

The regular Beulah City Council meeting of January 16, 2017 was called to order at 7:00 pm at Beulah City Hall by Mayor Darrell Bjerke.

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

Absent: Brant Keller, Travis Frey

Also Present: City Attorney Scott Solem, Economic Development Director John Phillips, City Engineer Loren Daede, City Coordinator Russell Duppong, Public Works Foreman Kenny Yeager, Police Chief Frank Senn, Water/Wastewater Foreman Gary Neuberger, Katrina Whitley, Leonard Hibl, Jason Bentz, Jayden Veil, Craig Lohstreter, Brandon Schirado, Sarah Tunge, Kate Johnson.

Pledge of Allegiance

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

Leonard Hibl with Roughrider Electric Cooperative, Inc. commented he is here regarding a service agreement between MDU, REC and the City of Beulah. Franchise agreements with REC and MDU would also need to be renewed. Bjerke commented this has been turned over to the City Attorney to make the best decision for the City. Duppong commented on charges being comparable to neighboring cities. Hibl stated this was a four city package of Beulah, Hazen, South Heart and Belfield. Duppong questioned how costs are distributed when infrastructure goes down and repairs are needed. Kelsch questioned if these agreements are required by the Public Service Commission. Hibl stated no, but it is to benefit the community. Hibl commented two readings would be needed. Solem commented we haven't discussed some of the issues enough yet. Bjerke commented on changes with REC and MDU regarding their charges for new street lights that were a surprise to the City. He also commented on a line of Roughrider's that wasn't working, and the City had to pay for it. Solem requested information from Hibl for the next meeting. Craig Lohstreter of MDU stated the service area agreement requires the franchise agreement to run concurrent so that is why it's being renewed. MDU is regulated by the Public Service Commission so all rates are public knowledge. Bjerke stated the agreement is for the next 20 years and we want to make sure it's what Beulah needs. Hoffer commented the franchise agreement doesn't reflect charges.

Bjerke commented on 2017 issues that need attention: Employees – future salaries and health benefits, holidays, personnel policy update, drug and alcohol testing; Operations – Water Plant, Water meter system, Transfer Station, Sanitation; Equipment – Critical needs, purchase planning and creative financing; Buildings and Properties – Public Works Building, City Hall, maintaining the secured area for towed vehicles, shared-use path; Streets – Maintenance, Traffic Control, Solar powered signs; Property Tax options. Bjerke stated the 2018 budget will be difficult and we need to figure out how to do more with less.

Bjerke commented on an editorial in the Beacon. He commented on past issues with the City that occurred in his 11 years as Mayor. He stated that groups of the City such as the Library, Ambulance and P&Z have bylaws that need to be followed. When it came to questions on the Lodging Tax the City collects, he looked at the ordinance which referred him to the ND Century Code. The Lodging

Tax was installed in 1985 at 1% and increased to 2% in 1987. The Restaurant and Lodging Tax was started in 2008. The NDCC states the City Council is required to review and decide whether to continue the tax annually and to set up a budget. The five person advisory board is responsible for reviewing grant requests and recommending them to Council for approval. Bjerke explained the budget for 2017. Wherever there are rules set by the state of ND, we need to follow them.

Kelsch commented the City was approached by Distribution NOW to change the purchase agreement to a lease agreement. They have now signed and returned the agreement.

Schulz made a motion seconded by Hoffer to approve the Application for the SRF loan for the Water Improvement Project and Water Meter Project. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor. Schulz made a motion seconded by Hoffer to approve the Resolution to file the DWSRF Application for the Water Improvement Project and Water Meter Project. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor. Kelsch made a motion seconded by Timmer to approve the payment of \$58,625.90 to Northern Plains Contracting, Inc. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Schulz commented the Pool Board has two openings but they have not received any applicants yet. He stated they will advertise for another month. There is a JDA meeting and a West River Transit quarterly meeting this week. The Wellness Center has hired a construction manager for the project. The Art Club has started a wall mural in the Police Dept. Schulz made a motion seconded by Timmer to accept the municipal court report. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Timmer commented the Library Board met on January 4 and recommended Katrina Whitley as a new board member. Bjerke appointed Katrina Whitley. Timmer made a motion seconded by Schulz to ratify the appointment of Katrina Whitley to the Beulah Library Board. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor. Timmer stated Kate Johnson is the new Library Board President. The library had over 29,000 checkouts last year and 125 new families. Book readings at the Knife River Care Center had 5-30 residents, and story hour has ranged from 15-50 kids.

Hoffer commented Sun Valley has two lots that are leased to permanent residents. They will be receiving meters when the new meters are installed.

Lenzen commented he had contact with West River regarding pedestals and fire hydrants. They will have flags on their pedestals. Lenzen made a motion seconded by Schulz to approve two bills that didn't make it in for approval at the last meeting. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Solem commented he is working on the Midco franchise, REC and MDU franchises and the Cemetery Ordinance. He stated there are new requirements for drug and alcohol testing with the changes in legislation for medical marijuana.

Yeager commented they took recycling to Minot, changed oil on equipment, had double garbage routes on holidays, fixed frozen brakes on the garbage truck, fixed a sensor on the new garbage truck, plowed and widened streets, cleaned around fire hydrants and the JD Loader was repaired.

They will take down the Christmas tree, decorations and banners, widen streets, and take another load of recycle to Minot.

Duppong commented that a post on the new walking bridge is being repaired. He received security camera information for the Transfer Station. He stated flood preparation data is being looked at in case we have an issue in the spring. Duppong stated he will bring a recommendation for a new P&Z Board Member to the next Council meeting. He stated the apartment complex will have fire testing and some final inspections.

Ferebee presented two raffle permits: Beulah Lions Club on July 15, 2017 at the Mercer County Fairgrounds and St. Paul's Lutheran Church for a Superhero & Sweetheart Fundraiser at the Beulah Civic Center on February 11, 2017. Lenzen made a motion seconded by Schulz to approve the permits as presented. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Ferebee presented the December 2016 financial reports for approval. Kelsch made a motion seconded by Hoffer to approve the reports as presented. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Ferebee presented the 2016 Budget Amendments. Lenzen made a motion seconded by Schulz to approve the 2016 Budget Amendments as presented. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Ferebee presented the 2016 Fund Transfers. Schulz made a motion seconded by Timmer to approve the 2016 Fund Transfers as presented. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor. Lenzen commented he had discussions with Ferebee about the finances and thanked Ferebee.

Phillips presented the Beulah Lodging Tax Committee Budget Recommendation to allocate a portion of the discretionary amount to the CVB. He explained how the amount is derived. Lenzen stated all requests should go through the Advisory Committee and the Committee passes it to Council for approval. The Committee would then review at the end of the year to make sure the funds were spent appropriately. Kelsch clarified that the \$8,849.99 is all that is left in the discretionary amount. Hoffer clarified the amount that would go to the CVB if this is approved would be \$56,170.67 plus \$37,399.95. Phillips stated yes. Lenzen explained the money was directly sent to the CVB in the past without any reporting back to the City. They have open records, but we were not following the NDCC procedure. Lenzen made a motion seconded by Schulz to approve the recommendation by the Lodging & Hospitality Tax Advisory Committee as presented. Roll call vote found Hoffer, Morgan, Lenzen, Schulz, Timmer and Kelsch in favor.

Phillips gave an update on legislative bills. He stated Governor Burgum presented his budget to the legislature with cuts from the previous budget. He commented on a bill relating to the coal conversion facilities privilege tax. Bjerke commented we are not opposed to them changing their tax structure, but it should stay revenue neutral for Mercer County. Phillips commented on a sales tax exemption to wind power generation and tax incentives for working with clean coal. Phillips explained the details of other bills. Discussion followed on contacting local representatives on the bills the City is interested in.

Senn commented on issues with heaters in the two older police vehicles. They are continuing efforts with DAPL and have received funds for reimbursement for some of the police officer labor provided. Beulah officers have volunteered to assist. Senn stated he spent a day there last week and the operation is a lot bigger than people think.

Bjerke commented he got a couple positive letters on Senn from Northwestern. Northwestern provided the class Senn attended last year.

Meeting adjourned at 8:53 pm.

Darrell R. Bjerke, Mayor

Heather Ferebee, Auditor