

**Hazen City Commission
Regular Meeting
July 5, 2016
Hazen City Hall**

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

Absent: President Obenauer

Others Present: Attorney Donovan, Planner Frovarp, Auditor Erhardt, Eric Schuler (KLJ), Mark Sweeney (Moore), Loren Hoffman (AE2S), Editor Arens (Hazen Star), and Buster Langowski (HCD).

Meeting was called to order at 5:30 PM CT by Vice-President Wolf.

Minutes: Commissioner Pillar moved to suspend the reading and approve the minutes of the June 20th meeting, as presented, second by Commissioner Haack. Motion unanimously carried.

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

CONSULTATION WITH ATTORNEY & ENGINEER

2016 Street Projects: Eric Schuler informed the commission that the removal and subgrade is complete on Fayette Drive and curb work should start within the week. The valves have been replaced on 7th Street and the hydrant is being relocated on Sunflower Lane. Commissioner Stern asked why the hydrant was being moved and Mr. Schuler advised it would have been in the curb line of the street radius and it was also installed too deep. Commissioner Stern said he had been contacted by a property owner with concerns about the curb, and drainage, at the intersection of 7th Street/7th Avenue. Mr. Schuler will take a look and make recommendation.

Commerce Center Parking Lot - Estimate: The commission again reviewed the proposed cost of nearly \$49,000 to repair the remaining portion of the commerce center parking lot with asphalt. Commissioner Pillar said this seemed like a reasonable addition to the current project, with removal of current asphalt by Riverbend to decrease the cost for the repairs. Commissioner Haack moved to approve adding asphalt repair of the parking lot to the current street project, with Riverbend Machinery being contacted to remove the current asphalt, second by Commissioner Pillar. Upon discussion Commissioner Stern asked if this was being added to the special assessment and it was determined that it is added to the project with the special assessment commission determining benefit to the various property owners. On roll call vote; Haack, "Aye", Pillar, "Aye", Stern, "Aye", Wolf, "Aye", motion carried.

Engineering RFP: Commissioner Wolf said the commission would not act on the Engineering RFP with President Obenauer absent and encouraged the other commissioners to take the time to review the material for recommendation of interview or appointment.

Commissioner Wolf also wanted to welcome Dan Pillar to the commission.

REQUEST OF CITIZENS

Raffle Permit – St. Martin Catholic Church: Commissioner Haack moved to approve raffle permit #2016-11 as requested by St. Martin Catholic Church for an event to be held on October 28, 2016, second by Commissioner Stern. Motion unanimously carried.

Request Free/Reduced Hall Rent – Hazen Art & Craft Association: Commissioner Haack moved to approve a request of the Hazen Art & Craft Association for an educational event on October 1, 2016, second by Commissioner Pillar. The application indicates that the kitchen will not be required for this event. Motion unanimously carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Renaissance Zone Application – Tractor Supply Company: Buster Langowski presented an application for Renaissance Zone Incentives as received from Tractor Supply Company. Mr. Langowski informed the commission that the Renaissance Zone committee had discussed the matter and felt it was appropriate to treat this as a new business, because of the amount of time the building had been vacant. The recommendation of the committee is to provide incentive of 100% for two years, 75% for one year, 50% for one year and 25% for the final year of the incentive period, amounting to an estimated city property tax savings of \$16,351. Attorney Donovan was concerned that Alco did not own the building and questioned if the exemption passes along to the tenant. Mr. Langowski stated, based on the lease agreement, Tractor Supply is responsible for the property tax and the exemption. Commissioner Stern asked if there had been discussion on only providing the incentive for the value of the improvements to the building. Mr. Langowski said there was limited discussion on this and the committee said the cost of improvements does not always equal the value increase and the sales tax collection will be a benefit to the city as well. Planner Frovarp added that there are no new buildings being constructed and that the interior of the building is being remodeled and having electrical work completed, which will not increase the value to a great degree. Commissioner Pillar asked if approval is contingent on state approval and Mr. Langowski stated this is part of the state's program and the commerce department must also give approval for such a request. Commissioner Haack moved to approve the Renaissance Zone application of Tractor Supply Company, with the incentive as outlined and recommended by the committee, second by Commissioner Pillar. On roll call vote; Haack, "Aye", Pillar, "Aye", Stern, "Nay", Wolf, "Aye", motion carried.

Petition to Vacate Public Grounds: Attorney Donovan informed the commission that this agenda item relates to the Pioneer Park property and that many years ago this property contained platted lots, street (which was vacated) and unplatted property which was dedicated as a public park in the 1930's.

To continue the Hazen Pioneer Apartment project, the city needs to complete a process to abandon the public use of the property, replat it as one block with two lots that can then be deeded for the project and the remaining property retained by the city as a park. In conjunction with this action, HCD will deed the old hospital to the city to allow them to control the property. Commissioner Stern asked if the city will then own the old hospital and Attorney Donovan said it would be for a very brief time until it is deeded to the single purpose entity for the project. Attorney Donovan also informed the commission that there will be an agreement that if the project does not proceed the property will revert to the previous owners. Mr. Langowski stated this process is the final part necessary to receive the state funding and doing it in this manner will move the process along quicker. Commissioner Pillar moved to approve the Petition to Vacate Public Grounds, as outlined, second by Commissioner Haack. On roll call vote; Pillar, "Aye", Haack, "Aye", Stern, "Aye", Wolf, "Aye", motion carried.

Property Deed – HCD to City of Hazen: Mr. Langowski said that the HCD board held a special meeting to approve a motion to deed property to the City of Hazen for future transfer to Hazen Pioneer Apartment to receive ND Housing Finance grant funding. Mr. Langowski read the motion as approved by the HCD board: "to transfer the premises formally known as the Jeffery F. Bannister parcel, now owned by Hazen Community Corporation (HCD) to the City of Hazen for \$1.00 for the purpose of an affordable housing project (the "project"). As a condition of this transfer, it must be agreed that the City of Hazen and HCD will be bound by a Land Use Agreement (LUA) in a format dictated by the North Dakota Housing and Finance Agency (NDHFA). As part of the LUA, the City will transfer this property and other city owned property to the Hazen Housing Authority, or a subsidiary thereof, for the project. HCD retains the right to reimbursement of its \$40,000 investment it has in this property. If for any reason, this transfer does not occur before May 1, 2017, under the terms of the LUA, the City will return the premises to HCD." Commissioner Stern had a question about the \$40,000 and Mr. Langowski explained that this is the amount HCD has invested and is part of the grant funding that has been approved. Commissioner Haack moved to accept the deed of HCD to the City of Hazen, as approved by the HCD Board, second by Commissioner Pillar. On roll call vote; Haack, "Aye", Pillar, "Aye", Stern, "Aye", Wolf, "Aye", motion carried.

REPORTS

President: President Obenauer absent. No Report.

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

Street/Cemetery: Commissioner Stern stated that the public works staff were working on the holiday to clean up after Sunday evening's storm. Commissioner Wolf said that a lot has been cleaned up and wished to thank the staff and the citizens for doing such a great job.

Finance/Busing: Commissioner Wolf stated the bus facility is progressing slowly and that for the most recent quarter the city transit provided rides for 5,956 riders.

Police/Fire/Forestry: Commissioner Haack stated the fireworks display was very good but, he did have some calls from citizens about the length of time fireworks can be discharged. Once the information is complete the former police vehicle will be advertised for sale on closed bids.

HCD: Buster Langowski informed the commission that the new market study preliminary draft has been received and will be forwarded to the hotel developer. There are some concerns that it does not appear to contain a lot of data for Mercer County so he will contact the firm that completed the report to review this prior to receiving the final report. Commissioner Pillar asked about the new tenant in the commerce center and Mr. Langowski stated that 4J Gun Pro began business on June 1st. Mr. Langowski said he has also been contacted about the other available location in the building and they hope to have the building filled soon.

CORRESPONDENCE

Hazen Chamber of Commerce – Fireworks Donation: The commission was informed that in past years the city has donated \$1500 for the chamber fireworks display, except for the centennial year when only \$1000 was donated. Commissioner Pillar moved to donate \$1500 to the Hazen Chamber for the fireworks display, second by Commissioner Stern. On roll call vote; Pillar, “Aye”, Stern, “Aye”, Haack, “Aye”, Wolf, “Aye”, motion carried.

OLD BUSINESS

Surveillance Equipment Quote – WRT: Based on discussion from the previous meeting, the commission received a revised quote for surveillance equipment for various city buildings. The quote includes a; 16 channel NVR, 4TB Hard Drive, six (6) bullet cameras and various materials, including installation. The proposal also offered the option of a one (1) meg or ten (10) meg circuit, available after fiber optic utilities are in place. It was discussed that the ten (10) meg circuit would provide better bandwidth for future use at a cost only \$10/month higher than the one (1) meg circuit. Commissioner Stern moved to accept the proposal for surveillance equipment with a ten (10) meg circuit, second by Commissioner Haack. Upon discussion Commissioner Pillar said the city has the option to pay a reduced up-front cost or make payments over time. Commissioner Stern said this should be paid up up-front or as invoiced. On roll call vote; Stern, “Aye”, Haack, “Aye”, Pillar, “Aye”, Wolf, “Aye”, motion carried.

NEW BUSINESS

Board Reorganization – Portfolio Assignments/Appointments: Due to the absence of President Obenauer, Commissioner Wolf asked that the city appointments and portfolio assignments be postponed until the July 18th meeting. Commissioner Wolf also suggested the board members consider what portfolio they wish to carry.

Nuisance Property Discussion: President Obenauer and Planner Frovarp had reviewed areas of the city and provided photographs of various properties that may not be in strict compliance with the city

ordinances pertaining to nuisances. Planner Frovarp informed the commission that letters with regard to mowing of property will be mailed but there are questions as to other items, such as refuse, weeds or other items that may be considered a nuisance by neighboring property owners. President Obenauer wanted this information brought to the commission for discussion and to also ask them to review property within the city. Planner Frovarp said there is some question as to where to draw the line on what constitutes a nuisance and that even mowing can depend on the fact of a property owner being away for a period of time. Commissioner Pillar agreed that beauty is in the eye of the beholder and suggested publishing what is expected, of property owners, with respect to nuisances. Planner Frovarp agreed that perhaps portions of the ordinance could be highlighted and shared with the public but the current process can be quite lengthy and costly. Should the commission consider updating the ordinance to make the process more enforceable and quicker? Commissioner Stern asked about mowing and Planner Frovarp indicated that ordinance states that vegetation is not supposed to be higher than six inches (6"). No further discussion on this matter at this time.

Approval of Bills and Financial Statements: Commissioner Pillar moved to approve the bills, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: US Postal Service, 269.28; Universal Premium Fleetcard, 2688.56; Payroll, 146633.50; Amber Campbell, 10.60; Ashley Tietz, 92.34; BHG Inc, 1300.81; Cardmember Service, 81.23; Chamber of Commerce, 1500.00; Charles Roy, 93.72; Christy Doppler, 85.94; Convention & Visitors Bureau, 3456.37; Dan Wettstein, 320.00; Fastenal Co, 313.04; Hach Co, 136.79; Harlow's Bus Sales Inc, 768.97; Hazen Hardware Hank, 395.19; Hazen Motor Co, 36893.00; Hiway Express, 779.72; J&L Automotive LLC, 45.95; Joyce Lemer, 129.50; Kadrmas Lee & Jackson, 16876.42; Kandi McConnell, 38.50; Kasey Lesmann, 100.00; Krause's Super Valu, 116.12; Loren Wiest, 490.00; Mel Roth Oil, 179.90; Menards, 204.83; Monte Erhardt, 21.50; ND Department of Health, 25.00; NAPA, 710.14; Northern Safety Co, 180.83; Pam Borlaug, 85.18; Peg Rahn, 49.00; Pitney Bowes, 420.00; Southwest Water Authority, 41180.88; Stein's Inc, 265.00; Steve Frovarp, 22.68; Magic Tricks, 120.00. On roll call vote; Pillar, "Aye", Stern, "Aye", Haack, "Aye", Wolf, "Aye", motion carried.

There being no further business the meeting was adjourned at 6:27 PM CT. The next regular meeting of the commission will be Monday, July 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