

**Hazen City Commission
Regular Meeting
October 6, 2014
Hazen City Hall**

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

Others Present: Attorney Donovan, Editor Coleman, Auditor Erhardt, Assessor Steve Frovarp, Mark Johnson (Ulteig), Public Works Director Neuberger, Ken Link, Terry Boehm (KLJ), Terri Phillion, Dan Frei, Carla Borlaug, Bonnie Johnson, Loren Novak, and Blaine Lemer.

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

Minutes: Commissioner Brunmeier moved to dispense with the reading of the September 15th minutes and approve them as presented, second by Commissioner Wolf. Motion unanimously carried.

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

CONSULTATION WITH ATTORNEY & ENGINEER

CWSRF Loan Program: Mark Johnson, Ulteig Engineers, informed the commission that the Clean Water State Revolving Fund Loan Program has changed slightly and his firm will be preparing the paperwork necessary for the city to get the city on the list of eligible projects. In response to a question of Commissioner Stern, Mr. Johnson advised the paperwork identifies a project and estimated cost to ensure the city is included as a potential recipient for future projects.

Discussion – Water Treatment Plant/Equipment: President Obenauer said the city no longer uses the water treatment plant and it is not a suitable back-up due to the time necessary to get it back in service so the commission should think about options for it. Mr. Johnson said it is not necessary to do anything at this time but he had prepared a proposal to advertise the plant for salvage and the engineering fees appear quite high due to the oversight needed for the project. Mr. Johnson advised the valves, if removed, are not necessarily re-usable in another area. President Obenauer asked if some of the oversight could be done by city staff to reduce these costs and was advised that is an option. Commissioner Stern asked if the clear well could be used as storage for SW Water and Mr. Johnson advised there would be stagnation issues and both systems would likely have to be maintained separately. Commissioner Stern also expressed concern with the outstanding debt, several hundred thousand dollars, still owed on the treatment plant improvements completed several years ago. President Obenauer asked if there would be value in selling the building and could the city look at something elevated for additional water storage. Mr. Johnson agreed that it may be wise to look at

another water tower if the city will be developing additional areas and added there is a community that may be able to use the entire system but he could not elaborate further at this time.

Commissioner Stern asked if there any consideration to discontinuing service with Southwest Water in the future. President Obenauer said it would be nice to see what the citizens have to say about this. Ken Link said the windows in the plant are removable to get equipment in and out without damage to the building and Terry Boehm suggested contacting Tonka Water Systems about purchasing the system as our equipment is up to date and relatively new. Commissioner Stern expressed concern that city is only receiving 525 gallons/minute flow rate from SW Water and several at the meeting thought this amount sounded low. No further action was taken at this time pending further information with regard to the needs of another community.

2014 Street Project – Pay Estimate #4 – Bituminous Paving: Terry Boehm, KLJ Engineers, advised the commission that the street project is approximately 90% complete, the paving is done and the gate valves and covers should be done by the end of the week, leaving only the striping to be completed. Once the striping is complete, a final review and acceptance will be done and then the one (1) year warranty period begins. Before the warranty period expires another review will be completed and if there are issues the contractor will be required to come back and address them. President Obenauer asked if a breakdown of costs for each individual street will be provided and Mr. Boehm said it would be prepared and presented to the board and special assessment commission. Mr. Boehm also said it appears that the project, with the changes, will be close to the original cost. Commissioner Stern asked about the double line striping and Mr. Boehm advised this was being done at the request of the Police Department for enforcement purposes. Commissioner Stern also asked about a note regarding the asphalt tests and Mr. Boehm advised there were some concerns with initial tests of the asphalt being too high in oil content but this was on the first overlay in many areas and the quantities were adjusted throughout the project. Mr. Boehm explained that too much oil decreases the air voids in the asphalt which can affect the quality of the pavement and this is one of the things that will be watched closely during the warranty period. Commissioner Stern asked about a cracked area on the frontage road and Mr. Boehm advised there was an issue in one area which was removed and repaired. Mr. Boehm then asked the commission to consider approval of pay estimate #4 on the project. Commissioner Wolf moved to approve pay estimate #4 to Bituminous Paving in the amount of \$988,833.54, second by Commissioner Stern. On roll call vote; Wolf, “Aye”, Stern, “Aye”, Brunmeier, “Aye”, Haack, “Aye”, Obenauer, “Aye”, motion carried.

REQUEST OF CITIZENS

CVB 2015 Budget: Carla Borlaug presented the 2015 Convention and Visitors Bureau Budget. Also present were Terri Phillion, Chamber Director, Bonnie Johnson and Dan Frei CVB members. Ms. Borlaug indicated the budget is very similar every year and does include transfer of 25% of hospitality tax revenue to the reserve fund. Overall the budget estimates include total revenue \$35,000 (\$26,250 after reserve) and expenditures of \$26,250. Commissioner Stern had a question about the tax and Ms.

Borlaug advised it is 1% hospitality/marketing tax and 1% restaurant/lodging tax. Commissioner Wolf moved to approve the 2015 CBV Budget as presented, second by Commissioner Haack. On roll call vote; Wolf, "Aye", Haack, "Aye", Stern, "Aye", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

Mobility Impaired Parking Spot – Main Street: Commissioner Stern said he was contacted by Jack and Hazen Jensen with regard to a mobility impaired parking spot near their business. There was discussion about one spot designated in the public parking lot south of Main Street and Commissioner Haack asked if one is added on Main Street can the spot in the parking lot be removed. President Obenauer was concerned if this was a spot for citizen parking or the business owner and asked how many spots are needed downtown. Mr. Boehm said determination is generally based on occupancy and square footage. The commission would like to see the spot included near the end of the street near Central Avenue and the city would then have to put in the proper signage.

Centennial Revenue/Expenditure Report: Commissioner Stern had a question about the city's contribution to the centennial committee and the overall revenue/expenditures of the committee. President Obenauer said the centennial committee had distributed funds to different organizations within the city, with requested uses for the funds. The city received \$8000, the forestry department received \$8000, the park district received \$8000, the golf club received \$8000 and SMC received \$10000. Attorney Donovan, who serves on the committee, said the organization has now dissolved and they thank the city for the contribution, which they used as wisely as they could. Attorney Donovan said the centennial could not take all the credit but the taxable sales of the city increased nearly 14% when comparing the third quarter of 2012 and 2013. Attorney Donovan also feels the contribution was an investment in the community and they would gladly provide the financial records if requested. Commissioner Brunmeier asked about the next celebration in twenty-five (25) years and Attorney Donovan suggested some type of nominal fee on the utility billing which residents could opt in/opt out of paying.

Curb-stop Damage/Repairs – L. Novak: Loren Novak is in the process of constructing a home on Elbowoods Drive and had the curb stop installed. The curb stop, which was above ground level, was recently damaged by unknown sources and Mr. Novak would like to know who's responsible for the cost to repair or replace the curb stop. Commissioner Brunmeier stated the city is responsible from the main to the curb stop and the property owner is responsible from the curb stop to the structure. President Obenauer asked who had installed the curb stop and why it was not installed close to ground level. Planner Frovarp said that in the case of age or malfunction the city replaces the curb stop at its cost. Commissioner Stern added that the last two (2) curb stops that were damaged were replaced at the property owner's expense. Mr. Novak said he has an idea who may have damaged the curb stop but they have not come forward at this time to claim responsibility. Mark Johnson said the boulevard is city property but it is still maintained by the property owner so the city may make the repairs but the cost is sent back to the property owner. President Obenauer said the city needs to remain consistent in handling these matters. Mr. Novak then asked what about damage to a hydrant. Terry Boehm suggested a hydrant is for everyone's use while a curb stop serves a specific property. Mr. Novak told

the commission that he did also file a police report in this matter and asked if he could ask his own contractor to complete the work. President Obenauer stated there would be no objection to the local contractor completing the work.

REPORTS

President: President Obenauer spoke about a strategic planning session the city worked on in 2003 and how surveys were used to determine what the residents saw as issues facing the city and how the city could improve on certain things. President Obenauer would like to start a similar process and not necessarily re-do the entire plan but at least get some public input on issues facing the city. President Obenauer discussed a survey mailing and/or an online survey to get input. President Obenauer said there are many new residents that may have ideas and he sees a large percentage of Hazen grads returning to work in the area industries. President Obenauer also said the street sweeper is in need of being replaced as it takes two or three passes to pick up the leaves. Commissioner Stern said money was budgeted to purchase a replacement sweeper.

Water/Sewer: Commissioner Brunmeier said a meeting has been set up to determine equipment needed and specifications for purchase of the vac/jet trailer that was budget for in 2015.

Street/Cemetery: Commissioner Stern told the commission that the bike path north of Cenex has been re-sealed and it looks good although some areas are still rough. Planner Frovarp said he had also looked at the area and it appears the cracks have been sealed as water did not appear to be going into them. The work done is acceptable to the city and ND DOT will be notified.

Finance/Busing: Commissioner Wolf said the quarterly busing report shows rides for 4,362 passengers and the buses are running some double routes for school children. A former employee has agreed to return to serve as substitute/temporary driver in times of need.

Police/Fire: Commissioner Haack advised the commission that the rescue truck has been sold to Rosebud Fire Department and will likely be picked up by them near the end of this month or the beginning of November. The truck is being purchased for \$77,000 which is slightly less than the advertised price. Commissioner Haack said the police department has provided recommendations to make the junk/nuisance ordinance more enforceable and the next step will be to get commission and public input and finally prepare information to educate the public on the ordinance and how it will be enforced.

OLD BUSINESS

HCD Mill Levy Vote: Commissioner Stern had questions about the last vote on the HCD mill levy and presented information from a meeting in July of 2012 when he was informed that a vote to rescind previous action would require approval of four (4) commissioners. Attorney Donovan said that shortly after being elected, Commissioner Stern made a motion to rescind a contract with Annabelle Homes and Attorney Donovan said this would have required advance notice and higher number of votes. Commissioner Stern thought this matter was similar as the concern at the time of the Annabelle

motion related to the engineering expense budget. Attorney Donovan advised the commission that the purpose of the public hearing on the budget is to make adjustments/changes to the budget as often as necessary prior to final approval. Commissioner Stern agreed that there is a difference between action on a contract and action taken at a public hearing.

2015 Budget Approval: The commission was advised the budget presented to them included all the changes requested, including the buy-down of property taxes with sales tax funds, during the public process and was now ready for final action. Commissioner Stern asked how much sales tax funding would be used for the buy down and was advised just over \$10,400 for the property tax buy down and also some for the street project and other items that were designated by prior action, in all just under \$200,000 sales tax funds would be utilized in the 2015 budget. Commissioner Stern also asked about the tax statements that would be coming this fall and was advised that, with the sales tax buy-down, the city portion of taxes would be about \$2 less on a \$240,000 property. Commissioner Wolf moved to approve the 2015 budget as presented, second by Commissioner Haack. On roll call vote; Wolf, "Aye", Haack, "Aye", Stern, "Nay", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

NEW BUSINESS

Needs Assessment Survey – City Report Card: President Obenauer had discussed this during his report.

Request for Duplicate Warrant: Commissioner Wolf moved to approve a duplicate warrant in the amount of \$100 to Kurt Milbradt for a lost warrant check, second by Commissioner Brunmeier. On roll call vote; Wolf, "Aye", Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Approval of Bills: Commissioner Stern had a question about the bill to Ulteig Engineers for the RV Park and was advised that there should be no additional bills for the RV Park as the Park Board has an agreement with Ulteig for this project and if this is billed incorrectly it will not be paid. The commission was advised that the grass on the Elbowoods project has taken hold and has begun to grow so the final payment of \$6,865 can be paid to Tand Construction to close out the project. Commissioner Wolf moved to approve the bills, with additions/corrections discussed, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: US Postal Service, 279.08; Verizon Wireless, 104.92; Payroll, 112,196.16; AED Everywhere, 187.00; BHG Inc, 967.38; Bituminous Paving Inc, 988833.54; Black Mountain Software, 5091.00; Cardmember Service, 50.80; Cenex, 3779.57; Convention & Visitors Bureau, 4256.28; D&E Supply Co, 138.41; Dakota Communications, 28.00; Dakota Fire Extinguishers, 505.58; Dan Wettstein, 320.00; Department of Transportation, 2782.20; Duckwall-Alco, 26.49; Fastenal Co, 835.05; Ferguson Waterworks, 675.89; Great Lines Inc, 839.00; Hawkins Inc, 5.00; Hazen Hardware Inc, 542.44; Hazen Motor Co, 485.85; Hazen Welding, 447.50; Hiway Express, 3509.97; Interstate Battery, 74.97; J&L Automotive LLC, 580.50; Jerry Obenauer, 175.00; Joyce Lemer, 21.00; Kadrmas, Lee & Jackson, 24135.99; Krause Super Valu, 127.39; Kurt Milbradt, 100.00; Lange & Donovan PLLP, 1516.25; Mel Roth Oil, 319.35; Mercer County Ambulance,

497.00; Mercer County Treasurer, 4283.82; Monte Erhardt, 99.44; NAPA, 726.41; ND Firemen's Assoc., 65.00; Obenauer Plumbing LLP, 151.80; POST Board, 90.00; Paula Straub, 31.50; Peggy Rahn, 1205.81; Pitney Bowes, 420.00; Plunkett's, 135.20; Preble Medical Services, 53.00; Ron Muth, 150.00; Roughrider Electric Coop Inc, 165.00; Sakakawea Medical Center, 245.00; SBM Inc, 158.48; Southwest Water Authority, 25636.42; St. Alexius Medical Center, 187.50; Steve Frovarp, 47.46; Swanston Equipment Corp, 159.23; Tand Construction LLC, 6865.00; Ulteig Engineers, 1998.00; Verizon Wireless, 168.48; VT Hackney Inc, 201993.93; West River Telecommunications, 831.70. Motion unanimously approved.

There being no further business the meeting was adjourned at 6:58 PM CT. The next regular meeting of the commission will be Monday, October 20, 2014 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor