council members were:

PRESENT: Leroy Duncan
Sonya Hagaman
Jeremy Plank
Scott Tweedy
Tom Stalcup

LITIGATION:

Interim City Manager/Chief Stahlhut explained the reason for this session is to explain information received from Attorney Schrimpf. He is representing the City regarding Mr. Dettmers lawsuit. On the agenda for tonight, Attorney Schrimpf provided a suggested revision to Ordinance #2646 to help alleviate any confusion as to how the 1% Sales Tax funds can be spent. The attorney does not have any concerns that the lawsuit will go the City's way but this ordinance amendment helps alleviate the grey area.

Councilman Plank asked for the timeline on lawsuit

Chief Stahlhut stated April 23rd is when the attorney will file a motion or an answer.

Councilwoman Hagaman explained the hearing will be set 30 days out unless a judge rules immediately

Mayor Stalcup stated that Mr. Dettmers could drop the case at anytime

Councilwoman Hagaman stated the hearing can be set even if the case is dismissed. It is the Judge's option.

Councilman Plank asked what will happen to the bond issuance if the litigation goes through.

Chief Stahlhut stated the City is obligated once the debt is issued.

Finance Director Sobrino explained the debt is a General Obligation Bond. The city owes the money regardless. He believes there is no early prepayment penalties so what money has not been spent would be paid back immediately.

Councilman Plank asked if the sales tax is locked in as the revenue stream to pay the debt

Director Sobrino stated no, the debt is a general obligation of the City and is not pegged to one revenue stream.

Councilwoman Hagaman asked who is the point of contact regarding the attorney.

Chief Stahlhut asked that all questions be directed to him and he will get answers from the attorney. There is only so much the attorney can say.

There being no further business, the closed session adjourned at 7:18p.m.