

**Hazen City Commission
Regular Meeting
October 5, 2015
Hazen City Hall**

Present: President Obenauer, Commissioner Brunmeier, Commissioner Haack, and Commissioner Stern and Commissioner Wolf.

Others Present: Attorney Donovan, Planner Frovarp, Auditor Erhardt, Editor Arens, Mark Johnson (Ulteig), Kelsey Timmer & Mark Sweeney (KLJ), Tracy and Lori Spina Hoherz, Cipriano Banda, Juan Campos, Dewey Aaseth, Daryl Metzger, Buster Langowski, Doug Edwards, Robert & Vera Barfield
Meeting was called to order at 5:30 PM CT by President Obenauer.

Minutes: Commissioner Wolf moved to suspend the reading of the September 21st minutes and approve them as presented, second by Commissioner Haack. Motion unanimously carried.

Agenda: Commissioner Haack moved to approve the agenda, as presented, second by Commissioner Brunmeier. Motion unanimously carried.

CONSULTATION WITH ATTORNEY & ENGINEER

Surge Project Update – Pay Estimate #2 - Ulteig: Mark Johnson informed the commission that Ms. Schindler had been released from the project and would no longer be in Hazen. Mr. Johnson said that lift station(s) #3 & #5 are close to getting electrical power but there is still some equipment that has not been delivered. As to lift station #5 the site has been cleaned up and appears to be in very good condition. There is a question as to lining the lift stations and the time to get this scheduled for completion. As to 10th Street, Mr. Johnson said there is some clean-up work to do as there was some erosion after the last rainfall. The hotel water and sewer is complete and the pump for lift station #6 is on site. Mr. Johnson said the project is outside of the completion date but said he doesn't recommend liquidated damages at this time. Mr. Johnson said the liquidated damages are not meant as punishment but are there in case the city would incur additional costs for not having the equipment operational, which is not the case. President Obenauer inquired about the paving of 10th Street and Mr. Johnson said this cannot be completed until another manhole is completed. The commission reviewed pay estimate #2 in the amount of \$480,420.89. Commissioner Stern asked about additional engineering cost because of the past due items and the additional staff time. Mr. Johnson stated that is one reason Ms. Schindler was released from the project as she was no longer needed on a daily basis and this would reduce the cost. Lori Spina Hoherz commented about the substantial completion of September 15th and the issue with excessive ground water conditions. Dewey Aaseth inquired about test boring and Mr. Johnson explained that two (2) test bores were done near the lift station #3 location, which is the lowest point, and that a significant number of bores was not done. Mr. Johnson

agreed that, in hindsight, additional test bores may have been beneficial. President Obenauer asked for any other comments or questions. Commissioner Wolf moved to approve pay estimate #2 to Tand Construction LLC in the amount of \$480,420.89, second by Commissioner Haack. On roll call vote; Wolf, "Aye", Haack, "Aye", Stern, "Nay", Brunmeier, "Nay", Obenauer, "Aye", motion carried.

Survey Estimate – City Lot for Purchase: The commission reviewed a proposal from Ulteig Engineering to perform a survey and set pins for the proposed sale of property adjacent to the Capital Credit Union lot. President Obenauer said it the boundary would need to be properly marked and asked Mr. Johnson when the survey could be done. Mr. Johnson indicated the work could be done yet this week or early next week. Attorney Donovan asked how this survey would differ from the original survey. Planner Frovarp indicated this would only be for a portion of lot 14 and that the request was prompted by a request to purchase this portion of the lot. Commissioner Stern asked if this portion of the lot is part of the city parking lot now and was informed that the parking lot begins near the east boundary of lot 15. Commissioner Wolf moved to accept the proposal for the survey of a portion of lot 14, conditioned upon the purchaser paying cost for the survey, second by Commissioner Brunmeier. On roll call vote; Wolf, "Aye", Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Wildrose Lane Design: Buster Langowski advised the commission that the financial package for the hotel project is nearly in place and he is merely waiting for written confirmation. Mr. Langowski suggested the commission approve a motion to authorize the road design upon receipt of the written assurance to proceed. Mr. Johnson asked if the proposed construction would only be in spring of 2016. Mr. Langowski said there may be a need to get some type of road to the site as soon as possible to allow for construction and asked if this is work that could be contracted with Tand Construction when they complete the surge projects. Mr. Johnson said he could visit with Tand Construction about doing plan sheets to get a gravel road in this fall and then the street could be paved in 2016 as part of the overall project or street projects. Planner Frovarp said the hotel will include a large parking lot and perhaps the street could be done at the same time. Mr. Johnson suggested making the street part of the contract for the developer. Mr. Johnson will talk with Tand Construction and Mr. Langowski will have the developer contact the city engineer.

Commerce Center Parking Lot: The commission received three (3) proposals to make concrete repairs to a portion of the commerce center parking lot. Attorney Donovan stated that, since these are only proposals, a contract for the work is still negotiable by the city. Attorney Donovan read the proposals as follows: WCS-Wilson's Concrete Service – Total \$61,126.00 or \$7.34/sq. ft. including removal of the asphalt and providing fill; Pride Contracting – Total \$67,724.80 or \$8.14/sq. ft. with work to be completed in the spring of 2016; Winkler Construction – Total \$69,500.00 or \$8.17/sq. ft. with work scheduled to begin October 19, 2015. President Obenauer said now that we have the information how the board would like to proceed. Attorney Donovan suggested entering into negotiations to then enter into a contract. President Obenauer would like to approach HCD with regard to funding a portion of the project. Commissioner Haack moved to accept the proposal of Wilson's Concrete Service and

authorize the city auditor to negotiate the contract, with construction to begin immediately, second by Commissioner Wolf. Upon discussion Commissioner Stern said he would like to see what HCD is willing to commit to participate. President Obenauer said the project will still need to be done and stated he hopes they will participate but, if they don't will it stop the project. Mr. Langowski said the HCD Executive Board meets on October 13th and he can bring the information to them then. Commissioner Stern said this matter has been discussed for nearly a year, they should know if they are going to participate. Commissioner Wolf stated she would like to see the project completed. Mr. Langowski said HCD has expended more than \$12,000 for snow removal in the last three years and he would think they would participate but he cannot speak for the board. Commissioner Stern is also concerned that the money for the project will be taken from general building and equipment reserves. President Obenauer asked if Commissioner Stern would rather see sales tax dollars used for the project. Commissioner Stern said he would like to see HCD participate rather than nothing. President Obenauer again agreed and said he hoped it would happen stating they paid half of the last concrete project. Mr. Aaseth asked if the qualifications of the contractor were reviewed and if they have done work in the city before and was advised that Wilson's Concrete Service did the previous portion of the parking lot. On roll call vote; Haack, "Aye", Wolf, "Aye", Brunmeier, "Aye", Stern, "Nay", Obenauer, "Aye", motion carried.

REQUEST OF CITIZENS

Local Permit – Hazen Sportsman's Club: Commissioner Brunmeier moved to local permit #2015-15 as requested by the Hazen Sportsman's Club for raffles to be held from October 2015 thru June 2016, second by Commissioner Wolf. On roll call vote; Brunmeier, "Aye", Wolf, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Damages to 3rd Street – D. Aaseth: Dewey Aaseth met with the commission with regard to damage to the pavement on Third Street near the lift station #5 construction project. Mr. Aaseth just wish to note that this damage was a result of this project and the associated cost to repair should be part of the project and not special assessed. Mr. Johnson said the damage has been noted and will be part of the punch list for the surge projects that must be addressed prior to final payment is made.

PUBLIC HEARING – 2016 BUDGET:

President Obenauer recessed the city commission meeting and, at 6:11 PM CT, opened the public hearing on the notice of levy increase as published and mailed to city residents. Auditor Erhardt explained the reason for the increase and the fact that the tax levy will decrease but the property tax revenue will increase by less than \$20,000. Doug Edwards asked the reason for the increase and was advised that overall city maintenance, wages and benefits are the driving factors for the increase. No other comments were received and President Obenauer closed the public hearing at 6:14 PM CT.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Request for Consideration to Purchase – Lot 5, Blk 4, Christmann 2nd Addition – D. Metzger: Daryl Metzger met with the commission to request consideration to purchase a lot in Christmann 2nd Addition which is adjacent to a lot he currently owns. Mr. Metzger explained that he understands the lot was reserved for city staff consideration and suggested that if he is allowed to purchase the lot the proceeds be held to serve as a hiring incentive for a new employee. Mr. Metzger also explained that he would like to immediately offer this lot for sale along with his current lot for a new family to build a home. Commissioner Haack asked if the lot is purchased for \$5000 would it also be sold for \$5000 and Mr. Metzger explained he would sell it at a price to recoup any improvement costs. President Obenauer said he is not opposed to selling the lot but he would like to visit with Assessor Frovarp about this lot and the other lots the city retained. Mr. Metzger said if the city preferred they could make an offer to purchase his lot for re-sale adding that he did not want to see another garage built on a single lot and his goal is to see a nice new home constructed in the area. Commissioner Stern also said he would not mind selling the lot if it will be used for a new home and Mr. Metzger said that is his hope as space is limited on a single lot.

Building Permit – Enerbase Cooperative Services: The commission reviewed an application for a building permit submitted by Enerbase Cooperative Resources for a modular office structure to be moved to the location at 102 4th Ave SE. President Obenauer spoke about setting the structure on pillars and skirted properly. Commissioner Wolf moved to approve the building permit, as requested, second by Commissioner Stern. Upon discussion Commissioner Stern asked if it will be necessary to publish notice about the building being moved in. Planner Frovarp stated that publication is not required for commercial or industrial structures. Attorney Donovan questioned water/sewer service and Planner Frovarp said they are not required to connect to city utility based on the proximity to service as stated in the city ordinance. On roll call vote; Wolf, “Aye”, Stern, “Aye”, Brunmeier, “Aye”, Haack, “Aye”, Obenauer, “Aye”, motion carried.

REPORTS

President: President Obenauer encouraged the commissioners to view the progress of the surge and RV Park projects to see the concerns and other issues.

Water/Sewer: Commissioner Brunmeier informed the commission that the new tires have been installed on the garbage truck and that J&L was able to repair an engine issue on the truck. Commissioner Brunmeier said the recent League of Cities conference was very informative and she is working with someone from the conference in regard to the meat market.

Street/Cemetery: Commissioner Stern had nothing to report at this time.

Finance/Busing: Commissioner Wolf said that busing is still seeking drivers and we have not received approval yet for the new proposed bus location.

Police/Fire/Forestry: Commissioner Haack informed the commission that they have still not determined how to proceed with purchasing a new sprayer. Commissioner Haack said the city also has

the opportunity to purchase trees from High Plains Concepts to be used for city and park purposes in 2016.

Planner Frovarp informed the commission that he had contacted ND DOT about the safety concern at the Hwy 200/4th Ave NE pedestrian crossing and they hope to have engineers review this matter within the next week.

CORRESPONDENCE

Proposal – Restroom Repairs – Small City Hall: Commissioner Stern informed the commission that there are concerns with the lavatories in the small hall and a quote to make repairs was received. Commissioner Stern moved to accept the proposal of Obenauer Plumbing, in the amount of \$650.00, to make repairs to the small hall bathrooms, second by Commissioner Brunmeier. On roll call vote; Stern, “Aye”, Brunmeier, “Aye”, Haack, “Aye”, Wolf, “Aye”, Obenauer, “Aye”, motion carried.

Proposal – Lift Station Pump Replacement: The commission reviewed a quote for a lift station pump to replace a failing pump in lift station #4. Commissioner Brunmeier moved to approve the purchase of a replacement pump from Dakota Pump & Control in the amount of \$4,070.00, second by Commissioner Haack. On roll call vote; Brunmeier, “Aye”, Haack, “Aye”, Wolf, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

OLD BUSINESS

2016 Budget: Commissioner Wolf moved to approve the 2016 City Budget and to set the levies, second by Commissioner Haack. Upon discussion President Obenauer said looking at Hazen compared to other cities we still have to feel good that we are able to hold property tax increases to a minimum. President Obenauer also expressed concern as to the future of the coal severance and coal conversion funds and how the city would be affected if they were no longer there. On roll call vote; Wolf, “Aye”, Haack, “Aye”, Stern, “Nay”, Brunmeier, “Aye”, Obenauer, “Aye”, motion carried.

NEW BUSINESS

Coal Conversion Counties Meeting – October 14, 2015: President Obenauer reminded the commission of the upcoming CCC meeting in Center, which he and Commissioner Brunmeier will be attending. Planner Frovarp said Jason Bohrer, Lignite Energy Council, will be the keynote speaker and there will also be roundtable discussions.

Approval of Bills: Commissioner Brunmeier moved to approve the bills, second by Commissioner Wolf. Commissioner Stern asked about the NAPA bills for truck repairs and was advised the majority of these are for repairs to the Freightliner truck. Pre-paid and bills approved for payment are as follows: Universal Premium Fleetcard, 3642.49; Payroll/Benefits, 124351.42; Antelope Creek Trucking, 1989.02; Anthony Melberg, 138.83; BHG Inc, 389.58; Black Mountain Software, 1373.00; Cenex, 323.49; Chip Wizard, 40.00; Christy White, 140.12; Convention & Visitors Bureau, 4957.71; D&E Supply Co, 118.49;

Dakota Communications, 850.00; Dakota Fire Extinguishers, 262.34; Dakota Pump & Control, 2535.00; Dakota Supply Group, 1435.80; Dan Wettstein, 320.00; Ferguson Waterworks, 183.78; Grand Hotel, 559.65; Hazen Hardware Inc, 341.51; Hazen Motor Co, 1470.27; Hazen Motor Farm Equipment, 197.48; Hazen Welding, 455.00; Hiway Express, 447.76; Holiday Inn – Fargo, 248.00; Interstate Battery, 59.85; J&L Automotive LLC, 1578.46; Joyce Lemer, 238.12; Judy Brunmeier, 302.45; Kasey Lesmann, 100.00; Krause’s Super Valu, 133.49; Kurt’s Small Engine, 45.50; Lange Donovan & Kaffar PLLP, 1249.10; Loren Wiest, 140.00; Marco Inc, 1385.00; Mel Roth Oil, 3812.88; Mercer County Treasurer, 4205.05; ND League of Cities, 450.00; NAPA, 1667.94; ND Fireman’s Assoc. 40.00; Peggy Rahn, 168.12; Plunkett’s, 142.61; Preble Medical Services Inc, 53.00; Promiseland Designs, 30.00; Roughrider Electric Coop Inc, 55.00; Sakakawea Hazen Clinic, 452.00; Sakakawea Medical Center, 13.06; Sanitation Products Inc, 85.12; SBM Inc, 139.09; Southwest Water Authority, 37342.15; Spruce It Up Lawn & Tree, 850.00; Stein’s Inc, 461.42; Tand Construction LLC, 480420.89; Trucks of Bismarck Inc, 131.08; Verizon Wireless, 313.81; West Dakota Lumber, 101.55. On roll call vote; Brunmeier, “Aye”, Wolf, “Aye”, Haack, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

There being no further business the meeting was adjourned at 6:43 PM CT. The next regular meeting of the commission will be Monday, October 19, 2015 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor