



## **CITY OF FREEPORT**

125 Main Street E – PO Box 301 – Freeport, MN 56331 – 320-836-2112 – FAX 320-836-2116  
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### **September 24, 2013 – City Council Meeting Minutes**

A regular meeting of the Freeport City Council was convened at 7:00 P.M. by Mayor Matt Worms with Council Members Carrie Goebel, Ron Ritter, Ken Goebel and Rodney Atkinson present.

Also in attendance: Carol Moorman (Melrose Beacon), Tim Mauseth (Xcel Energy), Noel Klinnert (Xcel Energy), Jon Bjonc (Xcel Energy), Mark Osendorf (Xcel Energy), Rod Bemis (Xcel Energy), Al Beste (208 2<sup>nd</sup> Ave SW), Keith Fischer (109 3<sup>rd</sup> St SW), and Steve McDonald (Abdo, Eick and Meyers)

Staff in attendance: Mason Schirmer and Dave Blommel.

The Pledge of Allegiance was said by those in attendance.

#### OPEN PUBLIC FORUM

No comments received.

#### PUBLIC HEARING: XCEL VARIANCE REQUESTS (LOT SIZE AND SETBACK)

Worms moved and C. Goebel seconded a motion to open the public hearing. Motion carried 5-0. Public hearing opened at 7:01 P.M. Mauseth presented information regarding Xcel Energy's substation expansion project. Mauseth said Xcel is purchasing approximately 2.44 acres of property from Al Beste, on which to construct a new substation to serve Freeport. Schirmer said Resolution 2013-021 would allow for a lot to be created less than ten acres in size. Mauseth said Xcel Energy would access the lot by way of Al Beste's driveway. Atkinson said zoning the property Residential would eliminate the need for a variance. Schirmer said rezoning would require a separate public hearing process. Schirmer said the variance is unique because Xcel Energy provides essential services, not easily replicable. Worms said the property owner did not request to be rezoned. Fisher asked about the future of the lines throughout the area near the existing substation. Mauseth explained how the new substation would affect the area and the service lines. Mauseth said Xcel Energy's goal is to complete the new substation before summer 2014. Mauseth said when the new substation is operational; the existing substation would be deconstructed and the lot would be sold. Atkinson said Xcel Energy should donate the future bare lot to the City of Freeport. C. Goebel moved and K. Goebel seconded a motion to close the public hearing. Motion carried. Public hearing closed at 7:22 P.M.

#### CONSENT AGENDA

Atkinson asked to move approval of claims distributed to be the last item on the agenda. C. Goebel moved and Ritter seconded a motion to approve the consent agenda without item d (approval of claims). Motion carried 4-0 (Atkinson abstained).

#### REPORTS

##### Engineer

Blommel said some grass seeding remains to be completed.

## Public Works Director

No report.

## Clerk-Treasurer

Schirmer said he recently attended the University of Minnesota, St. Paul Campus to address a governor-appointed authority tasked with creating a Dairy Research/Education and Consumer Outreach Facility. Schirmer said he asked the authority to consider Freeport as a possible site for the facility. Schirmer said he addressed the authority after the Kandiyohi Economic Development Authority presented. Schirmer said he also recently attended election training for the upcoming special election to fill the vacant Stearns County Commissioner District 5 seat.

## OLD BUSINESS

### 2011 Insurance Claim

Schirmer said he spoke multiple times with the League of Minnesota Cities Insurance Trust regarding the city's Municipal Bond Coverage. According to the LMCIT, the actions taken during the 2011 Insurance Claim would not be covered by the Bond policy. Schirmer said he was also advised by the City Attorney, that the Municipal Bond Coverage would not apply. Schirmer said it was up to Council to give direction. Atkinson moved C. Goebel seconded a motion to discontinue all further discussions regarding the 2011 Insurance Claim. Motion carried 5-0.

### Famo Feed, Inc. Tax Abatement Default

Schirmer said a letter was sent to Famo regarding the Council's intent to terminate the tax abatement agreement if the Company does not remedy the non-compliance. Schirmer said he received a phone call from John Beste regarding the letter. Beste said the action taken by the Council was a "slap in the face." Beste said the Company upheld their responsibility to build a building and that it wasn't their fault the valuation did not meet the agreed-upon amount.

## NEW BUSINESS

### Resolution 2013-021

K. Goebel moved and Ritter seconded a motion to approve Resolution 2013-021 a resolution approving a variance of eight acres reducing the required ten acre minimum lot size to two acres in the agricultural district to allow construction of essential services at lot forty-nine auditor's subdivision number five. Motion carried 5-0.

### Resolution 2013-022

C. Goebel moved and Ritter seconded a motion to approve Resolution 2013-022 a resolution approving minor subdivision of lot forty-nine auditor's subdivision number five. Motion carried 5-0.

### Resolution 2013-023

K. Goebel moved and Ritter seconded a motion to approve Resolution 2013-023 a resolution approving a variance of four feet reducing the required one-hundred foot front yard setback to ninety-six feet in the agricultural district to allow construction of essential services on tract "a" of lot forty-nine auditor's subdivision number five. Motion carried 5-0.

### Xcel Distribution Plans

Osendorf presented on the future electricity distribution of Xcel Energy. Osendorf said that as soon as the new substation is online, the city will experience an extended power-outage as the old substation is taken offline and the new substation put into service.

### 2012 Audit Presentation

McDonald presented information from the 2012 Audit report. C. Goebel moved and K. Goebel seconded a motion to receive the 2012 Audit Report. Motion carried 5-0.

### City Code 500.45 (regarding fences)

Worms moved and C. Goebel seconded a motion to authorize Schirmer to prepare a revised fence ordinance to be reviewed at the next regular council meeting. Motion carried 5-0.

#### Wellhead Protection Plan Proposals

Schirmer said the City received two proposals from consultants to write Phase 2 of the Wellhead Protection Plan, in response to the request for proposals approved at the previous regular council meeting. Schirmer said the lowest cost proposal was \$5,162. Schirmer said the consultants whom submitted proposals were both equally recommended by Minnesota Rural Water Association. Schirmer recommended accepting the \$5,162 proposal. Atkinson said he wanted to write the document himself, to save the city money. Atkinson said he has the ability to write the document and he can rely on the internet for help. Atkinson said it is the wellhead protection committee that will write the plan, not he (statement was made without first asking wellhead protection committee members for their opinion). Atkinson pleaded with Council for permission to official write Phase 2 of the Wellhead Protection Plan. Worms moved and K. Goebel seconded a motion to authorize Rodney Atkinson to write Phase 2 of the Wellhead Protection Plan. Motion carried 5-0.

#### Purchasing Policy

Schirmer presented a draft policy regarding purchasing and paying invoices. Schirmer said the document was a work-in-progress and that he was showing it to council so that they could see what may be presented in the near future. Schirmer recommended not to approve the document, as it is still in draft form.

#### Quarterly Financial Report

Schirmer presented the third quarter financial report which included a cash report, expenditure report, and revenue report.

#### Employee Performance Evaluation

Council evaluated the performance of Clerk-Treasurer Mason Schirmer and agreed his performance has been exceptional. Each council member shared their opinion of Schirmer and commended him for his efforts. Worms moved and K. Goebel seconded a motion to acknowledge successful completion of the training period and to provide Clerk-Treasurer Schirmer a salary of \$50,000 per year and \$8,000 per year health insurance. Motion carried 5-0.

#### Approval of Claims Distributed 8/26/13, 9/3/13, 9/9/13, 9/16/13

Atkinson said he has tried continuously to change the bill-paying process, but has had no success. Atkinson said he has been running into a brick wall, and that he is getting tired. Schirmer reminded Atkinson that a policy is being development, and was addressed earlier in the meeting. Atkinson said something must happen now, and that he is done waiting. Atkinson moved to approve "this god-for-saken piece of paper in its entirety (referring to Resolution 2013-024 Disbursement and Payment of Claims Policy). Schirmer asked if he had read the document. Atkinson replied that he had not. K. Goebel seconded the motion. Motion carried 3-2 (C. Goebel opposed, Ritter opposed). Schirmer reminded Council that claims had yet to be approved. Atkinson said he will not approve claims for invoices already paid. Schirmer reminded Council that only three members are needed to approve a motion. C. Goebel moved and Ritter seconded a motion to approve the claim distributed 8/26/13 (\$13,550.15), 09/03/13 (\$29,070.34), 09/09/13 (\$14,095.19), and 09/16/13 (\$5,014.82). Motion carried 5-0.

#### ADJOURNMENT

Worms moved and K. Goebel seconded a motion to adjourn. Motion carried 5-0. Meeting adjourned at 11:32 P.M.

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Mason Schirmer, City Clerk

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Matthew H. Worms, Mayor