

**Hazen City Commission
Regular Meeting
May 1, 2017
Hazen City Hall**

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

Absent: Commissioner Wolf

Others Present: Auditor Erhardt, Editor Arens, Planner Frovarp, Shannan Senger, Josh Reiner (Moore Eng.), PW Director Neuberger, Robert & Jerusha Seal, Buster Langowski and Attorney Donovan.

The meeting was called to order at 5:29 PM CT by President Obenauer.

Minutes: Commissioner Haack moved to suspend the reading and approve the minutes of the April 17th meeting, as presented, second by Commissioner Pillar. Motion unanimously carried.

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

CONSULTATION WITH ATTORNEY & ENGINEER:

Street Survey/Projects – Moore Engineering: Mr. Reiner had not arrived at the meeting so the commission will address this item when he is present.

REQUEST OF CITIZENS

Water Bills – Seal Rentals: Robert & Jerusha Seal appeared before the commission regarding water bills from a leak at a property they own. Mr. Seal explained that a tenant had left the property, turned off the heat to the building and pipes burst causing a large consumption. Mr. Seal explained that the plumbing was repaired and the building lost the heat, due to suspected vandalism, and there was again a large consumption owed by them, as property owners. Mr. Seal said they are trying to repair all the properties they purchased in Hazen. Commissioner Pillar asked what they were looking for from the commission and Mr. Seal stated they are willing to pay their share of the billing but would like the commission to consider assistance with the renter's bill. President Obenauer explained that any water that has gone through the meter is the responsibility of the property owner and Mr. Seal asked if there was anything that could be done to help them out. Commissioner Stern suggested billing just the cities cost of the water. Commissioner Haack agreed that could be a good option but he would like the Seals to what they could collect from the renter, through the legal process. Mr. Seal again stated they are just hoping to get some assistance. Commissioner Stern moved to charge the city's cost of the water for the actual amount metered, for the renter's bill only. President Obenauer called for a second, two (2) times and declared the motion died for lack of a second. Mr. Seal asked if the commission would

consider giving them time to pay the balance to allow them to get a court judgment and or make payments. Commissioner Pillar said he was inclined to support that and Shannan Senger said such a course of action has been approved in the past. Commissioner Pillar moved to allow a six-month period for payment of the account, if not paid in full it will be assessed to the property tax, second by Commissioner Haack. On roll call vote; Pillar, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

CONSULTATION WITH ATTORNEY & ENGINEER:

Street Survey/Projects – Moore Engineering: Josh Reiner, Moore Engineering, was present and provided an opinion of cost for street projects. The opinion broke the costs into four (4) parts with part 1 being chip sealing of the 2014 and 2016 projects, \$360,500; part 2 being chip sealing of remaining streets that did not require milling, \$373,250; part 3 being ship sealing remaining streets after milling or full depth replacement, \$426,500; and part 4 being general conditions such as striping and curb work, \$101,200. The estimated cost for construction is \$1,261,450 with a total cost, including legal, engineering and contingencies is \$1,560,000. President Obenauer stated he would like to wait with major work and look at chip sealing only the 2014 and 2016 projects suing available sales tax funds. President Obenauer asked if the city would be too late to proceed with this portion of the project and Mr. Reiner explained that the city would not be too late to complete only parts one and two, the chip sealing portions. Commissioner Pillar asked if there is a, "line in the sand" when the city would have to determine if they wish to proceed with the milling and overlay. Mr. Reiner explained that if the decision is made within the next month it could still likely be completed. President Obenauer felt the time was becoming too far gone and Commissioner Pillar stated there is ample time to complete parts 1 and 2 if the commission were to make the decision at the next meeting. When the topic moved to payment for the projects, Commissioner Stern said that all four parts could be looked at and they could be special assessed. Attorney Donovan said there may be an issue getting these taken care of as the process to proceed with special assessments takes additional time due to publication requirements and a protest period. Commissioner Stern the suggested that part 1 of the opinion could be postponed until the next year and, once the city knows what is available from the infrastructure loan program, proceed with the entire scope of the project, based on the street survey. President Obenauer asked if there would be an issue with the streets paved in 2014 and 2016 if the city were to wait another year and Mr. Reiner stated, in his opinion, this should not be an issue. Mr. Reiner explained that the city may be required to complete ADA improvements if any portion of the project involves an alteration of a street. Mr. Reiner then explained the difference between street maintenance (crack sealing/chip sealing) and alterations (milling/overlay/full depth replacement) that would trigger the need for ADA improvements based on Department of Justice guidelines. No further action taken at this time.

