

**Charter Commission  
Minutes  
September 29, 2003**

Members Present: Chair Mike Cannon, Roger Peterson, Chuck Carlson, Ron McGraw, Linda Remucal, Walt Clay, John Miller, Don Glas, and Virgil Voigt.

Members Absent: Steve Auger and Phil Graves

Others Present: Marc Sebor, City Attorney and Melissa Starke, Recorder

Mike Cannon called the meeting to order at 4:05 p.m.

Motion by McGraw, second by Petersen, to approve minutes from August 26, 2002, Charter Commission Meeting. Motion carried unanimously.

Mike Cannon asked of Marc Sebor if the new language from the November 2002 election had been incorporated into the revised City Charter. Mr. Sebor explained that as of today's date it has not. Mr. Sebor explained that the previous advisory attorney to the Charter Commission, Dick Schieffer, had revised the Charter to synthesize what was voted on at the election. Mr. Sebor stated that the Charter Commission needs to decide whether or not to accept the synthesized version of the voted on question or to ratify the question as voted on. Mr. Sebor's recommendation is to ratify the question as voted on at the November 2002 election. Mr. Sebor stated that Schieffer's language basically conceptualized what was voted on at the election. He did not necessarily change the content of the language just the way it was worded. Mr. Schieffer made revisions to sections 2.041, 4.011 and 4.03.

Motion by Ron McGraw, second by Chuck Carlson, to accept the wording of section 4.015 as voted on at the November 2002 election. However, the number of the section will be changed to 4.011 so as to keep the numerical sequencing consistent. Motion carried unanimously.

Section 4.03 was discussed. Dick Schieffer added language to reflect the language voted on according to the petition.

Motion by Carlson, second by Clay to approve Section 4.03 as revised by Dick Schieffer. Motion carried unanimously.

Section 2.041 was discussed. Mr. Schieffer added this section to the Charter to explain the voted on amendment. Mr. Sebor expressed that he felt this section was somewhat repetitive and is already explained in Section 4.011. Mr. Sebor suggested that section 2.041 not be included in the revised charter.

Motion by Clay, second by Miller, to not accept the suggested addition of Section 2.041. Motion carried unanimously.

Section 4.02 was discussed. Mr. Schieffer recommended adding a clarification to this section.

Motion by Peterson, second by Carlson, to not include the additional language added by Dick Schieffer. Votes in favor and in opposition. Opposition prevailed.

Motion by Remucal, second by McGraw, to include the additional language by Schieffer. Motion carried.

Mike Cannon reminded the group that Bob Stearns has passed away and the Chief Judge of the First Judicial District needs to appoint the replacement. Mr. Seboria informed the Charter Commission that they may put together a list of recommendations to submit to the Judge. Discussion was held on how to submit the names to the judge. Suggestions include submitting Roger Stearns as a candidate as he had shown interest the last time the judge made appointments.

Motion by Clay, second by McGraw, to contact Roger Stearns to see if he is still interested in serving on the Charter Commission and send in the recommendation to the Chief Judge. Motion carried unanimously.

Discussion was held regarding appointing City Council members to the Hutchinson Utilities Commission. Mayor Torgerson stated that it is being requested that the Charter allow for a council member or Mayor to serve on the Hutchinson Utilities Commission. It does not need to be a requirement, however they would like the ability. It was noted that there is a Council representative on the Hutchinson Area Health Care Board. It was clarified that the Council representative will not be a paid Utilities Commission member. Mayor Torgerson stated that he does not feel there would be a conflict of interest when it comes to the Utilities Commission transferring money to the City of Hutchinson. Marc Seboria informed the group that state statute does authorize allowing a City Council member to serve on a Utilities Commission. Walt Clay requested that Marc Seboria submit a memo and a copy of the statute to the Charter Commission members. John Miller stated that he has received some concerns and suggested possibly informing the public that it is allowable by state statute. Virgil Voigt suggested having the Mayor and/or City Council member serve as an ex-officio member.

It was suggested that the language be mirrored as to the HAHC language appointing a city council member. A charter change will be submitted to the City Council.

Motion by Clay, second by Miller, to authorize Marc Seboria to draft language authorizing the ability to appoint a non-paid City Council member to the Utilities Commission and mirror the language as in the related to the hospital appointment. Motion carried unanimously.

Mike Cannon also stated that a Council Member had requested that discussion be held regarding the primary election and that the language be removed from the Charter. This amendment to the Charter was voted on in favor at the last election. It was the consensus of the Charter Commission to leave the language as voted on and possibly review it five to ten years from now to see if the primary election is worthy.

Motion by Carlson, second by Peterson to adjourn at 5:15 p.m. Motion carried unanimously.

**Charter Commission  
Minutes  
December 1, 2003**

Members Present: Chair Mike Cannon, Roger Petersen, Linda Remucal, Walt Clay, Don Glas, and Steve Auger.

