

**OFFICIAL MINUTES  
SCHOOL BOARD, I.S.D. #227  
MARCH 4, 2008 ~ SPECIAL JOINT POWERS MEETING  
THURBER BUILDING**

Pursuant to due call and notice thereof, the Special Joint Powers meeting of the School Board of Independent School District No. 227, Olmsted, Fillmore and Winona Counties and the City of Chatfield was held on Tuesday, March 4, 2008. The meeting was called to order at 7:00 p.m. Roll call was taken with these members present: Hare, Schellhammer, Chase, LaPlante, McMahon and Duxbury. Also present Superintendent, Dr. Don Hainlen, Business Manager Karyl Lyon, Administrative Assistant-LuAnn Hare, City Clerk- Joel Young, Developer-Geoff Griffin, Mayor Sorenson, City Council Members: Brenda Johnson, Russ Smith, Paul Novotny, Ken Jacobson, Ginny Engle, Deputy Clerk-Mary Pederson and Lisa Brainerd-Chatfield News.

Mayor Curt Sorenson called the special meeting to order. Chair, Lyman Hare called the meeting to order at 7:00 p.m at the Thurber Building. The board and all members present said the Pledge of Allegiance. Duxbury/Schellhammer to approve the agenda as presented. Motion carried 6-0.

Mayor Sorenson opened the meeting by reviewing the proposed plans for the Hilltop Estates with the elementary and the proposed development of the land. He stated that the abatement is a tool to be used to accomplish the upgrades to the development. The abatement is scheduled to end in 15 years or less if paid off before hand. The city, school and county are being asked to support the abatement project. He referred to the inter-office memorandum from City Clerk, Joel Young, that was sent to all school board and city council members to review the plan for the abatement. He also stated that this was not a public meeting and that both entities were here to ask and answer questions about the abatement.

Dr. Hainlen spoke about the unique situation that the school district is in with the abatement proposal. This is a role he has never experienced before, that of a co-developer. The district focus is and always has been to educate our children, but he also realizes the need for the upgrades to the infrastructure will benefit everyone. The more houses built the more students we would have which generates into more dollars for the district. He noted that the board and he were here to have some questions answered before the public hearing.

Joel Young spoke to the members about the plans for the development and how the abatement will work. He stated that it would take all three entities to work together on this project. If one or both does not pass the resolution, the city will need to take a hard look at how they will proceed. He stated that the access road that is part of the Hillside Drive that links Hilltop Estates to the Fingerson/Donahoe subdivision, as well as the booster station is part of the tax abatement. Young compared the project with the development west of Mill Creek. TIF (Tax Increment Financing) was used for those developments. This project does not qualify for TIF. He stated that the city has been talking to school employees since 2005 about this project.

School Board member Greg LaPlante asked to have the water tower clarified. Young stated that it is not part of the abatement dollars. The cost of a water tower would be \$1.1 million.

School Board member, Matt McMahon asked if the board does not vote in favor of the abatement what would happen. Young stated that the city would expect the school to continue with the plans that were in the development plan. He stated that the city would get water to the elementary.

School Board member, Jerry Chase, asked about the water tower on the current site and a water tower that had been proposed by the city on County 10. Sorenson stated that at this time they do not have any specific plans for the County 10 site.

Councilor Novotny stated that there had been discussion about the water tower on 10 when the school was planning to build there, but now that the location had changed for the school their focus had changed.

Duxbury thanked the city for the time explaining the tax abatement tool. He felt there was not a risk to the school and stressed that this project should be done the right way from the beginning. He cited the Burr Oak Ave road and the plans that are currently in the making for a road out of that subdivision to the north after all these years.

Many of the members felt that all the plans that had been shown during the referendum did show the road connecting Hwy. 30/74 to the Fingerson-Donahoe subdivision. Many felt that they all assumed it would be there but no one had been specific about who would pay for it.

Councilor Engle said she was apprehensive about the tax abatement tool being used in the beginning, but feels now that this is the right way to move towards the future growth of the city and school district.

LaPlante still had issues with the rural district residents who would be paying for the city infrastructure. He felt that the tax savings would not be there for the rural residents if the abatement goes through.

Councilor Smith stated that he felt the full development proposal was the only way to achieve the growth in our community and to ultimately reduce the taxes.

Councilor Johnson stated that the Council had been working for a long time on the future growth of the community and always keeps in mind the impact it will have on the citizens taxes. As a member of the Planning and Zoning Committee she felt that the road was needed to ensure the safety of those that will live in the new subdivision as well as those coming and going from the new elementary.

Schellhammer felt that the board needed to approve the abatement to ensure that the project is done right. She strongly encouraged the two entities that this is a time when they need to work together.

Councilor Jacobson felt there needs to be two accesses to ensure the safety of everyone. He talked about the unknown and that we all need to pull together and support each other to move forward.

Chase thanked Mr. Young and the city for all the work that they have done to bring this to the community.

Councilor Novotny stated until the referendum had actually passed they had been working with the unknown. Once the district passed the referendum and they knew exactly where it would be located they immediately put together the project that is being discussed tonight.

McMahon thanked the city for all the work that they have done to bring this project forward.

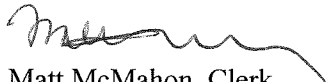
Hare also thanked everyone who worked to bring this project forward. He stressed that if anyone had any questions about the abatement that they should contact the city or the school to get the facts. He stated that the public meeting for the school board would be March 13 at 7:00 p.m.

Geoff Griffin, the developer, spoke on the water tower. He felt that was more critical for his development than the road.

Mayor Sorenson thanked everyone for attending the meeting and welcomed anyone to come in and talk to the city or school with questions. He felt that the tax abatement tool is the best option for this development.

Duxbury/McMahon to adjourn at 8:35 p.m. Motion carried 6-0.

Respectfully submitted,



Matt McMahon, Clerk