

**HOKAH CITY COUNCIL  
MINUTES MAY 6, 2008 COUNCIL MEETING**

1. **MEETINGING OPENED BY MAYOR MARTELL AT 1815**
2. **ROLL CALL OF COUNCIL MEMBERS PRESENT:** Pfiffner, Christianson, Ross, Walther, Martell
3. **CHANGES TO AGENDA:** None noted
4. **MOTION TO CONSENT TO AGENDA:** by Walther, second by Ross all in favor
5. **APPROVE MINUTES COUNCIL MEETING APRIL 1, 2008:** Motion by Christianson, second by Walther, Pfiffner abstains, Martell yes approve minutes of April meeting, motion carried
6. **APPROVE ACCOUNTS PAYABLE:** Motion by Pfiffner second by Ross all in favor to approve payables.
7. **WWTP – JIM KOCHIE & ANDY KLINGSPORN:** Andrew reports next week he will be flushing the hydrants and will attempt to give notice before hand. Mayor Martell asks if the new plant is running and Andrew states it is running great. Member of the audience Richard Dikeman inquires regarding if the City intends to have someone read the water meters on a monthly basis. Mayor Martell responds, we are in the process of setting things up to do a monthly reading. Mayor Martell goes on to explain that there is a new procedure for billing of water bills that will be instituted next month at this Council has agreed upon. Mayor Martell announces that we are going to read the meters monthly. It will cost the City more money, but hopefully it will be advantageous to the residents as well as the City in the future. Jim Kochie begins to explain the current situation at the WWTP. Change orders from last month have been completed. The project is down to clean-up and site work that needs to be completed. Payment request this month: Wapasha Construction Payment request # 12: \$16,831.95, Morem Electric request # 10: \$6,582.18. Jim Kochie goes on to discuss the project completion and the funds that will be dispersed to the contractors in the near future. He estimates there'll be approximately \$100,000 in grant money to utilize. Possibly some of this money could be used to televise our sewer system and to repair the system. Kochie presents to the Council certificates of substantial completion for both contractors this evening Waukesha Construction and Morem Electric, and asks for the Mayor's signature on the documents. Further this establishes the one year warranty period from April 30 2008 to April 29, 2009.
8. **POLICE DEPARTMENT CHIEF SCHULDT.** Chief Schuldt discusses residential burglaries and auto break-ins in the area. He advises people to be aware and keep an eye out for any suspicious activity. Further Chief Schuldt informs the Council that the siren located on top of the City Hall at 57 Main St is currently not operating. Chief Schuldt also states that someone should check out the system to see what the problem would. Blank suggests David Bissen to check into the system. Chief Schuldt will look into having David Bissen repair the siren. Schuldt further reports that he has been in contact with City Attorney William Von Arx and they have constructed a new animal control ordinance that should be ready for next month's meeting.
9. **RECREATION BOARD.** Kathy Olsen appears to represent the recreation Board. She reports that they have made up T-shirts for the youth for a fundraiser. The cost of the shirts is \$10 for child sizes and \$12 for adult sizes. She reports, there have been 75 children sign up for Recreation Program so far. Further, she reports speaking with Jim Scholze regarding the new fence at the ball diamond as well as the status of the Minnesota Twins \$5,000 grant. Further, Kathy states Mr. Scholze is inquiring as to when the ball diamond may be playable. Mayor Martell responds that once we're able to fix the ball diamond. It will be playable at that time considering as wet as it has been recently. We have not been able to go in to make the necessary repairs, because the ground hasn't allowed us to enter the area with heavy equipment. Mayor Martell does report that the ball diamond is the priority project that we currently have. Further discussion regarding the current road bands and the inability to remove the contaminated soils with the ban in effect. Kathy also discusses the situation at the swimming pool. The employees that have been hired and a meeting in the near future for training for the employees. She asked if pool opening on June 9, would be appropriate. Andy reports that should work out. Kathy also questions the petrol mat that is in the bottom of the pool. Andy states that he will talk with Dave regarding this because he's not real familiar with the mat. Further discussion regarding having a family night at the pool on Wednesdays between 5:30 and 7:30 p.m. at the reports let. They would like to charge a dollar per person for the family night, and the Council agrees that should be appropriate.

- 10. DANIELSEN INSURANCE at 6:30 PM.** Randy Wiebel appears on behalf of Danielson Insurance Agency. Randy reports that coverage is bound and it's a matter of typing up a policy at his time. Randy reports that liability rates have decreased by 4%. Auto liability rates have decreased by 7%. Auto physical damage rates have decreased by 10%. Workers comp has increased by 10%. Property coverage has increased to \$3,357,000. That amount does not include the new sewer plant at this time. Randy reports that if the policy is issued before the new sewer plant is turned over to the City, the insurance company will not charge an additional amount for coverage for the facility. It will be automatically covered. Randy discusses vehicle coverage's and vehicles that have been deleted from the policy for the current year as well as one vehicle that has been added to the policy. Randy reports there is a flood policy in effect on the old sewage treatment plant. He reports there is an application for a policy on the new sewage treatment plant for flood coverage's. Further, he reports the rates are attractive due to the elevation of the structure. Randy reports there are three buildings that are eligible in the sewage treatment plants facility for coverage. Further, Randy brings forth that the insurance underwriter strongly suggest that someone other than the person writing the checks reconciles the accounts on a monthly basis. Jim Kochie states the he has spoken with Rural Development, and they will require a flood policy on the old sewage treatment plant. But they do not require a policy on the new plant. Mayor Martell asked Jim Kochie what his feelings and thoughts are regarding insurance on the plant. Kochi reports that everything built there is protected above the 500 year flood mark. Mayor Martell also states that the water would go over the agricultural dike on the other side of the river before it would enter into the area encompassed by the new treatment plant. Mayor Martell states that if the waters get high to take out the new treatment area, we would be in very terrible shape. Mayor Martell asks councilperson's Walther and Ross if all the fire trucks are listed on the insurance certificate. Walther states that they will probably make some changes and some vehicles may be taken off for the insurance document. Mayor Martell states that the policy looks good and thanks Randy for his appearance.
- 11. SHERRY POTTER – DRAINAGE.** Dan Potter appears. He states that he has a situation in his backyard where the water pools in the area. He states there used to be a drain in the area that the city plugged because it was running into the city sewer system. Dan believes that something should be done about the problem. Gerald Sauer also appears to discuss his opinion to correct the problem. Further discussion by Sauer and Potter to install a pump system to drain the water out of the back yards. Jim Kochie has agreed to visit the area and determine what would be the best solution to the problem. Mr. Sauer and Potter asked that when he does survey the area they would be notified so they could accompany him.
- 12. STREET AND MAINTENANCE.** Blank states that in the council packets is a proposal from Bob Burns of Mathy construction for patching and paving different locations in the City. Andrew states that Dave Welke did talk to Bob Burns and Mayor Martell states he also spoke with Mr. Burns. Blank goes on to describe the locations for street repair that are listed on the proposal from Mathy construction. Martell asked for a motion to complete the repair on the proposal from Mathy construction. Walther makes that motion second by Pfiffner. Roll call all approve.
- 13. LIBRARY / CITY HALL REPORT - USDA Rural Development loan/grant.** The Barb Bissen discusses the grant that has been received for repair at the City Hall earmarked for heating and air-conditioning replacement. Bissen states she would like to see that money earmarked for possible Geothermal installation at the city hall. Further she states that this years heating bill was in excess of \$9,000 at the City Hall. Barb asked for permission to proceed with this. She states the other hundred thousand dollars is sitting there and we don't have to do it right away but once we start it has to be complete within a year. Bissen goes on to explain the geothermal system properties and requirements. Blank recaps Bissen's statement regarding receiving the loan of \$100,000 which requires matching grant money of \$100,000. Further she's looking at doing a portion of this project with a loan at 4.375%. Currently the amount of that loan is unknown depending upon the ability of Barb to raise funds from other sources. Blank goes on to explain that heating costs at the City Hall this year were over \$9,000. And if we installed a geothermal system we would receive additional benefit of a reduction in our heating costs which in turn would offset the loan payments to be made at 4.375%. Bissen asks permission of the Council to proceed with the loan grant application process. Further she states that the maximum loan that USDA has is \$50,000. Therefore she believes that would be the amount of the loan that she would be between \$30,000 and \$50,000. Further discussion regarding the current heating situation at the City Hall in regard to the age of the three furnaces that are installed therein. Further the air-conditioning system located on the main floor at the City Hall is inoperable. Mayor Martell asked so what are we then looking at, you have to come up with \$100,000 to get the other hundred thousand dollars? Mayor Martell asked then what are we going to do with \$200,000. Bissen states beyond this the building is in need of other items. A handicapped ramp, the front sidewalk building needs to be waterproofed the windows need to be replaced. Blank explains that the area in front of the City Hall underneath the sidewalk is actually basement to the City Hall in the area leaks into the basement and that is what Bissen is referring to it as far as water sealing the facility. Mayor Martell states if we are taking loans he wants to run this past of people in the town in the form of a referendum. Martell states that were talking \$200,000. Bissen counters that stating were talking \$100,000. Bissen states that she needs \$3000 to have the project engineered just to get a price estimate for the project. Bissen states if the Council would award her \$1500 she can come up with the other \$1500 to have the project engineered. Mayor Martell asked the wishes of the Council regarding this. Councilmember Christianson states she has people screaming at her about water bills and taxes

