

Mayor Dave Olson called the City Council meeting to order at 6:00 p.m. on February 12, 2018 with the Pledge of Allegiance. Present were: Mayor David Olson, Matt Schutte, Kevin Knutson, Cheryl Sanden and Emily Krage. Also present were: Christina Peterson, Audrey Hegland, Randy Thesing, Ed Jacobs, Marlene Schultz, Paul Wiste, Karla and Hein Bloem, Bill Ohm, Mike Walsh, Paul and Joanne Wiste, Ellyn Baumann, Arlin Peterson, David Wilson, Fred Huhn, Bill Hoskins, Dan Smith, Ron Evenson, Deb and Terry Chiglo, Rick Frank, Mobilite representative, Zach Thomas and Bryce Seljan of County Line Diesel, and Eric Leitzen, Fillmore County News.

Houston County Environmental Services Drop Site Report – Rick Frank: Frank presented the County's annual Environmental Services report for 2017, including revenues and expenses per drop site. The fund was over by \$13,000 due to an increase in the amount of materials, labor and lab costs; the overage was budgeted through taxes. A brochure is being developed that will provide information on all County programs and timeframes, including pesticide and insecticide drop-off dates.

Mobilite Contract – cell service monopole: The company is putting up a monopole that will be located by the Fire Department building. The initial lease amount is \$1,500. There was no further discussion, since this had been discussed in previous meetings. MOTION BY SANDEN, SECONDED BY KRAGE TO APPROVE THE INSTALLATION OF THE MOBILITE CELL SERVICE MONOPOLE, TO BE LOCATED BEHIND THE FIRE STATION; MOTION CARRIED UNANIMOUSLY.

Public Hearing – Building Code Ordinance Review: Mayor David Olson called the Public Hearing to order for the purpose of reviewing the current building code Ordinance 200, which provides for the administration and enforcement of the MN Building Code, and to hear opinions and concerns from contractors and residents. The City will then review the current program and potential repeal of the ordinance. Peterson provided background relating to the City adopting the Basic Code. The Mayor called for those present to speak. The following comments and concerns were expressed:

1. **Question:** Can anyone speak as to why this was adopted in the first place? (Peterson stated it was adopted in 2004 to assure quality construction, referring to 2004 Council minutes). She stated that cities with over 2,500 population and have the Basic Code must keep it; cannot be repealed).
2. **Question:** What precipitated this? (Other person in audience stated there were individuals in the community who did not adhere to the building codes and did very shoddy construction).
3. **Comment:** People have complained about the Basic Code and its CMS inspectors.
4. **Comment:** Individual present stated he built a new home and had a bad experience with CMS. He cited several examples of problems, such as inspection scheduling difficulties and delays that cost him unnecessary expense, lack of knowledge of the inspectors, and not getting the same opinion from two inspectors over the same issue, even though he had specifically requested that CMS send the same inspector for the final inspection to avoid this happening. He kept careful records of these circumstances and the overall extra cost to him when the project was completed was over \$5,000. He said other towns around are successfully building many new homes without CMS.
5. **Comment:** A licensed contractor was present who said he abides by the rules of the Basic Code and while it does run up the costs a bit, when all is said and done, at least they have a well built, safe house. He has no complaints about CMS.
6. **Comment:** Had a house reroofed that was inspected and approved by CMS; after the inspection, the roof was wavy and in getting it checked, found that there were two layers of shakes and two layers of shingles, which is against the Code, yet this was not cited by the inspectors. There was only one inspection done, and that was at the end of the job. (Peterson: CMS only inspects after a roofing job, maybe it should be requested to do before and after).
7. **Question:** Does the Code cover furnaces, water heaters, air conditioning units, etc. If so, how many permits have the City received for this type of job? (Peterson: Acknowledged that while permits are required for these, there have been very few permits issued for these purposes).
8. **Opinion:** It is ridiculous to have to pay for a permit to install a water heater or furnace, etc.

9. **Comment:** Another contractor (not present) has voiced frustration at the delays in inspections getting done and not getting the same ruling from both inspectors.
10. **Question:** Has the City talked with La Crescent? They are under the Code; how's it working for them? It seems that towns who do not have the Code have housing booms.
11. **Comment:** Talked with another local contractor about CMS, who also experienced inconsistencies in what CMS inspectors say.
12. **Suggestion:** Have CMS come down to address these concerns.
13. **Question:** What is the licensed contractor made to do? (Peterson: He is someone who will build according to the State Code. Also, by using a licensed contractor, there is a state fund that will help recover some of the homeowner's losses if the contractor's work is not up to standard. A complaint can be lodged and the State will investigate; could result in contractor's license being suspended or revoked).
14. **Comment:** From listening to what's been said, it appears we do not need the MN Basic Code.
15. **Question:** What does having the Code cost the City? (Peterson: In 2017, permit revenues were \$2,625 and expenses were \$4,537. In 2016, revenues were \$7,725 and Expenses 5,252. The City has the lowest building code fees of any town around; has not raised the fees in order to encourage people to get permits).
16. **Opinion:** This is just another layer of expenses put on the people.

There being no more comments or questions from those present, the public hearing was closed at 6:35 p.m.

Public Comment: Bill Hoskins stated that he has a developer's agreement with the City and has three lots on the SE end of Elm Street; his new home was built on one of the lots. Included in this agreement was that the City would blacktop Elm Street down to the cul de sac where his lots are. This has been done and now he is being taxed for his portion of this expense. He states that as per the agreement, he should be reimbursed the money he is being taxed for the job. He has checked with the County Auditor for figures involved that are spread out over a period of 10 years payment plan.

Schutte said he needs more information before he can make a decision. Sanden stated the matter cannot be voted upon at this meeting since it was not on the official agenda. It will be placed on next month's agenda for discussion.

Request for Houston to provide Waste Water Operator Services: Mike Walsh, Mayor of Hokah, was present to discuss the possibility of Houston's sharing its wastewater operator services. Peterson had established a minimum rate to charge after determining that the City would not have to hire extra staff to fulfill this request. The figure of \$100/hour was quoted to Walsh that includes salary, travel and other related expenses. Thesing stated contingencies would have to be included, such as if Houston had an emergency situation that affected the Hokah commitment. He felt four hours per week from Houston would be accurate for what is needed; both Thesing and Jacobs are willing to help, provided concerns are met and contingencies established. Walsh said Hokah is just exploring possible options at this time. Sanden voiced the opinion that if our maintenance people are willing to do this and feel it would work out, she would support trying to help Hokah out. In the event that services are needed: MOTION BY SANDEN, SECONDED BY KNUTSON TO SET A FEE OF \$100/HOUR FOR WASTEWATER OPERATOR SERVICES PROVIDED TO HOKAH; MOTION CARRIED UNANIMOUSLY.

International Owl Center – Proposal to purchase land: Bill Ohm, Vice President of the Owl Center Board, addressed the Council about purchasing Trailhead land that was initially proposed for lease or easement for the new Owl Center. He gave a brief history of the project and how they came to decide to purchase rather than obtain a lease or easement from the City. They would like to amend their original offer to lease the land to an outright purchase. More specific details can be discussed.

Schutte brought up the original agreement's shared usage of the Nature Center parking lot and current zoning; both will have to be addressed. He requested that it be included in the zoning ordinance that a nonprofit such as the Owl Center is a permitted use .

Fireworks during Hoedown was mentioned and how the resulting debris and noise may affect the birds. A different location for the fireworks may be considered. Also mentioned was whether the music and noise from the band shell would affect the birds but Bloem said it faces away from the cages so it shouldn't be a problem.

Knutson questioned when the Owl Center Board wanted to take possession of the land; reply was as soon as possible. The Trailhead land being discussed is now mowed and would be seeded in prairie plantings similar to what is on the levy. Knutson said this is a gateway to Houston and needs to look attractive. Krage said she would like to see more specifics of the contract before making any decisions.

Sanden questioned why the change to purchase rather than lease the land. Ohm and Bloem said initially to purchase just never came up in their discussion. An offer to have the Owl Center move to Spring Grove was made but the Board decided they would like to remain in Houston, and they have a valued base of support here.

Schutte said one criteria is important – that the City will get the land back in the event the project doesn't take place. Sanden said she is not in favor of selling the property; would support a lease. Bloem referred to an example of a nonprofit operating a city-owned park that did not work out. She said a lease has to be renewed which could become a sticking point. Also, if someone were to be injured, then it becomes a liability for the nonprofit, not the City.

How to proceed from this point was discussed. MOTION BY KRAGE, SECONDED BY SCHUTTE THAT THE OWL BOARD DEVELOP A PURCHASE AGREEMENT THAT CAN BE CONSIDERED; MOTION CARRIED BY MAJORITY VOTE WITH SANDEN VOTING NAE. The Council requested that the Owl Board and Bloem work with Peterson, who will gather the information for Council consideration.

Dollar General – Offer to purchase Parcel 240567000: Dollar General had initially wanted to purchase the City lot closest to the ballfield by Rosendahl Auto, plus two other lots that were owned by Loken's, who did not approve the agreement. This made the location not feasible for Dollar General. They are still interested in locating in Houston and are proposing to purchase City-owned parcel #240567000, and also the adjacent two lots that are owned by Hoff Funeral Home. Peterson said their offer is fair and in keeping with market value. Question before the Council at this meeting is whether they wish to approve sale of the lot owned by the City to Dollar General. The closing would not occur for several months after Dollar General has acquired the necessary additional two lots and gathered all information and approvals needed. MOTION BY SCHUTTE, SECONDED BY KNUTSON TO ACCEPT THE PROPOSAL OF DOLLAR GENERAL TO PURCHASE PARCEL #240567000; MOTION CARRIED UNANIMOUSLY.

