

**Hazen City Commission
Regular Meeting
January 4, 2016
Hazen City Hall**

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

Others Present: Attorney Donovan, Planner Frovarp, Auditor Erhardt, Adam Schoenherr (Ulteig), Kelsey Timmer, Mark Sweeney (KLJ), Editor Arens, Dan Pillar, Austin Clarys, Ken Link, Renae Snyder, and Buster Langowski.

Meeting was called to order at 5:30 PM CT by President Obenauer.

This being the time for opening of bids for the bus facility the following bids were opened, bond and clauses were reviewed and bids were read aloud:

Edling Electric – Electrical Only - \$44,500

Enterprise Electric Inc, - Electrical Only - \$20,747

Missouri River Contracting – Option #1 w/HVAC, Electrical, Plumbing – Total Bid \$672,412

Missouri River Contracting – Option #2 w/o HVAC, Electrical, Plumbing – Total Bid \$573,512

American General Contractors Inc – Option w/o Electrical/Plumbing – Total Bid \$473,288

American General Contractors Inc – Option w/Electrical, Plumbing – Total Bid \$574,228

Western Steel Builders Inc, Total Bid \$339,943.64 (including everything)

Scull Constructing Service ND Inc – Total Bid \$644,400 (including everything)

Commissioner Wolf moved to present the bids to ND DOT for review and consideration, second by Commissioner Haack. On roll call vote; Wolf, “Aye”, Haack, “Aye”, Stern, “Aye”, Brunmeier, “Aye”, Obenauer, “Aye”, motion carried.

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

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

CONSULTATION WITH ATTORNEY & ENGINEER

Surge Project Update – Ulteig: The commission reviewed a spreadsheet of all extras requested by Tand Construction and Ulteig Engineering. This information proposed payment to Tand Construction at 2/3 straight time and 1/3 over-time for staff, rather than all overtime as requested. Adam Schoenherr, Ulteig Engineers, provided, to the auditor, additional extras as requested by Tand

Construction for a trench box needed to complete work at lift station #5. President Obenauer asked if the trench box was required and Mr. Schoenherr said Tand is contending that it was necessary to avoid removing additional trees from the site. The notes of Mary Schindler (Ulteig) did not refer to any request made by the city to not remove additional trees. Attorney Donovan asked about the extras submitted and/or paid by the park district and while the park district did make payment for extras the amount was not readily available. The commission discussed additional liquidated damages due to the additional time allowed after the project was to be substantially complete. Attorney Donovan suggested that the liquidated damages be limited. President Obenauer said he would like to resolve this matter. Commissioner Haack moved to approve payment to Tand Construction of \$113,750.93 (as presented on the documentation), second by Commissioner Wolf. On roll call vote; Haack, "Aye", Wolf, "Aye", Stern, "Nay", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

The commission next referred to additional costs requested by Ulteig for oversight needed beyond the substantial completion date. Total amount requested is \$25,303.29 and the amount proposed is \$18,662.63. Commissioner Stern does not feel the city should have to pay any additional engineering costs as he feels much of the problems with the contractor were caused by Ulteig. President Obenauer agreed that there were issues with the original engineer. Commissioner Haack asked if the city had already paid \$97,680 to Ulteig and was informed that was correct and the proposed overall cost for engineering amounts to 11.6% of the overall project cost. Commissioner Wolf moved to approve payment to Ulteig Engineers in the amount of \$18,662.63 as payment in full for the surge projects, second by Commissioner Haack. On roll call vote; Wolf, "Aye", Haack, "Aye", Stern, "Nay", Brunmeier, "Nay", Obenauer, "Aye", motion carried. The total variance from the original contracts is \$45,898.72 or 4%.

2016 Street Project(s): Mark Sweeney, KLJ, provided costs and a map of potential special assessment districts for the 2016 projects. Mr. Sweeney said he used a "common sense" approach when looking at the proposed project and the resulting benefit to property owners. The map presented included five (5) separate assessment districts, with the work on 4th Street NE proposed as a city-wide district. President Obenauer asked what the next step would be and was informed the commission would need to determine the district and then adopt a resolution directing the engineer prepare a report and estimate for the project. Ken Link was recognized and asked about the water line under 4th Street NE and the need to replace it. Mr. Link understands that most of the issues are not with the water main itself but the copper service connections to the AC Water Line. Mr. Link understands there have been concerns expressed about the AC lines but there is only a small portion of the city that still has this type of line and wondered if there is any documentation as to the need or requirement to replace it. Mr. Sweeney said he is not aware of any comments by the Department of Health and said it was a matter of looking at it now if the street is to be re-constructed. President Obenauer asked Mr. Sweeney to meet with water department staff to determine what, if any, issues there are along 4th Street NE. Renae Snyder asked about the cul de sac on Fayette Drive and was advised that the residents are interested in seeing this project completed in the near future. Commissioner Wolf stated

she would like to see the board create one city-wide district and leave the assessment of benefit to the special assessment commission, as done in the past. Commissioner Wolf moved to approve a resolution creating Hazen Street Improvement Project District #2016-01 (ST2016) to include all lots, tracts and parcels of land situated within the Corporate Limits of the City of Hazen, second by Commissioner Haack. Upon discussion Attorney Donovan suggested the commission look at benefited property, outside of city limits, that could/should be annexed into the city. Mr. Sweeney asked if the assessment could be held in abeyance until property is annexed and Attorney Donovan did not think this was acceptable. There was then discussion as to other property, adjacent to the city limits that has been improved and does benefit from improvements the city makes. On roll call vote; Wolf, "Aye", Haack, "Aye", Stern, "Aye", Brunmeier, "Aye", Obenauer, "Aye", motion carried. President Obenauer advised Mr. Link that the city will do its due diligence with regard to the water line.

2016 Election Agreement with Mercer County: Commissioner Brunmeier moved to enter into an agreement with Mercer County to conduct the city election in conjunction with the Primary Election, second by Commissioner Wolf. On roll call vote; Brunmeier, "Aye", Wolf, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

REPORTS

President: President Obenauer informed the commission planning and zoning will be meeting next week with regard to the Williams Building Co Inc. development and encouraged anyone available to attend.

Water/Sewer: Commissioner Brunmeier reported that two (2) employees recently left the public works department and Commissioner Stern, Director Neuberger and her will be reviewing applications for the purpose of conducting interviews.

Street/Cemetery: Commissioner Stern informed the commission that he spoke to Director Neuberger about the street sanding concerns and they doing more sanding, when necessary.

Finance/Busing: Commissioner Wolf reported that the city busing provided rides for 8,027 passengers in the fourth quarter of 2015 and 26,980 rides for the year.

Police/Fire/Forestry: Commissioner Haack had nothing to report at this time.

NEW BUSINESS

ND Department of Health – Lab Services Agreement: Commissioner Wolf moved to approve the Laboratory Services Contract with the ND Department of Health, second by Commissioner Brunmeier. Auditor Erhardt informed the commission that the fees for the agreement remain the same as the past year. On roll call vote; Wolf, "Aye", Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Dakota Pump & Control Maintenance Agreement: Commissioner Brunmeier moved to approve the Annual Inspection Agreement with Dakota Pump and Control, second by Commissioner Haack. This

agreement is for the same cost as the previous year. On roll call vote; Brunmeier, "Aye", Haack, "Aye", Wolf, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Bank Depositories 2016-2017: Commissioner Wolf moved to designate Capital Credit Union (Knife River Branch), The Union Bank and Union State Bank as depositories for the City of Hazen, second by Commissioner Stern. On roll call vote; Wolf, "Aye", Stern, "Aye", Brunmeier, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Approval of Bills: Commissioner Wolf moved to approve the bills, second by Commissioner Brunmeier. Pre-paid and bills approved for payment are as follows: Universal Premium Fleet Card, 2832.00; Verizon Wireless, 115.76; Krause's Super Value, 1440.00; BHG Inc, 1275.10; Cardmember Service, 106.49; Chamber of Commerce, 650.00; Dan Wettstein, 320.00; Hazen Hardware Inc, 570.65; Hiway Express, 386.58; J&L Automotive LLC, 355.23; Joyce Lemer, 91.00; Kasey Lesmann, 100.00; Krause's Super Valu, 322.45; Lignite Tire, 427.50; Loren Wiest, 140.00; Marc Corp, 406,80; Marco, 80.31; Matthew Bender & Co, 62.18; Mel Roth Oil Co, 2042.95; Mercer County Auditor, 2154.00; Mercer County Treasurer, 25781.81; MOCIC, 100.00; ND Department of Health, 1110.61; Sakakawea Medical Center Foundation, 25000.00; SBM Inc, 104.91; Shannan Fink, 41.40; Southwest Water Authority, 21210.60. On roll call vote; Wolf, "Aye", Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

There being no further business the meeting was adjourned at 6:42 PM CT. The next regular meeting of the commission will be Monday, January 18, 2016 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor