

MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, June 12, 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:

Kyle Karger (Public Works Superintendent), and Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Geri Seinola, Scott Seinola, Sandra Troendle, Fred Troendle, tim Jones, Nathan Liam, Gary Dunn, Collin Johnson, Barb Johnson, Geoff Griffin, Rick Engstrom (WHKS), Wayne Feyereisn, and Monica Hill (St. Charles Press).

1. ESTABLISH QUOROM/CALL TO ORDER

Quorum was established with Mayor Spitzer calling the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL of the AGENDA:

Motion to approve the agenda: **Wayne Getz**

No discussion.

Motion carried.

4. APPROVAL of the MINUTES

-May 8, 2012

Motion to approve: **John Schaber**

No discussion.

Motion declared carried

-May 22, 2012

Motion to approve: **Dave Braun**

No discussion.

Motion declared carried

5. APPROVAL of the June PAYABLES

Motion to approve payables: **Orv Dahl**

6. Notices and Communications. Read from information.

7. Reports of Boards and Committees: Various reports were given by Council.

8. St. Charles Cancer Awareness Week Proclamation, June 15-21. Mayor Spitzer read aloud the proclamation for Cancer Awareness Week.

9. Ordinance #553 Noise Amendment 2nd Reading. The second reading of Ordinance #553 Noise Amendment that would allow residents to operate various pieces of domestic power equipment on the weekends and holidays from 8 a.m. to 10 p.m. was reviewed. A motion was made after no further discussion to approve the 2nd reading of Ordinance #553.

Motion to approve: **Wayne Getz**

No further discussion.
Motion declared carried.

10. Ordinance #554 C-3 Regional Commercial District 1st Reading. Mayor Spitzer brought forward the proposed Regional Commercial District. Clm. Schaber discussed that the P&Z Commission had worked on this language for several months with help from various sources. A motion to approve the first reading was made.

Motion to approve: **Orv Dahl**

No further discussion.
Motion carried.

11. Farm2Rail Update. Geoff Griffin from Farm2Rail was present and gave a brief update to the Council explaining that he had met with all the neighbors along Cherokee Rd and talked individually with Township Board members as well as members of the Amish community. After his discussions, he explained that he realized that many questions were left unanswered and that he felt that completing the Environmental Assessment Worksheet (EAW) prior to annexation seemed to be the most prudent step to take at this time. He asked the Council if they would allow him to seek permission from the St. Charles Township board to allow the City of St. Charles to be designated and serve as the Responsible Government Unit (RGU) for the purpose of the EAW. This step would help to answer many questions of environmental, traffic, or otherwise for the project. Mr. Griffin described the EAW process and the participants. He expressed that he had spoken with the proper authority of the EQB board, the State's authorizing agent, to see if in fact it would be possible to have the City serve as the RGU prior to annexation. After receiving confirmation that it would be permitted, he felt it is in the best interest of all parties involved. He expressed that he was asking permission to seek permission on behalf of the City from the Township. Clm. Schaber and Getz expressed that it was discussed at the June 7 Planning & Zoning meeting and that they agreed that it would be in the best interest of the project. They agreed that moving in this direction involved all of the stakeholders and would provide answers. It was stated that there was no obligation by the City to serve in that capacity. In agreement, a motion was made to allow Mr. Griffin on our behalf to ask the township to allow the City to conduct an EAW and to allow the City to serve as the RGU.

Motion to approve: **John Schaber.**

No further discussion.
Motion carried.

12. Water Service Policy. Admin. Koverman reviewed the memo provided to Council that highlighted the various sources that he sought input from with respect to ownership. Five area administrators in towns ranging in population from 1,500 to 6,000 were queried, as well as the League of MN Cities Insurance Trust, the city attorney, the city engineer, and independent insurance carriers. The general consensus of the group when asked to identify the benefits of the city taking over ownership of the water service lateral was difficult to identify. He relayed that the general question of what the problem was was asked as well as the concern of why the city would want to add additional liability. In the end, it was recommended to keep the existing policy in place. Clm. Getz stated that he felt it was a problem for residents to own to the shutoff and that it should be the City's responsibility. With the options presented he indicated he feels the City should look to take ownership Jan. 1, 2013. Clm. Dahl expressed that he felt keeping the current policy was the best move for the City and that increasing rates was not what he felt the residents wanted. Clm. Schaber expressed that he saw both sides of the issue. Admin. Koverman did express that should the Council choose to review an ordinance change that it should be clear that the ownership of the line should only go as far as the city's boulevard or easement permits. Discussion was held with respect to potential fees and what those fees may generate to ensure that a responsible service would be provided. As a result the Council thought that it would be good to have feedback provided by residents with regard to whether or not they would be in favor of a fee to cover costs of the service. A motion was made to survey the residents to gauge their interest in the City taking over the water service lateral and adding a fee to the bill for coverage of the water service lateral.

Motion to approve: **Wayne Getz**

No further discussion.
Motion carried.

13. Well #3 Discussion. Rick Engstrom from WHKS was present to discuss options for Well #3. The current condition of the well he explained was that of the 670 feet of the original well, over half had filled in with sand. Supt. Karger, Admin. Koverman and Engstrom went to Plainview to see how the airlifting was done and how effective. After seeing the process in action, Engstrom felt that it would be the best way to regain the depth that the

well once had. He then worked on sending out specifications to three companies to take out 100 cubic yards of sand. He chose to bill it this way because he felt then it would be up to the contractor to decide how many hours it would take. The end goal was 100 cubic yards he expressed. He also stated that he wanted to slow the suction of the well pump. Clm. Getz expressed that they had a similar problem in Altura and that slowing the pump helped as well. The estimates were as follows: \$24,540 (Bergerson Caswell), \$28,700 (Keys Well Drilling), and \$34,900 (Thein Well Rochester Inc.). Mr. Engstrom also discussed that Thein Well had pulled the motor and was rebuilding that piece and estimated costs at about \$10,000. The Council agreed that Bergerson Caswell was the lowest most responsible contractor with their quote of \$24,540. With that information, Clm. Schaber approved a total project cost not to exceed \$35,000 to repair Well #3.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

14. UMMPA/Dairyland Contract Settlement. Admin. Koverman briefly highlighted the memo provided in the packet by UMMPA and the dispute resolution agreement. The resolution allowed for Dairyland to recoup up to the \$944,000 from its members that were originally given as a credit, but was later found to be associated with the cost of service. St. Charles' portion was approximately \$44,000, which would be returned to Dairyland over 2 years without interest. The total adjustment on the bill would be approximately \$1,849.00 a month. Supt. Karger added that the resolution also locked in UMMPA with Dairyland for another year. Dairyland agreed that it would forego the \$1.4 million that it felt it was owed since the initial contract started. The motion was made a presented in the packet: *RESOLVED, the City of St. Charles hereby ratifies the proposed settlement of the dispute with Dairyland Power Cooperative over remaining charges owed under the now terminated 2008 wholesale power contracts and, as part of that settlement, expressly consents to the following one-time waivers, notices and elections as they pertain to the current Wholesale Power Contract with Dairyland Power Cooperative:*

- 1. The latest date for DPC to fix the indicative rate for the 4th year of the contract (2015) will be extended 5 months (from Nov. 1, 2013 to April, 2014)*
- 2. The initial notice deadline for termination of the contract will be extended by 17 months (from January 1, 2013 to June 1, 2014); Dairyland's notice will be extended until January 1, 2013.*
- 3. The earliest effective date of termination will be extended 5 months (from January 1, 2015 to June 1, 2015), unless the fixed price for 2015 exceeds \$49.90, in which case the date of termination will remain January 1, 2015.*

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

15. Resolution #15-2012 Two-Day 3.2 Malt Liquor License. The liquor license would be given to the American Legion to serve 3.2 beer at the Winona County Fair.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

16. Resolution #16-2012 Three-Day Liquor License. The liquor license would be given to the American Legion also to serve 3.2 beer at the Winona County Fair for the remainder of the week.

Motion to approve: **Dave Braun**

No further discussion.

Motion carried.

17. SEMLM Board Term. Mayor Spitzer discussed the Southeast Minnesota League of Municipalities with the Council and the 3 year term was discussed. Mayor Spitzer stated that Admin. Koverman had expressed his willingness to serve if Council approved. A motion was made to appoint Admin. Koverman to the Board.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

18. Resolution #18-2012 Part-time Officer to PERA. Mayor Spitzer discussed the resolution and a motion followed to approve the resolution.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

Motion to adjourn at 8:02 p.m.

Motion to approve: **John Schaber**

No further discussion.

Motion declared carried.

William J. Spitzer, Mayor

Attest: _____
Nick Koverman, City Administrator