and now are we going to do a loan for \$100,000? Christianson states that she believes it would be the best thing to do to install geothermal in the building but she states that she believes the timing for this project is all wrong. Bissen again asked for \$1500 to complete the engineering study for the project. Bissen then says possibly \$1350 might be enough money to get the engineering study done in conjunction with other monies that she now has or would seek. Blank asks if it may be appropriate for Bissen to further look into available money for this project before the Council commits to the engineering study. Bissen states she is unable to pay this bill herself. Council Member Walther states he does believe it's a good idea just that it's a terrible time. Further discussion ensues from both Bissen and Council Members regarding spending money at this time for this project. Blank suggest tabling this for a month to allow Bissen time to see what funds she can secure. Bissen discusses that she would know more possibly in two months in regards to a grant that may be available. Bissen also discusses the city paying the \$250 registration fee for the league Minnesota Cities conference in Rochester. Bissen plans to attend the conference and asked that the City pay the \$250 fee. Further conversation between Mayor Martell and Barb Bissen regarding obligations to the City of Hokah as far as reimbursement for expenses incurred at various venues. Barb agrees to wait until the July meeting to see what funds she can arrive at. Mayor Martell asks for a motion to postpone this item until the July 2008 Council meeting. Motion made by a Christiansen second by Ross roll call all in favor item is postponed until July Council meeting.

14. **MINNESOTA RURAL WATER ASSOCIATION MEMBERSHIP DUE.** Correspondence received asking for \$235 for membership from June 2008 to June 2009. Also another late item payable of \$273.00 for Community Leadership Committee. Clerk Moen asks for permission to pay both. Motion by Walther to pay both these bills second by Christianson roll call all in favor.
15. **DNR FLOOD REDUCTION GRANT RESOLUTION.** Resolution pertaining to the Junction Inn removal of structure and purchase of property. Department of Natural Resources agrees to commit \$100,000 for the City of Hokah to acquire the Junction Inn property. Deducted from these funds would be all costs pertaining to the City of Hokah purchasing said property. Blank explains that the future use of this property after this project would be completed there would be no structures allowed to be placed on the property again. Martell asked the council for a motion to approve motion by Ross second by Pfiffner roll call all in favor motion passes.
16. **BLUFF COUNTRY ORDINANCE SAMPLE REVIEW.** This agenda item pertains to Bluff Country asking the City to pass an ordinance restricting the postage of signage along the scenic byway. Mayor Martell states he does not see where signage is that big of a problem in the City of Hokah. He further goes on to state that he's concerned about this as businesses such as the Junction Inn and Seven Rivers surplus not being able to properly sign their businesses since they are located along the scenic byway Highway 16 in the City of Hokah. Further Mayor Martell states that the City of Hokah does have a sign ordinance that pertains to these items. Council member Ross asked if we should table this for a month. He is the Council representative on the planning commission and wonders if the planning commission and zoning should look at this possible ordinance draft and also he will compare it with the city's zoning and signage ordinance to determine if the City is interested or not in completing another ordinance relating to signage such as this Bluff Country letter speaks of. Council member Ross makes a motion to table, Christianson seconds roll call all in favor motion to table until the June 2006 Council meeting.
17. **ZONING.** Councilmember Ross reports that they were unable to hold any zoning meeting for approximately 3 weeks as they were unable to muster the necessary people for a quorum. He does report meeting last week and they reviewed four permits. The first one was for Gary Lorenz who wants to construct a utility shed to replace the one he lost in the flood. This was approved by the planning commission. They did ask for it to be placed little farther away from the edge of the hill. The second zoning application reviewed by the planning commission was for Brian Jorstad. His request is to raise his manufactured home one more block in height. Planning commission further approved this application. The third application reviewed was for Jorstad residence at Twin Creeks Drive. Originally the board approved an unattached garage for the property. The Jorstad's have since decided to attach the garage with a deck to the house. The planning and a commission did approve this application. The final application reviewed was for Jane Padrnos. This application was for an addition to the house. Upon reviewing the site the board members felt they couldn't prove the permit at this time because a previous edition to the home was never completed. Further there are steps did not appear to be completed and there was a large amount of debris strewn around the yard that needs to be cleaned up. Final determination by the planning commission was that they could not approve the application for zoning permit by Jane Padrnos because of these conditions. Councilmember Ross asked Jane to appear at this meeting to discuss the situation. Jane responds that the construction has begun. New doors have been put in, new windows have been put in, new siding is being installed plus the addition that wasn't completed will be completed. Jane states that everything will be cleaned up, debris removed and that they have completed quite a lot of this project already. Blank stated he has spoken with Jane. Blank states that he went to the area of the residence and observed the conditions and further took photos of the residence. Further Blank states that the City would like to see her continue in their efforts to clean up the property and return it back to a condition that would be acceptable. Blank further states that we have discussed conditions at that property for over 20 years. Jane

and her son state that the project and cleanup should be complete by this fall. Further her son discusses storing the vehicles in the garage and out of sight. Jane also states that she intends to repair the fence that exists on the property and take that back to completion. Blank then suggests that since they made the statement that the project and cleanup would be complete by fall, would October 1, 2008 be a date that we could expect the property to be completed? Both Jane and her Son agree that they should be complete with all projects by October 1, 2008. Discussion regarding the availability of Jane for assistance in labor to clean the property up. Blank suggests Jane contact Jo Ann Kochie who may have laborers willing to volunteer to clean up. Further Heather Johnson is in the audience from CLC. She states that she will check with her people to see if they may be willing to be involved in a cleanup effort at the Padrnos residence. Blank checks with Councilmember Ross to see what he feels about the information that we received at the meeting and what would his recommendation be considering that information. Ross states that as long as there is an agreement with Jane that the building project be completed and the property be cleaned up that he would approve the zoning application by Jane Padrnos. Mayor Martell asks other members of the council, beginning with Walther what he thinks. Walther states that as long as the property gets cleaned up he's got no problem with it and also would approve the zoning application. Mayor Martell then asks Councilperson Christianson. She states it sounds like she's going to complete the project to give her a break. Next Mayor Martell questions Councilperson Pfiffner who stated she has been on the Council long enough also to see that the property never got completed and/or cleaned up. Mayor Martell states he also has been on the Council and sees issues from the past. Further he has taken a lot of heat from City Residents regarding the condition of the property. He does state that he is of the opinion to give her a chance to complete the addition to the property and the clean up of the property. Blank suggests a motion to approve the zoning application. Council person Ross makes that motion and Christianson seconds the motion. Roll call, all approve. Pfiffner no, motion passes.

**18. HOKAH LUMBER COMPANY AUCTION JUNE 14<sup>th</sup>. 2008 USE OF PARKING LOT.** After discussion there was a motion by Christianson to approve a second by Ross roll call Walther abstains and the rest in favor. Motion passes.

**19. JUNE 2008 COUNCIL MEETING ON JUNE 3<sup>rd</sup> AT 6:00 PM.**

**20. MISCELLANEOUS ANNOUNCEMENTS / COUNCIL MEMBERS / EMPLOYEES.** Councilmember Walther states he wants to make sure that someone is checking the accounting with Doug Moen in the office on a monthly basis. Suggestion from Blank that Council Member Pfiffner speak to both Council member Walther and City Clerk Doug Moen to work out a schedule for a Council Member to meet with him on a monthly basis to review the accounting books. Councilmember Pfiffner says June, July and August she would be interested in looking at the accounting books with City Clerk Doug Moen. Mayor Martell discusses the status of the funds distribution for flood relief. He states that the businesses have not received monies that are due them that should be coming from Houston County. Martell states he intends to speak with the Houston County Board regarding this. He further details the various businesses that are to be receiving money that have not. James Burg offers \$250 for the old street plow that is not being utilized. Motion by Pfiffner second by Christianson, roll call all approve to sell the plow for the offered price. Mayor Martell also brings forth that we need engineering completed at Como Falls for reconstruction. He has spoken to James Kochie who has agreed to perform the necessary engineering at Como falls. Mayor Martell asks for a motion from the council to approve Davy Engineering to complete the engineering tasks at Como Falls for the reconstruction. Further James supplies the Council a budget for the engineering for the Como Falls reconstruction. Motion by Christianson, second by Pfiffner, roll call all approve.

**21. TEMPORARY LIQUOR PERMITS: 1.HFD June 14, 2008 2. Hokah Lions August 23, 2008.** After discussion a motion by Pfiffner, second by Christianson, roll call all approve both temporary liquor and gambling permits for Hokah Fire Department and Hokah Lions.

**22. ADJOURN** motion by Christianson, second by Pfiffner, roll call all approve at 8:40 PM.

Attested this day \_\_\_\_\_ of \_\_\_\_\_, 2008

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Administrator

\_\_\_\_\_  
Mayor