

**CITY OF CASSELTON**  
**Monday, August 6, 2012**  
**REGULAR MEETING 7:00 P.M.**  
**Council Chambers**

Present: Mayor Edward McConnell, Councilmen Steve Link, Lee Anderson, Mike Eberhardt, Fred Wangler, Joan Carvell and Paul Spooner. Also present: Public Works Supervisor Kevin Mayer, Lin Smithwick, City Auditor Sheila Klevgard, Dan Weber, Carol Weber, City Engineer Brandon Oye, Brandy Pyle, Luke Faleide, Missy Baarstad, Joel Baarstad, Bernie Sinner, Kelly Everson, Brent Everson, Nichole Bye, Aaron Bye, Ashley Maasjo, Joseph Maasjo, Karen Otteson, Angie Buhr, Kelly Cruchet, Lorne Sterner, Deputy Keenan Zundel and City Attorney Del Losing.

**Minutes, Consent Agenda, Bills and Financial Report**

Councilman Link made a motion, seconded by Councilman Wangler to approve the minutes of July 2, City Attorney's Report, Municipal Judge's Report, Police Report and the delinquent utilities list. All voted aye on roll call vote; **motion passed**.

The city is not expecting any more bills from BNSF. Councilman Wangler made a motion, seconded by Councilman Anderson to approve the following bills and refunds for the month of August. All voted aye on roll call vote; **motion passed**.

Aflac	\$115.50
Ameripride	\$129.40
Avesis Vision	\$74.09
Bank of North Dakota	\$290,053.31
Blue Cross Blue Shield	\$4,583.40
BNSF	\$16,897.53
Cass County Reporter	\$175.26
Cass County Treasurer	\$21,350.00
Cass County Electric	\$364.97
Casselton Lumber	\$61.30
Cass Rural Water Users	\$30,221.97
City of Fargo	\$3,826.55
Dakota Tire Service	\$330.96
ESRI	\$250.00
Essentia Health	\$44.00
Fargo Water Equip	\$70.32
Ferguson Waterworks	\$49.32
Gordy's Inc.	\$17.00
Guardian	\$671.08
Hardware Hank	\$189.73
Haugen Cleaning	\$375.00
Hawkins Chemical	\$824.50
Johnson Pest Control	\$55.00
Kaufman Construction	\$4,729.00
Gary Marier	\$18.09
Medcenter One	\$100.00

Midnight Solutions	\$299.99
Moore Engineering	\$4,922.74
ND Dept of Health	\$5.00
North Dakota One Call	\$86.25
ND Sewage Pump	\$1,170.00
Northern States Supply	\$60.78
Ohnstad Twichell	\$1,450.00
Orbitcom	\$304.15
Ottertail Power	\$4,456.91
Paul Bunyan	\$604.60
Petro Serve USA	\$14,986.69
Powerplan	\$33.64
Brandy Pyle	\$720.00
Sam's Club	\$43.22
Sanitation Products	\$864.68
Scheels Home & Hardware	\$105.99
Sensus Metering	\$1,524.60
John Siverson	\$40.00
Sturdevant's	\$163.93
Sweeney Controls	\$3,600.00
Team Laboratory	\$4,509.00
Titan Access Account	\$248.34
US Postal Service	\$190.00
Verizon Wireless	\$152.48
Wisnewski's Top Cut	\$2,450.00
Xcel	\$61.20

**Financial Statement**

Councilman Anderson made a motion, seconded by Councilman Link to approve the financial statement. General Fund \$125,623.48; Special Revenue Funds \$754,353.23; Debt Service Funds \$669,419.70; Construction Funds \$(190,575.87); Special Assessment Funds \$402,453.00; Enterprise Funds \$427,165.60; Trust and Agency Funds \$7,771.23; total \$2,196,210.37. All voted aye on roll call vote; **motion passed**.

**Correspondence**

- Cass County Highway Department reminds the city of the county ordinance limiting highway access to one per quarter mile with closer spacing allowed by exception of the County Engineer.

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- Cass Rural Water Users notified the city of a rate increase effective January 2013 of \$0.25 per thousand gallons.
- Ottertail Power Company responded to the city's letter by stating that it is their goal to have the pole storage relocated to the new site by the end of 2013.

**Advisory vote on Non-Smoking Issue**

Although there is a statewide ballot question set for the November ballot, this vote should still be put on the ballot since it does not cost the city anything and is not binding on the council. The ballot question presented prohibited smoking in all enclosed areas of public places and places of employment. One of the exceptions listed was for owner-operator businesses having no employees. Councilman Link made a motion, seconded by Councilman Eberhardt to approve ballot question as presented. All voted aye on roll call vote; **motion passed.**

**Engineers Agenda**

*Sanitary Sewer Improvement District #24*

Cleaning & televising is complete. The ordering of product is in progress with relining starting in a couple of weeks. Change Order #1 totaling \$23,445.00 was presented which includes: rehabilitate manholes and inverts on Langer south of the tracks, and upgrade SCADA system which communicates with the lift stations. Councilman Link questioned purchasing the SCADA through the contractor and putting it on the SRF loan at an increased cost of \$600 rather than finding the funds in the budget and saving the \$600. The Department of Health has approved the change order and therefore approved the SCADA upgrade for the loan. The mayor stated that if the council wanted to go that route, Sweeney should bill us directly and the cost could run through the maintenance funds. Councilman Link made a motion, seconded by Councilman Eberhardt to approve the change order line items 1 and 2, but not item 3. All voted aye on roll call vote; **motion passed.** Councilman Link made a motion, seconded by Councilman Wangler to authorize Mayer to purchase the SCADA system from Sweeney Controls at a price no more than \$11,900. All voted aye on roll call vote; **motion passed.** Councilman Link made a motion, seconded by Councilman Spooner to approve engineering invoice 3625 for \$2,234.60. All voted aye on roll call vote; **motion passed.**

*Quiet Zone Street Improvements*

Councilman Link made a motion, seconded by Councilman Spooner to approve engineering final invoice 3624 for \$2,688.14. All voted aye on roll call vote; **motion passed.**

*Industrial Park I-94 Drainage*

The Bismarck Corp of Engineers approved removal of the ditch block, however the district branch of the DOT requires a drainage permit from Maple River Water Resource District. Jet-Way Multiple Services submitted a quote to clean and televise the culvert under Highway 18 for \$788. The land to the east of Highway 18 should be surveyed first to verify the grade will work to drain water from the west side. This estimated cost of a survey is \$2,500. If everything looks good then Jet-Way could clean and televise the culvert. The mayor requested a minimal cost basic grade estimate using a GPS and 4-wheeler before spending additional money on a survey. Councilman Anderson made a motion, seconded by Councilman Wangler to **move forward with checking the grade, televising the culvert if grade is acceptable and applying for the drainage permit.** All voted aye on roll call vote; **motion passed.** The permit is \$500 plus \$1,000 for the engineer's fee to get the permit.

**Planning & Zoning**

Cass County Housing Authority is requesting off-street parking along the north side of their buildings on 2<sup>nd</sup> Street where trees may need to be removed but the grade is close to proper. This location would allow easier access to the residents on the east side of the complex. An alternate location is on the west side on 9<sup>th</sup> Avenue S which would take pressure off 2<sup>nd</sup> Street but would require more fill and possibly piping to improve the grade. They would place a 20x135 foot slab just off the roadway allowing 13-15 parking spots which would back directly into the street. Snow removal is not anticipated to be an issue as the other apartment parking areas in town are cleaned and snow hauled away by the apartment owners after the city truck goes by. Currently there is no street parking allowed on 2<sup>nd</sup> Street. The Planning & Zoning committee recommends allowing parking at either location. Oye recommends a disclaimer from the city if the 2<sup>nd</sup> Street option is allowed since the road is narrow and may be widened with traffic increasing in the future. Expect that neighbors should be notified before approval. Councilman Anderson made a motion, seconded by Councilman Link to send the issue back to Planning & Zoning for a public hearing on a parking area at 9<sup>th</sup> Avenue South. All voted aye on roll call vote; **motion passed.**

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Ashley Maasjo had a one year extension on her Class B Daycare conditional use permit due to complaints regarding on-street drop off with pictures and written testimony. With no other complaints from the neighbors the committee recommends a permanent daycare permit for her. Councilman Link made a motion, seconded by Councilman Eberhardt to approve a permanent conditional use permit for a Class B Daycare. All voted aye on roll call vote; **motion passed.**

Kelly Everson is requesting a Class B Daycare for more than 12 and up to 18 children, 1 nonresident employee with a fenced backyard. There was no opposition to increase the number of children at her current daycare; therefore the committee recommends approval of her application. Councilman Link made a motion, seconded by Councilman Eberhardt to approve the conditional use permit. All voted aye on roll call vote; **motion passed.**

**Ottertail Power Poles on Residential Lot**

Dan Weber asked if Ottertail's letter addressed any of the questions asked by the attorney. The goal to move the poles by the end of 2013 is not within the 12 months requested by the attorney. The city can instruct them to move the poles off the city right-of-way which may cause Ottertail to move the poles closer to Weber's home, which he accepts. Without Ottertail agreeing to move the poles, the city could go through litigation which is not worth the time and money based on the small difference in deadline date. Since there is a safety issue with the cement pillars only 16' from the center of the gravel road, it may be easiest to close the road to prevent any liability issue. Councilman Anderson made a motion, seconded by Councilman Eberhardt to have the attorney send a letter requesting a firm deadline of December 31, 2013. Anderson, Eberhardt, Spooner and Wangler voted aye on roll call vote, Link voted nay and Carvell abstained; **motion passed.**

**State Small Business Credit Initiative**

Bernie Sinner is employed with First State Bank, serves on the Job Development Authority and the Growth Initiative Fund which is a subcommittee of the Greater Fargo Moorhead Economic Development Corporation. SSBCI has US Treasury small business funds available for loans and venture capital which were offered to the states. North Dakota did not apply which brought the opportunity to the municipality level. Carrington and Mandan took leads on establishing consortiums with Casselton joining the Mandan group. \$9.7 million has been allocated to this consortium. Lewis and Clark Regional Development Council will act as the administrative agency and the City of Mandan will act as the lead for all the municipalities. The city must agree to the agreements, agree to let these organizations be in charge, appoint one person to the steering committee and nominate one person who should have commercial credit experience to the loan committee, which has oversight for credit and program directives. The consortium is predominantly western cities with the exception of Fargo, West Fargo and Casselton. Original plan was to allocate 75% in loan participation and 25% in venture capital, which was taken out of the application at the suggestion of the Treasury because they did not see an established process of a state run venture capital fund. The agreement can be amended once one is in place. Up to 5% of the funds can be used in the first two years for administrative costs in running the program. Funding is disbursed 1/3 now and each additional third after 80% of the awarded funds have been expended, transferred or obligated. In 2017 it is defederalized at which point the program can continue or get disbursed to the municipalities. A municipality must be a member of the consortium in order for a business to qualify for money. Another Credit initiative may not be need, although it offers another tool for gap financing. The money is put into a pool rather than given to each municipality and funds are loaned out first come first loaned. JDA has not had a chance to look over the paperwork. Jason Pearson submitted Bernie's name for both committees and he is willing to serve. The steering committee member would serve as a liaison to the council and a public relations role. Demonstrate we have experience in venture capital to the US Treasury. This program has more liberal lending guidelines allowing less equity at a 10:1 match and is available for working capital, construction and equipment are all allowable purposes. The loan rate is set up as competitive minimum of 4% but not intended to compete against banks. Councilman Wangler made a motion, seconded by Councilman Eberhardt that upon recommendation of the JDA the mayor should sign the 3 agreements prior to August 20<sup>th</sup>. All voted aye on roll call vote; **motion passed.** Councilman Link made a motion, seconded by Councilman Anderson to appoint Bernie Sinner to the steering committee. All voted aye on roll call vote; **motion passed.** Councilman Link made a motion, seconded by Councilman Eberhardt to nominate Bernie Sinner to the loan committee. All voted aye on roll call vote; **motion passed.**

**Attorney Agreement**

The agreement is for the 2013 calendar year with an initial three year term at \$1,500 per month paid on a retainer basis and does not include compensation for litigation, bonding matters and projects that require special assessments. Del Losing is lead attorney for Ohnstad Twichell under this contract. Councilman Link made a motion, seconded by Councilman Spooner to

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approve the attorney agreement. All voted aye on roll call vote; **motion passed.**

**Police report**

There has been a 50% increase in calls for service due partly to burglary activity at night including bicycle thefts as well as several medical calls to the same home. Summerfest was quiet, seems that people had a good time. The youth are cooperative sharing information with them. The sheriff's department will be bringing an airboat out for Night to Unite. 4-way stop signs have been placed at 8<sup>th</sup> Avenue and 2<sup>nd</sup> Street S three weeks ago, but people are not stopping. The parking area behind Governors Park is the city's responsibility. Councilman Anderson made a motion, seconded by Councilman Eberhardt to put up '72 hour parking limit' signs to prevent long term parking in that area as well as on the east side of Langer Avenue. All voted aye on roll call vote; **motion passed.** One of the residents is wondering what the city can do about Steve Vogel's garage which is caved in and has been for some time.

**Public Works**

The Public Works and Finance Committees met regarding street repairs. Hubert Oye & Sons bid \$37,765 for asphalt patches and Kaufman Construction proposed concrete repair on Front Street in front of Earls Repair at \$12,375. The committee recommends accepting these proposals. Councilman Anderson made a motion, seconded by Councilman Eberhardt to approve the repairs as bid by both companies. All voted aye on roll call vote; **motion passed.**

Councilman Link requested mowing the diversion all the way down to the bottom. Public Works will try getting in there with a smaller tractor.

Next regular meeting is September 4, 2012 at 7:00pm.

Councilman Wangler made a motion to adjourn at 8:59pm.

Respectfully Submitted,

Sheila K Klevgard  
City Auditor