REQUEST OF CITIZENS

Free/Reduced Hall Rent – Benefit – Hazen Lions & Friends: Commissioner Pillar moved to approve a request for free use of the hall on May 21, 2017, subject to the kitchen fee (if necessary), for a benefit by the Hazen Lions and Friends, second by Commissioner Haack. Motion unanimously carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Variance Request – T. Beery: The commission reviewed a request for an eight-foot (8'), front yard variance as requested by Tom Beery to construct a detached garage at 513 4th Street NE. Planner Frovarp explained that the proposed structure does not extend past the current structure on the property which is only five-feet (5') from the property line. Commissioner Stern moved to approve the variance request of Mr. Beery, as presented, second by Commissioner Haack. On roll call vote; Stern, "Aye", Haack, "Aye", Pillar, "Aye", Obenauer, "Aye", motion carried.

Variance Request – J. White: The commission reviewed a request for a seven and one-half foot (7 ½'), side yard variance as request by James White to construct a deck at 513 5th Ave NE. Planner Frovarp explained that Mr. White had a deck at this location, for nearly twenty years which had to be taken out to remove a diseased tree. Mr. White would now like to replace the deck using the same footprint as the previous deck. Commissioner Haack moved to approve the variance request of Mr. White, as presented, second by Commissioner Pillar. On roll call vote; Haack, "Aye", Pillar, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Building Permit – Ambulance Building – Western Steel Builders: The commission reviewed an application for building permit to construct an addition on to the current ambulance bay to provide sleeping rooms and living space. The addition to the building will be on the south-east side of the current structure and does not require any variances. Planner Frovarp explained that the commission needs to address this permit because the property is zoned as commercial. Commissioner Pillar moved to approve the building permit application of Western Steel Builders for the addition to the ambulance bay, as presented, second by Commissioner Haack. On roll call vote; Pillar, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Renaissance Zone Application(s) – Zahn/Mandate Machinery: Buster Langowski presented two (2) renaissance zone applications for the board's consideration. The first application is from Lonnie & Judy Zahn for a residential structure at 607 3rd Street NW. Mr. Langowski informed the commission that other property owners in this area had also applied, and received approval, of similar requests and the estimated property tax benefit of this application is \$12,500. Mr. Langowski asked the commission to consider approving the application contingent upon receipt of the Letter of Good Standing from the ND Tax Commissioner's Office. Commissioner Haack moved to approve the renaissance zone application of Lonnie & Judy Zahn, contingent upon receipt of the letter of good standing, second by Commissioner Pillar. On roll call vote; Haack, "Aye", Pillar, "Aye", Stern, "Nay", Obenauer, "Aye", motion carried. The second application is for Mandate Machinery for improvements of the structure at 108 12th Ave NW. Mr. Langowski explained that the current value of the building is \$300,000, and the proposed improvements are estimated to cost \$160,000. Commissioner Stern asked if the tax exemption is for

five (5) years. Planner Frovarp explained that the exemption, under the renaissance zone, is only for the added value of the property after the improvements. Commissioner Pillar asked about the proposed improvements and Mr. Langowski advised they will be completing interior and exterior improvements to the building. Mr. Langowski again asked the commission to consider approving the application contingent upon receipt of the Letter of Good Standing from the ND Tax Commissioner's office. Commissioner Haack moved to approve the renaissance zone application of Mandate Machinery, contingent upon receipt of the letter of good standing, second by Commissioner Pillar. Upon discussion Commissioner Stern expressed concern about when the full value of this property would be taxable as there have been many exemptions approved in the past. Planner Frovarp stated that it has been taxed at full value. Commissioner Stern referred to the structure when it was under Noble Games. Planner Frovarp stated the full value has been on the tax rolls since that exemption expired. Commissioner Stern also had concerns about the estimated cost of improvements seeming high to meet the eligibility threshold. Mr. Langowski explained that the property owner had acquired estimated costs from local contractor(s) for the improvements. On roll call vote; Haack, "Aye", Pillar, "Aye", Stern, "Nay", Obenauer, "Aye", motion carried.

REPORTS

President: President Obenauer informed the commission that he would like to have additional fence installed around the generator at city hall and the estimated cost of materials is \$1012.50. President Obenauer said he would like to see this area cleaned up and the additional fence would also protect the generator. The street department staff will construct the fence. Commissioner Haack moved to approve funds, up to, \$1,012.50 to construct the additional fence, second by Commissioner Stern. On roll call vote; Haack, "Aye", Stern, "Aye", Pillar, "Aye", Obenauer, "Aye", motion carried.

President Obenauer also spoke about this past year's snow removal and the fact that the city should be "keeping an eye open", for a truck. President Obenauer shared the cost of \$54,931 for this past year's snow removal. Commissioner Stern spoke about the amount of \$20,000 approved for contractors to assist with snow removal and was informed that payment to Pride Contracting had nearly reached this amount.

President Obenauer also said that he and PW Director Neuberger met with Mike Joy of Doboszinski & Sons about crushing of the city concrete and asphalt material when they mobilize to complete work at the old hospital. Mr. Joy estimates mobilization from the hospital site to the city site at \$1,500 and he also estimates the city has 30,000 tons of material to be crushed at an estimated cost of \$100,000. If the city wishes they can crush one-half of the pile for one-half the cost. Once crushed, the asphalt and concrete will be mixed to provide material that will remain suitable for city use for a longer period. Commissioner Haack questioned the hours crushing will be conducted at the hospital site and President Obenauer said it would only be done during regular work hours. The hours crushing would be done at the city site may be longer, such as daylight hours. Commissioner Stern said if the whole pile is crushed does the city have to use it up in a year or two and President Obenauer said that it will

not “stick together” as much if the materials are mixed. Mr. Langowski said that local businesses may be interested in purchasing material from the city for private use. Commissioner Haack moved to have Doboszinski mobilize and crush the entire pile of material available at the city site, second by Commissioner Stern. On roll call vote; Haack, “Aye”, Stern, “Aye”, Pillar, “Aye”, Obenauer, “Aye”, motion carried.

Water/Sewer/Garbage: Commissioner Stern informed the commission of two (2) water leaks along the west end of Main Street. One repair replaced a copper line from the main and one leak was due to a leaking saddle on the main. President Obenauer was concerned as to why this would happen within such a close proximity and short timeframe.

Street/Cemetery: Commissioner Haack asked about the previous discussion relating to alley restoration as part of the fiber project in the city. Auditor Erhardt explained that the plan was to have PW Director Neuberger work with Mr. McGraw at WRT to review this and address any concerns. Commissioner Haack informed the commission that there are areas of the city shop that need repair, including the roof which was damaged this winter and a portion of the north wall that is rusting out. Western Steel Builders provided an estimated cost to make the repairs as follows: to repair the roof properly (removing/replacing damaged purlin and sheeting) \$6,756.00, to repair the roof by attempting to straighten the purlin and patch the holes in the roof sheeting \$2,796, to remove and replace damaged wall panels, 1,877. Commissioner Haack moved to repair the roof at a cost of \$6,756 and repair the wall at a cost of \$1,877, second by Commissioner Pillar. Upon discussion, there were questions as to the age of the building and the expected life expectancy. Planner Frovarp believes the original building was constructed in 1985 or 1986 and there were additions to the structure over time. On roll call vote; Haack, “Aye”, Pillar, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

Finance/Busing: Commissioner Wolf absent. No report.

Police/Fire/Forestry: Commissioner Pillar informed the commission that Fire Chief Burling assisted with the inspection of the Energy Capital Cooperative Child Care Center, which was successfully completed recently. Commissioner Pillar also informed the commission that the fire department will be hosting a large building search training in the old hospital as well as extraction classes to maintain their certification. The fire department will be purchasing one set of bunker gear which was included in the current budget. President Obenauer noted that the training and work of our volunteer fire department is very impressive.

HCD: Buster Langowski informed the commission that the Pioneer Apartment project is moving along and they hope to have the slab for the new structure poured this week. Mr. Langowski said the Commerce Center is now 100% occupied and it will be advertised for sale. Mr. Langowski added, they are still looking at increasing the size of the parking lot to provide adequate space for staff and customers.

CORRESPONDENCE

Nuisance Ordinance Letter – M. Quinn: The commission received a letter of concern as to enforcement of the city nuisance ordinance. President Obenauer asked Commissioner Pillar to follow-up on this matter with the police department.

OLD BUSINESS

SSBCI – JPA/Addendum: The commission reviewed an Addendum to Cooperative Joint Powers Agreement relating to the North Dakota Opportunity Fund which is the former State Small Business Credit Initiative. Planner Frovarp brought information of this program change to the board at the previous meeting. Commissioner Haack moved to approve the Addendum to the Cooperative Joint Powers Agreement, as presented, second by Commissioner Pillar. On roll call vote; Haack, “Aye”, Pillar, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

Heritage Park: President Obenauer informed the commission that he is working with a group of people to update areas of Heritage Park, east of the library. This includes discussion of moving the canopy from the old hospital entrance, installing sidewalks and ADA enhancements to the park. The idea is to create a more useable space for community activities and events. President Obenauer will ask members of the group to come to a future meeting to share a report of the fundraising efforts and to share ideas.

