

**Hazen City Commission
Regular Meeting
February 6, 2017
Hazen City Hall**

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

Others Present: Attorney Donovan, Planner Frovarp, Auditor Erhardt, PW Director Neuberger, Craig Lohstreter, Leonard Hibel, and Buster Langowski.

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

Minutes: Commissioner Wolf moved to suspend the reading and approve the minutes of the January 16th meeting, as presented, second by Commissioner Haack. Motion unanimously carried.

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

INTRODUCTION, READING & APPROVAL OF ORDINANCES

MDU/RR Electric Service Area Agreement and Franchise Ordinance Amendments: The commission reviewed the proposed franchise ordinances of Montana Dakota Utility and Roughrider Electric Cooperative Inc. Commissioner Wolf moved to approve the second reading and adopt the updated franchise ordinances of both agencies, second by Commissioner Pillar. On roll call vote; Wolf, "Aye", Pillar, "Aye", Stern, "Aye", Haack, "Aye", Obenauer, "Aye", second reading and adoption of franchise ordinances approved.

REQUEST OF CITIZENS

Local Permit – Hazen Lions Club – Calendar Raffle: Commissioner Haack moved to approve local permit #2017-02 as requested by the Hazen Lions Club to conduct a calendar raffle from March 1, 2017 to May 31, 2017, with drawings to be held at Union State Bank, Hazen, second by Commissioner Stern. Motion unanimously carried.

Free/Reduced Hall Rent – Hazen Hospital Auxiliary: Commissioner Wolf moved to approve free use of city hall, subject to the kitchen fee (if applicable), as requested by the Hazen Hospital Auxiliary for the date of April 23, 2017, second by Commissioner Pillar. Motion unanimously carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Building Permit w/variance – Duma: Planner Frovarp informed the commission that Mr. Duma has applied for a building permit for a proposed addition to his home at 705 4th Street NE. The application

will require a four-foot (4') side yard variance but will not extend past the west side of the house. Commissioner Pillar moved to approve the building permit with the variance, as requested, second by Commissioner Wolf. On roll call vote: Pillar, "Aye", Wolf, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

REPORTS

President: President Obenauer had nothing to report at this time.

Water/Sewer/Garbage: Commissioner Stern suggested the commission look at the current water rates and determine if a rate increase may be necessary based on continuing increases for the purchase of water from the Southwest Water Authority.

Street/Cemetery: Commissioner Haack reported that street crews are trying to scrape ice from streets, where possible. PW Director Neuberger said the crew has finished removing the middle ridge from all the streets and they are still trying to locate replacement parts for the orange dump truck. Director Neuberger suggested the city keep looking for a suitable replacement truck. President Obenauer asked Director Neuberger to address the condition of 7th Street from NAPA to Cenex. Director Neuberger said they will work with the school to address this at a suitable time to cause the least disruption of traffic around the school.

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

Police/Fire/Forestry: Commissioner Pillar informed the commission that Forester Doll had attended a recent conference and he is looking forward to summer to put some of the new skills to use. Commissioner Pillar has also has been in contact with Fire Chief Burling and he has eight (8) fire department members that will be attending fire school soon. Commissioner Pillar also stated that Chief Burling is reviewing equipment and radio needs. President Obenauer asked Commissioner Pillar to contact Chief Dahl about a vehicle that has been setting in an alley for several days.

HCD: Buster Langowski informed the commission that weather is still affecting progress on the Hazen Pioneer Apartments project.

OLD BUSINESS

Hotel Construction: President Obenauer informed the commission that he recently had the opportunity to attend a meeting relating to a group that is organizing a push for a new hotel. There is interest from another individual and the core group of investors that are proposing to build on the location that has previously been discussed. The hotel would still be a Grandstay facility and work has started to secure financing. President Obenauer stated there are questions about the land owned by the city and the fact that the value of the property could be used to help achieve financing if deeded to Hazen Community Development. President Obenauer feels there is a benefit to this idea as the property will generate sales tax, lodging taxes and there are also plans for an indoor pool and conference room to accommodate two hundred fifty (250) people. Buster Langowski agreed that if the property is deeded to HCD the appraised value of the land can be used as equity for the project. Mr.

Langowski also stated that it has been discussed to arrive at an agreement whereby HCD would be exempt from a call on the note if the project does not proceed as planned. President Obenauer asked the commission to think about the project and if the city would be willing to deed the land to HCD as it would be a huge boost to the project. President Obenauer then asked for comments or concerns from the other commission members. Commissioner Stern said the city has invested a lot of money into the property and he would support such a transfer so long as the city would not be responsible for any additional infrastructure. President Obenauer agreed. Mr. Langowski said the group supporting the project are considering Flex-Pace financing options with the Bank of North Dakota, whereby the value of the land could be used to cover some of the costs of the option up to a maximum of \$136,000. Planner Frovarp asked if the value is only for the land or if it also includes the infrastructure and Mr. Langowski indicated the value does include infrastructure. Commissioner Pillar asked if the city is the only entity that can give land as part of the Flex-Pace process and stated he understands the concept of deeding the property to HCD to remove the direct link to the city. There was discussion about additional infrastructure and President Obenauer stated that paving of the street would only be completed after building construction is final. Commissioner Wolf stated that anything the board can do to benefit the community is a good idea and Commissioner Haack also agreed with Commissioners Stern and Wolf. Mr. Langowski said there are still questions as to the actual design of the building. President Obenauer, based on comments, feels the board is in favor of deeding the property and the board can consider further action in the future.

NEW BUSINESS

Fire Chief Appointment: President Obenauer moved to an item under new business and thanked Fire Chief Wettstein for his service to the community. The commission received a letter of resignation from Fire Chief Dan Wettstein. Mr. Wettstein was present and stated that he is only resigning the position of chief and will remain a member of the fire department. Mr. Wettstein also explained that the department held open elections for the position of Chief and Stan Burling was elected. Commissioner Pillar moved to accept the resignation of Mr. Wettstein and formally appoint Stan Burling as Fire Chief for the City of Hazen, second by Commissioner Stern. Upon discussion Commissioner Haack also thanked Mr. Wettstein for his service. On roll call vote; Pillar, "Aye", Stern, "Aye", Haack, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried.

NEW BUSINESS

Request(s) for Duplicate Warrant: The commission reviewed a request for duplicate check from AFLAC to replace a check that was lost or mutilated in the mail. Commissioner Pillar moved to approve the issuance of a duplicate check as requested, second by Commissioner Wolf. On roll call vote; Pillar, "Aye", Wolf, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

2016 Budget Amendments: Commissioner Wolf moved to approve amendments to the 2016 budget, second by Commissioner Stern. On roll call vote; Wolf, "Aye", Stern, "Aye", Pillar, "Aye", Haack, "Aye"

Obenauer, "Aye", motion carried. Revenue Budgets were increased \$169,857.35 and expenditure budgets were increased by \$556,975.75. Detailed fund amendments are available for review at the city auditor's office.

Approval of Bills: Commissioner Wolf moved to approve the bills, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: Marco Technologies, 326.39; US Postal Service, 264.12; Verizon Wireless, 115.84; E H Wachs, 7070.00; Universal Premium Fleetcard, 8828.03; Payroll, 156297.24; Ameripride Linen & Apparel Service, 490.50; Bank of ND, 11350.00; BHG Inc, 1514.73; Bobcat of Mandan, 67.00; Cardmember Service, 218.85; Carley Hjelman, 69.51; Carrie Ott, 54.92; Cenex, 4326.41; Clinton Goven, 125.00; CVB, 3118.62; Dakota Fire Extinguishers, 461.72; Daniel Madche, 125.00; Fastenal, 50.07; HCD, 30.00; Hazen Hardware, 612.75; Hazen Motor Co, 1977.07; Hazen Parks & Rec, 20000.00; ITD, 10.30; J&L Automotive LLC, 2298.52; Jonathan Doll, 407.12; Jordan Heflin, 86.38; Joshua Erhardt, 225.00; Krause's Super Valu, 115.18; Lange Donovan & Kaffar PLLP, 1025.00; Loren Wiest, 140.00; Marc Corp, 850.06; Mark Christiansen, 125.00; Menards, 36.53; Mercer Co Treasurer, 5206.76; MDU, 5399.58; Monte Erhardt, 88.08; MFOA, 30.00; ND Dept of Health, 32.00; ND Dept of Health, 663.35; ND Surplus Property, 150.00; NAPA, 1927.99; NDAAO, 30.00; Pam Borlaug, 19.25; Peggy Rahn, 125.61; Power Plan, 429.62; Pro Forms, 1012.86; Promiseland Designs, 20.00 Railroad Management Co III LLC, 194.55; SBM, 132.58; Share Corp, 557.28; Shawna Ross, 46.06; Southwest Water Authority, 28134.74; Stein's Inc, 445.34; Steven Meadows, 125.00; The Hub, 1866.43; Tractor Supply, 355.96; Verizon Wireless, 252.26; Wallwork Truck Center, 568.33; West River Telecommunications, 1380.96; Western Steel Builders, 982.53. 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 6:02 PM CT. The next regular meeting of the commission will be Monday, February 20, 2017 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor