

**Hazen City Commission
Regular Meeting
September 15, 2014
Hazen City Hall**

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

Absent: Commissioner Brunmeier

Others Present: Attorney Donovan, Editor Coleman, Auditor Erhardt, Mark Johnson (Ulteig), Public Works Director Neuberger, Ken Link, Buster Langowski, Terry Boehm and Joe Snustad (KLJ), Al Mautz, Terri Phillion, Dan Frei, Dalles Krause and Rick Phillion.

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

Public Hearing 2015 Budget: President Obenauer asked for comments from the board and none were received. Ken Link, HCD Executive Board Chairman was recognized and asked the commission to reconsider action to limit the amount of dollars HCD can receive through the Job Development Authority Levy. The 2015 budget request was for \$20,000 or an amount not to exceed 4 mills and he was informed the commission has voted to limit the amount to \$18,000 and to gradually reduce the amount of general fund money the city provides from \$6,000 to \$0 over a three year period. Mr. Link said JDA and HCD do their best to bring in new business and to retain the current businesses in the city. Mr. Link said he can understand eliminating the "donation" as he has never liked donations. Commissioner Stern said that two commissioners who are on the HCD board expressed concerns about some of the spending of the HCD. Mr. Link said it is hard to hear comments about HCD wasting money as all the board members volunteer their time and talent and there is only one (1) paid staff person. Mr. Link also said HCD collects membership dues and that if there are concerns of waste the meetings of the board are open to the public and he encourages the commissioners to attend. Mr. Link also wanted to make it clear that the JDA Levy is not funds the city can use for any other purposes as the century code limits the type of expenditures that these funds can be used to pay. Mr. Link again suggested dropping the entire donation and allow JDA levy to continue to be an amount up to 4 mills. Commissioner Stern said the meetings may be open to the public but he has requested minutes on three (3) different occasions and has not received them. Commissioner Stern also had concern that the city commission is supposed to approve any expenditure from the enterprise fund and he does not remember the commission approving the \$10,000 payment to the golf club in 2013. Attorney Donovan said the HCD board is an independent board and Buster Langowski said that the overall budget is approved and that any expenditures that is not in the budget is presented to the city commission. Commissioner Stern expressed concern with this process and Mr. Langowski added that unforeseen things do come up during the year. Commissioner Stern said he had requested a report of where all the money had been spent and he did not receive anything. Mr. Langowski apologized to

Commissioner Stern with regard to sending the minutes as he was not aware of the request and he also suggested that if they would like to know more about HCD activities to attend regular meetings. Mr. Langowski agreed with Mr. Link that it would be better for the city to eliminate the donation as the city can use those funds for any expenditure. Mr. Link again asked the commission to reconsider the decision to limit the funds available through the JDA levy and to eliminate the donation from the general fund. Commissioner Wolf wished to apologize to the HCD for a misinformed decision and agreed that eliminating the donation would be acceptable. Commissioner Wolf also stated she did not say the money spent by HCD was not wasted. Commissioner Haack said he also misunderstood and he would agree with eliminating the donation. President Obenauer thanked everyone for great discussion on the matter and asked the board how they would like to proceed. Commissioner Wolf made a motion to remove the \$18,000 cap and allow the JDA to levy up to four (4) mills, second by Commissioner Haack. On roll call vote; Wolf, "Aye", Haack, "Aye", Stern, "Nay", Obenauer, "Aye", motion carried. Commissioner Stern asked Attorney Donovan if the motion had actually passed as the full board was not in attendance and this reverses previous action taken by the commission. Attorney Donovan stated this was a separate motion and that it had passed. President Obenauer then asked if there was any further discussion with regard to the city's donation. Commissioner Haack moved to eliminate the donation to HCD in the 2015 budget, second by Commissioner Wolf. On roll call vote; Haack, "Aye", Wolf, "Aye", Stern, "silent", Obenauer, "Aye", motion carried. President Obenauer asked if there were any other comments on the 2015 budget. None were received and the public hearing was closed at 5:53 PM CT.

Minutes: Commissioner Wolf moved to dispense with the reading of the September 2nd minutes and approve them as presented, second by Commissioner Haack. Motion unanimously carried.

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

CONSULTATION WITH ATTORNEY & ENGINEER

Engineer's Update – FEMA Maps/Scope of Work Proposal: Mark Johnson, Ulteig Engineers, presented information with regard to costs for a FEMA Flood Study and suggested proceeding in six (6) stages with the commission having authority to stop the process at any time. Mr. Johnson stated the first stage; Preliminary Investigation is the key in the process as this will determine the cost benefit analysis for each additional stage. Mr. Johnson said, realistically, the city is looking at January 2016 for final map approval by FEMA. Attorney Donovan suggested waiting to take action on this matter as there were many studies already conducted by Ulteig and also said the Mercer County Water Resource Board may have information that would be helpful. Mr. Johnson said this is a different area than the Highway 200 study as this is seeking a new solution for an old problem with water backing up from a bottleneck in the city. President Obenauer agreed that it would be helpful to visit with Planner

Frovarp and the county water board. Mr. Link said there was a separate study on the watershed to the west of Hazen and the flow of water to the area near Hazen Welding and that any back-up of water was not previously identified. Commissioner Stern said he sees this as action by FEMA to create jobs by having projects to be completed. No further action taken at this time.

2014 Street Project – Pay Estimate #3 – Bituminous Paving: Terry Boehm, KLJ Engineering, advised the commission that the street project is progressing and that it worked very well to do the milling of Main Street on Sunday. Mr. Boehm stated the rest of the schedule for the week of 9/15 is to put the leveling course on Main Street west of Hazen welding and the middle of the street east. Mr. Boehm said the contractor may be gone this weekend as they have worked the prior six (6) weeks straight. Mr. Boehm said the quantities included in the plans are running slightly less than estimated, due to the fact that he adds a percentage on certain items. All in all, Mr. Boehm stated the project is going well although there have been some issues with the contractor and some of the streets within the project area. With regard to 12th Avenue West, Mr. Boehm said there will be some additional expense for this area as there was a lot of work to address a very soft area and they also added an additional inch of asphalt for approximately \$2000. With regard to Ash Road, Mr. Boehm said they were able to reduce the amount of base from twelve inches (12”) to six inches (6”) and reduced the overlay to three inches (3”). Commissioner Stern asked about additional approach apron on the Frontage Road and why the commission was not consulted on this matter. Mr. Boehm advised he had received a call from Western Steel Builders about the need for an additional access to the property. Commissioner Stern said that in the spring the commission was advised they would be contacted about changes in the project. Mr. Boehm said to do that can be difficult when the contractor is waiting to work and the commission may not meet for another week or two. Commissioner Stern then said that Mr. Clarys was aware the project was being done and questioned how the additional approach should be paid for. Mr. Boehm said payment for the additional approach will have to be determined by the special assessment committee or the city commission. Commissioner Stern then asked about the sub-cut on the Frontage Road and why they did not wait to remove the material till after the curb and gutter were installed. Mr. Boehm advised the needed to remove the material to ensure proper elevations of the curb and gutter and they did salvage as much as possible for re-use on the road. Mr. Boehm said the additional aggregate was needed so traffic could use the road until the asphalt was installed. Mr. Boehm presented pay estimate #3 in the amount of \$423,441.14 and asked the commission to tentatively approve it pending signature by the contractor. Commissioner Wolf moved to tentatively approve Pay Estimate #3 to Bituminous Paving in the amount of \$423,441.14, second by Commissioner Haack. Upon discussion Commissioner Haack asked about milling of west main and was advised that the area west of Hazen Welding will not be milled but will have the fabric and an additional overlay after the leveling course. On roll call vote; Wolf, “Aye”, Haack, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Free/Reduce Hall Rent Request – St. Paul’s Lutheran Church: Commissioner Wolf moved to approve free use of city hall, subject to the kitchen fee, as requested by St. Paul’s Lutheran Church for October 12, 2014, second by Commissioner Haack. On roll call vote; Wolf, “Aye”, Haack, “Aye”, Stern, “Aye”, Obenauer, “Aye”, motion carried.

Local Permit 2014-14 – Hazen Public School: Commissioner Haack moved to approve local permit #2014-14 as requested by Hazen Public School to conduct bingo and raffle games from 9/15/2014 to 8/31/2015, second by Commissioner Stern. On roll call vote; Haack, “Aye”, Stern, “Aye”, Wolf, “Aye”, Obenauer, “Aye”, motion carried.

REPORTS

President: President Obenauer said he and Commissioner Haack met with the police department with regard to the parking and nuisance ordinances. President Obenauer said there was very good discussion that dealt with a timeline to educate the public of the ordinances and for the department to come back with suggestions on how to make the ordinance more clear and enforceable. President Obenauer said the department also expressed the need for support of the commission when enforcing this or any ordinance. Commissioner Haack added that he thought the meeting went well and that the staff is on the “same page.” Commissioner Haack said some things have been neglected and there is a need to pick up on the enforcement but to do it in a pro-active, reasonable manner.

Water/Sewer: No Report in Commissioner Brunmeier’s absence.

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

Finance/Busing: The specifications and bid package for the new bus has been approved and will be published for October bid opening.

Police/Fire: Commissioner Haack said that, during the meeting with the police department, there was a brief discussion on using the armory building for the police department and the staff was encouraged to walk through the building to take a look at how this could be accomplished. President Obenauer said that, with regard to the parking/nuisance ordinances, impounding vehicles is not the big issue and the enforcement may seem a bit chaotic initially. Commissioner Haack informed the commission that the Rosebud Montana Fire Department will be coming to look at the rescue truck for possible purchase and that the forestry department has received funds from the Centennial Committee to purchase replacement trees for the city and nursery.

OLD BUSINESS

Bus Operating Grant Signature(s): Commissioner Wolf moved to approve signatures on the 2015 Bus Operating Grant in the amount of \$69,000, second by Commissioner Stern. On roll call vote; Wolf, “Aye”, Stern, “Aye”, Haack, “Aye”, Obenauer, “Aye”, motion carried.

Shop Heaters: Earlier this year the commission had received an estimated cost to replace the propane heaters at the city shop. At that time there was discussion on replacing the propane heaters with electric heaters. The commission was advised by a local contractor that the electric heaters would be

less efficient and more costly to operate than the propane heaters. Commissioner Stern moved to approve up to \$6000 to replace the heaters at the shop with new propane units, second by Commissioner Wolf. On roll call vote; Stern, "Aye", Wolf, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Approval of Bills: Commissioner Wolf moved to approve the bills, second by Commissioner Haack. Pre-paid and bills approved for payment are as follows: AED Everywhere, 91.00; Ameripride Linen & Apparel Services, 365.49; Bituminous Paving, 423441.14; Butler Machinery Co, 83.74; Capital City Restaurant Supply, 191.95; Cenex, 3269.89; Chamber of Commerce, 240.00; Dacotah Paper Co, 394.60; Dell Business Credit, 340.76; Discovery Benefits Inc, 25.00; Duckwall Alco Stores Inc, 30.58; Ecolab Pest Elimination, 97.29; Hazen Community Development, 1601.73; Hazen Hardware Inc, 743.10; Hazen Motor Co, 902.34; Hazen Motor Farm Equipment Co, 102.55; Hazen Parks & Recreation, 10000.00; Hazen Welding, 386.10; Hiway Express, 4503.93; Hoffer Arborist Service, 850.00; Information Technology Dept, 75.00; J&R Vacuum/Sewing, 17.49; Jane Grant, 27.04; Krause Super Valu, 77.53; Lange & Donovan PLLP, 2947.50; Matthew Bender & Co Inc, 22.44; Mel Roth Oil, 25.50; Mercer County Highway Dept, 653,85; Mercer County Treasurer, 4341.87; Montana Dakota Utility, 4274.98; Monte Erhardt, 50.06; ND Dept of Health, 32.00; NAPA Auto Parts, 969.09; ND Association of Oil & Gas Producing Counties, 100.00; ND One Call Inc, 30.80; Northern Safety Co, 76.32; Northland Financial, 302.00; Power Plan, 1882.61; Rough Rider Industries, 25.20; Roughrider Electric Coop Inc, 2264.63; Sakakawea Medical Center, 12.68; SBM Inc, 44.48; SD Sheriff's Association, 195.00; Starion Bond Services, 27116.68; Steve Frovarp, 41.25; Uniform Center, 92.99; Verizon Wireless, 167.65; West River Telecommunications, 928.65. Motion unanimously approved.

There being no further business the meeting was adjourned at 6:45 PM CT. The next regular meeting of the commission will be Monday, October 6, 2014 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor