



Horace City Council Meeting Minutes

Due to COVID-19 and social distancing, the Horace City Council meeting took place online on December 21, 2020 @ 6:00pm. Those present on the Zoom video conference call were Mayor Kory Peterson, Councilmember Chelsey Johnson, Councilmember Bryan Schmidt, and Councilmember Dave Fenelon. Councilmember John Koerselman was absent. Others present included: Jim Dahlman, Lukas Croaker, Brenton Holper, and Barrett Voigt.

Mayor Peterson called the meeting to order.

Mayor Peterson forwent the pledge of allegiance.

Agenda Item #3: Approve Regular Agenda Adding an Item from Councilmember Koerselman to the Agenda as #15.

Mayor Peterson added that a letter from Councilmember John Koerselman will be read before the portfolio reports. He marked the new item as agenda item #15.

Motion: Approve the Regular Agenda Adding an Item from Councilmember Koerselman to the Agenda as #15.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #4: Approve Consent Agenda

- a. Vendor Invoices
- b. Balance Sheet & Income Statement
- c. Pledge Reports
- d. Sewer, Storm and Street ID No. 2020-1 (Southdale Farms First Addition)
 - i. Progressive Estimate No. 4 to Dakota Underground, Co.
- e. Water, Sewer, Storm and Street ID No. 2020-2 (81st Street South)
 - i. Progressive Estimate No. 1 to Dakota Underground, Co.
- f. County Road 17 Shared Use Path Phase 1
 - i. Progressive Estimate No. 6 (FINAL) to Border States Paving, Inc.
- g. Sanitary, Storm Sewer and Street ID No. 2019-1 (Lakeview Drive and 79th Avenue) & Storm Sewer and Street ID No. 2019-3 (63rd Street)
 - i. Progressive Estimate No. 13 to KPH Inc.

Motion: Approve the Consent Agenda.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

Action taken: All in favor, none opposed. Motion carried.



Agenda Item #5: Approval of City Council Meeting Minutes from December 7, 2020

Motion: Approve the City Council Meeting Minutes from December 7, 2020.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #6: Sheriff's Update | Ross Krause/Thomas Behm, Cass County Sheriff's Department

Mr. Holper explained that Deputy Sheriff Thomas Behm will be going to patrol and will no longer be serving in the City of Horace. Deputies rotate every two years in the City of Horace. The new Deputy Sheriff's name is Craig Keller. Deputy Sheriff Ross Krause will stay in Horace for another year and Deputy Sheriff Craig Keller will be serving for the next two years. Mayor Peterson thanked Deputy Sheriff Thomas Behm for his service in Horace.

Agenda Item #7: DRN Fiber Optic Franchise Ordinance | Lukas Croaker, City Attorney

Mr. Croaker explained that the DRN Fiber Optic Franchise Ordinance allows DRN to install their infrastructure in the City of Horace's right-of-way. The difference between this ordinance and other franchise ordinances is the fee structure. Fiber and phone services are legally exempt from franchise fees but will need to pay for right-of-way permits for any work being done in the City's rights-of-way. Other utility services pay a franchise fee but do not need to pay for right-of-way permits. They must, however, communicate with the City and apply for right-of-way permits to be able to work in the right-of-way.

Motion: Approve the 1st Reading of the DRN Fiber Optic Franchise Ordinance.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #8: Horace Elementary First Addition Rezone | Barrett Voigt, Community Development Director & Lukas Croaker, City Attorney

Mr. Voigt presented the 2nd reading of the Horace Elementary First Addition Rezone application. This rezone would change the zone from R-E (residential) to PF (public facilities). Staff did not receive any comments and no changes have been made since the 1st reading. Staff recommended approval.

Motion: Approve the Horace Elementary First Addition Rezone.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Schmidt

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #9: Variance – Lot 2, Block 1 Lost River Addition | Barrett Voigt, Community Development Director & Lukas Croaker, City Attorney

Mr. Voigt presented the Variance Application for Lot 2, Block 1 Lost River Addition. The property is zoned R-2 (single family residential). Winnie Development applied for a building permit to construct a detached single-family residential structure on the flag lot on the northwest corner of the property, which would be partially located within the required front yard setback area.



Mr. Voigt provided a brief description of a flag lot and explained that the City of Horace does not have any ordinances that include flag lots. Front yard setback of 30 feet is required on the “flag” portion of the lot between the property line and the building line. The building façade would appear out of sync with the other existing building lines along Lost River Road.

During the Planning and Zoning Commission meeting on December 8, 2020, the applicant stated that the developer of the site had no intention of constructing a basement or installing window wells and would therefore request a 22-foot encroachment that would result in an 8-foot setback from the front yard instead. The Planning and Zoning Commission and staff both recommended approval under the condition that no basement or window wells would be installed.

Mayor Peterson opened the public hearing at 6:15pm. Council discussed the exact location of the planned home. Dwyer Law Offices added in the Zoom chat window that they are fine with the condition that a construction of a basement is not allowed. Mayor Peterson closed the public hearing at 6:19pm.

Motion: Approve the Variance for Lot 2, Block 1 Lost River Addition Under the Condition That No Basement or Window Wells will be Installed.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #10: Southdale Farms 3rd Addition Rezone | Barrett Voigt, Community Development Director & Lukas Croaker, City Attorney

Mr. Voigt presented the 2nd reading of the Southdale Farms 3rd Addition Rezone application. The rezone would be from A (agricultural) to PF (public facilities), R6 (high density residential), C-2 (commercial), MU (mixed use). No changes have been made to this application since the 1st reading. Staff has not received any comments and recommended approval.

Motion: Approve the Southdale Farms 3rd Addition Rezone as Presented by Staff.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Schmidt

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #11: Holmens 3rd Part of Lot 1, Block 2 Special Assessment Correction | Brenton Holper, City Administrator

Finance Director Becky Streitz presented the Holmens 3rd part of Lot 1, Block 2 Special Assessment Correction. The City was contacted by the landowners about two special assessments for the 2019-2 76th & Roundabout project. The landowners own their main lot (parcel 15-0285-00100-000) which is a 0.97-acre lot as well as a 10-foot sliver (parcel 15-0285-00090-000) which is a 0.07-acre lot. The special assessment listing for the roundabout states that all lots under 0.1 acres should have been excluded from receiving an assessment. Staff recommended removing the special assessment amount of \$462.28 for the smaller lot (parcel 15-0285-00090-000). Mr. Holper explained that the amount cannot be removed from the special assessment itself but that it will be covered by the contingency plan within the special assessment district.

Motion: Approve the Special Assessment Amount for Lot Holmens 3rd Additions, Part of Lot 1, Block 2 Be Paid from the Assessment District 2019-2 (Roundabout & 76th Ave) Contingency Funds.



1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #12: Snow Removal Emergency Route | Jim Dahlman, City Engineer

Mr. Dahlman explained that the original snow removal and ice policy was approved on December 3, 2018. Part of the policy was the implementation of an emergency snow removal route map. Since 2018, the City of Horace has added approximately 16.7 lane miles in five new residential additions (Lakeview Drive, 79th Avenue, 63rd Street, urbanized and widened 76th Avenue). 64th Avenue was removed from the original map because it is a gravel and not a snow removal emergency route.

Motion: Approve the Updated Snow Removal Emergency Route as Presented by Staff.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #13: Engineering/Public Works | Jim Dahlman, City Engineer

- a. Cass County is planning a two-year project to widen and pave 76th Avenue going east to 45th Street. The County asked if the City was interested in installing a storm sewer alongside the south side of 76th Avenue as well as a shared use path. The paving is scheduled for 2022. The cost-share the County estimated was \$366,000 but Mr. Dahlman estimated the cost-share would be closer to \$400,000. This item will be revisited during one of the next City Council meetings.
- b. The second phase of the County Road 17 Shared Use Path (which will run from 81st Avenue up to the roundabout) is a Transportation Alternative Grant project. The County will be the sponsor of this project because Horace has less than 5,000 residents. The grant money will have to be spent in 2022. An opening bidding date was discussed and potentially set for April 8, 2022. The deadline for all the required documents will be November 2021.

Agenda Item #14: City Administrator | Brenton Holper, City Administrator

- a. Cass County originally indicated that their software could account for not charging interest until December 31, 2020 for any paid off special assessments that were certified in 2020. The County recently communicated that their software is not capable of doing so. Staff is currently working with Cass County on finding a solution on how Horace property owners will not be charged interest until December 31, 2020 for their special assessments that were certified in 2020. The projects are 2019-1 Lakeview Drive, 2019-2 76th & Roundabout, 2019-3 81st Ave & 63rd, 2019-5 Visto Industrial 3rd Addition, and 2019-6 Cub Creek 1st Addition. City Council will be requested to approve reimbursing the interest charged by the County to the property owners that have paid off their special assessment (that were certified in 2020) during the City Council meeting on Tuesday, January 19, 2021. Anybody that pays their specials in full after December 31, 2020 will not be receiving a refund of the paid interest.
- b. The second City Council meeting would usually be on Monday, January 18, 2021 but it will be held on Tuesday, January 19, 2021 because of Martin Luther King Day.



Agenda Item #15 (added): Letter from Councilmember John Koerselman | Kory Peterson, Mayor

Mayor Peterson explained that he received a letter from Councilmember Koerselman on Friday, December 18, 2020. The letter stated that Mr. Koerselman will have to resign from his position on the Horace City Council. The reason stated were health concerns, work, and family matters that he will need to focus on. Mayor Peterson thanked Councilmember Koerselman for his service and wished him luck for all his future endeavors.

Mayor Peterson recommended Sara Veit to fill John Koerselman's seat because he thinks she would be a good fit. Sara Veit has agreed to fill Mr. Koerselman's seat. Councilmember Schmidt and Councilmember Fenelon both thanked Mr. Koerselman for his service. Mayor Peterson officially nominated Sara Veit for the City Council position for time that is left on John Koerselman's term which is about 1.5 years. Mr. Croaker said that the Council will have to wait to vote on the replacement of the Councilmember until 15 days from when the resignation letter was received. The vote can be executed during the next Council meeting on January 4, 2021.

Agenda Item #25: Portfolio Reports

- a. Mayor Peterson wished everyone a merry Christmas and a happy New Year. He reminded that everyone should follow recommended CDC guidelines.
- b. Councilmember Fenelon wished everyone a merry Christmas and a happy New Year. He thanked staff for all their hard work. He said that he is looking forward to the City receiving the new equipment that was ordered for snow removal.
- c. Councilmember Johnson echoed what Councilmember Fenelon said and hoped that staff can take a break over the holidays.
- d. Councilmember Schmidt explained that Council worked with Public Works and the City Engineer to create a priority construction list for 2021. If there are any pressing issues, questions, or concerns, he encouraged residents to contact the City to inform Council about the issues.

Agenda Item #26: Adjourn

Motion: Approve Meeting Adjourn at 6:50 pm.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

The Next City Council Meeting is January 4, 2021 at 6:00 pm