

**Hazen City Commission
Regular Meeting
September 2, 2014
Hazen City Hall**

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

Others Present: Attorney Donovan, Editor Coleman, Planner Frovarp, Auditor Erhardt, Mark Johnson (Ulteig), Darren Mund, Dan Frei, Buster Langowski, Larry Schnaidt, Kelly Schnaidt, Al Mautz, Clayton Hoffman.

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

Minutes: Commissioner Wolf moved to dispense with the reading of the August 18th minutes and approve them as presented, second by Commissioner Haack. Motion unanimously carried.

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

CONSULTATION WITH ATTORNEY & ENGINEER

10th Street/RV Park Road Bid Recommendation: Mark Johnson, Ulteig, informed the commission that the road bids for 10th Street were opened on August 25th. The engineer's estimated cost for the project \$101,244 and the low bid received is from Crow River Construction at \$168,179.50 and the recommendation is to accept this bid. President Obenauer asked if it would be better to consider re-bidding this project in the spring. Mr. Johnson did not feel the bid would be significantly lower if re-bid but did indicate another option. Mr. Johnson said he was told a local contractor may be able to complete the project for less than \$100,000 but if a bid is not approved this evening it is unlikely any work would be completed yet this year. Mr. Johnson suggested the board authorized the auditor to accept the Crow River bid unless the local contractor comes with a proposal less than \$100,000 within the week. Commissioner Brunmeier asked if the Park District is helping with any of the costs for the road. Commissioner Stern stated at the last meeting the board approved the road construction, deeded the property and offered to complete the lift station at city expense. President Obenauer asked how it would affect the Park District if the board rejected the bids at this time. Al Mautz stated they would be put on hold for the year. Attorney Donovan advised the board that they can reject all bids at this time and if a proposal is received to complete the work for less than \$100,000 it could be negotiated or the city could finance the project based on the fees to be collected. President Obenauer stated he is familiar with Tand Construction but has little knowledge of Crow River Construction. Mr. Johnson advised Crow River Construction has a good reputation and is highly recommended. Mr.

Johnson said Crow River Construction would also be ready to begin work the week of September 8th if awarded the contract. Commissioner Brunmeier moved to reject both bids, second by Commissioner Stern. Upon discussion Commissioner Brunmeier said she would like to see the Park District come up with some funding for the road. President Obenauer said the bid was decided to give the Park District control as they will be spending a large amount of money to construct the park. Commissioner Stern said he is always being told the city does not want to be a developer and if this is such a sure thing why not have a developer come in to do the project. Commissioner Stern said the city is developing the roads and installing sewer and asked how, as a city resident, how does this benefit the residents? How much money does it bring into town? President Obenauer said the people that come to the RV Park shop locally. Commissioner Stern asked why the city is being asked to foot the bill. Kelly Schnaidt asked where the benefits are and who does benefit from the RV Park. Mr. Schnaidt said the city may benefit but the residents don't necessarily benefit. Mr. Schnaidt asked if the RV Park is necessary. President Obenauer said he agreed that most residents will not see a direct benefit. Mr. Schnaidt then expressed concerns about the effects on the children and asked why build an RV Park rather than a hotel. President Obenauer stated the hotel group has looked at different areas of town and this is not a desirable location. Darren Mund recommends Commissioner Stern talk to the area business owners about the RV Park. Commissioner Stern said he would love to give the people a home rather than having all the campers. Commissioner Brunmeier asked about the cost to construct an RV Park and Mr. Johnson advised it is estimated around \$1.2 million. On roll call vote; Brunmeier initially voted "Nay" then corrected and voted, "Aye", Stern, "Aye", Haack, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried. Mr. Johnson asked if the board had any direction for him with regard to the bids and he was advised the board would like to see if a local contractor will make a proposal for the road construction.

Engineer's Update – FEMA/Elbowoods/Lift Station: Mr. Johnson advised the board that he had reviewed the proposed flood maps and he believes the city and there are areas of the proposed maps that could be removed from the flood plain fairly easily but it would require a study and then working through the appeal process. Mr. Johnson advised that some of the issues could be resolved by installing larger pipe on 3rd and 4th Ave SW or by constructing a channel south along the Miller property or along the old railroad right-of-way. President Obenauer asked if the board had ever been advised that a channel in either of these locations could resolve some of the floodplain issues and Planner Frovarp said not that he is aware of. Mr. Johnson said FEMA is only documenting information for flood insurance purposes. Commissioner Stern asked if there is a need to do anything else since the highway 200 project was supposed to address the flood plain concerns. Mr. Johnson suggested the city conduct a study to determine cost vs benefit to justify doing any project. President Obenauer said the channel would be a huge cost and Mr. Johnson advised that it should not be much more than \$35,000 – \$40,000 to cut the channel along the former railroad right-of-way. Commissioner Wolf asked if there were other areas with residences that need to be addressed to save everyone in the flood zone. Mr. Johnson said there would be diminishing returns to include other areas. Mr. Johnson then said the

estimate for the channel is only to get to the railroad tracks south of town there would be additional costs to get the culver under the tracks to drain to the river. Planner Frovarp said the reason for the highway project was due to the fact that originally the FEMA flood maps had nearly the entire city, south of the highway, within the flood zone. Planner Frovarp also asked if it makes sense to pursue an appeal. President Obenauer asked if the board would like to see some numbers for this work and Commissioner Stern said he would like to see such costs for a couple of options in this matter.

Attorney Donovan suggested Ulteig prepare a scope of work and agreement in this matter.

Mr. Johnson next spoke about the lift station service area to service the possible RV Park and future city development. Mr. Johnson said much of the size and capacity is determined by the density of development so the lift station and service lines can be sized properly. President Obenauer asked if development of the Basin land would have an effect and Mr. Johnson said it would not. Commissioner Stern asked if the city would be better off just to size the station to serve the RV Park and Mr. Johnson said it would only cost 2% - 3% more to size it large enough for future development rather than have to wait.

Mr. Johnson also addressed the erosion issues along Elbowoods Drive and presented a proposal from Prairie View Landscaping to re-seed the center-line of the ditch in the amount of \$6865.00.

Commissioner Stern moved to approve the re-seeding of center-lines along Elbowoods Drive as estimated, second by Commissioner Wolf. Upon discussion Commissioner Brunmeier asked if Tand had received final payment for the project and she was advised they had not. On roll call vote; Stern, "Aye", Wolf, "Aye", Haack, "Aye", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

INTRODUCTION, READING AND APPROVAL OF ORDINANCES

Resolution – Rental Dumpster Delivery/Pickup Fee: Commissioner Brunmeier moved to approve resolution establishing Delivery/Return fee of \$35.00 for any rental dumpster larger than 2 yards and establishing a pick-up fee of \$10.00 per pickup for rental dumpsters, second by Commissioner Wolf. On roll call vote; Brunmeier, "Aye", Wolf, "Aye", Haack, "Aye", Stern, "Aye", Obenauer, "Aye", motion carried.

APPROVAL OF APPLICATIONS & BUILDING PERMITS

Local Permit 2014-13 – Hazen Sportsman's Club Raffle: Commissioner Wolf moved to approve Raffle Permit #2014-13 as requested by the Hazen Sportsman's Club, second by Commissioner Brunmeier. On roll call vote; Wolf, "Aye", Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Building Permit w/Variance Request – K. Schnaidt: Kelly Schnaidt submitted a building permit application for a shed located at 1006 1st Ave which includes a variance request of four and one-half feet (4 1/2') from the side and rear lot lines. Mr. Schnaidt was present and advised the board that the lot behind this one has no structure on it and the side lot is also owned by Mr. Schnaidt. Commissioner Haack moved to approve the building permit and variance(s) as requested, second by Commissioner

Wolf. On roll call vote; Haack, "Aye", Wolf, "Aye", Stern, "Aye", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

Building Permit w/Variance Request – M. Ogden: Mick Ogden submitted a building permit application for two (2) mobile homes to be set upon piers at 1016 & 1018 Fayette Drive which includes a request for variance to set the homes upon piers. Planner Frovarp stated the request for piers was informally presented to the board at a prior meeting and it was determined that the piers are acceptable so long as they are not located within the fifteen foot (15') sewer easement on the lots. Planner Frovarp advised the board that the building inspector will ensure everything is located and staked to ensure the piers are located the proper distance from the sewer line. Commissioner Haack moved to approve the building permit and variance(s) as requested, second by Commissioner Stern. Upon discussion it was determined the approval should be subject to the current easement. Commissioner Haack moved to amend the motion to include compliance with the current sewer easement, second by Commissioner Stern. On roll call vote; Haack, "Aye", Stern, "Aye", Brunmeier, "Aye", Wolf, "Aye", Obenauer, "Aye", motion to amend approved. On roll call vote on the motion as amended; Haack, "Aye", Stern, "Aye", Brunmeier, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried.

Building Permit w/Variance Request – K. Neuberger: Kelly Neuberger submitted a building permit application for garage construction located at 1012 Fayette Drive which includes a request for variance request of two and one-half feet (2 ½') side yard and lot area coverage of 9%. Mr. Neuberger, when asked, stated he can stay the seven and one-half feet (7 ½') off the side yard if necessary and said he planned the size similar to other in the area. Commissioner Stern moved to approve the building permit with the lot area variance but not the side yard variance as requested, second by Commissioner Brunmeier. On roll call vote; Stern, "Aye", Brunmeier, "Aye", Haack, "Aye", Wolf, "Aye", Obenauer, "Nay", motion carried.

REPORTS

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

Water/Sewer: Commissioner Brunmeier had nothing to report at this time.

Street/Cemetery: Commissioner Stern advised the board that the skid-steer loader is in need of tires and quotes had been received from Mel Roth Oil and Farmer's Union Oil. Commissioner Stern moved to accept the quote of Farmer's Union Oil in the amount of \$899.92, second by Commissioner Haack. Commissioner Haack asked when the tires had been previously replaced and he was told it was just over one (1) year ago. On roll call vote; Stern, "Aye", Haack, "Aye", Wolf, "Aye", Brunmeier, "Aye", Obenauer, "Aye", motion carried.

Finance/Busing: Commissioner Wolf advised the board that she had met with the library board to discuss budget items that have been included in the preliminary budget. Commissioner Wolf also said that busing will be making offers to two (2) former employees for substitute bus driver positions.

Police/Fire: Commissioner Haack advised the board that Rosebud Montana Fire Department has expressed interest in purchasing the rescue truck once the new unit is delivered. Commissioner Haack said he has scheduled a meeting with the police department staff to discuss enforcement of the public nuisance and other ordinance for September 15th.

OLD BUSINESS

Fayette/Elbowoods Street Lights: In April the commission received a request to install street lights on Fayette Drive. Planner Frovarp had received cost information and it is estimated \$1,800 for two (2) lights in this area. President Obenauer said there are currently three families, with children, living along this street. Commissioner Brunmeier moved to install two (2) streetlights on Fayette Drive, second by Commissioner Stern. Upon discussion questioned the available funds in the budget and was advised that there are sufficient funds at this time. On roll call vote; Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried.

2015 Preliminary Budget: The board continued discussion on the 2015 budget. Auditor Erhardt advised the board the budget information they received includes the suggested 2.5% raise in wages, the increase in health insurance premiums, new equipment and vehicle requests as well as the requested change in wages/benefits for the library director. President Obenauer said the increased costs make it very hard for the city to maintain the status quo with regard to property taxes and it has been suggested to use a portion of the sales tax funds to buy-down property tax, as was intended. President Obenauer recognized Clayton Hoffman of the SMC Capital Campaign Committee. Mr. Hoffman advised the board that the committee had discussed the requested pledge stating the amount of the gift is more important than the length of time the gift to be paid. Commissioner Stern said he liked the idea of spreading the pledge out over the longer time period of ten (10) years. President Obenauer would like to schedule an evening for the board to go over the budget in more detail. Commissioner Brunmeier moved to pledge \$250,000 to Sakakawea Medical Center Capital Campaign to be paid over a ten (10) year period, second by Commissioner Stern. Upon discussion Commissioner Stern asked what happens if "times are tough" and it is hard to continue making these payments. Attorney Donovan said there is much debate on how far out commitments can be made but any payment is still subject to approval as part of the annual budget. On roll call vote; Brunmeier, "Aye", Stern, "Aye", Haack, "Aye", Wolf, "Aye", Obenauer, "Aye", motion carried. Commissioner Wolf moved to approve publication of the preliminary budget as prepared, second by Commissioner Stern. On roll call vote; Wolf, "Aye", Stern, "Aye", Brunmeier, "Aye", Haack, "Aye", Obenauer, "Aye", motion carried.

Mail Cluster Boxes (Fayette/Elbowoods): Commissioner Stern asked that this be placed on the agenda as he had received a call from a resident on Fayette Drive asking when the mailbox clusters would be installed. Currently the residents must go to the post office to receive their mail. Planner Frovarp said originally he had contacted JDM Contracting to complete this work while other projects were done in the area. Planner Frovarp said he has since contacted Pride Contracting to complete this work and it

has been scheduled when another project in the general area is being completed. President Obenauer asked how to proceed on this matter and Commissioner Stern said to make sure Price Contracting completes the work by the end of the year or seek another contractor. The board agreed it is hard to have contractor do this separate from another project as it does not require a large amount of concrete.

NEW BUSINESS

BC/BS Group Insurance Renewal: The renewal information has been received from Blue Cross – Blue Shield to continue the group health insurance package. Commissioner Brunmeier moved to authorize renewal of the group insurance coverage with BC/BS of ND for one more year, second by Commissioner Stern. Upon discussion the board would like to see information on other available option to continue group insurance at a lower cost. On roll call vote; Brunmeier, “Aye”, Stern, “Aye”, Haack, “Aye”, Wolf, “Aye”, Obenauer, “Aye”, motion carried.

Approval of Bills: Commissioner Brunmeier moved to approve the bills, second by Commissioner Wolf. Pre-paid and bills approved for payment are as follows: US Postal Service, 278.30; Dakota Transit Association, 300.00; Payroll, 113575.34; BHG Inc, 1071.02; Bobcat of Mandan Inc, 253.24; Capital City Restaurant Supply, 1380.00; Cardmember Service, 222.57; Chip Wizard, 50.00; Chuck Dahl, 702.98; Convention & Visitors Bureau, 2835.35; Custer District Health Unit, 112.00; Dan Wettstein, 320.00; Ecolab Pest Elimination, 110.23; Fastenal Co, 431.36; Ferguson Waterworks, 322.17; Hawkins Inc, 5.00; Hoffer Arborist Service, 2300.00; Kadrmas, Lee & Jackson, 3559.87; Kurt Milbradt, 100.00; Lange & Donovan PLLP, 2277.50; Loren Wiest, 150.00; MARC Corp, 753.63; Matt Lee, 100.01; Millennium Express, 15.00; Municipal Government Academy, 150.00; ND Safety Council, 200.00; Obenauer Plumbing LLP, 589.64; Pam Borlaug, 73.45; Positive Promotions Inc, 252.44; Pride Contracting Inc, 1634.00; RDO Truck Centers, 267.84; Ron Muth, 250.00; Roughrider Industries, 1440.00; SBM Inc, 8.38; Share Corp, 648.12; Southwest Water Authority, 36206.14; Ulteig Engineers, 1403.60; Verizon Wireless, 106.25. Motion unanimously approved.

There being no further business the meeting was adjourned at 7:24 PM CT. The next regular meeting of the commission will be Tuesday, September 15, 2014 at 5:30 PM CT in the Commission Room of the Hazen City Hall.

Approved: _____
Jerry Obenauer, President

Attest: _____
Monte J. Erhardt, Auditor