

**Hazen City Commission
Regular Meeting
January 20, 2014
Hazen City Hall**

Present: President Nygard, Vice President Obenauer, Commissioner Brunmeier, Commissioner Stern and Commissioner Wolf.

Others Present: Attorney Donovan, Editor Baumgarten, Planner Frovarp, Auditor Erhardt, Jesse Flath and Buster Langowski.

Meeting Called to order at 5:30 PM CT.

Minutes: Commissioner Obenauer moved to dispense with the reading of the January 6th minutes and approve them as presented, second by Commissioner Wolf. Motion unanimously carried.

Agenda: Commissioner Brunmeier moved to approve the agenda, second by Commissioner Obenauer. Raffle permit request of Sakakwea Friends of NRA was added to the agenda as item 7C. Motion unanimously carried.

CONSULTATION WITH ATTORNEY & ENGINEER

Information Multifamily Capital Resources Incorporated Project: Buster Langowski updated the commission on a presentation with regard to the Multifamily Capital Resources Incorporated project to build senior and workforce housing units in the city of Hazen that will be heard at the February 3 meeting. Mr. Langowski advised that Joe Armstrong (MCR) has put together a proposal which will look at this situation and advised they are not looking at outside resources for this project. Funding for the project will be from housing tax credits and the housing incentive fund. Mr. Armstrong has worked with HUD on the East Coast and other states and is very familiar with funding and tax incentives for a project of this nature. Mr. Langowski advised that the original plan was for 65 units but it has been scaled back 36 units and that the project must be affiliated with a 501 C (3) foundation. Mr. Armstrong will be asking the city to approve a 1 year conditional use agreement to move forward with this project and they will need to submit paperwork for funding to begin the project in 2015. The proposed location of the project is the area south of the former grass dumpsite and is approximately 5 acres in size. Mr. Langowski advised that some of the key pieces of the project are three units reserved for the open market and three units for essential worker such as hospital or city staff. Mr. Langowski also explained that eligibility for the units would first be within the local area prior to looking at the larger regional area and is based on the income of the person/family applying for housing. President Nygard asked about the percentage of funding available for the project to Mr. Langowski advised that housing incentive funds would be a dollar for dollar match. Mr. Langowski also advised the commission that

Mr. Armstrong was planning to move to the area to make future contacts and to be available as the project is being developed and constructed. Commissioner Stern suggested that, worst-case scenario, if the project doesn't go the only thing it would cost the city would be the tying up the land for one year and Mr. Langowski indicated that would be the case. Mr. Langowski also suggested that the company could request a one-year extension based on the housing incentive fund applications being due by the end of January so they are looking at 2015 for this project. President Nygard would like the recent housing study made available to the commission for review.

Ulteig Engineering Work Order – Enerbase Subdivision Plat: Commissioner Obenauer moved to approve the work order with Ulteig Engineering with regard to work done on the Enerbase Subdivision plat, second by Commissioner Brunmeier. On discussion President Nygard asked how many hours they estimated it to be and Planner Frovarp indicated no estimated hours were in the work order but that it should be fairly low. On roll call vote, Obenauer, "Aye", Brunmeier, "Aye", Stern, "Aye", Wolf, "Aye", Nygard, "Aye", motion carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Free/Reduced Hall Rent – Hazen Sportsman's Club: Commissioner Wolf moved to approve use of the hall without cost, subject to the normal kitchen fee, as requested by the Hazen Sportsman's Club, second by Commissioner Obenauer. On roll call vote; Wolf, "Aye", Obenauer, "Aye" Brunmeier, "Aye", Stern, "Aye", Nygard, "Aye", motion carried.

Raffle Permit #2014-02 – Hazen Lion's Club: Commissioner Obenauer moved to approve local raffle permit number 2014 – 02 as requested by the Hazen Lions Club, second by Commissioner Brunmeier. On roll call vote; Obenauer, "Aye", Brunmeier, "Aye", Stern, "Aye", Wolf, "Aye", Nygard, "Aye", motion carried.

Raffle Permit #2014-03 – Sakakawea Friends of NRA: Jesse Flath met with the commission to present an application for a local permit to raise funds for the Sakakawea Friends of the NRA chapter. Last year their raffle was conducted at the golf course and Mr. Flath would like to hold the drawing at City Hall this year on September 20th. Commissioner Wolf moved to approve local raffle permit #2014-03 to Sakakawea Friends of NRA, second by Commissioner Stern. On roll call vote; Wolf, "Aye", Stern, "Aye", Brunmeier, "Aye", Obenauer, "Aye", Nygard, "Aye", motion carried.

REPORTS

President: President Nygard told the commission that he held a department head meeting, today, and that the meeting was just a general discussion on safety especially with the cold weather and with the increased truck traffic through the city. President Nygard also discussed future staffing needs as employees consider retirement. With regard to a proposed city auction, President Nygard has asked the department heads to compile a list of items that they would like to dispose of. President Nygard also indicated that he would not be present for the February 3rd meeting. President Nygard then also advised the commissioners that he does not intend to run for re-election as president of the

commission. The commission then presented a card to Editor Baumgarten and thanked her for her coverage of the meetings.

Water/Sewer: Commissioner Brunmeier advised the board that the water department needs to replace a pager that has quit working. Commissioner Brunmeier moved to approve replacing the faulty pager at a cost not to exceed \$500, second by Commissioner Stern. On roll call vote; Brunmeier, "Aye", Stern, "Aye", Obenauer, "Aye", Wolf, "Aye", Nygard, "Aye", motion carried. Commissioner Brunmeier also wanted to thank the street crews for addressing the ice concerns on the streets.

Street/Cemetery: Commissioner Stern advised the board that the repairs of the Freightliner truck had not been started as yet as the service provider has not been able to get to Hazen and that parts would not be on hand so they would need to be ordered.

Finance/Busing: Commissioner Wolf advised the board that the van has been ordered and is expected to be delivered the first or second week of February.

Police/Fire: Commissioner Obenauer advised the board he had nothing to report with regard to police and fire however, with regard to forestry some trees have been marked that need to be taken care of. Some trees, within an alley, have been determined to be on city property and Commissioner Obenauer has spoken to an MDU representative who will work with our crew to remove the trees safely.

OLD BUSINESS

Main Street Project Discussion: President Nygard told the board that last week he had a chance to meet with a representative of K L J about the street project and has received an estimate which has been provided to the board however, they have not had much time to review it. President Nygard advised that the major difference with regard to the project, as recommended by K L J, is that they are suggesting an overlay without milling from west of the welding shop to Highway 200. President Nygard suggested the board needs to decide if they want to do a project larger in scope, as represented in the estimate, or stay with a project that is smaller in scope, or something in between. Commissioner Stern asked about the work to be done on Second Avenue and the Frontage Road and was advised that these projects were included based on the map that he been prepared by Director Quast earlier and that there may be other areas that need to be addressed as well. Mr. Flath recommended the board consider or take a look at the corner of Beaumont and Center Drive as this area also may be in need of repair. President Nygard said that could be looked at and indicated that he would like to see this project done before school starts in the fall. Commissioner Obenauer suggested they look at when Highway 200 is being paved this summer and President Nygard indicated, he was told, that the batch plant may not be available for other work. President Nygard then asked the board how they would like to proceed, the scope of the project, and who should be engineering the project. Commissioner Stern suggested that smaller street costs will be quite high based on the number of owners and that the Ash Road estimate appears to be much lower than the previous estimate. Commissioner Obenauer asked what the alternatives may be and Commissioner Stern suggested splitting the project up more among all of the property owners of the city. President Nygard agreed that doing a larger project may be more

of an economy of scale especially when considering the cost of Ash Road, for example, which would be assessed to three property owners and would be quite expensive unless spread among a greater area. Commissioner Stern asked about the fee schedules of Ulteig and K L J and was advised that engineering costs will likely be very similar between them. President Nygard said that Ulteig is appointed as city engineer however, if the project is defined, the city may use any engineering firm to complete the project. Commissioner Stern stated he would like to see this project done as presented in the estimate, but would like to keep the cost per lot down and again suggested including the entire city in the district and to utilize highway and sales tax funds. President Nygard agreed that highway funds and sales tax funds should be used to reduce the costs, as that as what they were set aside for. Mr. Flath suggested working the formula backwards based on the number of lots and determining the scope of the project from there. Attorney Donovan said that is a good suggestion but the process cannot be done in that way as the assessment board must base the project costs on the benefit to each property owner. President Nygard agrees there must be a consideration of the costs of the project but then suggested something needed to be done either a larger project now or smaller projects each year which must be addressed individually by the special assessment board. Commissioner Stern said he would like to see as much done as possible. Attorney Donovan again said the process must be based on the benefit to each property owner and President Nygard asked how other cities deal with this type of issue. Attorney Donovan suggested developing a plan based on the need and then looking at the district as part of the plan. Commissioner Stern said that Main Street must be done and the other roads, not used as much, must be done in the near future. President Nygard feels the smaller the project the higher the costs, such as materials, mobilization and engineering. Commissioner Obenauer agreed that as much should be done as can be and President Nygard then asked where the city stops when determining the project scope. Attorney Donovan stated the district is to be determined in consultation with the engineer and said the board would need to first select the engineer and then define the city boundaries, which have changed in the past couple years. Commissioner Obenauer would like to see an estimate from Ulteig based on the scope as presented by K L J, to compare apples to apples. Commissioner Stern asked if the first step is to select an engineer and Attorney Donovan advised the board to; 1) determine size/scope of the project, 2) select an engineer and, 3) define the boundaries of the district. Commissioner Stern would like to look at the smaller streets proposed and the estimated cost based on the number of lots.

NEW BUSINESS

Purchase Approval – PC/Monitor(s) – Utility Billing Department: Auditor Erhardt informed the board that one of the monitors in the utility billing department is failing and that the PC used is still running on Windows XP which will not be supported after April 2014. Auditor Erhardt received a quote to purchase a new PC and two monitors at a cost of \$1445.19. Commissioner Wolf moved to approve the purchase of the PC and monitors at a cost of \$1445.19, second by Commissioner Stern. Upon discussion Commissioner Stern asked if this was for one PC and was advised yes it was one PC and the

majority of the costs are for software. On roll call vote; Wolf, "Aye", Stern, "Aye", Brunmeier, "Aye", Obenauer, "Aye", Nygard, "Aye", motion carried.

Budget Amendments/Transfers: Commissioner Wolf moved to approve 2013 budget amendments, second by Commissioner Obenauer. The amendments are as follows: General Fund, \$2,775; Transportation Fund, \$70,000 (Bus Purchase); Urban Renewal Fund \$50,000 (Generator Purchase); Promotions Fund \$9,800 (Rev exceeded estimates); HCD Enterprise Fund \$40,200 (Unbudgeted Projects/Incentives); Elbowoods Water/Sewer \$341,660 (engineering/construction); Garbage Utility Fund \$117,375 (Truck Purchase); Library Fund \$20,125 (Building/Equipment Expenses). On roll call vote; Wolf, "Aye", Obenauer, "Aye", Stern, "Aye", Brunmeier, "Aye", Nygard, "Aye", motion carried. Commissioner Obenauer moved to approve the budget transfers as presented, second by Commissioner Stern. Upon discussion Commissioner Stern asked if the transfers in any way limits the use of the funds and was advised that the commission will still have ultimate control of the funds and they may be appropriated as needed. On roll call vote; Obenauer, "Aye", Stern, "Aye", Brunmeier, "Aye", Wolf, "Aye", Nygard, "Aye", motion carried.

Approval of Bills: Commissioner Brunmeier moved to approve payment of bills, second by Commissioner Wolf. The pre-paid and bills approved to be paid are as follows: Roughrider Electric Coop Inc, 3758.70; Adam Sailer, 125.00; Arden Sanford, 125.00; Cenex, 3864.22; Chuck Dahl, 112.75; Convention & Visitors Bureau, 3405.00; D&E Supply Co, 257.93; Dacotah Paper Co, 380.50; Dakota Transit Association, 80.00; Dan Wettstein, 320.00; Discovery Benefits Inc, 25.00; Fargo Water Equipment/DSG, 228.45; Fastenal Co, 11.02; Ferguson Waterworks, 87.64; Hazen Community Development, 5489.36; Hazen Drug, 7.96; Hazen Hardware Inc, 708.38; Heather Kreil, 125.00; Hex Armor Performance Fabrics Inc, 311.72; Jessica Borlaug, 125.00; Joyce Lemer, 124.27; Kurt Milbradt, 100.00; Lange & Donovan PLLP, 855.50; Mercer County Ambulance, 15.25; Mercer County Auditor, 2154.00; Mercer County Weed Board, 118.00; Mitchell Olson, 125.00; Montana Dakota Utility, 6089.41; ND Department of Health, 32.00; North Dakota One Call Inc, 1.10; Northland Financial, 302.00; Obenauer Plumbing LLP, 155.00; Paula Straub, 21.41; Power Plan, 522.62; Promiseland Designs, 125.00; RDO Truck Centers, 23.33; Roughrider Services, 55.14; Sakakawea Hazen Clinic, 344.00; Sanitation Products Inc, 154.10; SBM Inc, 104.94; Secretary of State, 10.00; Smith & Loveless Inc, 165.11; Stein's Inc, 210.59; Steve Frovarp, 24.30; Verizon Wireless, 49.33; VT Hackney Inc, 94474.00; Water Pressure Credit, 350.00. Motion unanimously carried.

There being no further business the meeting was adjourned at 6:50 PM CT. The next regular meeting of the commission will be February 3, 2014 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, Vice President

Attest: _____
Monte J. Erhardt, Auditor