

**Hazen City Commission
Regular Meeting
April 6, 2015
Hazen City Hall**

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

Absent: Commissioner Haack & Commissioner Wolf.

Others Present: Attorney Donovan, Planner Frovarp, Auditor Erhardt, Editor Erickson, Buster Langowski, Paul Doll, Darrold Bertsch, Darren Mund, PW Director Ron Neuberger, Victoria Degenstein, Sarah Quenette, Eva Byerley (members of the Coal Country Leadership Academy), Tim William, Steve Martin, Ken Link, Mark Johnson-Brian Mager (Ulteig), Myra Savelkoul, Kelsey Timmer, and Dan Frei.

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

Minutes: Commissioner Brunmeier moved to dispense with the reading of the March 16th minutes and approve them as presented, second by Commissioner Stern. Motion unanimously carried.

Commissioner Brunmeier moved to dispense with the reading of the March 26th minutes and approve them as presented, second by Commissioner Stern. Motion unanimously carried.

Agenda: President Obenauer asked to add Ulteig Engineers as item 4D on the agenda. Commissioner Stern moved to approve the agenda as amended, second by Commissioner Brunmeier. Motion unanimously carried.

CONSULTATION WITH ATTORNEY & ENGINEER

SMC Hospital Update – D. Bertsch: Darrold Bertsch, SMC, met with the commission to update them on the hospital project. Mr. Bertsch explained the project was originally intended to add a clinic and ER space to the current facility but this has now changed to a completely new facility, SE of the current location. The capital campaign continues to raise funds for the construction project and the estimated cost of the new facility is \$28.7 million with the necessary elevation levels to qualify for USDA funding. Mr. Bertsch said they are anticipating a blended finance package of approximately 2% and they hope to break ground later this year. President Obenauer said the process will include building the new structure, which will connect to Senior Suites, and then demo the old structure and Mr. Bertsch stated that is correct. There were no other questions from the commission and they thanked Mr. Bertsch for the update.

Williams Building Company Inc: Tim Williams and Steve Martin appeared before the commission to present information on a proposed development project in the area southeast of the current RV Park. The development plan is to include construction of single family residences and multi-family rental apartments, in phases, on the property based on market demand. Williams Building would like the city

to consider approving a conditional site control agreement for a period of one (1) year with the option to extend it if necessary. President Obenauer asked about the construction and the workforce. Mr. Williams said the building team tries to leverage as much local workforce as possible and they will be working with local contractors and vendors, when they can. President Obenauer asked about the plan for the project and Mr. Williams said they are currently working on the financial pieces of the project, when they are completed they will then proceed with the design portion and if all goes as planned they hope to start construction in spring of 2016, depending on market demand. Commissioner Stern asked if the city is only required to provide water/sewer to the property boundary and Mr. Williams said that is correct and added the facilities must be sized to support the increased capacity. Commissioner Stern then turned to Mark Johnson, Ulteig, who advised that they are sizing the pumps on the city projects with this increased demand in mind so it should not be an issue. Commissioner Stern then asked about the deeding of the land and if the project does not proceed the property would then revert to the city with the improvements and Mr. Williams again indicated that is the way the agreement is worded and the five (5) year horizon is a realistic plan. Commissioner Stern then asked if they would be providing any type of bonding for the project and Mr. Williams said from the bank perspective they need to show sufficient equity to qualify. Mr. Johnson then asked if the right-of-way within the development is being considered public right-of-way and Mr. Miller indicated that is the intention of Williams Builders. Commissioner Stern then asked about the bulk tanks owned by Cenex and who would be responsible to move them. Paul Doll was present and indicated the removal of the bulk tanks has been discussed by the board and they will be trying to acquire land near Highway 200 and they understand that for the city to grow these will likely have to be moved but they may seek some assistance to accomplish this. Commissioner Stern asked about the Renaissance Zone and it was determined that the Renaissance Zone presently only includes the area of the proposed hotel and would not include this development unless it were expanded. President Obenauer made it clear that the RV Park is staying where it is, for now, under this development plan. Ken Link asked if the cost of the infrastructure, in the development, would be part of the lot price or if Williams Builders intended to seek special assessments for this and Mr. Williams indicated this is typically passed on to the property buyer and they have no plans to special assess any infrastructure costs. Commissioner Stern asked if Attorney Donovan had any concerns with the proposed agreement. Attorney Donovan was not certain if he had reviewed the document before the commission at this time as he had reviewed and commented on previous draft of the document. Mark Nygard said that previous developers have had certain start/completion dates in the agreement and President Obenauer said this is a one (1) year option from the date signed, with an option to extend if necessary. Commissioner Brunmeier moved to approve the Option Agreement/Conditional Site Control Agreement, contingent upon review of the city attorney, second by Commissioner Stern. Upon discussion Commissioner Stern verified that the only cost to be borne by the city would include the water, sewer, a small portion of street and engineering to get these to the property boundary. Mr. Doll inquired about a timeline for removal of

the bulk plant and was advised it is not a concern at this time. On roll call vote; Brunmeier, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

WRT Fiber Install 2016: Bonnie Krause, Kory McGraw and James Byerley (WRT) met with the commission to share information about plans to install fiber optic cable within the city of Hazen in 2016. Ms. Krause stated this process will actually begin this year by notifying all the WRT customers and then installing optical network terminals on each home. The 2016 project will include 4170 locations and will include 790 miles of cable. The use of fiber optic will allow WRT to provide increased speed for their service. President Obenauer asked if residents can refuse the upgrade and Ms. Krause said the copper wire will be abandoned so it could no longer be used for WRT services. Mr. McGraw explained the five stage process to the commission stating that communication with the public is the key in a project of this size. Commissioner Brunmeier asked about current fiber connections and was advised they are only to a few businesses at this time. Mr. Johnson asked about getting file information to keep the city GIS information up to date and Mr. McGraw said they would be able to provide the shape files. Commissioner Brunmeier asked about the size of the boxes that will be installed on the homes and was advised they are approximately twelve (12") inches by eight (8") inches. Mr. Byerley said the modems inside the home can be re-used but the boxes on the exterior will all be replaced. Ms. Krause thanked the commission for their time and stated she just wanted to make them aware of what would be coming in the future.

Ulteig Update: Mark Johnson informed the commission that all the field work for the surge projects has been completed. Mr. Johnson then introduced Brian Mager who will be doing the design and construction engineering, when applicable, on the projects and design is still expected to be delivered by April 27th.

REQUEST OF CITIZENS

Local Permit – Meridian Lodge 116: Commissioner Brunmeier moved to approve local permit #2015-08 for a raffle to be conducted by Meridian Lodge 116, second by Commissioner Stern. Motion unanimously approved.

REPORTS

President: President Obenauer had nothing at this time.

Water/Sewer: Commissioner Brunmeier shared information on some of the sessions at the recent ND League of Cities March Madness Conference.

Street/Cemetery: Commissioner Stern advised the commission that Director Neuberger had received one estimate to make repairs of the sidewalk at the Pocket Park and he was waiting for additional estimates before bringing it to the commission for approval. President Obenauer suggested contacting the other businesses in this area to see if they wished to make repairs as they may be able to receive a lower cost estimate.

Finance/Busing: Commissioner Wolf was absent – no report. Auditor Erhardt advised the commission that they are still waiting for approval of the categorical exclusions to proceed with the bus facility project.

Police/Fire: Commissioner Haack absent – no report.

CORRESPONDENCE

NDIRF Annual Meeting: Commissioner Brunmeier moved to approve proxy vote for the upcoming NDIRF Annual meeting, second by Commissioner Stern. Motion unanimously approved.

101 Things to Do Section – BHG: The commission reviewed information relating to the "101 Things to Do" section to be placed in area newspapers. Commissioner Stern moved to approve a ¼ page, full-color at a cost of \$185, second by Commissioner Brunmeier. Upon discussion President Obenauer suggested trying to include updated photographs of area attractions. On roll call vote; Stern, "Aye", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

OLD BUSINESS

American Tower Lease Extension Amendment: Attorney Donovan has reviewed the proposed amendment to the American Tower Lease Agreement and everything appears to be acceptable. Commissioner Brunmeier moved to approve the Second Amendment to the Lease Agreement, second by Commissioner Stern. On roll call vote; Brunmeier, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Nuisance Discussion: Commissioner Haack had forwarded information about the current nuisance ordinance language and he would like the board to discuss how to proceed. President Obenauer said everything discussed previously is in the ordinance and it is more a matter of educating the public and then enforcing the current ordinance. Commissioner Brunmeier suggested working with the county landfill for impounding of vehicles under our ordinance. President Obenauer would like to table this matter until Commissioner Haack is present. President Obenauer also said Commissioner Haack had talked to him about the condition of the parking lot near the commerce center. This parking lot is in very poor shape and the commission needs to come up with a plan to address the repairs. Planner Frovarp provided some history as to why the parking lot is still property of the city and President Obenauer suggested the board may want to consider repairing a smaller area and creating green space at the location.

Jetter/Vacuum Trailer Bid Award: Commissioner Brunmeier said the water department staff had reviewed the specifications and bids as received. Commissioner Brunmeier moved to accept the bid of Sanitation Products for the purchase of a new 500 gallon trailer mounted jetter/vacuum at a cost of \$158,599.00, second by Commissioner Stern. On roll call vote; Brunmeier, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

NEW BUSINESS

Fire Hall Gutter Replacement – Proposal(s): Commissioner Stern informed the commission that the rain gutters on the south side of the fire hall are leaking, especially over the walk-in door. Commissioner Stern presented proposals from Western Steel Builders in the amount of \$3750 and from Reliable Rain Gutters in the amount of \$1150. Commissioner Stern moved to accept the proposal of Reliable Rain Gutters, second by Commissioner Brunmeier. On discussion there was a question as the difference in the bid amount and Commissioner Stern said that one was bidding six (6”) gutters and the other was for five (5”) gutters, with five (5”) gutters being sufficient. On roll call vote; Stern, “Aye”, Brunmeier, “Aye”, Obenauer, “Aye”, motion carried.

Approval of Bills: Commissioner Brunmeier moved to approve the bills, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: Pitney Bowes, 420.00; RDO Equipment Co, 950; US Postal Service, 269.05, March Payroll/Benefits, 119842.51, AED Everywhere, 209.60; BHG Inc, 2471.06; Capital City Restaurant Supply, 736.27; Cardmember Service, 37.99; Cenex, 4480.52; Convention & Visitors Bureau, 2360.53; D&E Supply Co, 224.06; Dan Wettstein, 320.00; Ecolab Pest Elimination, 97.29; Elias Ternes, 186.25; Fastenal Co, 216.50; Grafix Shoppe, 343.45; Hawkins Inc, 524.50; Hazen Hardware, 610.63; Hazen Motor Co, 1820.69; Hazen Welding, 160.00; Hiway Express, 2464.56; Interstate Battery, 74.85; J&L Automotive LLC, 621.71; Judy Brunmeier, 114.25; Kasey Lesmann, 100.00 Krause’s Super Valu, 107.25; Lignite Tire, 8.00; M&A Heating & Air Conditioning, 5088.00; Mel Roth Oil, 70.31; Mercer County Treasurer, 3812.34; Monte Erhardt, 250.28; Municipal Government Academy, 360.00; ND Department of Health, 32.00; ND League of Cities, 35.00; NAPA, 362.90; Northern Safety Co, 188.91; Pam Borlaug, 100.00; Preble Medical Services, 138.00; Productivity Plus Account, 272.00; Radisson Hotel Bismarck, 74.70; Roughrider Electric Coop Inc, 359.57; Shannan Fink, 128.47; Share Corp, 180.31; Sleep Inn & Suites, 3213.00; Southwest Water Authority, 21397.75; Starion Bond Services, 256735.75; Stein’s Inc, 251.44; Steve Frovarp, 21.28; USA Blue Book, 197.52; Verizon Wireless, 312.91; West Dakota Lumber, 21.98; West River Telecommunications, 843.20. Motion unanimously approved.

There being no further business the meeting was adjourned at 6:45 PM CT. The Board of Equalization will meet on Tuesday, April 14th at 5:30 PM CT at Hazen City Hall. The next regular meeting of the commission will be Monday, April 20, 2015 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor