

June 14, 2011 **Common Council Minutes**

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The City of Owen Common Council met in regular session on Tuesday, June 14, 2011 at 7:00 p.m. at City Hall. Mayor Stephen Heggemeier presided and City Clerk/Treasurer Terri Ernst served as secretary. Present Alderpersons: Hanson, Tolzmann, Lulloff, Lorence, Feldman and Kiviko. A quorum being present, the meeting was called to order.

Approve Minutes

A Lorence/Tolzmann motion and subsequent vote approved the minutes for the 5/24/11 meeting.

Treasurer's Report

A Tolzmann/Lorence motion and subsequent vote approved the Treasurer's report for May 2011.

Police Report

A Lulloff/Feldman motion and subsequent vote approved the Owen-Withee Police report for May 2011.

Public Opinion

Present: Linda Wyeth-OW Enterprise, Tim Swiggum, Carol Devine, Rebecca Baumann-CWAIC, Jim Hackbarth-CWAIC, Terry Laube-CWAIC, Tony Suda, Sheila Nyberg-CCEDC, Harriett Laube-CDA, David Konwinski-Onsite Power, Joe Konwinski, Bob Kroll, Mike Lensmire-Clifton Gunderson, Mary Ellen Hughes, Jim Mauel, Marie Ciokiewicz, Larry Fagan, Jim Jasper and Sid Samuels-The Samuels Group. Robert Kroll reported that his culvert for his driveway that was replaced by Haas during the City's recent water and sewer main project, is not the same size culvert he previously had. Kroll would like the culvert to be the same 26". DPW Gary Smith will be updated and MSA Professionals will be contacted regarding the culvert. Tony Suda expressed concern if the \$10 million dollar letter of credit was received yet and questioned will the City go broke after investing money into the OMI property if the proposed business fails.

2010 Financial Statements:

Mike Lensmire-Clifton Gunderson presented the City's 2010 Financial Statements. Mike highlighted certain areas of interest such as TIF #3 and #4 showing their progress and life span; Concern for the City's total deposits at year end and risks as uninsured and uncollateralized; General Fund year end balance is at \$302,154.00; Water and Sewer utilities change in net assets; Year end City General margin of indebtedness of \$61,431 and Lake District of \$1,443,861; Mary Ellen Hughes inquired to the City's equalized value which as of 12-31-10 was \$38,749,600. A Lorence/Kiviko motion and subsequent vote approved the 2010 Financial Statements as presented.

CWAIC Update

Rebecca Baumann reported that CWAIC sent out requests for financial proposals to approximately 33 banks and has received 15 responses of interest in the CWAIC project for possible loan financing.

Appointments

A Lorence/Tolzmann motion and subsequent vote approved the Mayoral appointments to the Community Development Authority Commission to Mark Hanson as Council Rep., and Mike Riihinen as Citizen Rep..

CDA Update

Chairperson Dennis Lulloff reported on the CDA minutes from 5/25/11 and 6/7/11. At the 6/7/11 meeting, the CDA unanimously approved to recommend to the City Council to hire Tim Swiggum as CDA Director.

Offer to Purchase

Mayor Stephen Heggemeier, Tim Swiggum and Sheila Nyberg-CCEDC, met this afternoon with the following businesses/developers: James Louks, Joann (Tink) Bircham-Valley Forest Wood Products, LLC., 2 representatives from Gestamp and David Konwinski-Onsite Power Systems. The group visited the East Side Commercial Park. Gestamp approves of the site and is anxious to bring the Biomass Plant to Owen. A revised offer to purchase agreement by Gestamp's attorney was emailed to the

City last Thursday with intent to view the property on 6/14/11 and have the City Council act on the Offer to Purchase agreement. At today's meetings, Gestamp and City representatives agreed to work on revisions to the agreement to bring forward to the council in the very near future. Gestamp is moving ahead with required studies and documents on the proposed project. Their goal is to get into the MISO round for August.. Many other pieces to the proposed project are being reviewed.

TIF #4 Update

Owen native, David Konwinski-Onsite Power from California reported on his intent to develop the OMI building into a full functioning business. Konwinski has been in Owen the last two weeks meeting with engineers, Xcel Energy, City and County representatives and more in finalizing his plan to bring this business to Owen. Konwinski's business is using fresh food waste and converting it into reusable energy by using a digestion process. The bi-product created can then be sold and shipped out, using available railroad spurs that are already present on the property. The spur and rail access is what made this property so attractive to Konwinski and his business investors. The property is proposed to be split into two pieces to accommodate the pellet plant on the remaining parcel.

Consideration of CDA Director

A Feldman/Kiviko motion and subsequent vote approved to hire Tim Swiggum as Director of the CDA for \$25,000 including benefits for the remainder of 2011, paid out of the general fund, with 1 no vote by Tolzmann and 5 yes votes.

Badger Ag Solutions

A Lorence/Lulloff motion and subsequent vote approved to sign the Consent to Assignment to the Citizens State Bank of Loyal. The Badger Ag Facility is currently shut down and the Bank has become the sole owner of the plant under a deed in lieu of foreclosure. The consent to assignment allows the Bank to succeed to Badger Ag's rights under the agreement, dated 2/8/2008 between the City and Badger Ag, including holding the City to an agreed upon set of responsibilities with respect to construction of a rail spur, its maintenance and hold Badger Ag harmless.

Property Lease

Clerk Ernst reported that Royce Wallenhorst, lessee, has cropped the entire 71 acres on the south side of Hwy. 29. If development occurs this year in the Agribusiness Park and crops are destroyed, the lease agreement states that the City would reimburse the lessee for the crops at the end of the year.

Clark County Visitor Guide

The 2012-2013 Clark County Visitor Guide is now in the planning stages. If the City would like to make any changes to their advertisement, those changes are due to the Clark County Economic Development by September 1, 2011. Clerk Ernst suggested that possibly a photo contest. It was suggested maybe to do during the Owen Jr. fair.

License Applications

Clerk Ernst presented a list of applicants for operator and liquor licenses. Applications for: Class A Liquor license by Scott & Lori's Family Foods; Class B Combination Liquor Licenses by OW Vets Club, Meadowview Golf Course and Pippin's Pub & Grub. A Tolzmann/Feldman motion and subsequent vote approved the operator's license applications and liquor licenses applications as presented.

Parks & Rec.

Chairperson, Dennis Lulloff reported the Committee was unable to meet on 6/8/11 due to no quorum. The installation of the new trail bridge behind Creekside will begin this week by Ruzik Construction Company. The new goose repellent solution has arrived for application in the Mill Pond Park.

Disbursements

A Lorence/Tolzmann motion and subsequent vote approved paying the following checks, City Pooled 43083-43163: City Total \$125,024.45; Water Total \$14,535.12; Sewer Total \$14,432.90; TIF 4 Total \$8,503.57.

Adjourn

A Lorence/Lulloff motion and subsequent vote approved to adjourn the 6/14/11 open session meeting at 8:42 p.m.

Mayor, Stephen M. Heggemeier
Terri Ernst, City Clerk/Treasurer

(To be considered for approval at the 6/28/2011 Council Meeting. Published 6/22/2011.)