

A Special Meeting of the City Council was held on Tuesday the 31st day of July 2018.

Present were Councilmen Barks, Carsrud, Kuntz, Lundvall, Montgomery, Neary, and Mayor Carter-King; Administrator Davidson; Attorney Reyes; Directors Cole, Henderson, and Wilde; Lt. Deaton; Electrical Engineer Muzzarelli and Electrical Superintendent Wolf; Managers Mayfield, Palazzari and Toscana; Planners Sanders and Duvall; and City Clerk Abelseth.

Warm Up Items

Councilman Montgomery thanked Planning staff once again for their efforts on providing information for the proposal regarding the VA Nursing Facility; Councilman Kuntz asked for an update on the Beaver Street lighting. Electrical Superintendent Wolf provided the update for Beaver Street and Metz Drive; Councilman Carsrud reported that Gillette Little League will be going to California.

Action Item

Councilman Carsrud made a motion to issue a catering permit for August 2nd from 4:00 p.m. to 10:00 p.m., at Deluxe Harley-Davidson, for a pre-rally party that will include outdoor music, requested by Pokey's BBQ and Smokehouse; seconded by Councilman Lundvall. All voted aye. The motion carried.

Public Hearing

Mayor Carter-King opened into a public hearing to consider the sale of 25 American Lane. Administrator Davidson provided an explanation regarding the consideration. He added that earlier this year the City asked for bids regarding the property, in accordance with State Statute. No bids were received however, shortly thereafter, the City was approached by an individual wanting to purchase the property. Negotiations took place and an agreement was tentatively reached for the sale of the property in the amount of \$122,000, upon Council's approval; the property was appraised at \$125,000. After the discussion, the public hearing was closed.

Action Item

Councilman Barks made a motion to approve the sale of 25 American Lane; seconded by Councilman Kuntz. All voted aye. The motion carried.

Joint Workshop with Planning Commission – Downtown Overlay

Planners Sanders and Duvall, as well as GIS Manager Mayfield, provided information regarding the Downtown Study area which included the definition for a downtown neighborhood, the proposed boundaries of the downtown overlay, and a proposed sunset clause for the study area. Purpose, goals and the current zoning for the Downtown Core Study area were provided. Discussion ensued. Planning Commission Members Ted Jerred and Trevor Matson expressed concerns from an appraiser and underwriter's view, stating that if residential and commercial zoning is combined, it could have a negative effect regarding the appraisal and/or financing of the property. After the discussion, Council requested that staff look into the financial aspect and impacts of the proposed overlay, how other cities handle this issue and create a list of what won't be allowed within proposed overlay.

High Density Power Requests

Electrical Engineer Muzzarelli provided information regarding cryptocurrency mining loads and the impacts it could have on the City's electric utility. He explained what cryptocurrency mining is, and the energy consumption needed to support these types of mining operations. General discussion ensued. After the discussion, Mr. Muzzarelli provided the following staff recommendations: A permitting process for cryptocurrency mining operations, fines for unauthorized service, an upfront cryptocurrency capital contribution fee, and a new electric rate for cryptocurrency mining. Council directed staff to proceed and to investigate these recommendations.

Review August 7th Agenda

The group reviewed the upcoming agenda items for August 7th.

Executive Session

Councilman Kuntz made a motion to move into an Executive Session to discuss litigation; seconded by Councilman Neary. All voted aye. The motion carried.

Adjournment

There being no further business to come before the Council, the meeting adjourned at 8:25 p.m.

(S E A L)

ATTEST:

Louise Carter-King, Mayor

Karlene Abelseth, City Clerk

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