

**Barnesville City Council
Special Meeting
April 21, 2014**

Mayor Gene Prim called this special meeting to order at 7:00 p.m. Members present were Council members Betty Strom, Richard Sylvester, Larry Davis, Jr, Don Goedtke, Jason Rick and Cathy Enstad. Others in attendance were, City Administrator Mike Rietz, John Shockley with Ohnstad Twichell, City Clerk Jeri Reep, TEC Manager Guy Swenson, EDA Director Karen Lauer, Eric Spilde, Greg Palmer with Greater Minnesota Gas, Brad Sylliaasen, Chris Conrad, Scott Hults and Mark Nisbet with Xcel Energy, and Jacob Underlee with the Record Review.

Mayor Prim stated there were only three items on this agenda for this evening.

Mayor Prim stated the first item on the agenda was the approval of bonds for the Fiber to the Premise project.

City Attorney John Shockley next updated council members the bond sales. Mr. Shockley stated that Dougherty & Company LLC may be purchasing our bonds. The tentative rate is 3.9%; the underwriter would be Dougherty & Company LLC. The city would need to authorize a letter from Dougherty & Company, and we could sell the bonds early the next week, with a bond sale on April 30, 2014. Council members had no further questions for Mr. Shockley.

04-21-14-01 Motion by Mr. Sylvester and second by Mrs. Enstad to authorize Mayor Prim to sign the Communications System Revenue bonds, Series 2014A provided by Dougherty & Company, LLC. Motion carried.

Mayor Prim stated the next item on the agenda was the natural gas discussion.

Mayor Prim first wanted to thank City Administrator Mike Rietz and EDA Director Karen Lauer for proving all the information together in a short time.

Mayor Prim provided a timeline since the beginning of the natural gas discussion.

Mr. Greg Palmer, President with Greater Minnesota Gas next discussed with council members on providing natural gas to customers in Barnesville. Mr. Palmer stated that the pipeline would be run from Hawley to Barnesville.

Council member Sylvester asked EDA Director Karen Lauer if there was any other company interested in providing natural gas to the City of Barnesville.

EDA Director Karen Lauer stated that she has spoke to Great Plains Natural Gas, but the model is different, and are not interested at this time.

Mr. Greg Palmer with Greater Minnesota Gas next stated that they see the natural gas as very stable, and would like to get gas to the customers of Barnesville this coming heating season. Mr. Palmer stated that they would hold community meetings to inform the public.

Mr. Palmer stated that the franchise fees are normally for 20 years, that they are many conditions that they need to comply with. Mr. Palmer stated that they appreciate being here with the City Council this evening.

Council member Davis questioned where would the piping go. Xcel Energy stated that the pipe can be put about anywhere; they take into place the safety of the employee and the public. Required maintenance and accessibility is a large concern to them.

Xcel Energy stated that the four largest costumers will need to agree to become their customer before moving forward with the City of Barnesville customers.

Mayor Prim next called on EDA Director Karen Lauer.

EDA Director Karen Lauer stated that natural gas has been requested over the years, we are missing what people are looking for in not providing natural gas to customers.

EDA Chair Eric Spilde stated that the EDA feels strongly that this is important criteria to provide natural gas to customers. This along with the fiber to the premise project will be a nice marketing tool for Barnesville.

Mayor Prim stated that Greater Minnesota Gas and Xcel Energy would need some direction from the City Council by the end of the month.

Council member Sylvester stated that he was strongly in favor of natural gas coming to town.

04-21-14-02 Motion by Mr. Sylvester and second by Mr. Goedtke to authorize staff to continue to work with Xcel Energy and Greater Minnesota Gas to work on franchise agreement of providing natural gas to the City of Barnesville. Motion carried.

Meeting adjourned at 8:29 p.m.

Submitted by:

Attest:

Jeri Reep
City Clerk

Eugene Prim
Mayor