

The regular Beulah City Council meeting of April 16, 2018 was called to order at 7:00 pm at Beulah City Hall by Mayor Darrell Bjerke.

Present: Kathy Kelsch, Ben Lenzen, Eric Hoffer, Clyde Schulz, Brant Keller, Joel Morgan, Kelsey Timmer

Absent: Travis Frey

Also Present: City Attorney Scott Solem, City Engineer Charlie Hankins, Public Works Supervisor Kenny Yeager, Police Chief Frank Senn, Economic Development Director John Phillips, Kent Ritterman, County Tax Director Colette Schilling, Kate Johnson

#### Pledge of Allegiance

Lenzen made a motion seconded by Schulz to dispense with the reading of the minutes of the last regular meeting on April 2 and approve as furnished to the Council by email. Roll call vote found Kelsch, Lenzen, Schulz, Keller, Morgan, and Timmer in favor.

Hoffer arrived.

Ritterman stated the contractors are about 2 – 3 months behind on the Water Plant project. A letter was sent to the contractor acknowledging the substantial completion date of April 1, 2018 has passed and to remedy the situation. Liquidated damages are accruing and the Council has the opportunity to pursue it or not. Ritterman commented on the Engineering Agreement Amendment for additional services since the budget is running out due to the delay. The amendment would add \$45,000 to the engineering budget for hourly services needed to complete the project. Keller made a motion seconded by Timmer to approve the Engineering Agreement Amendment #4 for additional services of \$45,000. Ritterman will schedule a meeting with the contractor and the Water Plant Committee for early next week. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor. Ritterman stated 85% percent of the construction work is completed and 80% of the budget has been spent. A large portion of the remaining \$460,000 contingency fund will be used for the lagoon project. The plans for the lime sludge disposal project are almost complete and ready to go to bid. A Clean Water SRF loan was applied for since the funds are switching from the Water Plant over to the wastewater lagoon. Keller made a motion seconded by Hoffer to approve the plans and specs for the lime sludge disposal in Cell #1 of the South Lagoon. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor. Ritterman stated survey crews profiled the amount of lime sludge in the lagoon and found it was less than expected. The ad for bids is ready with a tentative bid opening date of May 18. Keller made a motion seconded by Schulz to approve the authorization of the ad for bids for the lime sludge removal project. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Schilling commented on the abatement process and presented 2017 abatements for the Torgerson and Kelsch/Tomchuck properties. The requests came in after the 2017 equalization meetings; therefore an abatement is needed. The Torgerson abatement is based on two issues. When the property was replatted the quonset, which is owned by someone else, was not moved onto its own parcel and therefore stayed with the house. About \$18,000 of the requested change in value is to correct the quonset issue and the remaining change is based on an appraisal done when the

property was purchased. Timmer made a motion seconded by Schulz to recommend to the County to approve the Torgerson 2017 abatement request. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor. Kelsch dismissed herself to the audience. Schilling stated the Kelsch/Tomchuck abatement is based only on an appraisal that shows a lower value. Timmer made a motion seconded by Morgan to recommend to the County to approve the Kelsch/Tomchuck 2017 abatement request. Schilling stated property owners have the right to file an abatement on their assessed value per Process to Abate or Refund Taxes in Century Code chapter 57.23. Roll call vote found Hoffer, Schulz, Keller, Morgan, and Timmer in favor. Lenzen opposed. Motion passed. Schilling stated the Board of Equalization meeting is Tuesday, April 24 at 6:00 pm. Kelsch returned to her position.

Bjerke appointed the three Mayor candidates (Schulz, Lenzen, and Frey) to serve as the Budget Committee. They will work with Ferebee on the budget since the deadline for the preliminary budget has been moved up to August 10. Schulz commented to make for a smooth transition, council members should work with Ferebee on the budget within their portfolios before their terms end.

Hoffer commented on the Equipment Committee meeting. The Public Works loader fleet is aged and needs to be updated. Their recommendation is to purchase a new Cat loader with blade and gate from Butler for \$196,945 after trade in with a 5 year finance plan. Hoffer made a motion seconded by Keller to purchase the Cat loader over a 5 year period. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor. Hoffer stated they will also trade in the old blade for \$4000. Hoffer made a motion seconded by Schulz to pay off the police vehicle with the budgeted money. Hoffer stated the Equipment Committee discussed the possibility of reducing the Police Department fleet size and changing the number of years leased. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor. Hoffer stated we have an old sander and tar machine not being used that could be sold to help fund the equipment budget. Hoffer made a motion seconded by Lenzen to put the sander and tar machine up for closed bid. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor. The Equipment Committee's upcoming priorities will be to upgrade a dump truck and pickup.

Hoffer commented on updates to the Sun Valley Storage Lot rules and regulations. It would be in the best interest of the City, for safety, to have a weight restriction to disallow semi-trailers or any trailer over 45 feet, Conex boxes, shipping containers, or any other type of storage shed. Schulz stated he would like to allow short term temporary storage of boxes on an as needed basis and questioned if we have any way to remove unacceptable items if they are not removed after notification. Hoffer made a motion seconded by Schulz to accept the new rules as presented with the changes that Conex boxes and shipping containers be approved on a limited case by case basis and a line added stating the City may remove items from the lot with the expense to be billed to the person registered on the lot. Lenzen questioned if the boxes need to be tied down according to ordinance. Hoffer stated we can look at that on a case by case basis according to the predetermined time frame. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Kelsch commented on the history of the bike path and that it is still within our reach. The section of path from the corner of 2<sup>nd</sup> St and Hwy 49 up to 7<sup>th</sup> St, with the exception of small section that goes up 7<sup>th</sup> St, will make the greatest impact on connecting the existing path. The bike path is a safer alternative than riding bikes on the streets. The bike path will be off of the highway and in a 25 MPH speed zone. All the property owners that would be affected had been contacted, but now

permanent easements and temporary construction easements need to be secured before it goes out to bid. Hankins stated given this is a federally funded project, the work taking place outside of the right-a-way requires temporary construction easements. The City will need to acquire a permanent easement from the right-of-way to the top of the back slope of the channel. Permanent easements would be owned by the City forever. Temporary easements would be the City's for a period of 5 years. The potential cost for the City to move forward on acquiring all easements could be \$6751. Permanent easements would be in the City's best interest which would give us the right to clean out the channel. Lenzen questioned if we should acquire the easements anyway to protect the City since we are already taking care of them. Kelsch made a motion seconded by Hoffer to proceed with the easement process with the temporary easement expense being attributed to the bike path and the permanent easement expense being attributed outside the bike path project. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Morgan recommended the summer hours for the Transfer Station be Monday – Thursday 8:30 am - 5:30 pm, Friday 8:00 am – 5:00 pm, and Saturday 9:00 am – 12:00 noon starting April 30. Morgan made a motion seconded by Kelsch to approve the Transfer Station hours as presented. Schulz questioned the 5:30 closing. Morgan stated it gives people who work until 5:00 a chance to take stuff out to the Transfer Station. Hoffer questioned the inconsistency of the hours. Hoffer made a motion seconded by Lenzen to amend the motion to Monday – Friday 8:30 am -5:30 pm, and Saturday 9:00 – 12:00 noon. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor of the amendment. Schulz recommended evaluating the usage during the additional half hour. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor of the main motion. The main motion passed as amended.

Schulz stated West River Transit's quarterly meeting is Thursday. The Water Park is working on hiring employees, opening dates, evaluating repairs that need to be done, and general maintenance. JDA meets this week and the Wellness Center will be opening soon. Lenzen stated they did a good job cleaning up at the Wellness Center site.

Hankins stated the sanitary sewer rehabilitation project, infiltration issues north of the Civic Center, can be done within the original budget. Keller made a motion seconded by Timmer to move forward with the sanitary sewer rehabilitation project up to \$80,000. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Hankins commented on the Spiers Water Tower and how the City wants to proceed. Keller commented it is a historical tower so it has to stay the same per previous information from Duppong. Keller made a motion seconded by Schulz to bid the water tower with the same blue and white color scheme with blocks letters and an alternate bid with logos. Keller will check with the school about sharing the cost of the logo. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Hankins stated the final draft of the Comprehensive Use Plan has been submitted to Planning & Zoning with the final draft ready for Council review on May 7.

Yeager stated they have been doing maintenance on the mowers, tractors and sweeper, patched potholes, trimmed trees, applied for a burn permit, and started sweeping.

Lenzen made a motion seconded by Schulz to approve the March Financial Reports. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Phillips commented on the Civic Center renovation. Three companies were interviewed for the CMAR with Consolidated Construction being unanimously selected. Their reference checks came back good and now we need to secure a contract with them. Phillips commented that Hicks reviewed the contract and made some comments and Consolidated Construction conceded to everything she discussed. Phillips stated ICON's plan is a functional and huge addition to the needs of the City. The mechanical and structural engineers will be onsite Thursday. Kelsch stated the next step will be to approve the CMAR contract. Phillips stated liquidated damages will be addressed once a timeline is established. They will also address the wording on the warranty at that time. Hoffer questioned the time frame of the project. Phillips stated 4 – 5 months depending on the structural detail. The project would start after the fair in July with hopes to finish by early 2019. Kelsch made a motion seconded by Timmer to accept the contract with the changes that have been addressed by Hick's comments and the contractors replies to them so we can continue moving forward. Lenzen questioned what the City was committing to. Phillips commented the architect was hired in Phase I. Now we are in Phase 2 which is hiring a contractor who will move forward with the plans and specs. The contractor will do an estimate at the bidding phase. If the bids don't come in we do not have to move forward. Lenzen questioned the kitchen layout. Phillips stated the kitchen will stay the same at this time due to the cost but could possibly be an add-in if the cost comes in lower. Roll call vote found Kelsch, Lenzen, Hoffer, Schulz, Keller, Morgan, and Timmer in favor.

Meeting adjourned at 9:10 pm.

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Darrell Bjerke, Mayor

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Darla Knutson, Deputy Auditor