

CITY OF CASSELTON
Monday, June 3, 2013
REGULAR MEETING 7:00 P.M.
Council Chambers

Present: Mayor Edward McConnell, Councilmen Lee Anderson, Kent Buss, Paul Spooner, Fred Wangler, Joan Carvell and Mike Eberhardt. Also present: Kevin Blumhardt, Bud (Clarence) Reitan, June Reitan, Barry Reitan, Dennis Buchholz, Richard Haarstad, Diane Spoerl, City Auditor Sheila Klevgard, Deputy Keenan Zundel, City Engineer Brandon Oye, Public Works Supervisor Kevin Mayer and City Attorney Del Losing.

Minutes, Consent Agenda, Bills and Financial Report

Councilman Wangler made a motion, seconded by Councilman Eberhardt to approve the minutes of May 6 and May 30, City Attorney's Report, Municipal Judge's Report, Police Report and the delinquent utilities list. All voted aye on roll call vote; **motion passed.**

Police report - Only 40 calls for service this month, lowest in a long time. Five were for crashes, juvenile complaints, two DUI's on day shift and one terrorizing and felonious restraint in a domestic dispute. School was released without a hitch and Joe Hedin will be back on duty June 9th on day shift and Zundel will continue on night shift.

Councilman Buss made a motion, seconded by Councilman Anderson to approve the following bills and refunds. All voted aye on roll call vote; **motion passed.**

Aflac	\$135.52
Ameripride	\$136.69
Avesis Vision	\$151.94
Blue Cross Blue Shield	\$4,846.20
Kevin Blumhardt	\$25.00
Cass County Reporter	\$396.69
Cass County Summerfest	\$10,000.00
Cass County Treasurer	\$10,931.25
Cass County Electric	\$547.01
Cass Rural Water Users	\$30,659.00
Casselton Parks & Rec	\$5,000.00
City of Fargo	\$4,875.70
Choice Financial	\$201.40
Dakota Tire Service	\$759.94
Fargo Water Equip	\$1,046.62
Guardian	\$810.32
Hardware Hank	\$54.34
Haugen Cleaning	\$450.00
Hawkins Chemical	\$384.14

Jerry's Excavating	\$3,274.52
Johnson Pest Control	\$143.00
City of Mapleton	\$140.00
Marv Haugen Enterprises	\$8.00
Kevin Mayer	\$10.48
Marshall & Swift	\$284.95
Minnkota Recycling	\$696.00
North Dakota One Call	\$57.75
ND State Plumbing Board	\$40.00
Ohnstad Twichell	\$1,500.00
Ottertail Power	\$4,273.68
Powerplan	\$256.56
Sam's Club	\$37.94
Sanitation Products	\$1,575.00
Sweeney Controls	\$199.80
Team Laboratory	\$2,250.00
US Postal Service	\$106.00
Verizon Wireless	\$150.12
Xcel	\$128.03

Financial Statement

Councilman Anderson made a motion, seconded by Councilman Eberhardt to approve the financial statement. General Fund \$128,119.63; Special Revenue Funds \$824,395.68; Debt Service Funds \$928,180.65; Construction Funds \$28,150.85; Special Assessment Funds \$482,361.25; Enterprise Funds \$429,063.68; Trust and Agency Funds \$7,390.54; total \$2,827,662.28. All voted aye on roll call vote; **motion passed.**

Braun Intertec Bill

Original quote was for ground penetrating radar which could not be used due to compacted snow on the roads. The change order is for providing a recommendation on road sections for residential areas. Councilman Wangler made a motion, seconded by Councilman Buss to approve the change order and final invoice for \$338.00. All voted aye on roll call vote; **motion passed.**

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Summerfest

Kevin Blumhardt, this year's Summerfest coordinator, requested street closures for the event and notice regarding street and sewer construction to help organize the events, in addition to a waiver of the open container ordinance to allow alcohol in the streets from Thursday, July 25 through Sunday, July 28 at 1am. Blumhardt is to contact Oye for construction updates and Mayer to close streets for Summerfest activities. Councilman Eberhardt made a motion, seconded by Councilman Anderson to waive the open container ban for the annual event. All voted aye on roll call vote; **motion passed.**

