

MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, September 27, 2016 held at 6:00 p.m. at
830 Whitewater Avenue
St. Charles, Minnesota

MEMBERS PRESENT:

Councilmen:
David Kramer
Dave Braun
Orv Dahl
Wayne Getz
Mayor John Schaber

STAFF PRESENT:

Kyle Karger (PW Supt.), and Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Brian Todd (Post Bulletin), Alissa Blaha (SMIF), Red Soppa, Terry Soppa, Paul Kreidermacher (Minn Solar), Tom Nigon (Star Energy Services), and Jill Veerkamp (St. Charles Press).

1. ESTABLISH QUOROM/CALL TO ORDER

Quorum was established with Mayor Schaber calling the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL of the AGENDA:

Motion to approve the agenda: **Orv Dahl**
No discussion.
Motion carried.

4. Notices and Communications. None.

5. Review of Financials. No questions.

6. Public Hearing-Special Assessment. The Mayor called for a motion to open the special assessment hearing at 6:02 p.m.

Motion to approve: **Wayne Getz**
No further discussion.
Motion carried.

Mayor Schaber called for comment three times and no one approached to address the Council. He called for a motion to close the public hearing at 6:03 p.m.

Motion to approve: **David Kramer**
No further discussion.
Motion carried.

7. Resolution #23-2016 Special Assessment for Delinquent Account. With no further discussion on the proposed assessment, a motion to approve the resolution as presented was made.

Motion to approve: **Orv Dahl**
No further discussion.
Motion carried.

8. SMIF Presentation. Alissa Blaha from the Southern Minnesota Initiative Foundation presented information on how SMIF has helped not only St. Charles, but Winona County in general. Council thanked her for her time.

9. RMTD LLC Solar Installation. Tom Nigon, the city's electrical engineer, addressed the Council and provided history with his involvement with Tri-County Electric as well as the role he provides to the City. He outlined net-metering and how it is typically implemented by utilities. He then highlighted discussions with both Tri-County and Dairyland Power and that the recommendation from both power providers was that if a 40kw system were to be allowed at an off-site location with no load, a Power Purchase Agreement (PPA) would be the preferred mechanism in order to allow such an installation. In addition, they also recommended that according to State Statute that avoided costs be used as the rate of payment as opposed to a retail rate. Nigon highlighted that in a letter from Tri-County they would be interested in discussing a potentially higher rate than the avoided costs, if that were of interest to RMTD. Mr. Nigon expressed that it would be the Council's decision on whether or not to pay the retail rate, but in doing so it would set a precedent that could later be challenged. Mayor Schaber asked for clarification from Nigon that if indeed a solar array was put onto the Assisted Living's rooftop as allowed under ordinance, then it would qualify for net

metering and the retail rate, or even a parcel contiguous to the Assisted Living. Mr. Nigon agreed. The problem comes in, Mayor Schaber continued is that it is off-site from the meter and not connected to a load, he questioned. Mr. Nigon concurred. Terry Soppa addressed the Council and expressed that they were looking at the roof of the Assisted Living as well as using some of the surrounding land, but that aesthetically it was goal to not use that area in addition to making changes to the roof. He relayed that the project would be possible at even 6 cents as Tri-County had offered. Mayor Schaber expressed his support of solar, but that he was concerned that given the advice from both wholesale power providers that doing anything else would set a precedent that would bind future rate payers and councils. Soppa relayed that he hoped it would be a on a case by case basis that projects would be considered. Again, Mayor Schaber expressed that a precedent would be set which could then be challenged at the Public Utility Commission level. Clm. Kramer added that he too understood the challenge and desire not to set the proposed solar on the roof with the issue of aesthetics, but that in protecting the rest of the rate payers that net metering not be allowed at an off-site location given the recommendation of both Tri-County and Dairyland. A discussion was held between Mayor Schaber and Minn Solar's Paul Kreidermacher as to statute and what Tri-County does or does not do. Mayor Schaber also expressed that through discussions, it is his understanding that even in Tri-County a solar ray does not exist where there is not already a load that is being served by at least a portion of the array. Soppa expressed that he would like some direction from the Council as to which location they preferred. Mayor Schaber asked Council for a motion that would provide the Council's preference of putting the solar array at the current location. A motion was made that it is the Council's preference to support putting a solar array at the current site (of the Assisted Living).

Motion to approve: **Orv Dahl**

He expressed that if a portion of the array needed to be placed on the ground and it created an issue that they would need to present a request to Planning & Zoning. Admin. Koverman expressed that it would be his hope that the proposal would meet the guidelines as stated in the Alternative Energy ordinance.

No further discussion.

Motion carried.

10. Resolution #24-2016 Support for Job Creation Fund Application. Admin. Koverman highlighted the proposed resolution that would serve as a basic letter of support for Envirolastech to Minnesota Department of Employment and Economic Development for an application to the Job Creation Fund. Koverman explained that the contract would be between DEED and Envirolastech and that the resolution simply demonstrates that the City is aware of the business proposal. No further discussion was held.

Motion to approve: **Dave Braun**

No further discussion.

Motion carried.

11. Ordinance #588 Amending the Zoning Map for J&S Automotive (I-1 to a C-1) 2nd Reading. Mayor Schaber asked for any changes/corrections. Hearing none he called for a motion to approve as presented.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

12. DESCASD Mutual Aid Agreement. Admin. Koverman highlighted the past 2007 agreement with the Dover Eyota St. Charles Sanitary District and that the board would like to update the names on the agreement. A motion was made to approve the agreement.

Motion to approve: **Orv Dahl**

No further discussion.

Motion carried.

13. Visu-Sewer, Inc. Pay Request 1. Admin. Koverman expressed that the request fell after the payables for the month and that payment was requested. He added that the project was part of the planned 2016 CIP budget. A motion was made to approve the payment in the amount of \$41,254.70.

Motion to approve: **David Kramer**

No further discussion.

Motion carried.

14. Truth In Taxation Meeting, December 13, 2016. Mayor Schaber expressed that each year the City is required to conduct a Truth In Taxation presentation which is done during the first December meeting. A motion to set the date as December 13, 2016 was made.

Motion to approve: **Dave Braun**

No further discussion.

Motion carried.

UNSCHEDULED PUBLIC APPEARANCES

None.

Motion to adjourn at 6:37 p.m.
Motion to approve: **Wayne Getz**
Motion declared carried.

John Schaber, Mayor

Attest: _____
Nick Koverman, City Administrator