

**Hazen City Commission
Regular Meeting
August 20, 2018
Hazen City Hall**

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

Others Present: PW Director Brousseau, Planner Senger, Auditor Erhardt, Attorney Donovan, Editor Arens, Jerod Klabunde, Luke Arnold & Jon Schroeder (Moore Engineering), Trevor Christianson & Ted Billadeau (Mayo Construction), Al Mautz, Nathan Busche and Buster Langowski.

The meeting was called to order at 5:28 PM by President Obenauer.
President Obenauer led the Pledge of Allegiance.

Minutes: Commissioner Wolf moved to suspend the reading and approve the minutes of the August 4th meeting, second by Commissioner Pillar. Motion unanimously carried.

Agenda: Commissioner Stern moved to approve the agenda, with the addition of crushing as item 5E, second by Commissioner Pillar. Motion unanimously carried.

CONSULTATION WITH ATTORNEY & ENGINEER

2018 Street Project: Ted Billadeau, Mayo Construction, informed the commission that paving has been completed. Crack sealing has been completed and the chip seal will be completed the week after the harvest fest event. The concrete crew is back completing work and clean-up work will continue. Commissioner Pillar asked about the manhole cover on the west end of Divide Ave and this will be reviewed by the contractor after the meeting.
(Representatives of Moore Engineering had not arrived for the meeting to the commission proceeded to address citizen requests)

REQUEST OF CITIZENS

Free/Reduced Hall Rent – Benefit – Hazen Lions Club: Commissioner Pillar moved to approve free/reduced rent of the hall for a medical benefit conducted by Hazen Lions Club on October 7, 2018, second by Commissioner Wolf. Motion unanimously approved.

Dog Park: President Obenauer addressed an original request to develop a dog park in the area near the city tree nursery. The project is proposed by Jasmine Busche as part of the Girls Scouts of America Gold Award Project. Ms. Busche met with the Hazen Park Board and an alternative location has been proposed on park district property in North Star II park, near the baseball field(s). Al Mautz, Hazen Park Board, set this location is close to the walking path and vehicle parking. Commissioner Wolf asked if the park board will maintain the property and Mr. Mautz indicated the park district staff currently maintains it. As this location is entirely on park district property there is no longer a need for approval

from the city commission but, they wished to share this information. President Obenauer asked if Ms. Busche intended to begin fundraising so the project can be constructed in the spring of 2019 and Nathan Busche indicated yes.

CONSULTATION WITH ATTORNEY & ENGINEER (cont'd)

2018 Street Project – Pay Estimate #4: Luke Arnold, Moore Engineering presented Pay Estimate #4, as submitted by Mayo Construction in the amount of \$1,522,411.12. This pay estimate includes all paving, curb and gutter work but, does not include crack sealing or remaining concrete work. Based on quantity, Moore Engineering recommends an adjustment of \$172,751.43 bringing the pay estimate to \$1,349,659.69. This reduction relates to patching previously discussed and negotiated with the contractor. There was discussion on the plan specification which stated pavement was to be completed within five (5) days of a street being milled. Commissioner Pillar would like to see further conversations as to what happened on the project and what caused most of the issues that required additional patching. Commissioner Pillar moved to approve the recommended payment, to the contractor, in the amount of \$1,349,659.69, second by Commissioner Haack. Upon discussion, President Obenauer referred to a meeting with the contractor about the patching questions and concerns. Trevor Christianson, Mayo Construction, said he realized that \$170,861.43 is a lot of work for patching and then discussed the fact that 1,500 tons of asphalt mix had to be removed and that the previous estimate paid for 1,100 tons of asphalt but the current estimate now takes away all the cost for removal, patching and repairs which is a major loss for the contractor. Mr. Christianson said they are trying to work with the city but, this is taking away money from the last pay estimate. Commissioner Pillar expressed concern about the costs and the amount of time that streets were left “open” after being milled. President Obenauer also talked about patching being discussed during other meetings and Mr. Christianson said these concerns were not brought to the contractor. Mr. Christianson said they had expressed concerns about the condition of the streets prior to milling. President Obenauer said there are several sticky points such as; cost, the milling and being open for so long and the contractor indicating this is common practice. Mr. Christianson said he could not remember a project where entire streets were milled, it is generally a deeper milling near the curb and less toward the center of the street. Mr. Christianson said the milling of streets began on June 13th and paving began on July 2nd and there were discussions with the engineer about what streets to cover first, reconstructed or milled streets. Mr. Christianson said their concerns were brought up weekly and it required more planning to properly fix the streets and make them right. Mr. Christianson said that most of the project was not designed on DOT spec and Mr. Arnold said that it was bid based on the spec contained in the project plans, including the DOT spec. Mr. Billadeau said it was discussed several times that there were soft, thin areas of pavement and President Obenauer asked if they were soft after six days or ten to fifteen days. Mr. Christianson said the additional patching is a benefit to the city and the patching was required and approved by the engineer. Mr. Christianson said the cost of patching presented is less than allowed by DOT spec. Jerod Klabunde, Moore Engineering, said he agreed with most of what was said but, the schedule did change from what was originally presented at the pre-construction meeting. Mr. Arnold suggested all parties sit down and discuss the matter further

to determine a proper amount since, some patching was required. There was also discussion about the timing of marking of soft areas with Mr. Billadeau indicating that some of these were marked only the day before paving. Commissioner Pillar asked about the decision to do concrete base on Divide Avenue and how quickly the contractor's concerns were expressed and addressed. Mr. Billadeau indicated that the concerns were expressed in the weekly meetings on June 22nd and June 29th and the patching process is very slow. Mr. Christianson referred again to the DOT specs and said there was "flexing" of the asphalt on the 2" milled streets and questioned what may have caused some of the pavement failures. Commissioner Pillar said those are the discussion that need to be had so the commission can make informed decisions. Commissioner Stern asked what dollar amount the contractor is looking at and Mr. Christianson said they had reduced their amount by \$11,000 based on the large areas that were patched, which can be done more quickly, and said the question is what amount of patching was needed. President Obenauer said that, bottom line, the streets should be good and said the city commission depends on the contractor and engineer to guide them. Attorney Donovan said the motion, before the commission, does not deny payment. President Obenauer said the problem is that all the board needs to hear the discussion to decide. On roll call vote; Pillar, "Aye", Haack, "Aye", Stern, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried. The commission will schedule a special meeting to hear, and discuss, the costs for patching.

2018 Street Project – Engineering/Budget Update: Mr. Klabunde told the commission that he was not involved when the engineering contract for the project was written and stated he currently anticipates the engineering cost to be slightly over budget because of additions and change orders. Currently he estimates the amount to be \$28,000 or 3.9% of the contract. Mr. Klabunde said they could look at scaling back some services to try to reduce this amount. Commissioner Stern asked if Moore Engineering is considering a deduction for the patching as well, based on the DOT spec of five days and this not being addressed at the time of construction. Mr. Klabunde stated they do not direct how the contractor is to complete the work, they don't dictate the means and methods. President Obenauer asked if there was ever a question about not following the spec. Commissioner Pillar asked about the contractors comment on waiting for direction and if there is some shared responsibility for these costs. Mr. Klabunde could not recall any such issues. Commissioner Pillar asked about consequences to the city if services were scaled back by the engineers and Mr. Klabunde said there are some cities that handle this work themselves or contract with the county for oversight. President Obenauer said the city understood that there could, and likely would, be issues as the project progressed. Commissioner Pillar said this is more of a "heads up" that, if the city continues as planned, we may be over budget. Mr. Klabunde said he could break down the cost for the adjustments made to the project. Commissioner Stern had a question about work on the curb and sidewalk south of WRT and was informed that this was looked at upon request of WRT and the sidewalk work would be billed back to them but, the contractor will not be able to add this to the project. Commissioner Stern also had concern with the way some of the curb work was done and Commissioner Wolf talked about backfilling of replaced curbs and curbs that were repaired and later had to be removed. Jon Schroeder, Moore Engineering said there were three specific locations where the curb had to be removed, after replacement. Mr. Christianson said he understood the commission's frustration but, a project of this

magnitude took much coordination to complete in one year. Mr. Klabunde informed the commission that the project is scheduled for substantial completion on September 22nd and contractor is on schedule to complete work by that date.

BND Loan Requisition #4: Commissioner Pillar moved to approve Bank of ND loan requisition #4 in the amount of \$1,416,845.19, second by Commissioner Stern. On roll call vote; Pillar, "Aye", Stern, "Aye", Haack, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried.

Crushing: The commission discussed a proposal to crush the recovered asphalt and concrete from the project. The estimated cost is \$147,000. Commissioner Wolf moved to proceed with the crushing, based on the estimate, and utilize sales tax dollars to reduce the cost to citizens, second by Commissioner Haack. On roll call vote; Wolf, "Aye", Haack, "Aye", Pillar, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried. Mr. Billadeau reminded the commission that the quantities are an estimate and the final quantity will be determined after crushing is complete.

INTRODUCTION, READING & APPROVAL OF ORDINANCES

Nuisance/Junk Vehicle Ordinance: The commission reviewed an example of an ordinance relating to nuisance property and junk vehicles as presented by Chief Wolff. A meeting to review and update the city ordinance will be scheduled with Attorney Donovan, Chief Wolff, Planner Senger and Auditor Erhardt so a proposed ordinance can be presented at the September meeting.

APPROVAL OF APPLICATIONS AND BUILDING PERMITS

Building Permit w/Variance Request – S. Frovarp: The commission reviewed an application for building permit presented by Steve Frovarp to construct a detached deck on his property at 401 3rd Street NW. The deck will be on the east side of his residence and will require a variance of ten feet (10') on the east side and a six-foot (6') variance on the north side of the residence. Commissioner Haack moved to approve the building permit, and variance request, second by Commissioner Stern. On roll call vote; Haack, "Aye", Stern, "Aye", Pillar, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried.

REPORTS

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

Water/Sewer/Garbage: Commissioner Stern had nothing to report at this time. President Obenauer asked about progress in cleaning up manholes and gate valves after street project work. Commissioner Stern was not aware of any concerns but, he will contact department staff to inquire.

Street/Cemetery: Commissioner Haack had nothing to report at this time.

Finance/Busing: Commissioner Wolf informed the board that bus staff is preparing for the start of school.

Police/Fire/Forestry: Commissioner Pillar had nothing to report at this time.

HCD: Buster Langowski had nothing to report at this time.

OLD BUSINESS

School Zone Signage: Police Chief Wolff and PW Director Brousseau have determined the location for School Zone signs that were previously discussed and approved by the commission. The city will be purchasing, up to, thirteen signs for placement around the school and the commission agrees to proceed with the signage.

Sales Tax Measure: The commission reviewed the proposed measure to remove the single purchase sales tax cap of \$25. Commissioner Stern asked about the cost to include the measure on the ballot and was informed the cost should be less than a couple hundred dollars. Commissioner Wolf moved to place the sales tax cap measure on the ballot, for the city of Hazen, second by Commissioner Haack. Upon discussion Commissioner Stern asked why the current limit was \$25. It was determined that this was “boilerplate” language used by cities when adopting a Home Rule Charter. On roll call vote; Wolf, “Aye”, Haack, “Aye”, Pillar, “Aye”, Stern, “Nay”, Obenauer, “Aye”, motion carried.

NEW BUSINESS

Emergency Plan: The commission reviewed information of an emergency plan being developed by the county emergency manager. The emergency manager has obtained a grant for one-half of the estimated \$3400 cost and the water resource board has agreed to cover an additional \$850 of the costs. The city would be required to fund at least \$425 or, up to, \$850 depending on final action by the county commission. Commissioner Haack moved to proceed with development of the emergency plan, up to \$425, second by Commissioner Pillar. Pending final action by the county commission the city may re-address this matter at a future meeting. On roll call vote; Haack, “Aye”, Pillar, “Aye”, Stern, “Aye”, Wolf, “Aye”, Obenauer, “Aye”, motion carried.

September 3rd Meeting: With the first Monday of the month falling on the Labor Day Holiday the commission rescheduled the first regular meeting of the month to September 4th, at 5:30 PM CT.

Approval of Bills and Financial Statements: Commissioner Wolf moved to approve the bills as presented, second by Commissioner Stern. Pre-paid and bills approved for payment are as follows: Ameripride, 661.00; Auto Value Part Stores, 2268.98; Bank of ND, 32645.19; Central Landscape, 310.00; Dakota Supply Group, 63.28; Extreme Sales, 3780.40; Fastenal, 17.96; Fitterer Oil LLC, 115.99; Hazen Motor Co, 53.75; Hazen Winter Sports, 556.05; High Plains Concepts, 121.96; Johnny Gallegos, 79.64; M&A Heating & Air, 529.84; Mandate Machinery, 280.17; Marc Corp, 109.58; Mayo Construction, 1349659.69; MDU, 5764.91; ND Dept of Health, 32.00; Power Plan, 116.49; Ron Muth, 160.00; Roughrider Electric Coop Inc, 3048.70; Select Account, 9.00; The Hub, 593.84; Tim Klein Plumbing, 587.95; US Postal Service, 275.47. On roll call vote; Wolf, “Aye”, Stern, “Aye”, Haack, “Aye”, Pillar, “Aye”, Obenauer, “Aye”, motion carried.

There being no further business the meeting was adjourned at 6:58 PM CT. The next regular meeting of the commission will be Tuesday, September 4, 2018 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor