

**COUNCIL MEETING MINUTES  
LIBRARY MEDIA CENTER  
REGULAR MEETING  
412 2<sup>nd</sup> Street, Ortonville, MN  
Tuesday, January 19, 2016  
5:00 P.M.**

**CALL TO ORDER AND ROLL CALL:**

Mayor Steve Berkner called the Regular Meeting to order at 5:00 P. M. Roll Call was taken with the following present: Hausauer, Sykora, Dorry, Berkner, Hasslen, Reinke. Absent: Thomas. Media: Mike Swenson (Ortonville Independent). Staff present: Char Grossman, Susan Lundell, Jason Mork, Kent Novak, Sam Berger, David McLaughlin. Also: Elsie Perrine.

**AGENDA AMENDMENTS:**

**CHANGE: 10.e. Appointment to Health Care Board-Mike Dorry**

**ADD: 14.a. Executive Session-Water Contract & EPA Report**

A motion was made by Hausauer and seconded by Reinke and passed unanimously to approve the Agenda as amended.

**PUBLIC PARTICIPATION AND CORRESPONDENCE:**

None.

**CONSENT AGENDA:**

Mayor Berkner asked if there were any additions, corrections, or deletions to be made to the Consent Agenda.

- a. Approve Minutes Regular Council Meeting-01-04-16
- b. Approve Gambling Permit-Catholic Church-03-20-16

A motion was made by Reinke and seconded by Sykora and passed unanimously to approve the Consent Agenda as presented.

**PUBLIC HEARINGS:**

None.

**ACCEPTANCE OF BOARD AND COMMITTEE MINUTES AND, WHERE NECESSARY, COUNCIL ACTION ON THEIR RECOMMENDATIONS:**

- a. Planning Commission Minutes-01-05-16

A motion was made by Reinke and seconded by Hausauer and passed unanimously to approve the Planning Commission minutes of 01-05-16.

- b. Street-Utility Minutes-01-13-16

A motion was made by Dorry and seconded by Hasslen and passed unanimously to approve the Street-Utility minutes of 01-13-16.

1. Resolution to Approve Amendments to MRES Power Sale Agreement (S-1) and Associated Transmission Agreements

Hausauer moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 16-06**  
**RESOLUTION TO APPROVE**  
**AMENDMENTS RELATING TO THE MISSOURI BASIN MUNICIPAL POWER**  
**AGENCY D/B/A**  
**MISSOURI RIVER ENERGY SERVICES POWER SALE AGREEMENT (S-1)**  
**AND ASSOCIATED TRANSMISSION AGREEMENTS**

WHEREAS, *the City Council of the City of Ortonville*, Minnesota, is currently purchasing all electric power and energy it requires to meet the needs of its customers in excess of City's firm power allocation from the Western Area Power Administration ("WAPA") ("Supplemental Power") from Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services ("MRES"), pursuant to the terms and conditions of the Power Sale Agreement (S-1) ("S-1 Agreement") for a term extending through December 31, 2045; and

WHEREAS, the S-1 Agreement requires that MRES physically deliver Supplemental Power to City over the Integrated System ("IS") transmission facilities administered by WAPA; and

WHEREAS, MRES has assisted City to obtain delivery of power and energy by acquiring transmission service within the Midcontinent Independent System Operator, Inc. ("MISO") Regional Transmission Organization ("RTO") and, to facilitate such services, the parties have executed two transmission-related agreements: the Midwest ISO Market Implementation Agreement between MRES and City, and the Northern Cities Group Transmission Service Agreement among MRES, Western Minnesota Municipal Power Agency ("Western Minnesota"), and City; and

WHEREAS, WAPA joined the Southwest Power Pool, Inc. ("SPP") RTO effective October 1, 2015, and the IS transmission facilities were moved into SPP (which now has functional control over those facilities) and, as a result, MRES can no longer physically deliver power and energy over the IS transmission facilities. Further, because all MRES Members are now in the footprint of either the MISO market or SPP market where power and energy are financial (and no longer physical) transactions, the S-1 Agreement no longer accurately reflects how power supply and the delivery of that power and energy are actually transacted in the RTOs. The RTOs, including SPP and MISO, operate energy markets and transmission networks that have fundamentally changed the way MRES provides power and energy to its Members under the S-1 Agreement; and

WHEREAS, these market changes require that Supplemental Power must be separated from Transmission Service because all MRES Members are located in one of two different RTOs that operate markets for energy (and capacity), and the physical delivery of power and energy (*i.e.* transmission service) is now separate from those actual commodities; and

WHEREAS, it is mutually beneficial to all parties that the base term of the S-1 Agreement, which currently continues to 2046, be extended until 2057 to facilitate future financing of projects on the most advantageous terms and with the least impact on the wholesale power costs of City and other MRES Members; and

WHEREAS, other changes proposed to the S-1 Agreement will enable MRES to meet the new transmission service and energy market demands of the changing electric utility industry in a way that enhances the ability of MRES to effectively and economically provide Supplemental Power and Transmission Service to City, will provide clarification to the existing obligations of the parties, will provide flexibility for City to provide for a limited amount of its customers' needs from its own local renewable resources, and will address the privacy and security of information on individuals; and

WHEREAS, *the City of Ortonville* desires that MRES continue to plan for, provide, and arrange for delivery of all Supplemental Power and Transmission Service needed by City.

NOW THEREFORE, BE IT RESOLVED by *the City of Ortonville* that:

- (1) The "Amendment 5 to the Missouri Basin Municipal Power Agency Power Sale Agreement (S-1)" among MRES, Western Minnesota, and City is approved in the form presented; and
- (2) The "Missouri Basin Municipal Power Agency Power Sale Agreement (S-1) (as amended and restated effective January 2, 2017)" and "Schedule A" among MRES, Western Minnesota, and City are approved in the form presented; and
- (3) The "Amendment 1 to Midwest ISO Market Implementation Agreement" between MRES and City is approved in the form presented; and
- (4) The "Amendment 1 to the Northern Cities Group Transmission Service Agreement" among MRES, Western Minnesota, and City is approved in the form presented.

IT IS FURTHER RESOLVED that each of the *Mayor and Clerk Administrator are authorized to execute documents on behalf of the Governing Body* shall be, and each of them acting individually hereby is, authorized and directed to execute and deliver to MRES each of the foregoing documents on behalf of *the City Council of Ortonville, Minnesota*.

Upon roll call vote the following voted Aye: Hausauer, Sykora, Dorry, Berkner, Hasslen, Reinke. Nay: None.

Resolution 16-06 passed this 19<sup>th</sup> day of January 2016.

APPROVED:

ATTEST:

\_\_\_\_\_  
Steve Berkner  
Mayor

\_\_\_\_\_  
Charleen Grossman  
Clerk-Administrator

2. Approve 2016 Equipment Rental Rates

Hausauer moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 16-07  
RESOLUTION APPROVING EQUIPMENT RENTAL RATES**

**BE IT AND IT IS HEREBY RESOLVED** by the Council of the City of Ortonville to approve equipment rental rates as attached.

Upon roll call vote the following voted Aye: Hausauer, Sykora, Dorry, Berkner, Hasslen, Reinke. Nay: None.

Resolution 16-07 passed this 19<sup>th</sup> day of January 2016.

APPROVED:

ATTEST:

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Steve Berkner  
Mayor

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Charleen Grossman  
Clerk-Administrator

c. EDA Minutes-01-04-16

A motion was made by Dorry and seconded by Hausauer and passed unanimously to approve the EDA minutes of 01-04-16.

**STAFF REPORTS:**

Clerk Administrator Grossman reported department heads will be attending Council meetings in case questions should arise regarding their areas of expertise.

Council Member Hasslen reported that he attended a Park Board meeting and they are meeting with National Park System officials who will assist with the formulation of a comprehensive plan for city parks on February 22 at 4:30 at Berkner’s Pizza.

**NEW BUSINESS:**

- a. \*Approve Gambling Permit-Catholic Church-03-20-16 (Consent)
- b. Resolution Adopting BS Co All-Hazard Mitigation Plan

Hasslen moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 16-08  
ADOPTION OF THE  
BIG STONE COUNTY ALL-HAZARD MITIGATION PLAN**

WHEREAS, the City of Ortonville has participated in the hazard mitigation planning process as established under the Disaster Mitigation Act of 2000, and

WHEREAS, the Act establishes a framework for the development of a multi-jurisdictional County Hazard Mitigation Plan; and

WHEREAS, the Act as part of the planning process requires public involvement and local coordination among neighboring local units of government and businesses; and

WHEREAS, the Big Stone County Plan includes a risk assessment including past hazards, hazards that threaten the County, an estimate of structures at risk, a general description of land uses and development trends; and

WHEREAS, the Big Stone County Plan includes a mitigation strategy including goals and objectives and an action plan identifying specific mitigation projects and costs; and

WHEREAS, the Big Stone County Plan includes a maintenance or implementation process including plan updates, integration of the plan into other planning documents and how Big Stone County will maintain public participation and coordination; and

WHEREAS, the Plan has been shared with the Minnesota Division of Homeland Security and Emergency Management and the Federal Emergency Management Agency for review and comment; and

WHEREAS, the Big Stone County All-Hazard Mitigation Plan will make the county and participating jurisdictions eligible to receive FEMA hazard mitigation assistance grants; and

WHEREAS, this is a multi-jurisdictional Plan and cities that participated in the planning process may choose to also adopt the County Plan.

NOW THEREFORE BE IT RESOLVED that the City of Ortonville supports the hazard mitigation planning effort and wishes to adopt the Big Stone County All-Hazard Mitigation Plan.

Upon roll call vote the following voted Aye: Hausauer, Sykora, Dorry, Berkner, Hasslen, Reinke. Nay: None.

Resolution 16-08 passed this 19<sup>th</sup> day of January 2016.

APPROVED:

ATTEST:

\_\_\_\_\_  
Steve Berkner  
Mayor

\_\_\_\_\_  
Charleen Grossman  
Clerk-Administrator

c. Resolution Approving Public Deposits Security Agreement-Minnwest Bank

Hausauer moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 16-09  
RESOLUTION APPROVING BAILMENT AGREEMENT BETWEEN  
MINNWEST BANK-BMO HARRIS BANK N.A.-  
CITY OF ORTONVILLE**

**BE IT AND IT IS HEREBY RESOLVED** by the Council of the City of Ortonville to approve a Bailment Agreement between Minnwest Bank, BMO Harris Bank N.A. and the City of Ortonville as attached.

Upon roll call vote the following voted Aye: Hausauer, Sykora, Dorry, Berkner, Hasslen, Reinke. Nay: None.

Resolution 16-09 passed this 19<sup>th</sup> day of January 2016.

APPROVED:

ATTEST:

\_\_\_\_\_  
Steve Berkner  
Mayor

\_\_\_\_\_  
Charleen Grossman  
Clerk-Administrator

d. Resolution Hiring Terry Wood-Part-Time Police Officer on an Intermittent Basis

Sykora moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 16-10  
RESOLUTION HIRING TERRY WOOD AS PART-TIME POLICE OFFICER ON  
AN INTERMITTENT BASIS**

**BE IT AND IT IS HEREBY RESOLVED** by the Council of the City of Ortonville to hire Terry Wood as a Part-Time Police Officer on an intermittent basis.

Upon roll call vote the following voted Aye: Hausauer, Sykora, Dorry, Berkner, Hasslen, Reinke. Nay: None.

Resolution 16-10 passed this 19th day of January 2016.

APPROVED:

ATTEST:

\_\_\_\_\_  
Steve Berkner  
Mayor

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Charleen Grossman  
Clerk-Administrator

e. Resolution Approving Appointment of Officials/Committees/ Commissions & Boards

Hausauer moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 16-11  
RESOLUTION APPOINTING MIKE DORRY TO THE ORTONVILLE AREA  
HOSPITAL HEALTH CARE BOARD**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to appoint Mike Dorry to the Ortonville Area Hospital Health Care Board for a 3 year term.

Upon roll call vote the following voted Aye: Hausauer, Sykora, Berkner, Hasslen, Reinke. Nay: None. Abstain: Dorry.

Resolution 16-11 passed this 19th day of January 2016.

APPROVED:

ATTEST:

\_\_\_\_\_  
Steve Berkner  
Mayor

\_\_\_\_\_  
Charleen Grossman  
Clerk-Administrator

**UNFINISHED BUSINESS:**

None.

**CONSIDERATION OF BILLS:**

A motion was made by Hausauer and seconded by Hasslen and passed unanimously to approve the bills as presented.

**NEW ACTIONS:**

None.

**EXECUTIVE SESSION:**

An executive session was called under the exception for attorney-client privileges. The topics to be discussed are Water Contract-Big Stone City and EPA Report.

Mayor Berkner closed the regular session and called an executive session to order at 5:20 P.M. Mayor Berkner closed the executive session and called the regular Council meeting back to order at 6:00.

A motion was made by Reinke and seconded by Hausauer and passed unanimously to schedule a Street-Utility meeting for Wednesday, January 27 at 9:00 A.M. in the Armory Meeting Room to discuss the Water Contract with Big Stone City.

A motion was made by Hausauer and seconded by Reinke and passed unanimously to authorize the City Attorney to respond to a letter from the EPA.

**ADJOURNMENT:**

A motion was made by Sykora to adjourn at 6:02 P.M.

APPROVE:

ATTEST:

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Steve Berkner  
Mayor

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Charleen Grossman  
Clerk-Administrator