Off Highway Vehicle Trail Project – additional land: Mitch Bublitz has offered to sell a 90-acre parcel to the City for the OHV project. The Planning Commission determined that the project fits the Comprehensive Plan, and realizes that the DNR will reimburse the City for the purchase price. They asked for further information on the access easement and timeframe for reimbursement from the DNR, and also notify neighbors. The OHV Committee explained to the Planning Commission why the additional land is needed for the OHV project. The Planning Commission had the following comments and instructions: Research the access/easement, check on the financial situation to front the money while waiting for DNR reimbursement, and notify the neighboring property owner of the possible acquisition.

Public Truck Show Event June 30 – Zach Thomas: Thomas and Bryce Seljan are planning a large June 30 Truck Show event that should bring many people to Houston, starting at 9 or 10 a.m. They have approached Hoedown to rent their grounds; Hoedown will consider their request but first wants to see what the City Council decides. They are asking the City to use the west staging area for additional room. The event will be a forum for dealers to bring new trucks to display. There will be two dyno's on the track for those who wish to use them. Food vendors and possibly a band will be present; no alcohol will be served. They stated this will be an orderly gathering, and are working with the Houston police, Sheriff's Department and the Fire Department for adequate coverage. They stated they will comply with City ordinances regarding noise, etc. and there will be no tearing up of the grass or littering. The following was discussed:

- Use of west staging area land owned by the City;
- Compliance with ordinance requirements for public events;
- Food Trucks: Comply with ordinance that states that in order to have food trucks to serve at a public event, an agreement with the event organizers must be in place, have a food license, and provide proof of insurance. The Council would have to add this event to its list of permitted events, provided the necessary licenses and proof of insurance are provided.
- Zach should come back to council with further details of the event when they are planned.

MOTION BY SANDEN, SECONDED BY SCHUTTE TO PERMIT THOMAS AND SELJAN TO USE THE CITY'S LAND ON THE WEST END OF THE HOEDOWN GROUNDS FOR THE TRUCK SHOW EVENT ON JUNE 30, PROVIDED ALL CITY REQUIREMENTS ARE MET; MOTION CARRIED UNANIMOUSLY.

Emergency Siren – Repairs: Notice has been received that the County's Emergency Management semi-annual inspection of the City's two-way sirens has been done. The results show that the batteries and antenna in the siren at 126 North Sherman St. are old and need to be replaced. MOTION BY KRAGE, SECONDED BY SANDEN TO REPLACE THE BATTERIES AND ANTENNA ON THE 126 NORTH SHERMAN STREET SIREN AT A COST OF \$1,678.64; MOTION CARRIED UNANIMOUSLY.

Minutes: MOTION BY SANDEN, SECONDED BY SCHUTTE TO APPROVE THE JANUARY 8 MEETING MINUTES; MOTION CARRIED UNANIMOUSLY.

Financial Report: MOTION BY KNUTSON, SECONDED BY SANDEN TO ACCEPT THE FINANCIAL REPORT AS PRESENTED; MOTION CARRIED UNANIMOUSLY. **Review of Bills:** MOTION BY KNUTSON, SECONDED BY SCHUTTE TO PAY THE BILLS; MOTION CARRIED UNANIMOUSLY.

Department Reports: Maintenance: Thesing reported that the new furnace has been installed at the maintenance shop. The information needed to plan for summer help is being gathered.

Tree Board: Krage reported that the Tree Board will be meeting on Thursday, February 15, 5:00 at the Nature Center. The large ash tree on Chase/Elm Street has been removed by the City as it was a liability and hazard to passersby. She said the Tree Board is seeking another member; they do not have to be a city resident.

Library: Gibson-Gasset presented an update of Library information and activities, including a recent grant of \$9,400 to purchase 7 new computers, monitors and necessary software; also \$1,000 from the Houston/Money Creek Snowriders Club to help purchase new headphones, chairs, etc. Many activities are planned for the Library and grants are being submitted to fund some of them. The Library will be participating in the upcoming International Festival of Owls during the weekend of March 3. Circulation statistics were provided, showing that our Library continues to serve a wide range of publics in general and rural usage.

Donkey Basketball Fundraiser: Hegland mentioned the upcoming Donkey Basketball game on March 15 sponsored by the school's Minnesota Honor Society students as a fundraiser for the Mission 66 Playground. Riders are needed for four teams of up to 10 persons per team; she encouraged the Council to attend the event and a Councilmember volunteer to ride a donkey to represent the City; other businesses and community leaders are participating as well, as are students, teachers and emergency personnel.

City Administrator: A student from the High School is working with the City analyzing utility costs for City buildings using an online program from the State. A meeting will be held on February 14 with Bolton & Menk regarding the wastewater treatment plant. On February 22, 9:00 a.m. Bolton & Menk will be here regarding a GIS mapping guide/software they have created for Houston. On February 22, 6:00 pm an OHV meeting will be held in the Community Center. Council members are welcome to attend any or all of these meetings. On March 1 the City's Auditor will be here to finalize the annual audit.

Adjournment: MOTION BY SANDEN, SECONDED BY SCHUTTE TO ADJOURN THE MEETING AT 7:47 PM. MOTION CARRIED UNANIMOUSLY.