

Mayor Dave Olson called the City Council meeting to order at 6:00 p.m. on September 11, 2017 with the Pledge of Allegiance. Present were: Mayor David Olson, Cheryl Sanden, Matt Schutte, Kevin Knutson and Emily Krage. Also present were: Randy Thesing, Maintenance; Cindy Viste, SEMCAC; Ryan Streff, Mobilitie; Eric Leitzen, Fillmore County News.

**Public Comment:** None.

**Agenda Order:** Items F and E were moved to follow B.

**Small Cities Development Grant Paperwork:** Cindy Vitse from SEMCAC was present to discuss the policies and procedures paperwork required for the Small Cities Development Grant. SEMCAC can start very soon to go through surveys from home owners and plan for the housing rehabilitation projects. Homeowners are welcome to call SEMCAC if they have questions. MOTION BY SANDEN SECONDED BY KNUTSON TO APPROVE RESOLUTION 2017-17 ADOPTING POLICIES FOR ADMINISTRATION OF THE SMALL CITIES DEVELOPMENT GRANT; MOTION CARRIED UNANIMOUSLY.

**Mobilitie Small Cell Technology Proposal:** Mobilitie representative Ryan Streff gave a power-point presentation explaining the background of the company, information on the new technology, and proposed site for their proposal. Ryan showed the proposed site to be south of the Fire Station. The proposal is for a 50ft high pole with equipment on the pole including a 4ft satellite dish. Mobilitie will work with the City over the next month to draft an agreement which will be brought to City Council in the next month or two.

**Preliminary 2018 Budget and Proposed Property Tax Levy:** Administrator Peterson explained that in September of each year the City must set the preliminary property tax levy for the following year. In December, the City has a chance to finalize the budget and could decrease the Property Tax Levy but cannot increase it. Options that were discussed at the September 8<sup>th</sup> Budget Committee Meeting were presented. The Budget Committee recommended Option 1a, which includes hiring a part-time accountant versus a full-time accountant. Even at part-time, a budget increase for the accounting position is necessary since the arrangement with Larry Jerviss was for minimal hours and pay. Option 1a included other recommended increases that were discussed with the personnel and budget committees, including a little extra help in summer, possibly having someone assigned to inspections and handling complaints. Option 1a also includes wage increases, mostly cost of living and to get a couple employees where they need to be. With the accounting position and other recommended increases, Option 1a would require the tax levy be set at \$497,090, an increase of \$40,000, approximately 9.5% over current year tax levy. Sanden noted that each 5% figures out to be about \$3/mo for a \$100,000 house, referring to the chart in the council packet. Peterson briefly discussed the other options such as hiring a full-time accountant. She noted that although this would pay off in the long run because it would free her up to chase outside funding, it may be too big of a financial step right now. The recommendation by the Budget Committee was for Option 1a, Property Tax Levy of \$497,090, a \$40,000 increase over 2017. Peterson also pointed out the line-by-line General Fund Budget spreadsheet in the packet. MOTION BY SCHUTTE, SECONDED BY KRAGE TO APPROVE THE PRELIMINARY 2018 BUDGET AND PROPOSED PROPERTY TAX LEVY OF \$497,090; MOTION CARRIED UNANIMOUSLY.

**Volley Ball Courts (for Bluffview Community Park):** Randy Thesing presented a site plan for two proposed volleyball courts. A group approached him with the idea to build the courts and they have a lead on someone to sponsor it. Randy Thesing mentioned that future upkeep could possibly be funded by a percentage of League Fees, and no additional cost to the city. He also suggested that if fundraising allows for court lights, the electric would be extended and the City could add lights for the Houston entrance sign at less cost. Sanden mentioned the need to analyze need for parking. MOTION BY SANDEN, SECONDED BY KRAGE TO APPROVE THE VOLLEYBALL COURTS; MOTION CARRIED UNANIMOUSLY. Any additional work beyond the courts and lights would need to come back for council for approval.

**(Matt Schutte left the meeting)**

**Property /Liability Insurance:** A summary of the insurance renewal was provided in the council packet. Administrator Peterson pointed out the total property value covered is valued at \$7,673,195. The premium for the next year is \$36,020, a slight decrease from the previous year. The Dividend returned in 2016 was \$22,610, significantly higher than most years.

**Taste of the Trail Liquor License:** MOTION BY SANDEN, SECONDED BY KNUTSON TO APPROVE A TEMPORARY LIQUOR LICENSE FOR THE AMERICAN LEGION TO SERVE BEER AT THE TASTE OF THE TRAIL SEPTEMBER 23, 2017; MOTION CARRIED UNANIMOUSLY.

**Minutes:** MOTION BY SANDEN, SECONDED BY KRAGE TO APPROVE THE AUGUST 14 MEETING MINUTES; MOTION CARRIED UNANIMOUSLY.

**Financial Report:** MOTION BY KNUTSON, SECONDED BY KRAGE, TO APPROVE THE FINANCIAL REPORT; MOTION CARRIED UNANIMOUSLY. **Review of Bills:** MOTION BY KNUTSON, SECONDED BY SANDEN TO PAY THE BILLS; MOTION CARRIED UNANIMOUSLY.

**Department Reports:**

Library: Liz handed out a summary of library updates and information. She highlighted the success of the Little Free Libraries, the election of Marilyn Frauenkron Bayer as President of the SELCO Board, cooperation with Houston County Public health on a Southern MN Initiative Foundation Grant, the placement of Houston map on the Library exterior, upcoming StoryWalk at Trailhead Park, the Annual Booksale, and the Valentine's Day Raffle. Council Member Sanden thanked Liz for her hard work.

Maintenance: Randy Thesing informed the council that the 2017 Street Improvement Project – Prairie Meadows has begun.

City Administrator: Peterson reminded Council of several upcoming and meetings and events.

**Adjournment:** MOTION TO ADJOURN AT 7:04PM BY SANDEN, SECONDED BY KRAGE; MOTION CARRIED UNANIMOUSLY.

**Fire Board Meeting Began**

Minutes by City Administrator Chris Peterson