

**And Public Hearing-2017 Budget and Tax Levy Collectible in 2017**

Mayor Connie Edwards called the City Council meeting and Public Hearing to order at 6:00 p.m. on December 12, 2016 with the Pledge of Allegiance. Present were: Connie Edwards, Kevin Knutson, Cheryl Sanden, Matt Schutte and Tony Schultz. Also present were: Chris Peterson, Audrey Hegland, Randy Thesing, Ed Jacobs, Marlene Schultz, Eric Leitzen, Dave Olson, Emily Ernest Krage, Ron and Carlita Lewison, Crystal and Chris Lewison, Ellyn Baumann, Jackie and Eric Beeman, Terry and Karlyn White, Sheri and Brandon Kubistal, Liz Gibson Gasset, Audrey, Tracy and Alex Alfson, Sue Weigrefe, Craig Conley, Ken Witt, Lisa Schultz.

**Public Hearing:** Mayor Edwards called the Public Hearing to order at 6:05 p.m. for the purpose of presenting the 2017 Budget and Tax Levy Collectible in 2017. Peterson reviewed the revenues summary, stating that the levy was not increased during 2009 to 2013, then raised 3% for 2014, with no change occurring in 2015 or 2016. This year, a 4% increase is proposed for 2017, which is \$17,035 more than in 2016. The City will receive \$357,032 in LGA funding for the coming year. She reviewed the Expenditures for 2016, and that significant facility and infrastructure needs exist that will continue to impact the budget in the upcoming years. She cited 12 projects scheduled with planned funding sources (subject to change) spanning years 2017 through 2020.

Project Updates were provided including: Water Treatment Project (Radium Treatment), Flood Levee Recertification, Wastewater Treatment Facility, Infrastructure Maintenance/Replacement, New Infrastructure, Housing and the Community Center. Fund Narratives were presented for the 2017 budget for the General Fund and Water, Sewer and Nature Center Funds along with annual goals for the year and potential budget impacts. The itemized General Fund Draft Budget 2017 was presented as was the Water/Sewer and the Nature Center Draft Budget for 2017.

Peterson stated that continued efforts will be made to contain costs as much as possible although the City already operates very cost-effectively. The old squad car is being sold and proceeds will go into the Vehicle Replacement Fund; staff will receive 1% increase in wages for next year; alternative sources of energy will be looked into for the Sewer Plant, as utilities cost \$30,000 to run the plant each year. Before the next election, new voting equipment will have to be purchased; the City's share of the expense will be \$5,000.

Those present were asked if they wished to speak; hearing none, the Mayor closed the Public Hearing at 6:14 p.m.

The Mayor convened the City Council Meeting at 6:15 p.m; there was one addition to the agenda: L) Custodial hire.

**2017 Budget and Tax Levy Collectible in 2017:** MOTION BY SANDEN, SECONDED BY SCHUTTE TO APPROVE THE FINAL 2017 BUDGET AND TAX LEVY COLLECTIBLE IN 2017; MOTION CARRIED WITH ONE NAE VOTE.

**Delinquent Utility Bills:** MOTION BY KNUTSON, SECONDED BY SCHUTTE TO PLACE THE DELINQUENT UTILITY BILLS ON THE TAX ROLLS; MOTION CARRIED UNANIMOUSLY. If the bills are paid within two weeks' time before they are sent to the Auditor, they will not be added to the tax rolls.

**Mower Replacement:** The current 72" mower has 3,300 hours logged in mowing 25 acres of grass per week; Thesing stated \$11,000 trade-in has been offered by the John Deere dealer for a new mower; the bid is good through December. If the machine is purchased, it will not be necessary to buy any additional attachment equipment. After further discussion, MOTION MADE BY SCHULTZ, SECONDED BY SCHUTTE TO APPROVE THE BID FOR THE NEW MOWER; MOTION CARRIED UNANIMOUSLY.

**Snowmobile and Groomer Route:** Mayor Edwards said that all discussion and comments held relating to this topic must be civil and kept to three minutes. Initially, the snowmobile trail through town that had been used for many years was rerouted due to concerns over the damage snowmobilers and the groomer might do to the newly seal coated portion of Sherman Street. This new route was not acceptable to the snowmobilers. Different Sherman Street alternatives were discussed and Plum Street residents' concerns were voiced about the snowmobiling hours, noise,

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safety issues and parking. After much further discussion, Mayor Edwards stated that this issue will not be resolved to everyone's satisfaction and that a compromise was necessary. The following compromise was reached:

- Return to the original route for snowmobiles;
- No parking on the south side of Plum Street near the intersection of Sheridan Street during the week days to accommodate the groomer getting through;
- Thesing has ordered No Parking signs for this portion of the block.
- Club will put up more route directional signs, speed signs and No Snowmobile signs, and City police will patrol more often.

Concern was voiced by Plum Street resident as to if the snowmobiles or groomer damages the street, they didn't feel they should be responsible for paying for its repair, since they already were assessed the initial street reconstruction. Mayor Edwards assured them they would not be responsible; that it would be the City's issue.

**Computer IT Contracting:** Peterson said the City needs to upgrade its computer maintenance and backup program, and recommended this matter be tabled until more information is available. MOTION BY SCHUTTE, SECONDED BY KNUTSON, TO TABLE THE COMPUTER IT CONTRACTING UNTIL MORE INFORMATION IS AVAILABLE; MOTION CARRIED UNANIMOUSLY.

**Health Care Dwelling "Opt-Out" Ordinance #225:** MOTION MADE BY SANDEN, SECONDED BY SCHULTZ TO ADOPT ORDINANCE 225; MOTION CARRIED UNANIMOUSLY.

## ORDINANCE NO. 225

AN ORDINANCE OPTING-OUT OF THE REQUIREMENTS OF MINNESOTA STATUTES, SECTION 462.3593  
FOR THE CITY OF HOUSTON, COUNTY OF HOUSTON, MINNESOTA

Whereas, on May 12, 2016, Governor Dayton signed into law the creation and regulation of temporary family health care dwellings, codified at Minn. Stat. Sect. 462.3593, which permit and regulate temporary family health care dwellings;

Whereas, subdivision 9 of Minn. Stat. Sect. 462.3593 allow cities to "opt out" of those regulations;

Whereas, notice was given and a public hearing was held at the Planning Commission meeting on December 5, 2016;

Whereas, the Planning Commission recommends the City "opt out" of said regulations due to the following findings of fact: Houston zoning and small lot sizes are not conducive to secondary dwelling units; Houston lacks adequate zoning staff to regulate the requirements of the family health care dwelling law;

Now therefore, the City Council of the City of Houston, Minnesota, ordains as follows:

Pursuant to authority granted by the Minnesota Statutes, Section 462.3593, subdivision 9, the City of Houston opts-out of the requirements of Minn. Stat. Sect. 462.3593, which defines and regulates Temporary Family Health Care Dwellings.

This Ordinance shall be effective immediately upon its passage and publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, MINNESOTA THIS 12TH DAY OF DECEMBER, 2016.

Connie Edwards, Mayor

Christina Peterson, Attest

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**Snow Removal Contract:** For many years the City and MnDot have contracted with Botcher Brothers for a shared cost snow removal; MOTION BY SCHUTTE, SECONDED BY SANDEN TO APPROVE THE CITY'S PORTION OF THE SNOW REMOVAL CONTRACT; MOTION CARRIED UNANIMOUSLY.

**Rural Water Interim Loan – Water Treatment Engineering, Resolution 2016-16:** The resolution is needed in order to proceed with the loan document to secure an interim loan necessary to begin the water treatment plant improvements. MOTION BY SANDEN, SECONDED BY SCHUTTE TO APPROVE THE RESOLUTION FOR THE RURAL WATER INTERIM LOAN IN THE AMOUNT OF \$179,000 FOR THE WATER TREATMENT ENGINEERING; MOTION CARRIED UNANIMOUSLY.

**Nuisance Properties:** Peterson referred the Council to the Planning Commission minutes included in their packet, specifically addressing:

114 W. Spruce Street: Has an upper balcony that is in bad repair and dangerous; the owner has received notices to repair the problem but has not. They will be notified that the City will be moving to correct the problem. The City will get bids from several contractors for the work; the expense will be paid by the City then the cost will be passed on to the tax rolls.

206 S. Lincoln: This property will not have an easy solution and will be a large undertaking and liability. One option would be to demolish the house and cost would still go on the tax rolls; another option would be if the Small Cities grant is received, the owner would be encouraged to apply, but the funds would not be available until June, 2017. Peterson will bring further information to the Council.

**Police – Victim Services Contribution:** Both Chief Breault and Attorney Hammell have asked the Council to approve this service; MOTION MADE BY KNUTSON, SECONDED BY SCHUTTE; MOTION APPROVED UNANIMOUSLY.

**Custodian Hire:** Three very qualified individuals were interviewed. The Personnel Committee has recommended that Amanda Langheinrich be hired for the custodian position. MOTION MADE BY KNUTSON, SECONDED BY EDWARDS TO EMPLOY AMANDA LANGHEINRICH AS PART-TIME CUSTODIAN AT A RATE OF \$12/HR FOR 15 HOURS PER WEEK; MOTION CARRIED BY MAJORITY VOTE, WITH ONE NAY.

**Minutes:** MOTION BY SANDEN, SECONDED BY SCHULTZ TO APPROVE THE NOVEMBER 14 MINUTES; MOTION CARRIED UNANIMOUSLY.

**Financial Report:** Other than a question raised about the cost of air fresheners, MOTION MADE BY SANDEN, SECONDED BY SCHUTTE TO PAY THE BILLS; MOTION CARRIED UNANIMOUSLY.

**Department Reports:**

**Maintenance:** Snow removal is underway; parked cars on the streets continue to cause problems for plowing. Community Center outside lights need to be replaced; getting bids to convert to LED's. Cost for this work, including new ballasts, will be brought back to the Council. Also needing to be replaced are the wreaths, which are very old. The street pole that was damaged when struck by a vehicle is being built; the owner's insurance will pay for the damage.

**Nature Center:** Sue Weigrefe reported that they have programs scheduled for January and February. Outside help is coming in to do programming about animals in the winter. The gift store needs to be revitalized; new t-shirts and books for all ages are now available. To help promote the Center, 10% off coupons are being distributed throughout town and during the Hollidazzle.

**Library:** Liz Gibson Gasset presented her monthly report, including they have received their fourth quarter SELCO check in the amount of \$10,986 from Houston County, and a Legacy Grant for \$11,935 to support placing 25 Little Free Libraries around the County in conjunction with the other Houston County towns. The Friends have agreed to pay for new siding for the remaining 37 feet on the Library's west side (\$3,800) that would not be included

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in the repair on the other portions that were approved earlier, which is being done to prevent weather damage at a cost of \$13,680. The Library will be closed for Christmas and New Year's on December 24 and 31<sup>st</sup>. Circulation statistics were attached to her report.

**Administrator's Report:** Peterson thanked both outgoing Mayor Edwards and Councilor Tony Schultz for their many years of service to the City and invited them to stay for refreshments following the meeting.

MOTION BY SANDEN, SECONDED BY SCHUTTE TO ADJOURN AT 7:50 P.M; MOTION CARRIED UNANIMOUSLY.