

CITY OF CASSELTON
Monday, March 4, 2013
REGULAR MEETING 7:00 P.M.
Council Chambers

Present: Mayor Edward McConnell, Councilmen Lee Anderson, Kent Buss, Paul Spooner, Fred Wangler and Joan Carvell; Mike Eberhardt arrived late. Also present: Denny Buchholz, Dean Johnson, Doug Howard, Kevin Schauer, Harold Rotunda, City Auditor Sheila Klevgard, Deputy Jeff Arth, City Engineer Brandon Oye, Rich Hawkins and City Attorney Del Losing.

Minutes, Consent Agenda, Bills and Financial Report

Councilman Anderson made a motion, seconded by Councilman Wangler to approve the minutes of February 4 and 19, City Attorney's Report, Municipal Judge's Report, Police Report and the delinquent utilities list. All voted aye on roll call vote; **motion passed.**

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

Advanced Business Methods	\$717.99
Aflac	\$115.50
Ameripride	\$129.40
Avesis Vision	\$87.35
Blue Cross Blue Shield	\$4,583.40
BNSF	\$1,200.00
Cass County Treasurer	\$10,931.25
Cass County Electric	\$708.80
Cass Rural Water Users	\$26,355.92
Casselton Bus Assn	\$820.80
City of Fargo	\$2,661.05
Fargo Freightliner	\$322.52
Fargo Water Equip	\$1,816.00
Fleetpride	\$1,346.18
Guardian	\$737.28
Hardware Hank	\$59.32
Haugen Cleaning	\$420.00
Hawkins Chemical	\$827.50
Johnson Pest Control	\$143.00

Midnight Solutions	\$120.00
Mid-States Wireless	\$105.00
Moore Engineering	\$4,565.60
ND DOT	\$685.23
North Dakota One Call	\$1.95
Northern States Supply	\$23.10
Office of the State Auditor	\$165.00
Ohnstad Twichell	\$1,500.00
Orbitcom	\$305.95
Ottertail Power	\$4,710.14
Petro Serve USA	\$3,017.18
Powerplan	\$29.37
Sam's Club	\$50.50
Sanford Health Occ Med Clinic	\$60.00
St Paul Stamp Works	22.11
Sturdevant's	\$1,859.11
Titan Access Account	\$6.44
Verizon Wireless	\$145.19
Xcel	\$39.31

Financial Statement

Councilman Eberhardt arrived. Councilman Wangler made a motion, seconded by Councilman Spooner to approve the financial statement. General Fund \$127,443.30; Special Revenue Funds \$764,542.50; Debt Service Funds \$817,156.72; Construction Funds \$8,528.70; Special Assessment Funds \$394,401.22; Enterprise Funds \$429,263.68; Trust and Agency Funds \$34,380.88; total \$2,575,717.00. All voted aye on roll call vote; **motion passed.**

Correspondence

Judge Nelson has reported that it has come to her attention that some of the local traffic tickets are being sent to District Court. The belief is that the deputies who are not assigned to Casselton are unaware that the citation should be into Municipal Court. Her main concern is however that the county is going paperless and Casselton will be the only city in the county still using paper tickets making it harder to track down misdirected citations. The Sheriff's office will discuss the issue at their meeting.

Liquor License Application

Councilman Wangler made a motion, seconded by Councilman Eberhardt to approve the liquor application from Cottonwood Golf Club for a 2013 on-sale beer and wine license. All voted aye on roll call vote; **motion passed.**

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Refinancing Bond

Bond counsel has requested approval of a Post-Issuance Debt Compliance Policy and Compliance Procedures. Compliance is the responsibility of the city auditor. The policy and procedure is not really anything different than what has been set out in the nonarbitrage certificate, but the IRS wants a separate procedure now. The only thing that hasn't been done in the past is for the auditor, bond counsel and city attorney to meet annually to review all outstanding bond issues and verify that the city is in compliance. It should also reduce the chance of the city bond issues from being audited by the IRS. Councilman Anderson made a motion, seconded by Councilman Buss to adopt the Post-Issuance Debt Compliance Policy and Procedures. All voted aye on roll call vote; **motion passed**. Councilman Wangler made a motion, seconded by Councilman Eberhardt to approve a resolution providing for the issuance of \$1,845,000 Refunding Improvement Bonds of 2013 to refund the Refunding Improvement Bonds of 2007. All voted aye on roll call vote; **motion passed**. Bonds are being refunded as they become callable to save interest.

Board Appointment

Councilman Wangler made a motion, seconded by Councilman Eberhardt to appoint Wendy Mensing to the Library Board for a term ending in 2015. All voted aye on roll call vote; **motion passed**.

Dental Insurance

Guardian Life Insurance Company is increasing their dental rates effective April 1, 2013 to \$46.88 per month for employee only and \$121.69 per month for family rate. At the current 70% of premium paid by the city, that will be an annual increase of \$750.84. Councilman Carvell made a motion, seconded by Councilman Buss to renew the dental insurance policy. All voted aye on roll call vote; **motion passed**.

Engineer's Agenda

Sanitary Sewer Improvement District #24 – Councilman Wangler made a motion, seconded by Councilman Buss to approve payment of invoice 5018 for \$1,902.50. The remaining 1% retained for the contractor and the final engineering invoice will be due after final inspection in the spring. All voted aye on roll call vote; **motion passed**.

Sewer and Street Improvement District #25 – BNSF permits are needed to access their property for roadway work and for the sewer line passing through. It may take up to six months to get them approved. Councilman Wangler made a motion, seconded by Councilman Spooner to submit the BNSF Roadway Surfacing Permit Application and the BNSF Pipeline Permit Application including payment of the \$600.00 fee for each. All voted aye on roll call vote; **motion passed**. Councilman Anderson made a motion, seconded by Councilman Eberhardt to authorize submittal of the NDDOT agreement which allows the city to perform work on the Highway 18 right of way. All voted aye on roll call vote; **motion passed**. A Public Works Committee meeting was scheduled for Monday, March 11, 2013 to work on the details of the project. Dean Johnson stated that 90% of wear and tear on his street is due to the garbage truck which is stored there and water that sits in the street or goes down the crack between the curb and street. He feels the shop should be removed from the current location. Oye stated that several areas have been identified that retain water and they are planning to look at what can be done. There was much discussion on methods the city can use to inform the public of upcoming meetings.

Levee Improvements – Oye is not finding filed document with the county for levee right of way. He will be checking with Losing and Klevgard to see if the levee surveys are on file in the city auditor's office and not filed with the county. Oye will be sending an application to Cass County Flood Sales Tax committee for a sales tax grant. Councilman Wangler made a motion, seconded by Councilman Eberhardt to pay Moore Engineering invoice 5020 for \$2,663.10. All voted aye on roll call vote; **motion passed**.

State Highway 18 Improvements – The ND STREET program grant application is due May 1, 2013 for projects to be constructed in 2017. Public Works Supervisor Kevin Mayer suggested using this program to improve drainage along Highway 18/County Road 10 from Langer Ave to the curved section where the state is planning to make improvements. The city could ask the county to help with the local 15% share since it is also a county road. Moore has not charged a fee in the past to complete a grant application, but it can cost \$5,000 if no award is received from the grant request. The change to the curve and the connection between 18 and 10 is a state plan and the city has no real say in how it is completed.

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CPA's Financial Report

Harold Rotunda presented his audited financial statement. He stated that self funding is quite effective but leaves the Quiet Zone Fund looking bad with a negative \$529,266.60 balance. The city has \$2 million in the bank, with most of it unobligated and most of the reserves are built up quite well. The operating fund netted \$170,000 which can be used for equipment or other purchases rather than as in the last few years where there has been a negative cash flow. He pointed out that with the new project, the city could minimize the revenues and use some of the reserves or charge the full amount and if there is excess, use it to pay for future projects therefore reducing the need to borrow. The city has worked hard to be in the current financial position and needs to be careful not to throw it away and have problems in a year or two. In closing, he said the city has done a phenomenal job. The mayor said he would like Rotunda to come back to help with project funding options on the new project.

Annexation

Owen Industries dba Northern Plains Steel is requesting annexation of the old Loegering property on the south side of 37th Street Southeast. They intend to make improvements to the building and apply for tax abatement on the increase in value. The basis for the request is presumed to be that the city has not received any income from the property in the past. Councilman Anderson made a motion, seconded by Councilman Spooner to approve a first reading of an ordinance to annex the property. All voted aye on roll call vote; **motion passed.**

Sales Tax Grant

Councilman Wangler made a motion, seconded by Councilman Buss to apply for a sales tax grant in the amount of \$30,000 for the quiet zone or the new sewer and street project to reduce future loans. All voted aye on roll call vote; **motion passed.**

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

Councilman Eberhardt made a motion to adjourn at 8:40pm.

Respectfully Submitted,

Sheila K Klevgard
City Auditor