

**Minutes for a Special Meeting
Of the Winthrop City Council
Monday, March 16th, 2015**

A special meeting of the Winthrop City Council was called to order at 7:03 pm on Monday, March 16th, 2015, at the Berdan Center at United Farmer's Cooperative 806 Industrial Boulevard, Winthrop MN for conducting business of the city.

- I. CALL TO ORDER** The meeting was called to order by Mayor Pierson at 7:03 p.m.
- II. ROLL CALL** Council members present Kelly Pierson, Bob Rickheim, Julie Trebelhorn, Pete Machaiek, and Lyle Muth. City Administrator Jenny Hazelton was also present.

The meeting was called to hold a public hearing on the RS Fiber project. It was a joint public hearing with 10 other cities present: Brownton, Buffalo Lake, Fairfax, Gibbon, Green Isle, Gaylord, Lafayette, New Auburn, and Stewart were also present as well as representatives from local townships and citizens from the public at large.

Phil Keithan with Pro Growth Bank in Gaylord as well as Sterling Financial presented the financial portion of the RS Fiber project with costs for the build out of the cities as well as where the financing is coming from.

Dan Pecarina with Hiawatha Broadband Communications gave a presentation on the project and statistics on how the project has changed over the last year, what the project will consist of, and background work that is currently being done in anticipation of beginning the backbone and build out of two cities this year. He also presented a timeline of the build out of the rest of the cities as well as building out the townships.

Jenny Boulton with Kennedy and Graven presented the abatement resolution and council actions that the councils are being asked to act on tonight. She also explained the loan agreement that Winthrop is acting on as lead issuer on behalf of the project. The tax abatement pledges from the cities to Winthrop, the shortfall agreement, and the Joint Powers Board amendment was also explained. She explained that the project benefit to the cities was equal to the cost and the public purpose was to increase or improve tax base, employment opportunities, retain and gain business and provide public access to high speed internet for all.

Boulton then asked each council to open the public hearing portion of their meeting.

Mayor Pierson opened the Winthrop Public Hearing at 8:10 pm.

Boulton then asked each council if they had any written comment from the public.

Councilor Machaiek, City of Winthrop, provided an e-mail from Samuel Shult, a Winthrop resident, with a number of questions to be addressed.

Boutlan took live comment before addressing the written questions.

Doug Munch, Mayor, City of New Auburn, asked about the shortfall funding and if cities were only responsible for the portion up to their allocated percentage of the project.

Boutlan responded that yes that was the case. Cities are only responsible for their percentage of the shortfall.

Jason Pierce, Councilor, City of Stewart, asked why Winthrop was not required to pass a shortfall agreement like the rest of the cities.

Boutlan responded that because Winthrop was selling the bonds that the other cities would be paying them and their portion would be already included. She also explained that Winthrop was only responsible for their percentage as well.

Doug Munch, Mayor, City of New Auburn, asked about the wireless broad band if television service was included with that.

Dan Pecarina explained that television service was not included with the wireless broadband but online television like Netflix, Hulu, Google TV would be able to be accessed through the wireless broadband.

Boutlan then read the written questions presented:

Q: Are all of the parcels listed?

A: Shannon Sweeney-No all of the parcels are not listed, only a sample selection to represent the entire city were selected.

Q: Can owners contest the assessment?

A: Sweeney-No the entire town is subject to an amount relevant to their property value.

Q: Have all demographics been considered eg: abandoned homes, reduced rural properties?

A: Dan Pecarina: Yes all demographics have been considered, abandon or vacant homes or properties were not included and predicted population increases were not used for future projections.

Q: Will the State border to border broadband initiative affect the project? If everyone has is why is ours unique?

A: Pecarina-If everyone has it we will stay relevant to the surrounding area, and if not it will put our project area in a place to draw more residents and businesses. If we don't have it people will not consider this area as place to live and work or send their children to school.

Q: What is the economic development factor?

A: Pecarina- The economic development factor is providing services to people are here as well as drawing new residents and businesses to the area. Population retention as well as expansion.

Q: Are minutes being taken and will they be made available to the public?

A: Boutlan-Yes, each council secretary is required to take minutes like any other meeting.

Boutlan then asked each council to close or continue their meeting until a later date.

Mayor Pierson continued Winthrop's meeting until 7pm, Tuesday, March 17, 2015.

Motion Rickheim, second Trebelhorn to adjourn, Passed Voice Vote. The meeting was adjourned at 8:45 pm.

Mayor

ATTEST:

City Administrator