CITY OF WATFORD CITY

CITY COUNCIL MEETING

DECEMBER 3, 2012

Minutes of the regular City Council meeting held on December 3, 2012 at 6:00 p.m. at City Hall. Present were Mayor Brent Sanford and Council Members Justin Voll, Shane Homiston, Marty Mulder, Kris Pacheco, Doug Bolken and Randy Samuelson. Also present was City Planner Curt Moen, Auditor Peni Peterson and Attorney Wyatt Voll. Mayor Sanford called the meeting to order with the Pledge of Allegiance.

Council Member Homiston moved to approve the minutes of the city council meeting held on November 5, 2012. Motion also included approving the agenda and the additions to the agenda. Motion seconded by Council Member Mulder and carried unanimously.

Laura Dodds was present and gave an update to the Council regarding the property located on the corner of Main Street and Park Avenue that was purchased from the city on May 18, 2009. Mrs. Dodd said their intent it to have a building on the property in 2013 to rent out as they have received requests from interested individuals. The council requested that they have closer communication with the City Planner going forward with their project.

Council Member Homiston moved to approve the Development Agreement and Subdivision Improvement Agreement between the City and GTI Industrial Park, contingent on GTI Industrial Park obtaining bonding. Motion seconded by Council Member Bolken and carried by the following roll call vote: ayes: Homiston, Mulder, Pacheco, Bolken, Samuelson, and Voll; nays: none.

Mayor Sanford called the Public Hearing, as advertised, to order to consider the application for Retail Liquor and Beer License for Coborn’s Incorporated. There were no written comments or comments from the public. The Public Hearing was closed. No action was taken and the item was tabled until the January 7, 2013 meeting.

Mayor Sanford called the Public Hearing, as advertised, to order to consider the Vacate Trail Easement submitted by Kum & Go, LC. There were no written comments or comments from the public. The Public Hearing was closed. Council Member Bolken moved to approve the Vacate Trail Easement for Kum & Go, LC. Motion seconded by Council Member Voll and carried by the following roll call vote: ayes: Samuelson, Voll, Mulder, Homiston, Pacheco, and Bolken; nays: none.

Council Member Voll moved to approve the Recreation Trail Easement submitted by Kum & Go, LC. Motion seconded by Pacheco and carried by the following roll call vote: ayes: Mulder, Homiston, Voll, Bolken, Samuelson, and Pacheco; nays: none.

Todd Norton, Advanced Engineering and Environmental Services, was present to provide project updates and present partial pay estimates, change orders, and task orders for review.

Council Member Pacheco moved to approve Pay Estimate #4 from Glacier Construction Company, Inc. (WWT Phase I Improvements) for $455,478.10. Motion seconded by Voll and carried by the following roll call vote: ayes: Bolken, Mulder, Pacheco, Homiston, Voll, and Samuelson; nays: none.

Council Member Samuelson moved to approve Pay Estimate # 1 from Moorhead Electric, Inc. (WWT Phase I Improvements) for $146,700.00. Motion seconded by Homiston and carried by the following roll call vote: ayes: Samuelson, Mulder, Pacheco, Voll, Bolken, and Homiston; nays: none.

Council Member Voll moved to approve Pay Estimate #3 from SJ Louis Construction, Inc. (Area 2B Utilities Extensions & Improvements) for $186,704.25. Motion seconded by Pacheco and carried by the following roll call vote: ayes: Homiston, Voll, Samuelson, Pacheco, Mulder, and Bolken; nays: none.

Council Member Pacheco moved to approve Pay Estimate # 2 from Williams Plumbing and Heating, Inc. (Area 2A & 2B Equipment Improvements) for $60,288.30. Motion seconded by Bolken and carried by the following roll call vote: ayes: Bolken, Mulder, Homiston, Samuelson, Voll, and Pacheco; nays: none.

Council Member Homiston moved to approve Pay Estimate #5 from Merryman Excavation (Area 5 Sanitary Sewer Extensions) for $48,005.26. Motion seconded by Voll and carried by the following roll call vote: ayes: Pacheco, Voll, Homiston, Samuelson, Mulder, and Bolken; nays: none.

Police Chief Herfindahl was present and gave a staff report. The council was informed that Dylan Bostic submitted a letter of resignation with the Police Department effective December 31, 2012. Council Member Homiston moved to approve Dylan Bostic’s resignation. Motion seconded by Pacheco and carried by the following roll call vote: ayes: Mulder, Homiston, Samuelson, Voll, Bolken, and Pacheco; nays: none. Council Member Homiston moved to approve Chief Herfindahl to start advertising to fill the open officer position. Motion seconded by Voll and carried by the following roll call vote: ayes: Samuelson, Pacheco, Bolken, Mulder, Voll, and Homiston; nays: none.

Katie Walters was present and introduced herself on behalf of Wolf Run Village and Wolf Pup Daycare Center.

Council Member Samuelson moved to approve the Loan Guarantee between Wolf Run Village, City of Watford City and First International Bank & Trust. Seconded by Pacheco and carried by the following roll call vote: ayes: Homiston, Bolken, Mulder, Voll, Samuelson, and Pacheco; nays: none.

Wolf Run Village filed with the City Auditor a Petition to Vacate Easement, (2) Petition to Vacate Alley, and (2) Petitions to Vacate Street. No action was taken and will be tabled until the January 7, 2013 meeting.

Upon the recommendation of the Planning Commission, Council Member Homiston moved to approve the 1st annual renewal of Conditional Use Permit, originally applied for in November 2011, for temporary workforce housing on property located at 504 13th Ave SW, Lot 7 & 8 of Block 2 Old West Subdivision in Ideal Township. Property currently owned by Tervita. Motion seconded by Council Member Voll and carried by the following roll call vote: ayes: Mulder, Voll, Samuelson, Pacheco, Bolken, and Homiston; nays: none.

Upon the recommendation of the Planning Commission, Council Member Voll moved to approve the Conditional Use Permit of free standing 80 ft. tower for telemetry and construction of bulk water sales facility for property located in Section 15, T150N, R98W Hwy 1806 & 23. Motion seconded by Council Member Samuelson and carried by the following roll call vote: ayes: Samuelson, Bolken, Mulder, Pacheco, Homiston, and Voll; nays: none.

Upon the recommendation of the Planning Commission, Council Member Homiston moved to approve the Conditional Use Permit of a free standing 60 ft. tower for telemetry on property located at 608 4th Ave NW. Motion seconded by Council Member Bolken and carried by the following roll call vote: ayes: Mulder, Voll, Bolken, Pacheco, Samuelson, and Homiston; nays: none.

Upon the recommendation of the Planning Commission, Council Member Pacheco moved to approve the Conditional Use Permit submitted by SSID, LLC. /Robert Trupe for Employee Housing. Approval is contingent on SSID, LLC. not utilizing their county issued liquor license until an approved mechanism is in place for a license to be issued by the City of Watford City. Motion seconded by Council Member Mulder and carried by the following roll call vote: ayes: Bolken, Homiston, Voll, Pacheco, Mulder, and Samuelson; nays: none.

Upon the recommendation of the Planning Commission, Council Member Samuelson moved to approve the Conditional Use Permit submitted by Joseph and Margaret Girard Family Trust/US Forest Service for employee housing on property located at 1901 S. Main St., 4.9 acres. Motion seconded by Council Member Pacheco and carried by the following roll call vote: ayes: Homiston, Mulder, Voll, Samuelson, Pacheco, and Bolken; nays: none.

Upon the recommendation of the Planning Commission, Council Member Voll moved to approve the Conditional Use Permit submitted by JDM Development Group, LLC/Michael Jelsing for a Home Occupation for a temporary dental office to accommodate 4 dental chairs, with a change to the Staff Report, Conditions of Approval, # 4, *Conditional Use Permit shall be for a term of one year and will not be renewed;* recommendation to review after one year.Mr. Jelsing submitted written approval of surrounding property owners accepting the proposed use of the property. Motion seconded by Council Member Mulder and carried by the following roll call vote: ayes: Bolken, Voll, Samuelson, Mulder, Pacheco, and Homiston; nays: none.

Upon the recommendation of the Planning Commission, Council Member Voll moved to approve the Preliminary Subdivision Plat submitted by Farmers Union Oil Company on property located in the NE1/4SW1/4 Section 19, T150N, R98W, 12.9 acres. Motion seconded by Council Member Pacheco and carried by the following roll call vote: ayes: Samuelson, Mulder, Bolken, Pacheco, Homiston, and Voll; nays: none.

Upon the recommendation of the Planning Commission, Council Member Voll moved to approve the Simple Lot Split submitted by Western Area Water Supply/Jaret Wirtz on property located in the NW1/4 Section 15, T150N, R98W Hwy 1806 & 23. Application submitted as 5 acres, amended to 10 acres. WAWS submitted a revised map with legal description. Motion seconded by Council Member Mulder and carried by the following roll call vote: ayes: Pacheco, Bolken, Samuelson, Voll, Mulder, and Homiston; nays: none.

Upon the recommendation of the Planning Commission, Council Member Pacheco moved to approve the Zone Change Application submitted by SSID, LLC./Robert Trupe to change from A-2 to C-1 for property located at 1005 S. Main St., .50 acres. Motion seconded by Council Member Bolken and carried by the following roll call vote: ayes: Homiston, Mulder, Voll, Samuelson, Pacheco, and Bolken; nays: none.

Upon the recommendation of the Planning Commission, Council Member Voll moved to approve the Zone Change Application submitted by Joseph and Margaret Girard Family Trust/US Forest Service to change zoning from A-2 to C-1 for property located at 1901 S. Main St., 4.942 acres. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Samuelson, Mulder, Bolken, Pacheco, Homiston, and Voll; nays: none.

Upon the recommendation of the Planning Commission, Council Member Samuelson moved to approve the Zone Change Application submitted by WAWS/Jaret Wirtz to change zoning from A-2 to C-1 on property located at NW1/4 Section 15, T150N, R98W, Highway 1806 & 23, 5 acres. Motion seconded by Council Member Bolken and carried by the following roll call vote: ayes: Voll, Samuelson, Bolken, Mulder, Pacheco, Homiston; nays: none.

Council Member Homiston reported that the Ambulance/Fire Department Committee is reviewing the need to purchase a ladder truck as well as discussing building expansion options.

Council Member Bolken moved to approve the employee housing new rent rates of $750.00/month and additional rooms will rent for $450.00/month for both trailers owned by the city. These rates will include utilities to be paid by the city. If there is only one renter in the unit, the rate will be $750.00/month. These rates will be in effect December 1, 2012 for the trailer on 2nd St NE, and February 1, 2013 for the trailer located in the Watford City Courtyard. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Samuelson, Mulder, Bolken, Pacheco, Homiston, and Voll; nays: none.

Council Member Homiston moved to approve a category and step increase for Brett Wold from Category 3, Step 4 to Category 3, Step 5 effective 1/16/2013. Motion seconded by Pacheco and carried by the following roll call vote: ayes: Voll, Pacheco, Samuelson, Bolken, Mulder, and Homiston; nays: none.

Council Member Homiston moved to approve a step increase for Terry Jeffries from Category 3, Step 3 to Category 3, Step 4 effective 1/16/2013. Motion seconded by Pacheco and carried by the following roll call vote: ayes: Mulder, Bolken, Pacheco, Voll, Samuelson, and Homiston; nays: none.

Council Member Homiston moved to approve temporarily hiring Seth Sampson at $18.49/hour with no benefits. Motion seconded by Bolken and carried by the following roll call vote: ayes: Mulder, Pacheco, Bolken, Homiston, Voll, and Samuelson; nays: none.

Council Member Homiston moved to approve temporarily rehiring Brianna Allex at $9.90/hour with no benefits. Motion seconded by Samuelson and carried by the following roll call vote: ayes: Voll, Bolken, Samuelson, Pacheco, Mulder, and Homiston; nays: none.

Council tabled to offer Curtis Moen a one year contract until Attorney Voll can finalize a contact.

Council Member Homiston moved to approve new NDPERS Retirement rates as Employee 3.43% and Employer 8.69% to fulfill the required rate of 12.12% for 2013. Motion seconded by Council Member Pacheco and carried by the following roll call vote: ayes: Mulder, Pacheco, Homiston, Samuelson, Voll, and Bolken; nays: none.

Justin Voll, chairman of the Water, Sewer and Garbage committee, reviewed the following Utility Rate Resolution No. 2013-01. City Ordinance 3-102 states the utility shall be operated such that it is self-supporting and self-perpetuating. It allows the utility to make a profit which can be used to contribute to the cost of any other City function as allowed under North Dakota Century Code Section 40-33. To date, it is the intent of the City Council to operate the utility on a self-supporting and self-perpetuating basis and not to make a profit for other purposes.

WHEREAS, Chapter 3, Section 3-219 allows that water and sewer rates may be fixed from time to time by resolution of the City Council and the City reserves the right to change the rates from time to time as it deems best.

WHEREAS, Chapter 4, Section 4-307 allows for fees for collection of garbage and rubbish by the City and the disposal thereof shall be as determined by resolution by the City Council.

The Council’s intent is to evaluate the rates yearly and adjust them to generate enough money to cover the yearly costs and replace one block of water and sewer main each year.

Currently, the City Council has invested large sums of money to generate income for the utilities. The income from the investments is intended to supplement the utilities to keep the rates reasonable and ensure there are funds available for replacement projects.

Items to be addressed each year when evaluating the rates are as follows:

1. Normal operating cost
2. Costs for main replacement
3. Interest income on investments
4. Whether or not the assumptions for self-perpetuating the system are adequate.

Effective January 1, 2013 the rates for utility services are to be adjusted as follows:

**JANUARY 2013**

**WATER**

**Residential**

Basic Service

Base Rate $ 19.60

Unit Charge $3.24/1000

Hook-up Fee (New Connection, no

previous service to property)

Up to 1” Water Service Line $550

2” Water Service Line $1,900

**Commercial**

Basic Service

Base Rate $ 30.77

Unit Charge $3.24/1000

Hook-up Fee (New Connection, no

previous service to property)

Up to 1” Water Service Line $550

2” Water Service Line $1,900

**SEWER**

**Residential**

Min Monthly Fee $20.06

Unit Charge $1.56/1000

Maximum $32.54

(based on 8000 gal/mo)

Hook-up Fee (New Connection, no

previous service to property)

Up to 1” Water Service Line $300

2” Water Service Line $750

**Commercial**

Min Monthly Fee $36.77

Unit Charge $1.56/1000 to 10,600

Over 10,600 $1.98/1000

Hook-up Fee (New Connection, no

previous service to property)

Up to 1” Water Service Line $300

2” Water Service Line $1,000

**GARBAGE**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **WATFORD CITY 2013 COMMERCIAL SANITATION RATE STRUCTURE** | | | | | | | |
|  | **CANS** | | | **DUMPSTERS** | | | | |
| **DUMPS/ WEEK** | **1 CAN** | **2 CANS** | **3 CANS** | **1 YARD** | **1.5 YARD** | **2 YARD** | **3 YARD** | **4 YARD 6 YARD** |
| 1 | $19.90 |  |  | $47.29 | $52.48 | $61.14 | $78.68 | $95.99 $155.50 |
| 2 |  |  |  | $93.48 | $103.85 | $121.11 | $155.86 | $190.38 $308.41 |
| 3 |  |  |  | $139.68 | $155.22 | $181.08 | $233.05 | $284.77 $461.32 |
| 4 |  |  |  | $185.85 | $206.59 | $241.05 | $310.22 | $379.16 $614.22 |
| 5 | $35.64 | $71.26 | $106.90 | $232.04 | $257.96 | $308.75 | $387.41 | $473.54 $767.11 |
| 6 |  |  |  | $278.23 | $309.33 | $361.00 | $464.59 | $567.93 $920.02 |
| 7 |  |  |  | $324.42 | $360.70 | $420.98 | $541.77 | $662.32 $1,072.93 |

The above resolution was introduced and passed at a regular meeting of the City Council of Watford City on the 3rd day of December, 2012. Council Member Voll moved to approve the Utility Rate Resolution showing a 0% increase in the water base rate and a 99% increase in the water unit rate for residential users and a 57% increase in the water base rate and 99% increase in the water unit rate for commercial users; an 8% increase in the sewer base rate and a 98% increase in the sewer unit rate for residential users and a 98% increase in sewer base rate and a 98% increase in sewer unit rate for commercial users; 0% increase in residential garbage rates and 8% increase in commercial garbage; Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Samuelson, Bolken, Pacheco, Voll, Homiston, and Mulder; nays: none. Absent: none. ENACTED by the City Council of the City of Watford City, North Dakota, this 3rd day of December, 2012.

At 8:47 pm Council Member Voll made a motion to move into executive session as allowed by NDCC 44.04-19.1 to discuss Area 6 Utility Extension and Improvement Project. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Mulder, Pacheco, Bolken, Voll, Homiston and Samuelson. nays: none.

Whereby, the City Council met in executive session to consult with the attorney regarding negotiations and potential litigation in a possible contractor issue as authorized by NDCC 44-04-19.1. Present were Mayor Sanford and Council Members Voll, Homiston, Samuelson, Mulder, Pacheco and Bolken. Also present was City Planner Moen, Auditor Peterson, Attorney Wyatt Voll, Todd Norton and Todd Wasson, Advanced Engineering. Mayor Sanford left the meeting at 9:05 pm. The executive session was adjourned at 9:15 pm.

At 9:15 p.m. the city council reconvened and President Voll stated that the council met in executive session to discuss Area 6 Utility Extension and Improvement Project as authorized by NDCC 44-04-19.1. Nothing further was discussed.

Council Member Mulder moved to hire Attorney Maurice McCormick, Vogel Law Firm, to advise on procedure relating to R.S. Bennett Construction, Inc for contractor default on Area 6 Utility Extension and Improvement Project. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Pacheco, Bolken, Homiston, Samuelson and Mulder. nays: none.

The November 2012 cash reports were reviewed.

Council Member Homiston moved to pay McKenzie County Water Resource District, contingent on the contract with WAWSA being completed and signed, $794,469.00 for 2012 Industrial Water Sales revenue. Motion seconded by Council Member Pacheco and carried with the following roll call vote: ayes: Samuelson, Mulder, Pacheco, Bolken, and Homiston; nays: none.

Council Member Homiston moved to approve the bills as listed. Motion seconded by Council Member Mulder and carried unanimously. EFPTS $16,096.90; EFTPS $13,825.03; TASC $235.40; TASC $235.40; NDPERS $335.00; NDPERS $335.00; Payroll $93,446.58; Colonial Ins. $117.15; BCBS $20,926.60; NDPERS $12,291.35; NDPERS $190.38; Symetra $280.74; AFLAC $396.40; Advanced Engineering $162,090.71; Alert-All Corp $1,843.63; Astro Chem Service, Inc. $149.00; Badlands Hardware $647.40; Balco Uniform Comp., Inc. $747.58; Bluetarp Financial, Inc. $1,659.76; Boiler Inspection Program $270.00; Brenna Law Firm, PLLC $1,050.00; Brent Sanford 199.80; Buds Pump Service $430.00; Carquest Auto Parts $39.23; Dakota Supply Group $60.96; Dean Anderson $815.40; Digital Ally $130.00; Direct Electric $3,046.33; Doublewood Inn 138.60; Doug Kesler $600.00; DW Excavating, Inc $2,370.00; Electronic Communications $1,095.00; Elliot Excavating $14,050.00; Fargo Water Equipment $1,598.56; Farmers Union Oil Co $53.69; Fastenal Company $134.35; FBI-LEEDA $50.00; First International Bank & Trust $1,300.00; Foley Brothers, LLC $1,750.00; Gaffaney’s Inc $448.63; Galls $102.99; Gene’s Tree Service $6,935.07; Greg’s Welding $735.00; Hawkeye Oil Field Supply, LLC $11.56; Hawkins, Inc. $2,057.13; Heggen Equipment, Inc. $483.47; Information Technology Dept $210.00; Interstate Standard $173.40; Interstate Tesoro $53.23; Jackola Engineering $99,145.84; Kotana Communications, Inc $12,292.75; Lewis & Clark Trail Museum $25,572.76; LTP Enterprises, Inc $3,919.50; Lyle Signs, Inc. $68.70; M & T Fire and Safety, Inc. $16,551.01; McKennett Law Firm $7,367.50; McKenzie Building Center $47.65; McKenzie County Ambulance $2,724.52; McKenzie County Fair Board $4,733.30; McKenzie County Farmer $1,405.50; McKenzie County Healthcare $435.78; McKenzie Co Landfill $10,611.00; McKenzie Co Recorder $122.00; McKenzie County Tourism Bur $1,240.00; McKenzie Electric Coop, Inc. $1,213.00; Meuchel Enterprises, Inc. $2,798.88; Mondak Portables, LLC $532.50; Montana Dakota Utilities $8,406.16; NDAAO $275.00; ND Rural Water Systems Assoc $200.00; ND State Fire & Tornado Fund $41.19; Nelson Contracting $1,280.00; O’Day Equipment $3,886.25; OK Implement $795.02; One Way Service Machine Shop $436.61; Page Rosenlund $148.36; Powerplan $211.76; Postmaster $464.12; Pro Auto Body, LLC $505.77; Red Carpet Carwash $127.33; Reservation Telephone $1,198.80; Richland County Assessing Office $150.00; Rolfson Oil, Inc $81.15; S & S Motors $1,304.65; Safeguard Business Systems $125.87; Sensus $80.00; Shannon Monnens $293.13; Sirchie Finger Print $184.24; South Park Hotel, LLC $9,795.00; South Park Extended Stay, LLC $5,413.00; State Disbursement Unit $325.00; Suds Laundry $177.75; Swanston Equipment Corp $278.60; TD & H Engineering $13,596.66; Talk Time Wireless $78.60; Triple AAA Safety/Training $276.59; Verizon Wireless $1,142.38; Visa $2,571.55; Watford City Enterprises, LLC $600.00; Watford City Express Laundry Center $163.00; Williston Fire & Safety $1,216.00; Witmer Public Safety Group $383.82; Xerox Corporation $711.44.

The next regularly scheduled City Council meeting will be on Monday, January, 2013 at 6:00 p.m. at City Hall.

There being no further business, the meeting was adjourned at 9:25 p.m. These minutes are published subject to the City Council’s Review and Revision pursuant to NDCC 40-01-09.1.

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Peni Peterson, Auditor Brent Sanford, Mayor