Members Absent: Chuck Carlson, Ron McGraw, John Miller, Virgil Voigt, and Phil Graves

Others Present: Marc Sebor, City Attorney; John Rodeberg, Director of Engineering/Public Works; John Olson, Assistant Public Works Director; Dave Skaar, Airport Commission; Chuck Brill, Airport Commission; Jeff Lux, Airport Commission; Brenda Ewing, Director of Human Resources; and Sandra Fleischman, Recorder

Mike Cannon called the meeting to order at 4:00 p.m.

Motion by Walt Clay, second by Linda Remucal, to approve minutes from September 29, 2003, Charter Commission Meeting. Motion carried unanimously.

Dave Skaar gave a PowerPoint presentation regarding the private hangar construction extended lease proposal.

The airport has had several individuals and corporations interested in building private hangars. The infrastructure and design is in place to support such development but the city charter is set-up for only 20-year lease. Individuals and corporations are less likely to spend a large sum of money to build hangars (usually \$100,000) if they cannot get a longer-term lease agreement (99 years was discussed). Due to this, the airport has lost several interested individuals and corporations.

There were several pictures of the airport shown to explain where the hangars could be built and how the airport would look. The airport is currently set-up to perform all needed functions, except the long-term lease and the Jet A Fuel.

Information on other airports was given for information:

- ◆ Glencoe has fewer services but offers long-term hangar rental (99years).
- ◆ Winsted has sold all city owned hangars and are excavating for more privately owned hangars.
- ◆ Litchfield airport and services are virtually identical to ours but they are offering 99-year leases at a \$1 a year and are excavating for more private hangars. At the end of lease (99 years), the lessee can take the building off or pay for it to be removed.

Advantages:

- ◆ 99-year lease vs. a 20-year lease enables them to advertise.

- ◆ It is the only public land that private individuals and corporations can build on.
- ◆ It would help with the economy (more restaurants, homes, etc.).

Costs:

- ◆ Can assess airport maintenance to hangar owner (runway, taxiway, apron, etc.)
- ◆ The cost would be equal to roads.
- ◆ Once the hangar is built it becomes personal property and is taxable as such.
- ◆ Money raised in taxes would pay for airport upkeep instead of it coming out of the City.
- ◆ Current maintenance costs are paid in part with hangar rental
- ◆ Additional tax revenues could cover the costs so rents could be used for other purpose.
- ◆ State hangar grant fund is no longer an option.
- ◆ The lessee will be responsible for their own maintenance costs

Controls:

- ◆ The airport advisory commission approves building designs.

The airport commission recommends this as the best way to develop the airport.

The committee then proceeded to discuss the presentation.

Don Glas asked what a sample lease would look like. John Olson has the Litchfield agreement that could be used as a template. Their contract is \$1 a year lease with a section on assessments. At the end of the lease the airport can decide what to do with the hangar (i.e. renew the lease, take the building down, etc.). Walt Clay thought \$1 a year lease was not enough. John Rodeberg stated the goal of the airport is to cover the costs, not necessarily to make money.

Walt Clay asked who will maintain and enforce the lease. John Olson replied that there would be a clearly written provision in the lease about what can be kept inside and outside the hangar and how the hangar should be maintained. If it is not being used or maintained per the lease, then the airport commission can give a warning or hire someone to maintain the hangar, but the lessee would be billed for the amount. If it is still is not maintained, it is a breach of contract and the lease can be canceled.

John Olson said that the average cost for a lease is about \$.13 a square foot. As part of the lease, they would structure in an escalator to allow for inflation, but would also set a limit so that the lease could not exceed a certain amount.

John Olson discussed other options for airport expansion: 1) MnDot program, 2) Increase general fund to build monies for hangar construction or 3) Take monies from other utility funds.

The proposed charter amendment change will be done in the form of an ordinance and will only reflect the change to the lease length (99 years). The City Attorney and the city

engineering staff will work on the wording of the ordinance and bring it to a Charter Commission meeting for review.

The Airport Commission will draft a lease document for the City Council to consider.

Motion by Walt Clay, second by Roger Petersen to have legal counsel to draft charter amendment language for the commission to consider and to prepare legal verbiage to coincide with section 10.02 of the charter to allow for 99-year lease. Motion carried unanimously.

It was announced that Roger Stearns will fill the position held previously by Bob Stearns. He will be sworn in at the next council meeting.

Mike Cannon reported that he updated the city council on the 9/29/2003 charter amendment. There was only one objection presented to the City Council: Steve Cook was in favor of paying a fee to the Council member on the HUC. Council agreed with amendment and will be on the 12/9/2003 City Council agenda for approval.

Mike Cannon adjourned the meeting at 4:45 p.m.