

Mayor Dave Olson called the Council meeting to order at 6:00 pm on October 9, 2018 with the Pledge of Allegiance. In attendance were: Mayor Dave Olson, Councilors Kevin Knutson, Matt Schutte and Emily Krage. Also in attendance were: Chris Peterson, Audrey Hegland, Randy Thesing, Ed Jacobs, Suzie Peterson, Chief David Breault, Assistant Chief Brett Hurley, Brian Malm and Richard Lohmann of Bolton & Menk, Mike Bubany of David Drown & Associates, Ellyn Baumann, Bruce Vonderohe, Leah Wittkop, Mary Dahle, Pete Orr, Patty Peppers, Richard Zibrowski, Byron Frauenkron and Boy Scout Troop 53, Marlene Schultz, Cody Mathers, Mitch Bublitz, Larry Graf, Carol Meeks, and Jay Wheaton.

Mayor Olson called the two Public Hearings to order at 6:02 pm; the purpose is to consider changes to the Floodplain Ordinance and the Shoreland Management Ordinance.

Flood Plain Ordinance - #229: Peterson stated the Floodplain Ordinance needs to be updated regarding land within the City limits. FEMA flood plain maps have been reissued. The revised ordinance will be patterned after a DNR model. There was no comment to this ordinance change.

Shoreland Management Ordinance - #230: The City did not have this ordinance until recent annexation brought property boundaries closer to the river, outside of the levee. There were no comments regarding this ordinance so Mayor Olson closed the public hearing at 6:03 pm.

Public Comment: None.

2018 Street and Utility Project Micro Loan (Resolution 2018-22): This agenda item was moved up to Item I-A on the agenda. Mike Bubany discussed the financing needed for the Stoddard Street Utility Project, and recommended a micro loan in the amount of \$195,000 for 10 years at 3.9% interest, totaling \$235,667.25. MOTION BY KNUTSON, SECONDED BY SCHUTTE TO AUTHORIZE THE 2018 STREET AND UTILITY PROJECT MICRO LOAN IN THE AMOUNT OF \$195,000 FOR A PERIOD OF 10 YEARS AT 3.9% INTEREST; MOTION CARRIED UNANIMOUSLY. Bubany's staff will work with Peterson for the closure of the loan.

Bolton & Menk – Engineering Work Order Wastewater Treatment Facility: Brian Malm, of Bolton & Menk, reviewed the Work Order they prepared for their services pertaining to the Wastewater Treatment Facility improvements. He stated that of the three options available for the aging Wastewater Treatment plant, he recommended that the best option is a rehab of the plant for \$2 million that would last for 20 years or more. He recommended applying for a Clean Water Revolving Fund. Next year in March the plans must be submitted and in the fall, they will certify if the City is eligible for grants. Malm described services to be performed by Bolton & Menk as well as their cost; total for the engineering design and bidding services are a fixed fee of \$216,500, payable as individual services are completed. MOTION BY SCHUTTE, SECONDED BY KRAGE, TO APPROVE THE 2018 WASTEWATER TREATMENT FACILITY IMPROVEMENTS WORK ORDER FOR ENGINEERING SERVICES AS PRESENTED; MOTION CARRIED UNANIMOUSLY.

Peterson advised the Council that they may wish to have Bubany return to review the City's financial status so that they will have a complete profile of the current City loans.

Land Purchase – Parcel south of Wastewater Treatment Facility: The Houston Money Creek Snowmobile Club has inquired about the process to build a shed on land adjacent to the wastewater treatment plant on N. Sheridan. The City's engineer from Bolton and Menk who is working on the Wastewater Treatment plant had recommended the City Purchase the adjacent parcel for future use of wastewater treatment upgrades. Other options have been presented to the snowmobile club for the shed they want to build; it appears that the City's Westgate Drive parcel might be a consideration, or splitting the parcel by the Wastewater Plant. Peterson recommends that the City begin the process to purchase the parcel adjacent to the Wastewater Treatment Plant.

MOTION BY KRAGE, SECONDED BY KNUTSON TO BEGIN THE PROCESS TO PURCHASE THE PARCEL ADJACENT TO THE WASTEWATER TREATMENT PLANT; MOTION CARRIED UNANIMOUSLY.

Water Treatment Facility – Pay Request #1: Bolton & Menk submitted a contractor’s pay request for the Water Treatment Facility construction project preliminary work; it is for 0.9% of the total project, \$21,864.25. MOTION BY KNUTSON, SECONDED BY SCHUTTE TO PAY THE FIRST PAYMENT REQUEST TO WAPASHA CONSTRUCTION FOR SERVICES RENDERED FOR THE WATER TREATMENT FACILITY; MOTION CARRIED UNANIMOUSLY.

Water Rate Increase Notice: Peterson stated she has prepared a public notice regarding the water rate increase. The notice will go in the Banner, City Facebook page and the City Newsletter.

Mission 66 Playground:

- **Funding Update/DNR Grant contract**
- **Project Design / Build**
- **Agreement between Mission 66 and City**

Members of the Mission 66 Playground Committee were present to update the Council on progress of the project. Bruce Vonderohe (Co-General Project Coordinator with Matt Schutte) spoke on behalf of the Committee. He thanked the Committee, Chris Peterson and Audrey Hegland for their hard work over the last two years to bring the project so close to completion. He showed the Council a large final rendering of the inclusive Playground, and said that the total cost is \$325,000. Funds raised thus far are \$95,000 by the group and two \$100,000 grants, one from the DNR and the other from the Bremer Trust. Approximately \$30,000 is yet to be raised for contingencies and other needs.

He described the Playground (Phase I) and a possible future gazebo (Phase II). He stressed that the Playground is a community project and that everyone is invited and encouraged to participate in a leadership or volunteer role. The Playground will be built by volunteers and in-kind donations or sponsorships of play equipment are encouraged. The sale of fence pickets as an additional revenue stream has been very well received. He said that the Build Day will be on May 1, 2019 and end five days later with a celebration of completion.

Vonderohe discussed the proposed Phase II to build a wheelchair accessible gazebo for the Park. He presented a photo of a possible multi-use gazebo. Peterson asked the Council to discuss the gazebo concept, as representatives of the Committee were interested in planning for this potential addition to the park at a later time. She also requested that the Council decide on the level of City staff involvement during the Build Week, as this is a City project and staff assistance will likely be needed, both during the building phase and also after it has been completed. A representative from Leathers, the company who designed the Playground and is serving as advisors, will be on site during the Build Week to guide the process.

The DNR grant will require all expenditure receipts be kept as it is a reimbursable grant, and where applicable, all bidding laws must be followed. Also required will be that some pedestrian ramps and sidewalks be put in place to connect various parts of the Park/Playground. As per the DNR, the site that the Playground is being built on will be designated as an outdoor recreation area in perpetuity. After further discussion, MOTION MADE BY KRAGE, SECONDED BY KNUTSON TO APPROVE THE CONCEPT OF A GAZEBO IN THE CITY PARK AND THAT THE MISSION 66 COMMITTEE CAN GO FORWARD WITH FURTHER PLANNING AND FUNDRAISING AFTER THE PLAYGROUND IS COMPLETED; MOTION CARRIED UNANIMOUSLY. A second MOTION BY KRAGE, SECONDED BY SCHUTTE, TO APPROVE THE DNR GRANT CONTRACT FOR THE PLAYGROUND PROJECT; MOTION CARRIED UNANIMOUSLY.

Floodplain Ordinance - #229: MOTION BY SCHUTTE, SECONDED BY KNUTSON TO ADOPT THE FLOODPLAIN ORDINANCE AS PRESENTED; MOTION CARRIED UNANIMOUSLY.

Shoreland Management Ordinance - #230: MOTION BY KNUTSON, SECONDED BY SCHUTTE TO ADOPT THE SHORELAND MANAGEMENT ORDINANCE; MOTION CARRIED UNANIMOUSLY.

Lodging Tax Ordinance - #231 (Repeal): MOTION BY KNUTSON, SECONDED BY SCHUTTE TO REPEAL THE LODGING TAX ORDINANCE #177; MOTION CARRIED UNANIMOUSLY. It reads as follows:

**CITY OF HOUSTON
ORDINANCE NO. 231**

An Ordinance of the City of Houston, Minnesota, amending Ordinance 177.

Subdivision 1. PURPOSE. The City Council for the City of Houston, Minnesota finds that it needs to update certain regulations governing lodging tax within the City.

Subdivision 2. REPEAL. NOW BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF HOUSTON that Ordinance 177 and any subsequent ordinances or amendments pertaining to Lodging Tax up to this date, are hereby repealed in their entirety.

Passed and Adopted by the City of Houston this 9th day of October, 2018.
County of Houston

By: David Olson, Mayor
Attest: Christina Peterson, City Administrator

Acentek Franchise Agreement - #232: The original agreement has expired after 15 years, and an additional channel has been requested for the school's use before the new agreement is finalized. MOTION BY KRAGE, SECONDED BY SCHUTTE TO APPROVE THE NEW FRANCHISE AGREEMENT CONTINGENT UPON THE ADDITION OF A SECOND PEG CHANNEL DESIGNATED FOR THE SCHOOL'S USE; MOTION CARRIED UNANIMOUSLY.

Resolution in support of the Small town and Regional Vitality Investment Act – Resolution #2018-19: The Council has been asked to support the federal initiative to invest in small communities via this proposed program, where the USDA Rural Development will administer revenue-sharing grants to local and regional governments representing small towns and rural areas. MOTION MADE BY KRAGE, SECONDED BY KNUTSON TO SUPPORT THE SMALL TOWN AND REGIONAL VITALITY ACT; MOTION CARRIED UNANIMOUSLY.

Mead & Hunt – Engineering Work Order Flood Levee Recertification (Hwy 76): Jay Wheaton, Mead & Hunt Engineer, was present. Mead & Hunt was hired to recertify the levee to meet the requirements of the Code of Federal Regulations, Title 44 Section 65.10 (44 CFR 65.10). FEMA states that 1,750 feet of Mn State Hwy 76 south of the intersection of MN State Hwy 16 needs to be considered part of the City's levee. He submitted a proposal to analyze this portion of Hwy 76. He explained that the original project stopped at the Four Corners and did not include the State Hwy 76 portion. Proposed cost for the data collection and engineering analysis for the Hwy 76 portion is \$43,300 and \$7,270 for soil borings. Work will commence on November, 2018 through January-March, 2019. MOTION BY SCHUTTE, SECONDED BY KNUTSON, TO ACCEPT MEAD & HUNT'S ENGINEERING SERVICES FOR THE HIGHWAY 76 LEVEE CERTIFICATION; MOTION CARRIED UNANIMOUSLY.

Small Cities Development Program – Reimbursement Request #3: The reimbursement request was approved and it was noted that future requests to DEED did not need to come before the Council.

Resolution Setting a Public Hearing – Street Vacation, Spruce St. (near Westgate Drive) Resolution 2018-20: The City is considering vacating a portion of Spruce Street, in Twaiten’s Second Addition to the City; a public hearing is required. MOTION BY KRAGE, SECONDED BY SCHUTTE TO SET A PUBLIC HEARING ON NOVEMBER 13, 2018, REGARDING STREET VACATION OF A PORTION OF SPRUCE STREET, IN TWAITEN’S SECOND ADDITION TO THE CITY; MOTION CARRIED UNANIMOUSLY.

Fire Department Gun Raffle – February 16, 2019, Community Center: MOTION BY KNUTSON, SECONDED BY KRAGE, TO APPROVE THE FIRE DEPARTMENT’S GUN RAFFLE ON FEBRUARY 16, 2019 IN THE COMMUNITY CENTER; MOTION CARRIED UNANIMOUSLY.

Minutes: MOTION BY SCHUTTE, SECONDED BY KRAGE TO APPROVE THE SEPTEMBER MINUTES AS PRESENTED; MOTION CARRIED UNANIMOUSLY.

Financial Report/Bills: MOTION BY KRAGE, SECONDED BY SCHUTTE TO APPROVE THE FINANCIAL REPORT AND PAY THE BILLS; MOTION CARRIED UNANIMOUSLY.

Department Reports:

Police: Chief Breault reported that he and Brett Hurley met with the Police Committee regarding hiring a part-time replacement for Isaiah Bunke. Interviews were held with all applicants and the Committee is recommending the Council approve the part-time employment of Matthew Fetzer, pending satisfactory background checks and psychological evaluation by Caledonia. MOTION BY KNUTSON, SECONDED BY KRAGE, TO EMPLOY MATTHEW FETZER ON A PART-TIME BASIS PENDING BACKGROUND CHECKS AND PSYCHOLOGICAL EVALUATION BEING COMPLETED SATISFACTORILY; MOTION CARRIED UNANIMOUSLY.

Maintenance: Thesing reported that the volume of recent rain set them back in some of their maintenance duties. On their schedule is to flush the water mains and prune trees. The sewers have all been flushed. He has called Caledonia Lumber for a quote to repair the portion of the ceiling in the City Hall Office that had fallen down.

City Administrator: Peterson said that there are many large City projects going on at the same time that require her attention, so she asked for Council forbearance during this time.

Adjournment: MOTION BY KRAGE, SECONDED BY SCHUTTE TO ADJOURN AT 7:35 PM; MOTION CARRIED UNANIMOUSLY.