

The regular Beulah City Council meeting of March 21, 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, Clyde Schulz, Kirby Morgenstern

Absent: Alan Kok, Travis Frey

Also Present: City Attorney Scott Solem, City Engineer Loren Daede, City Coordinator Russell Duppong, Economic Development Director John Phillips, Public Works Foreman Kenny Yeager, Water/Wastewater Foreman Gary Neuberger, Police Chief Frank Senn, Kate Johnson, Sarah Tunge, Michael Weaver, Joel Morgan, Rick Mitzel, Eric Timmer

Pledge of Allegiance

Gazur made a motion seconded by Keller to dispense with the reading of the minutes of the last regular meeting on March 7 and approve as furnished to the Council by email. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Schulz in favor. Morgenstern abstained. Motion passed.

Bjerke stated the City will be sending out 1153 letters for increases in property assessments. He stated he contacted the County to clarify the percentage increase and Bjerke explained this to Council. The increase will be 12 to 13% and sales remain strong in 2016. He stated he would like a report furnished to Council that justifies this. Kelsch questioned if this would show how houses in different areas in town are broken down and if it would include different price brackets as well. Bjerke stated we are using numbers for the entire County under Vanguard, not just Beulah standing alone. Kelsch commented other towns such as Zap and Stanton are also seeing significant changes. Gazur stated it sounds like Beulah is being penalized for failure of other cities to properly assess themselves. Bjerke explained the increase in assessed value does not mean taxes will go up by that amount. Lenzen commented on the percentage increase differences. Schulz commented he spoke with Ryan of Vanguard and Ryan described what the values are based on and that the difference in percentages is called economic obsolescence. Roger clarified he requested a digital copy of the handout Soojin had at the last meeting and did not receive it. Schulz stated Beulah has 1897 parcels of which 1430 are residential and 1153 residential parcels are receiving letters. Gazur thanked Schulz for his clarification.

Bjerke commented on the March 9 Water Commission meeting. The \$2,640,000 grant was approved for the new Water Treatment Plant. Moore Engineering has been very helpful in this process. Keller commented on the meeting and questions that were asked. He stated the meetings Beulah attended ahead of time definitely helped. Bjerke stated the Governor's office, Todd Sando and Senator Unruh were much appreciated.

Lenzen had no report.

Kelsch commented on the lot on 3rd Ave and 19th Street that was returned to the City. She stated there are at least two parties interested in buying the lot. Eric Timmer and Brant Keller have both expressed interest. Timmer's are concerned that it may not be a buildable lot and Keller's are interested in building a home on it. Duppong commented on the size of the lot and the house. He

stated according to zoning requirements there is enough area to build the house from the plans proposed. Timmer stated he is concerned with conformity to the neighboring houses regarding the length of driveways. Duppong stated they just have to stay within the minimums. He stated it was always planned to be sold as a lot for a house. Gazur commented the only time conformity has been a consideration is with variances. He stated according to the Planning & Zoning code, if you meet all the criteria, the City has no justification in denying a building permit. Kelsch stated the City has gone with \$1 per square foot to purchase lots. She stated the only fair way to deal with the situation is to put the lot up for bid. Kelsch made a motion seconded by Schulz to have Lot 11 be put up for bid with a minimum of \$1 per square foot plus legal fees. Schulz stated the reimbursement for half the lot price should be reviewed. Lenzen questioned if there would be a competition issue with others selling lots. Schulz stated the lot is available so the City would not hold it back; we are not competing. Kelsch made a motion seconded by Schulz to amend the motion to advertise the property to be sold on a sealed bid basis with the top three bidders having the ability to increase their bid one time and the warranty deed would be the same as other lot sales – if a home is constructed and occupancy permit granted within 18 months of the date of purchase that half the dollar per square footage price would be refunded to the purchaser. Roll call vote on the amendment found Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor. Keller abstained. Amendment passed. Roll call vote on the main motion found Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor. Keller abstained. Motion as amended passed.

Keller commented on information provided on the estimated cost of the remote read system for water meters. He stated the question would be how the City will pay for it. Schulz questioned if this should be put out for bids. Neuberger commented the City has been purchasing equipment from the company who provided the estimated cost for several years, so the City has some of the equipment that would work with this system. Gazur commented he agrees with Schulz that we should go out for bids. Discussion followed on the need for the system. Schulz stated it comes down to accountability and each person would then be paying their fair share. Schulz made a motion seconded by Keller to direct Keller to work with the Water Department to move forward with research on the remote read system. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor.

Gazur had no report.

Schulz made a motion seconded by Gazur to accept the municipal court report. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor. Schulz stated there was a pool board meeting and employment ads are in the paper. There was a Park Board meeting on reorganizing. Schulz commented that Country Club Estates has expressed interest in paving and they will be bringing something to Council as they move forward.

Morgenstern commented on the acoustics of the Civic Center Gym and future improvements to the bathrooms. He stated if we don't want to go with the full improvement to the gym, the wall improvements could be done initially. Discussion followed on the option of a suspended ceiling. Keller mentioned a problem with electric lines. Schulz stated the wall improvements would be a good start. Gazur stated the bathroom project is a higher priority. Morgenstern stated the bathrooms will be a much larger expense. He stated he will provide cost estimates for the bathrooms to Council after he receives them.

Daede commented the bids are out on Sun Valley for Street Improvement District #25 and Water Improvement District #25. Bjerke questioned the street, water and sewer for the area where the essential service worker apartment complex and childcare facility will be. Gazur made a motion seconded by Schulz to authorize Interstate Engineering to move forward with the design of New Energy Drive in preparation for bids. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor.

Kelsch made a motion seconded by Keller to have the 2nd reading of Ordinance #417. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor.

Bjerke questioned the contract from Southwest Water. Solem stated it is still being reviewed and other cities are being looked at. There doesn't seem to be any benefit for Beulah to enter into that contract. It appears the City will be charged to sell water to Southwest Water. It makes less sense since we don't purchase our water from Southwest. Gazur stated one of his concerns is annexing properties into the City that are served by Southwest Water.

Yeager commented they did maintenance on the sweeper and lawn mowers from the Transfer Station, did some sweeping, patched potholes, hauled furniture, helped with a water break, replaced signs, and took the new garbage truck to Bismarck. Jesse put in his resignation and was done on March 16. In the next two weeks they will continue sweeping, do maintenance on the Woods mowers and cemetery mower, take a load of recycling to Minot, haul sand to the mine property, get the garbage truck from Bismarck and they will have a double route on Thursday.

Duppong stated a business owner of a grain supply store will be at the next P&Z meeting. He commented on permits currently being worked on.

Ferebee presented a raffle permit for Roughrider Motorcycle Club on September 10, 2016 at the Roughrider Motorcycle Clubhouse. Lenzen made a motion seconded by Gazur to approve the raffle permit as presented. Roll call vote found Keller, Kelsch, Gazur, Lenzen, Schulz and Morgenstern in favor.

Phillips commented on a building on Main Street that is on the condemnation list and the possibility of improvements. There will be a bond hearing in mid May for the apartment complex. He stated he attended the stakeholders meeting in Bismarck. There are concerns by legislators on whether they will be able to sustain incentives in the state currently. Phillips questioned the Special Assessment District #24 for 3rd Ave. Bjerke stated the bonds need to be sold. Phillips commented on the issue of natural gas.

Senn stated an officer was assaulted last week and is alright. He stated they are still looking at load bearing vests. Senn commented radio studies and maintenance was completed by Electronic Communications. He stated he will start his training the last week in May.

Meeting adjourned at 8:50 pm.

Darrell Bjerke, Mayor

Heather Ferebee, Auditor