

CITY OF CASSELTON
Tuesday, September 2, 2014
REGULAR MEETING 7:00 P.M.
Council Chambers

Present: Mayor Lee Anderson, Councilmen Joan Carvell, Charlie Francis, Kent Buss, Fred Wangler, Ed McConnell and Mike Eberhardt. Also present: Matt Thompson, Wayne Oberlander, Bernie Sinner, Dan Triller, City Auditor Sheila Klevgard, Deputy Eric Swenson, Brandon Oye, Kevin Mayer and City Attorney Del Losing.

Minutes, Consent Agenda, Bills and Financial Report

Councilman McConnell made a motion, seconded by Councilman Wangler to approve the minutes of August 4 and 13, City Attorney's Report, Municipal Judge's Report, Police Report and the delinquent utilities list. All voted aye on voice vote; **motion passed**. Councilman McConnell made a motion, seconded by Councilman Eberhardt to approve the following bills and refunds. All voted aye on roll call vote; **motion passed**.

Aflac	\$235.24
Ameripride	\$166.95
Avesis Vision	\$100.40
Baldwin Cooke	\$328.10
Blue Cross Blue Shield	\$4,809.34
Cass County Electric	\$513.62
Cass County Reporter	\$1,259.87
Cass County Treasurer	\$11,040.50
Cass Rural Water Users	\$33,818.88
Casselton Drug	\$45.00
Central Sales Inc	\$118.27
City of Fargo	\$3,849.28
Clint's Repair	\$52.50
CUSIP Global Services	\$120.00
Econo Signs	\$2,037.91
Fargo Water Equip	\$161.77
Grainger	\$77.70
Guardian	\$794.05
Hawkins Chemical	\$1,017.48
Jerry's Excavating	\$11,329.83
Jet-Way Multiple Services	\$1,345.50

John Deere Financial	\$109.18
Johnson Pest Control	\$143.00
Midnight Solutions	\$240.00
Mid-States Wireless	\$427.40
Motion Industries	\$60.74
Municipal Govt Academy	\$165.00
Ohnstad Twichell	\$1,500.00
OK Tire	\$633.10
Orbitcom	\$277.76
Ottertail Power	\$4,196.28
Petro Serve USA	\$1,907.56
Powerplan	\$104.21
Sam's Club	\$42.33
Sanitation Products	\$431.60
Sanford Health Occ Med Clinic	\$100.00
Swanston Equipment	\$13,765.78
Team Laboratory	\$755.00
United Industrial Coatings	\$166.18
US Postal Service	\$220.00
Verizon Wireless	\$146.26
Xcel	\$61.92

Financial Statement

A discrepancy in fund balances was found between the accounting numbers and the audit numbers which goes back to a transfer from Major Projects to the Sales Tax Fund of \$53,972.16 that was approved by council in 2012 and not recorded by the CPA. Councilman Buss made a motion, seconded by Councilman McConnell to rescind the 2012 motion and redo the transfer at the end of 2014. All voted aye on roll call vote; **motion passed**. Councilman Wangler made a motion, seconded by Councilman Buss to approve the financial statement. General Fund \$13,698.32; Special Revenue Funds \$716,448.13; Debt Service Funds \$1,209,112.31; Construction Funds \$93,787.71; Special Assessment Funds \$832,463.51; Enterprise Funds \$393,752.92; Trust and Agency Funds \$14,379.94; total \$3,273,642.84. All voted aye on roll call vote; **motion passed**.

Correspondence

The family of Gary Marier's father-in-law sent a thank you card for the funeral flowers. The county budget meeting is scheduled for September 15, Lake Agassiz Regional Council is looking for a city representative for their Board of Directors and North Dakota State Water Commission has invited the city to attend one of their regional meetings to

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encourage additional interaction between local project sponsors and Water Commission members and staff.

Public Works

The guys have been working on dike improvements including removing trees by the reservoir, videoing the culverts and painting the flap gates. The US Corp of Engineers now has 18 critical items that automatically place a system out of the program. The Casselton dike system does not have any of these deficiencies allowing the city to remain in the program. Harness Trailer Court has a 20 foot section of storm culvert that is rusted out and a replacement has been ordered. Cracks in the concrete pipe on 1st Street North are causing a washout; Mayer is checking on a price to seal it followed by jetting to clean it out. He also talked to DOT and Jerry's Excavating about cleaning out the ditch and removing the ditch block, both of which are covered under the permit.

Renaissance Zone

The end of the 15 year term for the renaissance authority is May 2015 but can be extended an additional five years with an application as well as potentially redefine the zone boundaries. Support by entities affected by property tax abatement such as the school and the city will be needed. Councilman Carvell made a motion, seconded by Councilman Buss to ask the Zone Authority to apply for an extension of the renaissance zone. All voted aye on voice vote; **motion passed**. Renaissance zone projects receive real estate tax abatement on improvements for five years after the completion of a project and income tax abatement by the state. The zone authority recommends approval of an application from Wangler Foods for renovation of the existing building and addition of a parking lot at 42 6th Avenue North. The project would need to be completed by the end of the zone authority to receive benefits of the zone. Wangler hopes to have the project completed by Spring 2015 but has no set date in mind. Councilman Carvell made a motion, seconded by Councilman Eberhardt to approve the project application. All voted aye on roll call vote except Wangler abstained; **motion passed**.

Public Consumption of Alcohol Ordinance

If a business wants to use a patio for serving alcohol they must apply for that to be included in their liquor license. This amendment more accurately defines the prohibited area for open container and the waiver provision is changed from three to four consecutive days. Councilman Buss made a motion, seconded by Councilman Francis to approve the first reading of the amended ordinance. All voted aye on voice vote; **motion passed**.

Udder Bar Liquor License

The Udder Bar has requested to add the patio area to their liquor license. Councilman Eberhardt made a motion, seconded by Councilman Francis to approve the change to licensed area. All voted aye on voice vote; **motion passed**.

Junk Cars Ordinance

The proposed amendment is to allow storage of vehicles on business property within an approved fence to shelter them from view. A provision allowing certain businesses to store junk vehicles for up to 120 days was not approved. Councilman Eberhardt made a motion, seconded by Councilman Francis to approve the first reading allowing approved fences on business property. All voted aye on voice vote; **motion passed**.

Xcel Energy Franchise

The franchise ordinance with Northern States Power dba Xcel Energy has expired, so this is a renewal of the 2% franchise fee for an additional 20 years. Councilman Buss made a motion, seconded by Councilman McConnell to approve the first reading of the franchise ordinance. All voted aye on voice vote; **motion passed**.

Major Equipment Policy

The mayor would like to establish a policy as to how much would be considered a major purchase. Department heads can budget up to \$5,000 and anything over that would be considered a major equipment purchase approved

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by council. Major Projects, Major Equipment and Maintenance funds are used for all purchases. The CPA wants the city to be more careful to put purchases in the correct fund rather than transfer from the Major Projects Fund it should be expensed in the Major Projects Fund to be more transparent.

Final Budget

The proposed final budget is a decrease from 73.09 mills to 72.91 which is the same as last year's mill rate not including the airport levy. To protect the general fund, the extra funds will be listed with zero mills to the county allowing the general levy to increase and yet not increase the total. The cemetery and library mills will remain the same. Councilman Wangler made a motion, seconded by Councilman Buss to approve the final budget. All voted aye on roll call vote; **motion passed.**

Raffle Permit

Councilman Wangler made a motion, seconded by Councilman Francis to approve the raffle permit for St. Leo's Church to support their cemetery fund. All voted aye on voice vote; **motion passed.**

E-cigarettes Ordinance

The FDA is dragging their feet to include e-cigarettes as regular cigarettes and the state legislature will not meet again until next year. This ordinance prohibits e-cigarette sales to and possession by minors. State law already bans smoking e-cigarettes in the same locations as tobacco cigarettes are banned. Councilman Carvell made a motion, seconded by Councilman Eberhardt to approve the first reading of the e-cigarette ordinance. All voted aye on voice vote; **motion passed.**

Metro COG

Assuming they want the city to participate, Councilman Francis will be the city's representative at their meetings.

Planning & Zoning Appointments

Councilman McConnell made a motion, seconded by Councilman Eberhardt to appoint Troy Klevgard and Char Gust to the Planning & Zoning Board. All voted aye on voice vote; **motion passed.**

Board of Adjustments Appointment

Councilman Wangler made a motion, seconded by Councilman Eberhardt to appoint Scott Cramer to the Board for the remainder of a term ending in 2016. All voted aye on voice vote; **motion passed.** State law provides for this board, Losing is checking to see if the city can combine it with the Planning & Zoning Board.

Roth Provision for Retirement Plan

Councilman Wangler made a motion, seconded by Councilman Buss to approve the resolution to add this provision to the retirement plan as an available option to the employees. All voted aye on voice vote; **motion passed.**

Police Report

There were 43 calls this month which is significantly less than in recent previous months. Vehicles are still being broken into and now vandalized; the deputy suggests putting vehicles in the garage if possible. Thorson used to give a log of who worked in town and how many hours were spent working in the city. McConnell requested that something like this be presented in the future.

Engineer's Agenda

Sewer & Street Improvement District #25 – Moore is looking for an updated timeline for the punch list items. Concrete is expected late this week but not the other subcontractors. Anderson received a personal guarantee from Eric Merhiy that it will be done by the end of this week. Once the final inspection is completed final payment can be

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calculated. The time required to calculate liquidated damages is included on the invoice under the line item dispute resolution. Councilman Wangler made a motion, seconded by Councilman McConnell to pay engineering invoice 8513 for \$16,936.30. All voted aye on roll call vote; **motion passed.**

Central Sales Alley – There has been discussion to complete this work under the current contract with KPH because special assessment funds can only be used with the same contractor. The estimate is \$25,000 to replace what is there of 20' x 140' and if they would go to the east end of the concrete pad behind First State Bank it would be \$30,000. The north parking area at Central Sales has also been measured as an option to asphalt at the same time to make the project larger and therefore attract better bids. Losing and Oye will further look into funding options.

Levee Improvements – The markers will be put up on Friday.

State Highway 18/County Highway 10 Improvements – Oye presented a history of what has transpired until now on this project including email correspondence showing expected costs of the project with options for concrete and asphalt, the grant application and approval letter. The plan is to have curb and gutter and upgrading of the storm sewer system in the area. The storm sewer is shallow here causing slow movement and mud and water which doesn't get cleaned out causing frost boils in the road. Improvements in the storm sewer should also include consideration for development of the land to the north. This project is slated for 2017 with the hope of combining it with improvements east of Langer as a shared project with the county. The old section of culvert in front of the school parking area and east is failing. The decision as to whether to go forward with the project hinges on getting funding lined up. Oye suggested asking the county to pay for a feasibility study to get cost estimates for repairs east of Langer on 5th Street North/Highway 10. Since the county doesn't have a cost share policy, the city share may need to be negotiated. It should also be considered that the estimate given is higher than the anticipated actual cost in order to maximize grant funding. It is possible the current SRF funding may be used for the storm sewer portion of this project. Oye will look at the SRF funding option to decrease the amount needed to finance. It was also suggested that Planning & Zoning look at a comprehensive plan to include the development of land to the north. Councilman McConnell made a motion, seconded by Councilman Francis to table this decision until next month with discussion in committee before then. All voted aye on voice vote; **motion passed.**

Moore Engineering will likely not be the engineer for the next housing development. They would bill based on their participation as city engineer and the normal fee of approximately 4% of construction cost would be paid by the developer.

Central Cass School is currently rated poorly due to failed annual progress testing. Scores over the last two years have increase by 50% so the rating should be improving.

Councilman Wangler made a motion to adjourn at 9:17 pm.

Next regular meeting October 6, 2014 at 7:00pm.

Respectfully Submitted,

Sheila K Klevgard
City Auditor