Renaissance Zone Project

Hagen Dental/HFI, LLC submitted an application for a new building on Lots 5 and 6 Block 3 of the Renaissance Zone. The Renaissance Zone Authority recommends approval as this project follows the intent of the Renaissance Zone. The property tax exemption excludes the land value during the 5 year benefit period. Councilman Wangler made a motion, seconded by Councilman Spooner to create a resolution to approve the renaissance zone project. All voted aye on roll call vote; **motion passed.**

Retail Fireworks Permit

Memory Fireworks is applying for a permit to sell fireworks next to Gordy's from June 27 to July 5, 2013. Councilman Anderson made a motion, seconded by Councilman Wangler to approve the application if all paperwork is in order. All voted aye on roll call vote; **motion passed.**

Raffle Permit

A permit request has been received from Central Cass School for fundraising of various student activity groups. Councilman Buss made a motion, seconded by Councilman Eberhardt to approve the raffle permit. All voted aye on roll call vote; **motion passed.**

Water repair bill.

Bud and June Reitan of 221 3rd Avenue North were sent a repair bill of \$549.70 for a break in their water line. The water line connects to the main on 3rd Street N with the curbstop about 20 feet from the main and 150 feet from the house. The neighbor across the street has their own curbstop but taps into Reitan's service line after Reitan's curbstop. Many years ago Reitans had a leak which Gary Siverson, who was on the council, felt that since two residences were fed off the line they should not be billed. They moved into the house in 1960 and the line was already there. The leak was between the curbstop and residence although closer to the main. City policy is that the city takes care of the main and the homeowner takes care of everything from the main. Reitans feel that since the bill was covered before and the property has not changed hands they should not be billed this time either. The mayor believes that although this is a unique issue in Casselton, he doesn't want to set a precedent for the city paying for repairs on private lines. Front Street Condos has 6 units with one curbstop and Buchholz's duplex has one curbstop, but there are no other single family homes combined on one curbstop. 201 3rd Avenue N, Gregerson also received a bill for repair of the steel saddle which had corroded where it connects to the main transmission line and took a lot of machinery to fix because of the pressure and volume of water. This repair was done prior to Gregerson selling their home, although the bill was received after the sale. The new owner is concerned that if the bill is not paid by Gregerson, it will be assessed to the property. Siverson may have taken it upon himself to not bill Reitans or it may have been brought to council for consideration. It is believed that Siverson was on the council from 1988-2000 and that Offerdahl or Mike Krabbenhoft lived at 222 3rd Avenue N at the time of the break. Councilman Carvell made a motion, seconded by Councilman Eberhardt to follow city policy and have Reitans pay the bill and council minutes will be researched to see if any reference to the past break can be found, and if found within one year, the city will reimburse them. All voted aye on roll call vote; **motion passed.**

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Fletschock Developer's Agreement

This agreement is a contract with the city for Fletschock to install their own sewer and water lines according to city specifications and subject to inspection by city engineers prior to transfer of the lines to the city at which time the city is responsible to maintain them. Fletschock would be responsible for engineer's costs and connection fees and there would be a one year warranty after final inspection. Councilman Wangler made a motion, seconded by Councilman Buss to approve the developer's agreement. All voted aye on roll call vote; **motion passed.**

Water and sewer rates

Finance committee suggested that the sewer rate increase for the sewer project be set as a \$20 surcharge line item on the bill so the public will know when the payments are complete for the project. The apartments should be charged a higher surcharge, possibly an additional \$5.00 fee per dwelling in each apartment building. Many apartment dwellers use the same amount of water as households. The four dollar lagoon fee could come off in 4 years; although there is no sunset right now, there would be more community support if it would sunset rather than using the excess to payoff the sewer project quicker. The dollar amount will be set once project costs are refined. The water rate is currently set at \$17.50 base plus \$7.25 for each unit thereafter. The committee would like to set a third tier water rate triggered at 9 units to increase all usage starting at 3 units to \$9.25 per unit. The purpose is to encourage water conservation and get water usage under control since this rate change will only affect high usage residential customers. This extra money could be used to pay for a new water tower knowing there will be additional demand down the road. The committee also recommended a third tier sewer rate for residential heavy users of \$40.96. This rate would be applied to residential users averaging over 8 units of water per month. Councilman Anderson made a motion, seconded by Councilman Buss to create the third tier in water charges and sewer charges as recommended effective on the billing to be sent out in August. All voted aye on roll call vote; **motion passed.**

City Sales Tax Contract

Councilman Wangler made a motion, seconded by Councilman Buss to approve the contract with the Tax Commissioner of North Dakota for collection of city sales tax effective July 1, 2013 through June 30, 2015. All voted aye on roll call vote; **motion passed.**

Auditor bond

Councilman Spooner made a motion, seconded by Councilman Eberhardt to set the auditor bond at \$1,000,000. All voted aye on roll call vote; **motion passed.**

Engineers Agenda

Sanitary Sewer Improvement District #24 –

There is some settling in the trench area on Front Street but the contractor could make those repairs at their expense during the next project if they are approved on SS#25. Councilman Carvell made a motion, seconded by Councilman Buss to approve engineer's final invoice 5338 for \$1,186.70. All voted aye on roll call vote; **motion passed.**

Sewer & Street Improvement District #25 –

Bids were opened with only three bidders on the project. Oye had hoped for more bids but only a few contractors are capable of managing such a big project although there are many subcontractors. The original estimate for construction was \$4.8 million and due to changes in the scope was adjusted to \$4.75 million. Kindred Plumbing and Heating is the low bidder and came in just under the estimate at \$4,716,991. Alternate 1 for \$24,588.00 is the result of a request from Nancy Sweep to fill in the ditch by her house. The decision to award this alternate should be based on whether she wants to pay for it. The base bid for 1st Street from 6th Avenue to Langer is to put asphalt on top of the concrete in order to correct drainage, which is a temporary fix and may last up to ten years. Alternate 2 would replace the concrete completely and Oye believes the bid is accidently high for this alternate so he hopes the city can work with KPH to reduce the cost by \$50,000. Alternate 3 is to chip seal the entire city next spring after all mill and

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overlay and reconstruction is complete. This will put the whole city on the same timeline for chip sealing rather than spot chip seals around town. Moore recommends awarding the bid to KPH with alternate 1 contingent on Sweep agreeing to pay for the improvement, negotiating the bid price on alternate 2 and awarding alternate 3 with all seal coating being performed next spring; all contingent on approval by ND Department of Health for the Clean Water State Revolving Fund loan. The mayor recommends also sealing the cemetery road. The application to SRF does not include 1st Street N repairs which include storm sewer drains, but can be added if it is allowed by the Department of Health. As set right now the estimate for the required sewer rate increase is \$15.50 on a 20 year loan. The decision to shift costs to SRF does not affect awarding the contract. The special assessment committee will have to address the improvement to the properties on 1st Street N since it is not just a repair but an improvement and it may be fairer to charge the properties rather than the entire city. Consensus was that the business district should be concrete. Councilman Eberhardt made a motion, seconded by Councilman Anderson to award the bid to Kindred Plumbing and Heating as follows: the base bid, alternate 1 if the homeowner agrees to pay for the alternate, alternate 2 contingent on a change order to correct the price of Line Item 12 and alternate 3 to be completed in spring 2014; all contingent on ND Health Department approval for the Clean Water State Revolving Fund loan. All voted aye on roll call vote; **motion passed.**

The engineering agreement shows totals for the entire project. Page 1 of Exhibit C shows the breakdown for the base bid and all three alternates, Exhibit J shows the additional cost of construction surveys and hourly estimates for assessments which usually have several changes. Councilman Buss made a motion, seconded by Councilman Carvell to approve Engineer's Agreement. All voted aye on roll call vote; **motion passed.**

Councilman Wangler made a motion, seconded by Councilman Anderson to approve engineer's invoice 5351 for \$339,302.50 contingent upon SRF funds availability. All voted aye on roll call vote; **motion passed.**

Levy improvements –

Engineers are done with the map and will need to meet with public works regarding the areas where no easements were executed. At this point eminent domain will take precedent if easements are not given freely. Many of the easements will eliminate several items on the CORP checklist. Councilman Wangler made a motion, seconded by Councilman Anderson to approve invoice 5349 for \$3,698.05. All voted aye on roll call vote; **motion passed.**

Ditch block – Industrial Park I-94 Drainage –

The state drainage permit has been approved. Maple River Water Resource District held their meeting last Friday after which they just need to send a letter to the city saying it is approved with certain conditions. They are still working with the DOT to see how they will get it done.

Next regular meeting July 1, 2013 at 7:00pm.

Councilman Wangler made a motion to adjourn at 9:26pm.

Respectfully Submitted,

Sheila K Klevgard
City Auditor