

The regular Beulah City Council meeting of October 19, 2015 was called to order at 7:00 pm at Beulah City Hall by Council President Clyde Schulz.

Present: Kathy Kelsch, Brant Keller, Roger Gazur, Travis Frey

Absent: Ben Lenzen, Kirby Morgenstern, Alan Kok, Darrell Bjerke

Also Present: City Attorney Scott Solem, City Engineer Loren Daede, City Coordinator Russell Duppong, Public Works Foreman Kenny Yeager, Economic Development John Phillips, Water Department Foreman Gary Neuberger, Police Chief Frank Senn, Kate Johnson, Mike Boudreaux, Colleen Wiest, Jonathan Friedler, Brady Torgerson, Owen Voigt, Kameron Plienis, Gloria Olheiser, Stacey McLaughlin, Rich Jurgens, Ed Mettler, Beulah Residents

Pledge of Allegiance

Gazur made a motion seconded by Frey to dispense with the reading of the minutes of the last regular meeting on October 5 and approve as furnished to the Council by email. Roll call vote found Gazur, Keller and Frey in favor. Kelsch abstained. Motion passed.

Colleen Wiest commented the Library budget with a balance of \$103,000 was accepted by the board. Books and salaries continue to be the largest budget items. She stated a laptop and mouse were stolen from the Library this year, the copy machine quit and one of the public access computers needed to be replaced. Savings covered part of the copy machine and the county library covered the rest. City financial assistance of \$20,000 is so important to the budget. In cases of emergency the Library Board would like to know that the City could help pay for items if needed, like a contingency fund. Growth for the Library, added 103 new families, checked out 19,818 items and loaned 3,830 books to other libraries in the state. The Library has a collection of 15,557 items, but it is still 2,000 items short of the state's standards. There were 912 new items purchased, 115 children signed up for the reading program this summer, and 25-30 two to three year olds along with a parent regularly attend the Wednesday story hour. She stated a donated security system was installed in the library.

Wiest commented the Library Foundation met on October 15 to discuss fundraising. They are requesting \$6,500 in start up money, \$5,000 for printing of the Beulapoly board, \$1,000 to the IRS for a 501(c) nonprofit application, and \$500 for the purchase of poker chips with a logo. Gazur questioned Jonathan Friedler on the plans of the library. He commented on a document from the Beulah Library Foundation stating they are having the fundraising activity to relocate the library. Gazur questioned if this is their position. Friedler stated it was in the document but it's still undecided whether they will relocate. Wiest stated they were going to consult an architect to see what is feasible. Kelsch questioned the previous request for funding. Friedler stated the Foundation cannot be issued a charitable gaming license because they must be in existence for at least two years. Kelsch made a motion seconded by Gazur to approve the request of \$6,500 out of Sales Tax for Beulah Library Foundation fundraising. Roll call vote found Gazur, Keller, Kelsch and Frey in favor. Gazur made a motion seconded by Keller to release the \$20,000 budgeted funds to the library. Roll call vote found Gazur, Keller, Kelsch, Frey in favor.

Stacey McLaughlin commented on the Heritage Park Market, which consists of music, food and craft vendors on Tuesday evenings. They had six markets this year with approximately 1,250 people in attendance, 12-31 vendors at each market and more than seven performers. McLaughlin thanked the City for the area that is used and they are asking for continued support. She stated JDA installed electricity. Kelsch stated the goal of having the committee here was also

to give assurance that the committee could continue to use the property. Gloria Olheiser commented on the raffle which brought in close to \$2,000. Kelsch questioned the approval of use of the area and Gazur stated he would like to see a formal master plan first.

Schulz commented on his attendance of the 85th North Dakota League of Cities Conference in Fargo. He described the motivational speaker, classes, workshops, exhibitors and other speakers. He mentioned statistics regarding energy costs. Schulz commented on a West River Transit update and stated the new Get Around Bus allows alcohol. He stated the pool is completely winterized and the Board is reviewing employee evaluations.

Kelsch commented on the Conditional Use Permit for Capital Lodge and the amount of the permit fee. Phillips presented numbers on taxes of local hotels. Phillips stated Capital Lodge will pay Sales Tax, Restaurant and Lodging Tax and Occupancy Tax. 5% is State Tax, 2% is City Tax (½% goes to the City, ½% to the Pool, 1% to the Wellness Center), 1% Restaurant & Lodging Tax, 2% Occupancy Tax. 300 beds would generate \$930,000/month of taxable revenue in which 5% would go to the City in tax for that month. He stated it would still be substantial with 75% occupancy for the year. Gazur commented on the Restaurant & Lodging and Occupancy taxes only coming into effect if individuals stay less than 30 days. He stated the \$600 per bed would cover those taxes. Boudreaux stated they are looking at 10% tax because the per diem is on a daily basis, they don't have long-term contracts with the company. Occupants would not stay more than 30 days. He stated they would like the permit term changed from one year to three years and the bed fee be reduced to \$200. Gazur stated his fears are that if individuals stay more than 30 days, there is no recourse for the City when the Occupancy and Restaurant & Lodging Tax goes away. Keller commented it doesn't help with the replacement of a lift station if the Occupancy Tax goes to the CVB. Kelsch questioned Solem on the taxes. She stated if individuals are there for less than 30 days, Capital Lodge would have large expenses. Schulz commented on workers coming to Beulah and the best option for housing. He stated initially he thought the \$400 bed rate was high. Phillips stated the bed tax is in lieu of real estate tax. Gazur stated he has strong reservations to less than 30 days. He stated 1 year for the permit is prudent and he would agree to a reduction of a bed fee to \$400. Kelsch questioned Solem on the time period. Solem stated it was set at one year to allow for modifications. Keller questioned the number of beds. Boudreaux stated the initial permit would be for 300 beds. Kelsch stated organizations come to Council for funding almost monthly and her concern if this doesn't go through, what we are losing in potential Sales Tax money is huge. This could give the Wellness Center the boost it needs through Sales Tax. Frey questioned the bed fee and Solem stated the fee would be paid at the beginning of the year. It would be based on the occupancy permit. Keller questioned the cafeteria and laundry center. Boudreaux stated they would need to bring that here and the time frame of the temporary kitchen compared to the permanent one would be 90 days until completion. Gazur made a motion seconded by Frey to extend the term of the permit from one year to three years. Roll call vote found Gazur, Keller, Kelsch and Frey opposed. Motion defeated. Gazur made a motion seconded by Frey to reduce the bed tax from \$600 to \$400. Frey questioned the fee up front. He stated he is not opposed to doing some type of fee in general, but since it's at the beginning it's a huge cash flow issue. Roll call vote on the motion found Frey, Keller and Gazur in favor. Kelsch opposed. Motion passed. Jurgens commented this is not permanent like the hotels in town and that the former man camp did have storm shelters. Jurgens questioned if Solem works for each group and Solem stated he only works for the City.

Kelsch commented on the repairs to the south bike path and presented some pictures of the progress of repairs. She stated R. S. Giulio is requesting additional funds to cover extra expenses of \$26,229. They are asking for part of the difference. She commented on paying for the riprap

and additional backfill for a total of \$14,428. Kelsch made a motion seconded by Keller to approve the additional payment to R. S. Giulio of \$14,428 for unexpected materials needed to complete the bike path project. Gazur questioned why the City doesn't pay for the entire amount. Schulz questioned the seeding of grass. Voigt commented the grass was seeded and compacted and they are happy to reseed it this fall. He explained the extra work provided. Roll call vote found Gazur, Keller, Kelsch and Frey in favor.

Keller stated they are continuing to work on the Moore Engineering contract and it would be done in three phases to help clarify the costs of the project. Solem commented on the amounts recommended for changes. It appears that Moore Engineering would concede the changes and that we may have a new agreement by the end of the week.

Gazur commented the Employee Relations Committee met to review the recommendation by the Interview Team for a new Police Officer and an offer letter was sent out. Ferebee stated the applicant has accepted. Gazur commented on the Land Use Plan the City is working on. A State statute now requires the City to have one in place and for the P&Z Board to follow it.

Frey made a motion seconded by Gazur to approve \$269,420.25 to be paid to Bituminous Paving, Inc. for SID #23 Barton Estates Addition. Roll call vote found Gazur, Keller, Kelsch and Frey in favor.

Frey commented on the Bobcat snowblower attachment. Frey made a motion seconded by Gazur to approve Public Works to purchase the snowblower attachment for the Bobcat. He stated the current Bobcat is appraised at \$15,000 for salvage value and there is interest by the Park District to purchase it. There is an amount in the budget to purchase a new Bobcat next year for around \$36,000. Frey commented that Bjerke and he went to Fargo last Thursday and met with Sanitation Products. They observed different models of one-armed garbage trucks. Frey stated the new truck that is being looked at is \$256,900 and a lease option is being looked at of \$55,000 per year. It would be beneficial to act before yearend when there will be a price increase. The lead time is 90 days. Gazur questioned the option of dispensing with dumpsters since this truck could handle 300 gallon containers.

Daede commented the work by MDU on poles is complete. They are finishing sidewalks, curb and gutter. Bituminous Paving did start street patching today. Flood proofing on wells will hopefully be wrapped up this week. He stated work continues on 3rd Ave. Voigt commented on sidewalks. He stated they are trying to work with Mettler's property on the area. Daede commented there shouldn't be issues with drainage and the sidewalks will fit. It is graded to have a sidewalk. Ed Mettler commented Lenzen did come look at the area and that Lenzen stated he didn't see a reason for the sidewalk to be there. Phillips commented on the decision needing to be made so the bond sale can include or eliminate the cost. Keller questioned the possibility of sidewalks on 16th and 19th Street instead. Kelsch made a motion seconded by Frey to remove the sidewalk from the 3rd Ave Project. Frey commented if 16th were to have a sidewalk it shouldn't be only those on 3rd Ave. who would have to pay for the specials. Roll call vote found Gazur, Keller, Kelsch and Frey in favor.

Yeager commented they put signs up on Main Street, finished mowing, mixed sand and salt, did some leaf sweeping, filled the drainage ditch at Sun Valley, picked up trees around town, changed oil on #501, and received 100 new garbage cans. In the next weeks they will finish the drainage ditch in Sun Valley, cut grass in Sun Valley, change oil in the generator at City Hall, continue leaf sweeping, and put in stop signs on Main.

Duppong commented he has a meeting on Thursday regarding a National Reserve rate study. He will find out if this is a required study and bring it back to Council. He stated he will contact the salvage company to find out the value of the material from the burned building. The new flood plain map came into effect Oct. 15. Duppong stated he will attend the Water Commission Meeting on November 4 in Bismarck regarding funding for the new water plant.

Ferebee presented a raffle permit for the Beulah Chamber for Chili Bingo at the Beulah Civic Center on November 20, 2015. Kelsch made a motion seconded by Keller to approve the raffle permit as presented. Roll call vote found Gazur, Keller, Kelsch and Frey in favor.

Ferebee presented a raffle permit for Beulah Post Prom at Beulah City Hall on February 26, 2016. Keller made a motion seconded by Frey to approve the raffle permit as presented. Roll call vote found Gazur, Keller, Kelsch and Frey in favor.

Ferebee presented invoices for mowing of overgrown grass for Earl Erdman in the amount of \$412.22 and for Howard Covert of CND Dakota Partners in the amount of \$250 to be assessed to property taxes. Gazur made a motion seconded by Frey to approve the assessments to the properties as presented. Roll call vote found Gazur, Keller, Kelsch and Frey in favor.

Phillips commented on special assessments and the timeline for certifying is November 1. It is possible to file an extension.

Meeting adjourned at 9:35 pm

Clyde Schulz, Council President

Heather Ferebee, Auditor