Forestry – Missouri Gravel Bed: Commissioner Pillar has been communicating with Forester Doll about the installation of a Missouri Gravel Bed system to start “bare root” trees for city use. Forester Doll has done research on the equipment necessary for a drip irrigation system and estimates the cost to create the system to be less than \$2500. Commissioner Pillar moved to establish a Missouri Gravel Bed system and authorize Forester Doll to expend, up to, \$2500 for the project, second by Commissioner Stern. Upon discussion Commissioner Stern asked how the trees in this system stand up to wind and Commissioner Pillar said that based on many trees in a small area they stand up quite well. On roll call vote; Pillar, “Aye”, Stern, “Aye”, Haack, “Aye”, Obenauer, “Aye”, motion carried.

Joint Powers Agreement – HCD/City – Proposed Hotel Property: The commission was informed that a date of April 1, 2019 is to be used for duration of a Joint Powers Agreement relating to the proposed hotel site property, which had been discussed at the previous meeting. Commissioner Pillar moved to accept the City of Hazen/Hazen Community Development Corporation Joint Powers Agreement with the date specific duration of agreement, second by Commissioner Haack. Upon discussion Attorney Donovan asked Mr. Langowski if this date was acceptable to HCD and Mr. Langowski said it was. On roll call vote; Pillar, “Aye”, Haack, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

NEW BUSINESS

Bus Bids: After publication, bids for the purchase of a 20 +2 passenger bus were opened and read aloud at this time. The first bid is from Harlow’s Bus Sales Inc for a 2017 F-550 Ford Starcraft All-Star XL bus meeting all base bid specifications in the amount of \$86,100. The second bid is from North Central Bus & Equipment Inc for a 2018 Blue Bird Commercial Vision Bus meeting all base bid specifications in

the amount of \$108,256 and a total bid of \$109,256 with optional equipment. A third bid had been received after the deadline so it was not opened and will be returned to the bidder. The bids will be provided to ND DOT-Transit Section for review and recommendation for award.

Spraying Proposal(s): The commission received two (2) proposals for commercial spraying of city property. The first proposal is from Don Ballensky (Spruce It Up Lawn & Tree) in the amount of \$3,140. The second proposal is from Arlo Bakker (K&K Spraying) in the amount of \$4,160. President Obenauer asked how we know what is being applicated and PW Director Neuberger stated they must file a report with the state. Commissioner Pillar moved to accept the proposal of Mr. Ballensky (Spruce It Up Lawn & Tree), second by Commissioner Haack. On roll call vote; Pillar, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

Arbor Day: The commission was informed that Forester Doll has selected May 12, 2017 to observe Arbor Day in the City of Hazen. Forester Doll is working on a program and tree give-away for the observance. President Obenauer signed the City of Hazen Arbor Day Proclamation.

Approval of Bills: Commissioner Haack moved to approve the bills, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: US Postal Service, 264.612; April Payroll, 144783.28; AED Everywhere, 372.50; BHG Inc, 702.80; Black Mountain Software, 100.00; Cardmember Service, 483.81; CVB, 2209.74; Fastenal, 20.35; Hazen Fire Dept, 23.33; Hazen Hardware Inc, 205.12; Joyce Lemer, 161.00; Krause's Super Valu, 190.86; Lange Donovan & Kaffar PLLP, 991.25; Loren Wiest, 490.00; M&T Fire & Safety Inc, 1610.00; Magnum Electric Inc, 105.00; Marco Technologies, 326.39; Menards, 35.76; Monte Erhardt, 85.40; Obenauer Plumbing LLP, 5020.55; Pam Borlaug, 17.12; Preble Medical, 30.00 Productivity Plus Acct, 172.51; Roughrider Electric Coop Inc, 110.00; Roy Schoen, 38.15; Sanitation Products Inc, 383.21; SBM Inc, 198.00; Scott Leintz, 37.01; Share Corp, 1150.07; SW Water Authority, 23236.18; Stein's Inc, 375.16; Swanston Equipment Corp, 721.13; The Hub, 93.95; Uline, 64.76; Universal Premium Fleetcard, 2963.27; USA Blue Book, 22.66; Verizon Wireless, 115.94. On roll call vote; Haack, "Aye", Stern, "Aye", Pillar, "Aye", Obenauer, "Aye", motion carried.

There being no further business the meeting was adjourned at 7:16 PM CT. The next regular meeting of the commission will be Monday, May 15, 2017 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor