

**Hazen City Commission
Regular Meeting
July 18, 2016
Hazen City Hall**

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

Others Present: Attorney Donovan, Planner Frovarp, Auditor Erhardt, Eric Schuler (KLJ), Mark Sweeney (Moore), Jason Gerving (AE2S), Russ Sorenson (WaterSmart), Adam Schoenherr (Ulteig), Harvey Huber, and Buster Langowski (HCD).

Meeting was called to order at 5:28 PM CT by President Obenauer.

President Obenauer immediately opened public hearings on two (2) matters: Petition to Vacate Public Easement and Application for Liquor License – Bison Bar & Grill LLC. There were no public comments at this time, nor were any written comments received. The public hearings were closed at 5:30 PM.

Minutes: Commissioner Wolf moved to suspend the reading and approve the minutes of the July 5th meeting, as presented, second by Commissioner Haack. Motion unanimously carried.

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

CONSULTATION WITH ATTORNEY & ENGINEER

2016 Street Projects: Eric Schuler, KLJ, informed the commission that milling of streets is complete and work on Wildrose Lane will begin around July 19th. Work continues on identifying areas for patching and other items that need to be completed prior to concrete work and paving. President Obenauer asked about concerns of the need for additional milling on 4th Street NE and Mr. Schuler indicated this can be done with equipment Bechtold Paving has on site. President Obenauer also had questions concerning the concrete and driveways on Fayette and Mr. Schuler stated they will be working with the property owners to properly identify locations. Commissioner Stern asked if there is an estimate of the time frame needed to complete the work. Mr. Schuler stated, depending on the weather, it would likely be another three to four weeks. President Obenauer thanked the engineering firm for conducting weekly construction meetings as the communication is very much appreciated. Mr. Schuler presented pay estimate #1, for work completed, in the amount of \$98,235.88 to Bechtold Paving. Commissioner Stern moved to approve pay estimate #1 as presented, second by Commissioner Haack. On roll call vote; Stern, "Aye", Haack, "Aye", Wolf, "Aye", Pillar, "Aye", Obenauer, "Aye", motion carried.

The commission next discussed the Bank of ND Loan and other matters relating to the financing of the project. The question of the term of the loan from Bank of ND was discussed and it was decided to proceed with a twenty (20) year term as there was discussion that this will allow those on a lower income to better budget for the project cost while those that wish may pay off the assessment at any time after it is certified. Commissioner Pillar asked about the difference in the payment from a fifteen (15) year to twenty (20) year term and the information was not readily available. Commissioner Haack moved to approve financing resolutions relating to the Bank of ND Loan and Bond financing based on a twenty (20) year term or assessment, second by Commissioner Wolf. On roll call vote; Haack, "Aye", Wolf, "Aye", Pillar, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Engineering RFP: President Obenauer stated that eight (8) firms had submitted proposals pursuant to the City's request and wished to thank all of them for their participation. President Obenauer stated that in looking at the notes and, in his own opinion, there were three (3) very outstanding proposals and he would recommend appointing Moore Engineering to serve as city engineer. Commissioner Stern said that he had looked at cost for an engineer to attend each meeting and perhaps a local firm may be more cost effective. President Obenauer agreed that is a concern but also stated that if the agenda does not include items that will require an engineer; they could be excused for that meeting. President Obenauer stated that only one local firm had submitted a proposal and the local office is only a surveying office. Commissioner Pillar moved to select Moore Engineering to serve as the city engineer of record, second by Commissioner Haack. Upon discussion, President Obenauer stated that he had initially thought it would be better to appoint for a period longer than the customary one year but now believes it may be better to continue with a one-year appointment. On roll call vote; Pillar, "Aye", Haack, "Aye", Wolf, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Storm Water Drainage – 3rd Street NW: Planner Frovarp informed the commission that he had been contacted with concerns as to the amount of water that came through the city along 3rd Street NW. When lift station #5 was relocated, an adjacent property owner spoke to the project engineer about putting some type of valley in, where the dike used to be located, to divert water south under Main Street. Planner Frovarp provided pictures of the street from the rain on July 16th and said that when there is a heavy rain the water travels down 3rd Street all the way from 9th Avenue. Commissioner Stern said that when the concrete was put in he believed the ditch need to be lowered a bit. President Obenauer stated that with the last rain many areas of town had high water in the streets. Commissioner Pillar asked if the valley gutter is installed will the water go into the storm sewer and was advised that it would not. Commissioner Pillar also expressed concern that if the water is diverted south may it affect other areas of town in an adverse way and encouraged the board to consider this as they move forward. No further action taken at this time.

Warranty Deed – L&C Expedition, LLC: The commission reviewed a proposed warranty deed to transfer property from the City of Hazen to L&C Expedition LLC, for the proposed housing development. Attorney Donovan stated the city previously had an option agreement for this property and the option is now being exercised. Commissioner Haack moved to approve the warranty deed,

second by Commissioner Wolf. Upon discussion, Commissioner Stern asked about the purchase price and thought there had been an amount greater than the \$10 included on the warranty deed. The option agreement did not refer to an amount and President Obenauer said they are responsible for all of the infrastructure which become property of the city. Commissioner Stern then expressed concern that if the land is not developed there is now another part of the city "tied up." Planner Frovarp said the water and sewer plans for the development have been provided to, and approved, by the Health Department and they hope to start construction within the week. Planner Frovarp stated he is not concerned the project will not go and Commissioner Wolf stated they have invested a lot of time and money to not proceed at this point. Commissioner Stern agreed they have spent a lot of time and money but stated other agreements have included language that the property will revert if the project does not proceed. Commissioner Pillar said that, based on the investment, he does not believe they could be convinced to sign an agreement with the property reverting without some type of remedy from the city for infrastructure costs to make them whole. Buster Langowski said that under the option any infrastructure becomes the property of the city. On roll call vote; Haack, "Aye", Wolf, "Aye", Pillar, "Aye", Stern, "Nay", Obenauer, "Aye", motion carried.

REQUEST OF CITIZENS

Amend Raffle Permit – Common Thread Quilters Guild: The dates included on the original permit had incorrect dates and the commission is being asked to approve the amended license with the proper dates. Commissioner Wolf moved to approve the amended local permit #2016-10, second by Commissioner Pillar. Motion unanimously carried.

Local Permit – Raffle – Hazen Area Dollars for Scholars: Commissioner Wolf moved to approve Local permit #2016-12 for raffle to be conducted by the Hazen Area Dollars for Scholars, second by Commissioner Pillar. Motion unanimously carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Vacate Utility Easement – Jensen/City of Hazen: Based on the comments, or lack thereof, from the public hearing, Commissioner Pillar moved to approve resolution vacating easement for "a strip of land twenty feet (20.0') wide, being ten feet (10.0') on each side of a center line shown on the recorded plat of Lots 5, 6, 8, 9, 10, and 11 of Block 1 of the North Star 4th Addition to the City of Hazen and a strip of land fifteen feet (15.0') wide, being ten feet (10.0') on the east side and five feet (5.0') on the west side of a north-south line shown near the east boundary on the recorded plat of Lot 10 of Block 1 of the North Star 4th Addition to the City of Hazen", second by Commissioner Haack. On roll call vote; Pillar, "Aye", Haack, "Aye", Wolf, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Liquor License Application – Bison Bar & Grill, LLC: Based on the comments, or lack thereof, from the public hearing, Commissioner Haack moved to approve liquor license for "on and off" sale beer and liquor as requested by Bison Bar & Grill LLC, second by Commissioner Stern. Commissioner Stern asked if this was still within the limited number of licenses available under city ordinance and was advised

that it is. Commissioner Pillar questioned the amount of the fees and they are estimated to be \$500 for the remainder of 2016. On roll call vote; Haack, "Aye", Stern, "Aye", Pillar, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried.

REPORTS

President: President Obenauer informed the commission that the truck parking area in west Hazen is going to need to be relocated and the Park Board has authorized the city to use the area just east of the new RV Park so long as there is a buffer zone between the areas and access is gained from County Road 18. Attorney Donovan suggested a Joint Powers Agreement to define the terms under the which the property will be used and responsibility for costs incurred. President Obenauer also wished to thank the public works staff for their work in cleaning up trees and branches on July 4th.

Water/Sewer: This portfolio has not been re-assigned. No Report

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

Finance/Busing: Commissioner Wolf had nothing to report at this time.

Police/Fire/Forestry: Commissioner Haack informed the commission that the fire department is interested in adopting the former police vehicle for use by fire department personnel. Commissioner Haack also advised the commission that the city forester is currently working part-time after accepting a full-time position elsewhere. The public works department has an individual willing to attain certification for commercial spraying. The commission will consider placing notice for a public works position in the future.

HCD: Buster Langowski informed the commission that the preliminary market study has been received and it recommends downsizing from the original 63 units to 40 units. Once the final report is received the developer will finalize financing and seek consideration for a slightly larger number of units. Mr. Langowski also informed the commission that they are getting closer and closer to meeting all legal requirements to receive the funding for the Hazen Pioneer Apartments project. Reports to ND Housing Finance Agency are being completed and they are hoping to conduct a ground-breaking ceremony in the near future. With regard to the Commerce Center, Mr. Langowski informed the commission that one space is still available and he just recently showed it to a potential client. Commissioner Stern asked about HCD's involvement with the Bison Bar & Grill and Mr. Langowski stated they have not been involved much at all, other than Flex Pace Interest assistance.

CORRESPONDENCE

Hazen Chamber of Commerce – CANDISC – Street Closure/Beer Garden: On August 7 the Hazen Chamber will be hosting the CANDISC tour stop and they are asking to close portions of 7th Street NE, from the school to 4th Ave NE on this date for social activities. The commission voiced no objection to closing the street for these activities. No further action taken.

OLD BUSINESS

Board Reorganization – Portfolio Assignments/Appointments: President Obenauer asked the commissioners to consider the following portfolio assignments: President Obenauer – no change; Commissioner Wolf – no change; Commissioner Stern – change to Water/Sewer/Garbage; Commissioner Haack – change to Streets/Cemetery/Other Buildings and Grounds/HCD; Commissioner Pillar – assigned to Police/Fire/Forestry/Safety. No objection – portfolio assignments adopted. Commissioner Haack nominated Commissioner Wolf to serve as Vice-President and asked nominations cease. Commissioner Wolf said she would accept the Vice-President position, unanimously approved. The commission also accepts the appointments to the various city positions as currently in place with the exception of the ambulance board. President Obenauer asked the commissioners to consider serving on the board and a formal approval will be taken at the next meeting.

NEW BUSINESS

Transit Grant Awards – Operating Grant/Capital Equipment Grant: Based on the grant applications submitted to the ND Department of Transportation; Hazen Busing has been awarded two (2) grants for FY2017. The first is an operating grant in the amount of \$104,710 and the second is a capital equipment grant in the amount of \$71,680 for the cost of a new bus. Commissioner Haack moved to accept the agreements for the bus grant funding, second by Commissioner Wolf. On roll call vote; Haack, “Aye”, Wolf, “Aye”, Pillar, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried. The grant application for state funds has yet to be determined.

Jail Agreement: The commission reviewed a Jail Agreement with the Mercer County Jail for housing of city inmates. The agreement is unchanged from the previous year. Commissioner Pillar moved to approve the Jail Agreement, as presented, second by Commissioner Stern. On roll call vote; Pillar, “Aye”, Stern, “Aye”, Haack, “Aye”, Wolf, “Aye”, Obenauer, “Aye”, motion carried.

Disposal of Retired Police Vehicle: As discussed briefly, the fire department is interested in adding the former police vehicle to the fire department fleet. The commission has no objection but suggested they drive the vehicle for some time as there are possibly some mechanical issues that will need to be addressed. Commissioner Stern said the commission would have to look at the vehicle allowance budget if these vehicles are made part of the fire department fleet.

Approval of Bills and Financial Statements: Commissioner Wolf moved to approve the bills, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: Ameripride Linen & Apparel Service, 416.01; Bechtold Paving Inc, 98235.88; Cenex, 395.12; Dakota Communications, 3857.50; Discovery Benefits Inc, 20.00; Fastenal Co, 961.82; Hazen Drug, 3.99; Hazen Motor Co, 125.75; Hazen Welding, 716.25; Hiway Express, 99.23; Information Technology Dept, 10.30; J&M Hardware, 631.86; Lange Donovan & Kaffar PLLP, 1517.50; Loren Wiest, 350.00; Mel Roth Oil, 179.90; Mercer Co Soil Conservation, 197.50; Mercer Co Recorder, 26.00; Mercer Co Treasurer, 4583.04; MDU, 4320.32; ND Dept of Health, 32.00; ND League of Cities, 20.00; NAPA, 76.70; ND One Call Inc, 52.00; Obenauer Plumbing LLP, 75.00; Power Plan, 158.62; Roughrider Electric Coop Inc, 2331.41; SBM Inc, 4.20; St

Alexius Medical Center, 250.00; State Fire & Tornado, 6431.00; Ternes Tree Service & Contracting, 500.00; Verizon Wireless, 199.29; West Dakota Lumber, 14.00; West River Telecommunications, 876.16; Western Steel Builders, 43019.08. On roll call vote; Wolf, "Aye", Stern, "Aye", Pillar, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

There being no further business the meeting was adjourned at 6:37 PM CT. The next regular meeting of the commission will be Monday, August 1, 2016 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor