

The regular Beulah City Council meeting of February 1, 2016 was called to order at 7:00 pm at Beulah City Hall by Mayor Darrell Bjerke.

Present: Brant Keller, Kathy Kelsch, Roger Gazur, Ben Lenzen, Travis Frey, Clyde Schulz, Kirby Morgenstern

Absent: Alan Kok

Also Present: City Attorney Scott Solem, City Engineer Loren Daede, City Coordinator Russell Duppong, Public Works Foreman Kenny Yeager, Police Chief Frank Senn, Kate Johnson, Rick Mitzel, Kelsey Timmer, Mike Hammerschmidt, Sarah Tunge, Al Bergan, Tony Sadowsky, Kevin Herrmann, Jerry Isaak

Pledge of Allegiance

Gazur made a motion seconded by Keller to dispense with the reading of the minutes of the last regular meeting on January 18 and approve as furnished to the Council by email. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Bjerke commented on the restaurant and lodging tax and hospitality tax that passes through to the CVB. Bjerke and Kelsch met with legal counsel, the CVB board and contacted other cities on how they handle those taxes. The recommendation, in order to meet the requirements as determined by the Council and legal counsel, would be to authorize the City Auditor to establish an account to receive those funds from which money would be disbursed based on budgets and funding requests and that legal counsel be instructed to draw up an ordinance incorporating the 1985, 1987, and 2007 ordinances and the state Century Code covering those funds. The ordinance should list the organizations from which the five person advisory board would be appointed. Gazur made a motion seconded by Kelsch to proceed as per recommendation to have the City Attorney draft up an ordinance incorporating all those concerned and the City Auditor to set up an account to receive those funds. Bjerke stated it is not our intent to change the way business has been done by the CVB but mainly to make sure that we are handling this as required by the State. Kelsch stated it is important to recognize that this is going to be a learning curve and certainly not to take away from all the work the CVB has done to date because they have done a lot for us. We have to find a way to make this process work and be in compliance with the Century Code. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor. Discussion followed on setting up the advisory board.

Rick Mitzel, lot owner, commented on hard surfacing Keller Drive. Mitzel stated they have been working at this for the past 3 ½ years. The general consensus over the past years was always to wait for the water and sewer lines to get dug in before pursuing hard surfacing the area. There are 27 lots in the development with 23 sold and 4 owned by the City. A petition was presented with 13 lot owners in favor of starting to pursue the upgrade, 9 opposed and 1 undecided as he didn't have sufficient information. Three options were presented to the lot owners by Interstate Engineering. Mitzel commented on concerns the lot owners had: the project cost has risen 30% since 2013; the volume of truck traffic to the community dirt pile off 7th Street and their desire to see the dirt pile relocated to a different location like the Transfer Station area; and repair of damaged curbs due to trees. Daede stated the curb repairs are included in the estimate. Mitzel is encouraging lot owners to dig in water and sewer prior to the hard surfacing. It would be the

responsibility of the lot owners should they decide to dig in water and sewer after the hard surfacing. Mitzel questioned if the City would do some cost sharing since the street improvement would make Beulah a more attractive city and that Keller Drive is a through street. Duppong commented the City owns four lots so it would be sharing the cost of the hard surfacing. Mitzel stated some of the opposition was because the early lot buyers were told by the City that the street would be paved with crushed asphalt when water and sewer was put in. Mitzel questioned if the City would consider not charging for the recycled asphalt. They would like to continue with the project and understand it's going to cost money. Lenzen stated he appreciated the work they have done and would recommend the City proceed. Daede commented some surveying will need to be done to complete the bid package. Mitzel asked if they could get bids for all three options or at least 100% asphalt and 100% recycled. Bjerke stated it would be between the lot owner and contractor if they wanted their driveway completed. Duppong commented there is a water tie that has to be tied into 7th Street on Keller Drive to make a loop. Solem stated they will have to create a district, pass a series of resolutions, direct the preparations of the preliminary, bid it out, and then circulate the resolution. Duppong commented the owner who was undecided said he would go with the majority due to the time restraints of the review. Solem stated the City will have some costs for engineering, bidding, and design if the bids come in too high and the project is not approved. The City cannot go forward if greater than 51% contest it. Bjerke stated this would happen after bids and each lot would have a special assessment district against it. Solem commented it's not necessary to go through the legal process if the majority of the lot owners affected have signed the petition in favor of the proposal. Gazur stated with the agreement from the lot owner who was undecided we have a majority and the normal approach would be to set up an assessment district. Once that is done the assessment board would determine the assessment and then based on the preliminary we would have some idea of what each lot owner would be looking at. Solem stated the cost of the water line will be part of a water district which is separate from the street district. The street project is pretty well defined. The water district may be bigger since it might involve more people. Duppong stated that once the water district is established it cannot be petitioned out. Gazur stated in response to a constituent's request to have the City do some cost sharing his thought was that the City would be cost sharing with the four lots they own. Lenzen made a motion seconded by Schulz to authorize creating a special assessment district for the streets. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Keller made a motion seconded by Gazur to instruct legal to create a water and sewer special assessment district. Frey questioned since it is a small area if the City could use sales tax money to pay for the water tie in rather than creating a water district. Bjerke stated at this time all the sales tax funds have been committed. Schulz stated we don't know the numbers at this time but should move forward and make changes at any time prior to final. Gazur stated the Century Code states the City is limited to a 20% contribution on any special assessment district so once the district is created we can't pay 100% and he wouldn't be in favor of paying all of it. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Lenzen made a motion seconded by Gazur to instruct the City Engineer to move forward with the design, plans and specifications for the project. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor. Daede stated he will put together three separate bid packets. Bjerke thanked Mitzel for all the work they have done.

Kelsch stated the second grant application for the bath path, through the efforts of many different entities and individuals, has been submitted. She thanked Daede for all of his help.

Senn stated the Police Department has installed a vehicle repeater system in each vehicle as part of the radio upgrades. Senn thanked the Council for their support in bringing the PD to the front with its technology.

Keller commented on the State Water Commission meeting he attended. The City is working on the finishing touches of the finances for the Water Plant. Keller stated he will be attending a meeting with the Corp of Engineers regarding the Section 22 Study and other flood plans.

Gazur had no report.

Frey commented on the Equipment Committee's recommendations for equipment purchases for 2016. Three mowers were lost in the fire. One of the John Deere tractor mowers and one of the ZTR mowers will need to be replaced. They are looking at the possibility of going with a slope mower to replace the third mower lost in the fire. It can handle the steeper inclines and is strictly a mower. The City can rent the mower for 3 months. If the City decides to keep the slope mower, 90% of the rental cost would go towards the purchase price. Frey made a motion seconded by Schulz to purchase one John Deere 4052 tractor and one John Deere ZTR mower with canopy for replacement of the fire damaged equipment. Gazur questioned why the Equipment Committee chose John Deere and did they look at other options. Frey stated the City hasn't had issues with the John Deere mowers before and these are strictly replacements but they can look into it further. Gazur stated he doesn't have a problem with proceeding with replacement of those two pieces but would be perfectly comfortable with letting the Equipment Committee do the evaluation of the equipment and make the appropriate choice. It is not prudent to choose that without some consideration of alternatives. Duppong commented these are replacements and John Deere has serviced the City well with current equipment and warranty. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Frey commented on the additional ZTR mower that is budgeted for the Water Plant in 2016. Frey stated the fleet should be consistent. Frey made a motion seconded by Gazur to purchase a ZTR mower without a canopy for the Water Plant. Roll call vote found Keller, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor. Kelsch abstained. Motion passed.

Frey commented on replacing the third fire damaged mower with a slope mower. Morgenstern questioned the safety of the equipment. Frey explained the operation and safety of the equipment. Kelsch questioned the percentage of surface that would benefit from that type of mower. Frey stated the slope mower can be used on all surfaces. Frey made a motion seconded by Schulz to give the slope mower a try and use as a replacement for the final fire damaged mower. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Frey commented on the replacement of the existing Bobcat skid-steer loader. The Equipment Committee checked into other manufacturers and models but would like to move forward with another Bobcat. The recommendation is based on warranty, cost and our current implements will work with it. The salvage value of the existing Bobcat is \$15,000 which the Park District has expressed interest in purchasing. Frey made a motion seconded by Keller to purchase the Bobcat S570 skid-steer loader with dealership to be determined based on best pricing and service.

Discussion followed on the warranty and annual buy back option. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Frey made a motion seconded by Schulz to authorize the purchase of a Bobcat auger to replace the fire damaged one. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Frey commented Senn is researching speed sign options to replace the speed trailer that was damaged in the fire.

Frey commented the Equipment Committee is looking at options for proceeding with leasing or purchasing a loader. Yeager has been directed to get bids for replacement.

Frey stated the Equipment Committee would like Council to consider the purchase of a Ford Edge for the city vehicle. The vehicle would be used by City Hall staff for inspections, training and meetings. The Ford Edge is recommended because it is a larger vehicle with AWD, good clearance for the winter, and additional cargo room. Frey made a motion seconded by Keller to proceed with the purchase a Ford Edge for the City Hall vehicle. Schulz questioned the possibility of purchasing a 2 year old program car to take the depreciation off since it isn't going to be a high mileage vehicle. Gazur questioned the use of the holdovers from the Police Department. Gazur commented the vehicle would have relatively low mileage and needs to be dependable. Frey made a motion seconded by Gazur to table the motion until the first meeting in March. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor. Gazur stated when it comes to the replacement of major equipment, like the loader, he would appreciate it if the Equipment Committee would give a report of how many hours are on the machine and how old it is.

Schulz commented West River Transit had a meeting last week. He will update the Council with their annual numbers at the next meeting. Schulz commented on the Main Street Success Project Focus Group sponsored by Vision West. People shared their ideas on things they like in the community, things they would like to change, things to improve, quality of life, and economic climate. Personal interviews and community surveys on the quality of life in Beulah will be conducted and reports will be coming out. Schulz thanked Senn for the annual police report.

Morgenstern had no report.

Daede commented on the bike path agreement with the Department of Transportation. The changes that were discussed have been made. Gazur stated the goal was to confine the City's responsibility and obligations to only the section of the shared use path that is shown on the map. Schulz made a motion seconded by Gazur to submit the changes to the Department of Transportation with a cover letter. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Solem commented on the 2nd reading of Ordinance 416. Gazur made a motion seconded by Frey to have the 2nd reading of Ordinance 416. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Bjerke commented on a cover letter and contract that was received from SW Water Authority due to population growth in North Dakota.

Yeager stated they changed oil in a couple pickups, fixed the Bobcat broom, plowed snow, sanded, cleaned the intersections, cleaned drains, hauled ash to the landfill, and finished repairing the picnic tables. The next two weeks they will hang flower brackets, finish hauling ash and furniture, and put a sign up at the Transfer Station.

Duppong commented Planning & Zoning cancelled their last meeting since they didn't have a quorum. The nomination for the open seat on Planning & Zoning will be brought to the next council meeting. He commented on the Flood Plan Management training he attended. Gazur stated Planning & Zoning is working on the last review of the SRF codes.

Knutson presented a raffle permit for Beulah Lions Club at the Beulah Civic Center on June 4, 2016. Lenzen made a motion seconded by Gazur to approve the raffle permit as presented. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Bjerke stated the child care facility and 24 unit essential service worker apartment complex will be breaking ground when the frost is out of the ground. Bjerke commented on the Main Street Success Project Focus Group presented by Matthew Perdue from Dickinson State University. Some changes people would like to see are sidewalks in their development, shared use paths, and child care. The North Dakota Housing Finance Association annual meeting is February 16 – 17 in Bismarck. Gazur stated if people want sidewalks and are willing to pay for it, he has absolutely no problem with it. Lenzen commented he contacted the school about sidewalks. He stated he would like to connect the existing sidewalks and shared use paths.

Schulz made a motion seconded by Gazur to approve the bills as presented. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Frey, Schulz, Morgenstern in favor.

Meeting adjourned at 9:05 pm

Darrell Bjerke, Mayor

Darla Knutson, Deputy Auditor

Check Range: 33483 to 33604, -99885

Payroll Check Range: -81762 to -81692

Employees	74,492.19
FIT	11,734.34
SIT	3,030.07
Unemployment	113.31
SDU	527.08
MN Child Support	568.98
FIT	15,255.90
SDU	527.08
MN Child Support	568.98
NDPERS	27,888.96
ALFAC	802.38

2/1/2016

North Dakota Tax Commissioner	102.17
US Bank	1131.93
Downtown Gas & Auto	3640.29
BHG, Inc.	783.35
West River Transit	6000.00
ND League of Cities	2278.00
Mercer County Treasurer	119395.99
MDU	14442.12
SRF Consulting Group, Inc.	1096.76
Information Technology Dept	197.80
Mercer County Treasurer	7324.53
Mainstay Funds	4973.36
New York Life	1743.63
Bismarck Public Library	23.00
First Security Bank West	50.00
Lexipol LLC	2475.00
Lonny Buchmann	1339.95
Purchase Power	2100.00
ULTRAMAX	552.00
Motorola Solutions, Inc.	7878.00
Electronic Communications Inc	2700.00
Astra Radio Communications	319.75
BHG, Inc.	131.40
Ingram Library Services	152.89
Bronson's Marketplace	11.37
Safeguard Business Systems	48.99
Associated Pool Builders, Inc.	2298.49
West River Telephone	94.26
North Dakota One Call Inc	16.50
HAWKINS INC	2339.27
USA Blue Book	102.79
J & M Hardware Inc	941.29
Beulah Lumber Company	256.71
AmeriPride Linen & App. Serv	366.66
Roughrider Electric Coop	3062.42
North Dakota Dept of Health	64.00
West River Telephone	1465.43
Verizon Wireless	481.30
Farmers Union Oil Company	1343.31
Killoran Trucking & Brokerage	4934.18
Mercer County Historical Soc	25.00
Ingram Library Services	832.29

2/1/2016

NDWPCC	20.00
WARC	3994.26
ICC	135.00
Darrell R Bjerke	90.40
Frank Senn	90.40
Darla Knutson	99.51
Heather Ferebee	19.99
Petty Cash	36.26
Matthew Bender & Co Inc	62.18
Nelson International	305.58
ND Water Users Association	180.00
Butler Machinery Company	84.08
H.A. Thompson & Sons	1894.64
Shopko Stores Operating Co.	264.85
Mel Roth Oil Co Hazen	159.90
W.D. Larson Companies LTD	78.04
Expressway Inn	178.00
Cardmember Service	1312.29
Dakota Sanitation Inc	848.00
Petty Cash	27.48
Lignite Tire	286.00
NAPA Auto Parts	2426.37
AT&T Mobility	122.44
Beulah Airport Authority	5013.37
Beulah Senior Center	3580.98
Solem Law Office	2495.43
Beulah Airport Authority	6224.72
Beulah Park District	31383.33
Beulah Park District	18621.12
Interstate Engineering, Inc	10044.08
SPEE-DEE Delivery Service	17.65
Loren Wiest	350.00
Dakota Supply Group	4571.72
Russell Duppong	208.80
MDU	143.01
Sakakawea Med Center Found.	20000.00
Kollman Construction	4409.83
Skeels Electric Co.	45890.00
Lange Donovan & Kaffar, PLLP	545.40
Duane Saylor	64.95
MOCIC	100.00
J-S Sanitation	120.00

2/1/2016

Colleen Wiest	90.40
Patricia McDaniel	23.00
Gale/CENGAGE Learning	20.05
Marco Tech	12.31
USA Blue Book	713.61
Hedahls Headquarters	3.15
Quill Corporation	410.29
IACP	150.00
Benjamin Althoff	50.00
Shaina Funke	50.00
Keith Heisser	44.71
Donald Boroff	50.00
Nathan Richter	50.00
Cory Gramkow	50.00
Todd Meier	50.00
Dustin Pekas	15.67
Miller Rentals	75.00
Ruth Montgomery	25.00
US Bank	948.49
Coal Country CHC	92.00
Share Corp	304.37
Stein's Inc	258.55
Uniform Center	257.97
Industrial Fabworx	620.00
Galls/Quartermaster	320.76
Applied Concepts, Inc.	73.30
WatchGuard	21.00
ULTRAMAX	546.00
The Mail Box	29.95
Marco Tech	575.80
Postmaster	368.23
Solem Law Office	4326.94