

**MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, August 14, 2012 held at 7:00 p.m. at
830 Whitewater Avenue
St. Charles, Minnesota**

MEMBERS PRESENT:

Councilmen:

John Schaber

Dave Braun

Orv Dahl

Wayne Getz

Mayor Bill Spitzer

STAFF PRESENT:

Nick Koverman (City Administrator), Cris Gastner (EDA Director).

OTHERS IN ATTENDANCE: Stuart Hagen, Rick Frick, Tom Campbell, Matt Hellemoe, Nancy Heim, Rocky Dabelstein, Gene Kesln, Charles Kesln, Jake K., Dan Yoder, Jake Shetler, Joe Spetz, Donna Spetz, David Schmucker, Dan Hursh, Wayne Ode, Mena Kaehler, Mike Bubany, Clara (WC Env.), Jill Johnson (WC Env.), Geoff Griffin.

1. ESTABLISH QUOROM/CALL TO ORDER

Quorum was established with Mayor Spitzer calling the meeting to order at 8:01 p.m.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL of the AGENDA: addition of 15a: Pool Painting

Motion to approve the agenda: **John Schaber**

No discussion.

Motion carried.

4. APPROVAL of the MINUTES

-July 10, 2012

Motion to approve: **Wayne Getz**

No discussion.

Motion declared carried

-July 24, 2012

Motion to approve: **Orv Dahl**

No discussion.

Motion declared carried

5. APPROVAL of the August PAYABLES

Motion to approve payables: **John Schaber**

6. Notices and Communications. None.

7. Reports of Boards and Committees: Councilman provided their reports from boards. A question regarding Well 3 restoration was asked. Admin. Koverman expressed the city engineer would be in attendance later to answer, but he knew final cleaning was being performed and should be done soon.

8. Administrator's Review. A motion was made to table the followup discussion from the closed meeting held July 24.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

9. Public Hearing TIF District NRB Metals. Mike Bubany was present to discuss the TIF plan. A motion to open the public hearing was made at 8:15 p.m.

Motion to approve: **John Schaber**

No further discussion.

Motion declared carried.

Mike Bubany presented the information from the proposed NRB Metals TIF plan, development agreement, and related materials. Mr. Bubany explained the request for \$35,000 in assistance to help construct a 10,000 and 4,500 square foot building and how the property and taxes would support the proposed request. No questions were taken from council. The EDA recommendation was also discussed by Cris Gastner from the EDA and how he had been working with the business owner to aid in the expansion. Following the detailed explanation, Mayor Spitzer called for public comment with respect to the proposed TIF District calling once, twice, three times. Hearing no further comment he called for a motion to close the public hearing. Motion to close the public hearing at 8:28 p.m.

Motion to approve: **Wayne Getz**

Second: **John Schaber**

No further discussion.

Motion declared carried.

11. Resolution #23-2012 Authorizing Execution of the Development Agreement for NRB Metals. A motion was made to approve the resolution

Motion to approve: **John Schaber**

Seconded by: **Orv Dahl**

No further discussion.

Motion carried.

12. Resolution #24-2012 Resolution Adopting TIF Plan. A motion was made to adopt the TIF plan as presented.

Motion to approve: **Dave Braun**

Seconded by: **Wayne Getz**

No further discussion.

Motion carried.

10. Farmer's Market-Winona County. Jill Johnson was present to discuss the request for the City of St. Charles support to begin working on a farmer's market in town. Working with the Southeast Minnesota Initiative Foundation along with Winona County and a VISTA volunteer through SMIF, the County will be able to develop the concept. She sought support for a meeting space and ideas. Clm. Braun supported the idea of the farmer's market expressed how it would be beneficial to the community.

13. Resolution #22-2012 One Day Malt Liquor License. This is an annual license filed by the Saints Touchdown Club for a One Day Malt Liquor License. A motion to approve the license for Gladiolus Days was made.

Motion to approve: **Orv Dahl**

No further discussion.

Motion carried.

14. Street Closure Birchwood Court. The request was reviewed to close a portion of Birchwood Court for a Gladiolus Days event. A motion was made to approve the request.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

15. Bike Trail Blacktop Bid. Rick Schaber, the Park and Rec Director, presented the plan for the proposed extension of the bike trail and a parking lot/sidewalk at Jessen's Park. The total cost of the two projects was \$27,247.50. A motion was made to approve the bid for the 11th to 12th Street portion.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

15a. Pool Painting. Rick Schaber presented a bid for the painting of the pool for \$7,600. A motion was made to approve the pool painting.

Motion to approve: **Orv Dahl**

No further discussion.

Motion carried.

16. Elcor No. 8 Payment. Admin. Koverman expressed the WHKS had reviewed the latest request for payment for the Chattanooga Innovation Park and recommended approval.

Motion to approve: **Orv Dahl**

No further discussion.

Motion carried.

17. Mayor's Presentation-Silica Sand. Mayor Spitzer introduced a video that was taken from the July 20th tour of Chippewa Falls and New Alburn Wisconsin. The mayor reviewed the video with the Council and highlighted pieces as was necessary. Presentations from various officials of the area were heard. It was commented that because of the plants there was a greater need for rental housing, their existing housing market stock which was once stagnant had picked up and properties were moving, but that the growth of new homes was not increasing. They discussed the use of road use agreements, reclamation plans, groundwater monitoring devices, fugitive dust plans, stormwater management plans, air quality permits, noise regulations and other pieces that were mitigated through working with the company. The once concern they were continuing to work on was the creation of quiet zones. No questions were taken from Council following the presentation. Admin. Koverman presented to memos: one from Winona County Assessor Stephen Hacken outlining potential tax implications and the other from the city's electrical engineer with respect to the expense/revenue generated from the consumption of roughly 840,000 kwh/month. He explained how these are only estimates and until such time that the company produces the materials/equipment and pre-plan the numbers should only be used as estimates. In talking with the County Assessor however, while the business has estimated the project cost at \$70 million, a safer assumption would be \$40 million which would in essence double the current commercial/industrial tax value of the City of St. Charles. The proposed estimated revenues from such a plant would be roughly \$311,000 annually, which represents 39 percent of the levied property tax of \$799,000.

18. Minnesota Proppant Presentation. Geoff Griffin for Minnesota Proppant LLC presented the updated plan to the Council which highlighted the concerns of the township and city and how the company has mitigated the areas of concern related to truck traffic, fugitive dust, land owners, property values, air quality, water quality, train traffic and noise. He pointed out that with the use of the proposed slurry system that the majority of the truck traffic was reduced to only 50 trucks a day and train traffic would only enter from the east and leave to the east for the silica sand. Council asked questions on the use of the slurry pipe. Clm. Dahl asked that with or without the City's support would this project move forward. Griffin expressed that the sand is an excellent quality sand that it will eventually be mined and shipped. He also expressed that the County Comprehensive Plan and the planner have indicated that it should be constructed in the city because of the need for city services. It was asked the life expectancy of the project and it was stated about 40 years. While the plant is designed for 15 years, he explained that normal routine repair and maintenance would take place. No further questions were asked.

19. Cherokee Rd Petition. Fred Troendle representing the group thanked the Council for their time and read a statement to the Council. He presented a petition to the Council with 609 names that expressed that they were opposed to the proposed sand plant stating 339 were from St. Charles, 567 were from Winona County, 220 were from neighboring townships and 26 were current business owners.. He cited various pieces from the St. Charles Comprehensive Plan and statistics from the plan and reasonings that the group stated were reasons to not locate the plant in the area and to vote against the proposed sand plant. Several questions were asked of Mr. Troendle with respect to proposed truck traffic if hypothetically a denial from the City was made, as well as if the numbers of reported trucks in the downtown area was revised from the original estimate of 900 to 50 given the new proposal. Mr. Troendle offered that if the Council requested a new petition would be provided once the group was able to review the new revised plan. Without further discussion a motion to accept the petition was made.

Motion to accept: **John Schaber**

No further discussion.

Motion carried.

Public Appearances.

Lane Daniels of County Rd 37 expressed concern that diverting traffic to County Rd 37 as opposed to Cherokee Rd would create more of a hazard for his travel.

Stuart Hagen introduced himself as co-owner of Minnesota Proppant and expressed that in the 3 weeks that they have owned the company they have taken considerable strides to addressing the issues.

Dan Yoder of St. Charles addressed the Council stating that as a supporting Amish member of the community he was confident in the plan presented.

Nancy Heim of St. Charles expressed that as a member of the Planning & Zoning board, business owner, and resident that she felt the project should be vetted through the proper channels.

Motion to adjourn at 11:55 p.m.

Motion to approve: **John Schaber**

No further discussion.

Motion declared carried.

William J. Spitzer, Mayor

Attest: _____
Nick Koverman, City Administrator