

The Houston City Council met in regular session on March 9, 2015 at 6:00 p.m. in Houston City Hall. Mayor Edwards called the meeting to order with the Pledge of Allegiance. Present were: Mayor Connie Edwards, Kevin Knutson, Tony Schultz, Matt Schutte and Cheryl Sanden. Also present were: Chris Peterson, Larry Jerviss, Audrey Hegland, Randy Thesing, Tom Wentz of Smith Schaefer, Ellyn Baumann, Connie Verse, Rick Frank of Houston County Environmental Services and Nicki Rud.

Changes to the Agenda / Public Comment: No public comment. Addition to the Agenda: Item F: Fire Station. Mayor Edwards stated that the meetings will be videotaped but not placed on the City web site until the audio is clear. She requested everyone to speak up and that those in the audience to remember the microphones are sensitive and will pick up random conversations during the meeting which could distort the audio.

2014 Financial Audit Review – Tom Wentz: Tom Wentz, of Smith Schaefer, presented the 2014 Audit Review, stating that it was a clean audit with no exceptions noted. The only internal weakness noted is the lack of employees in the City offices to adequately segregate the financial matters, although the division of responsibilities between Larry Jerviss, now Chief Financial Officer and Christina Peterson, City Administrator, will help this.

Wentz stated that this year the levy was slightly raised after five years of remaining the same. The only two TIF's remaining are the Root River Market and Root River Properties. He reported that the LGA receipts were \$22,607 and anticipates next year's receipts should be up a bit further. He reviewed all fund accounts, including those that are self-supporting. He pointed out that the Water/Sewer Fund revenues are down 3.5% due to substantial repairs that were necessary this year, and are not generating sufficient funds for capital needs.

Houston County Solid Waste Program – Rick Frank: Rick Frank, Houston County Environmental Services Director, provided the annual report on the solid waste program, including revenues and expenses. Cost per household for the program is \$3/household per month. Fluorescent light bulb collection is scheduled for April 11, from 8 a.m. to 3 p.m. Household hazardous waste collections in Houston will be at the Recycling Center, 1-6 p.m. on May 21.

Business Loan Request – 101 W. Cedar: Nicki Rud is purchasing the Crossroads restaurant and has submitted an EDA revolving loan application; the name of the business will be "Lola's, LLC." MOTION BY SCHULTZ, SECONDED BY SCHUTTE TO ACCEPT THE EDA'S RECOMMENDATION TO APPROVE THE REVOLVING LOAN APPLICATION FOR LOLA'S LLC IN THE AMOUNT OF \$5,000; MOTION CARRIED UNANIMOUSLY. Ms. Rud anticipates opening the restaurant on April 6. Attorney Hammell will draw up the necessary documents for the loan by March 16.

Water Treatment Project – Owner/Engineer Contract: At a prior meeting, the Council approved a proposal that Davy engineering prepare a preliminary engineering report for the project. They also approved applying for a USDA planning grant for this project. A requirement of the grant application is to provide an Owner/Engineer contract using a Standard EJCDC format. Davy has submitted a proposed contract which includes the already approved Engineering Report as well as other preliminary services that may be covered by the USDA grant if awarded for a maximum amount of \$30,000.

Davy's estimated fees are \$23,000, including: Preliminary Engineering Report (\$10,000 already approved), Topographic and Boundary Surveys (estimated \$5,000), and Environmental Report (estimated \$8,000). Estimated fees for other services are \$7,000, to include Geotechnical Survey (estimated \$5,000), Agency Review Fees, Publications, Lab Analyses (estimated \$1,500) and Phase I Archeological Survey if required (estimated \$2,000). MOTION BY SANDEN, SECONDED BY KNUTSON TO APPROVE THE CONTRACT WITH DAVY ENGINEERING FOR \$23,000 AND AUTHORIZE CITY ADMINISTRATOR PETERSON TO CONTRACT FOR THE OTHER SERVICES AS NECESSARY UP TO \$7,000; MOTION CARRIED UNANIMOUSLY.

Schedule Special Council Meeting to Review Capital Improvement Plan was scheduled by the Council for March 30, 5:00 p.m. The meeting will be posted as required.

Fire Station: One bid of \$22,000 has been received so far to install the sewer lines at the Fire Station; Thesing is seeking others. The bid received so far is good through August. This project will be added to the discussion that will be held with Mike Bubany, of David Drown Associates, when he is here for the Special Council meeting on March 30.

Minutes: MOTION BY SANDEN, SECONDED BY SCHULTZ TO APPROVE THE FEBRUARY 9 MINUTES; MOTION CARRIED UNANIMOUSLY.

Financial Report/Review of Bills: MOTION BY SCHUTTE, SECONDED BY SANDEN TO PAY THE BILLS; MOTION CARRIED UNANIMOUSLY.

Department Reports:

Maintenance: Would like to have the summer help in place soon for grass cutting. He asked that people call City Hall when they notice pot holes in streets; this will be also placed on the City's Facebook page.

Park & Rec: Matt Schutte will be meeting with Money Creek Town Board regarding their support for the Summer Rec program.

Nature Center: Reports indicate that the recent Owl Festival went well.

Food Shelf renovation: Schutte stated that remodeling is tentatively scheduled for March 21. Funds are available for the project.

Street Light Flowers: Sanden said she has ordered them.

MOTION BY SCHUTTE, SECONDED BY SANDEN TO ADJOURN THE MEETING AT 6:46 PM; MOTION CARRIED UNANIMOUSLY.