



Watertown City Council Work Session

Mayor Steve Washburn
Deborah Everson
Lindsay Guetzkow
Adam Pawelk
Michael Walters

1/26/2021 - Minutes

1. Call To Order And Roll Call

Mayor Steve Washburn called the Watertown City Council workshop to order at 5:33 p.m. in the council chambers of City Hall.

Council Members Present: Washburn, Michael Walters, Dan Schuette, Lindsay Guetzkow, and Adam Pawelk.

Staff Present: City Administrator Shane Fineran, Administrative Services Director Lynn Tschudi, and Utilities Superintendent Doug Kammerer.

Guests Present via Zoom: Representatives from Lockridge Frindal Nauren PLLP: Anne Lenczewski, Kevin Matzek, and Angie Huss.

2. New Business

2.1. Governmental Relations Consultant

City Administrator Shane Fineran said that in the 5th special session of the 2020, the Minnesota Legislature passed a \$1.9 billion dollar bonding bill that funded numerous capital projects and programs at the state level. The City has been applying for various state funding sources for the expansion of the wastewater treatment plant. The City is eligible for low interest bond financing through the PFA and eligible for \$7 million dollars through the Point Source Implementation Grant program.

Fineran said the City has been active with communicating to legislatures the importance of the wastewater expansion and the need to fund the programs appropriately. The uncertainty of a bonding bill will determine the amount of cash the city will need to fund the new wastewater treatment plant.

Representatives from Lockridge Grindal Nauren PLLP introduce themselves to Council. They explained that if hired, they would meet regularly with the City Administrator as well as the local Legislatures in order to secure funding for the wastewater treatment plant project. Funding would be in the form of grants or low interest loans. Their staff are involved in all committees at the state level. They explained the process of the bonding bills and difficulty of receiving funding.

Council Member Pawelk asked what the level of commitment would be between the City and the firm. Ann Lenczewski replied that they encourage Cities to hire the firm for at least one year at a time. The

standard is to develop a contract which includes a 60-day escape clause.

Council Member Schuette asked what the firm's success rate is. Lenczewski said that it is illegal in Minnesota to compensate Lobbyists based on the amount they are awarded. She said they worked on 11 bonding projects last year and they were awarded 10. She further explained the importance of presenting the City project to the various legislative bodies. Lenczewski said their firm is very informed of the processes needed to be successful and they have valuable relationships at the capital. Council Member Schuette asked if Lockridge Grindal Nauren PLLP is working on any other wastewater projects that would compete with the City of Watertown. Lenczewski said no and ethically they would not be allowed to take the project if there was a conflict of interest.

Council Member Guetzkow explained that during the last large bonding project, council members lobbied for themselves at the State Capitol. She asked how Lockridge Grindal Nauren PLLP would position the City strategically. Lenczewski said that the City has a new Senator since then and the transportation bucket is much more difficult to earmark. She also said there is more advocating for wastewater this year.

Council Member Walters asked for an estimated cost for Lockridge Grindal Nauren PLLP services. Lenczewski said they would need to work directly with the City Administrator on developing a quote. A two-year contract would get a better rate than a one year contract, but she estimated around \$30-40,000 per year.

Mayor Washburn asked if the bonding bill for 2021 will be large or small. Kevin Matzek said they are far away from knowing what the amount will be. Anne Lenczewski said the City of Watertown's project is unique in that it could be pushed as both a local and a state project. She said there is usually a bonding bill every year, it's just knowing how big it will be. She also said what work is done in one year helps with the momentum for the next year.

Council Member Pawelk said he is impressed with the knowledge of the firm and has confidence in their success rate. City Administrator Fineran clarified the amount of funds that are available to the City of Watertown. Schuette asked if the City of Watertown has ever employed a firm like this before. Mayor Washburn said no. Washburn would like to try to maximize the return available to the City. Guetzkow is in favor of hiring a firm with this great experience. Fineran shared a list of cities who have received funding year after year using a Government Relations Consultant.

Washburn said he is in favor of hiring a Government Relations Consultant firm to advocate the City of Watertown for future development.

Pawelk, Schuette, Guetzkow, Walters and Washburn directed staff to move forward with an engagement with Lockridge Grindal Nauren PLLP or similar firm.

3. Adjournment

Mayor Washburn adjourned the workshop at 6:31 p.m.

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