CITY OF WATFORD CITY

CITY COUNCIL MEETING

December 2, 2013

Minutes of the regular City Council meeting held on December 2, 2013 at 6:00 p.m. at City Hall. Present were Mayor Brent Sanford and Council Members Justin Voll, Shane Homiston, Marty Mulder, Randy Samuelson and Doug Bolken. Absent was Kris Pacheco. Also present was City Planner Curt Moen, City Auditor Peni Peterson and Attorney Wyatt Voll.

Council Member Mulder moved to approve the minutes of the city council meeting held on November 4, 2013. Motion also included approving the agenda. Motion seconded by Council Member Bolken and carried unanimously.

Mayor Sanford called the Public Hearing, as advertised, to order for the Liquor License Application submitted by Feng Chen – Happy Rice, Inc. There were no written comments or comments from the public. The Public Hearing was closed.

Council Member Voll moved to approve the Application for Beer License and Application for Sunday Alcoholic Beverage Permit submitted by Feng Chen- Happy Rice, Inc. Motion seconded by Council Member Bolken and carried by the following roll call vote: ayes: Mulder, Bolken, Voll, and Homiston; nays: none.

Mayor Sanford called the Public Hearing, as advertised, to order for the Application for Annexation submitted by QEP Resources (Country Club Acres – Lot 1-9, Block 1, and Lots 1-9, Block 2 – 3112 4th Ave NE – 9.32 acres). There were no written comments or comments from the public. The Public Hearing was closed.

Council Member Bolken moved to approve the First Reading on an Ordinance Annexing Property to the City of Watford City per Annexation Application submitted by QEP Resources (Country Club Acres – Lot 1-9, Block 1, and Lots 1-9, Block 2 – 3112 4th Ave NE – 9.32 acres). Approval is contingent on a 60’ right-of-way easement to the City of Watford City on the southern boundary of property. Motion seconded by Council Homiston and carried by the following roll call vote: ayes: Voll, Mulder, Homiston, and Bolken; nays: none.

Bids were opened for (3) 2014 Police vehicles. Council Member Bolken moved to approve the bid from Eide Ford in the amount of $32,867.35/vehicle. Motion seconded by Council Member Mulder and carried with the following roll call vote: ayes: Homiston, Voll, Mulder, and Bolken; nays: none.

No bids were received for the various Public Works items that were advertised.

Council Member Homiston moved to approve the Loan Guarantee for Wolf Run Village, Inc. for the Wolf Pup Daycare construction loan funded at First International Bank & Trust in the amount of $2,065,000. Motion seconded by Council Member Voll and carried by the following roll call vote: ayes: Bolken, Homiston, Voll, and Mulder; nays: none.

Council Member Samuelson arrived to the meeting at 6:34 pm.

Todd Norton, Advanced Engineering and Environmental Services, provided task orders and partial pay estimates for review.

Council Member Voll moved to approve a Geotech Proposal from TD&H (Hwy 23 Watermain Extension) for $9,500. Motion seconded by Homiston and carried by the following roll call vote: ayes: Bolken, Voll, Mulder, Samuelson, and Homiston; nays: none.

Council Member Homiston moved to approve a Geotech Proposal from TD&H (3rd Ave SW, 6th Ave NE, and 16th St NE) for $14,100. Motion seconded by Samuelson and carried by the following roll call vote: ayes: Mulder, Samuelson, Voll, Homiston, and Bolken; nays: none.

Council Member Bolken moved to approve Amendment No. 2 to Task Order No. 13 from Advanced Engineering from $238,720 to $299,720 (Area 6 Utility Extensions Construction Phase). Motion seconded by Mulder and carried by the following roll call vote: ayes: Samuelson, Mulder, Voll, Bolken, and Homiston; nays: none.

Council Member Voll moved to approve Task Order #6c from Advance Engineering (Wastewater Mechanical Treatment Plant Design and Bidding Services) for $1,169,000. Motion seconded by Mulder and carried by the following roll call vote: ayes: Homiston, Bolken, Mulder, Voll, and Samuelson; nays: none.

Council Member Samuelson moved to approve Change Order #7 from North Star Energy and Construction (Area 6 Utility Extension - Revised) for $17,533.37 and Pay Estimate #7 from North Star Energy and Construction (Area 6 Utility Extension- Revised) for $151,487.37. Motion seconded by Council Member Voll and carried by the following roll call vote: ayes: Mulder, Bolken, Homiston, Samuelson, and Voll; nays: none.

Jamie Klecker, Advanced Engineering and Environmental Services, was present and gave a presentation on the Wastewater Mechanical Treatment Plant Design.

Chief Jesse Wellen was present and gave an update on the police department.

Council Member Homiston moved to approve the recommendations from the Planning Commission from their November 25, 2013 meeting with the exceptions of removing item #3. Approved the following: Zone Change Application submitted by Bayfront Builders/Jeff Hausmann LLC on property located at Main St N and 17th Ave NE., Lots 62, 63, 64, 65, 66 and 67 of Pheasant Ridge, in the NW1/4 of Section 18, T150N, R98W. The amendment will place the Townhome District onto existing R-3 zoned property and an Amended Final Plat must be submitted; Zone Change Application submitted by Shangcheng Development, LLC, for property located in the South ½ of the NE ¼ and the SE ¼ of Section 14, T150N, R99W, 237 acres. Application will re-zone AG property to R1, R3, R4, and C1; Variance Application submitted by David and Deanne Valenzuela, for property located at 328 3rd St NW, 0.21 acres; Simple Lot Split Application submitted by McKenzie County for property located in Section 29, Township 150 North, Range 98 West, 160 acres. Motion seconded by Council Member Bolken and carried by the following roll call vote: ayes: Samuelson, Mulder, Bolken, Voll, and Homiston; nays: none.

Planning Commission Agenda Item #3 – Variance Application submitted by Shawn Garman for property located at 109 4th Ave NW, was pulled from the agenda. After further review by staff, it was determined a variance was not required.

Council Member Bolken moved to approve Pay Application #5 (City Hall Renovation) from AHTNA for $154,776.41. Motion seconded by Council Member Mulder and carried by the following roll call vote: ayes: Homiston, Mulder, Samuelson, Voll, and Bolken; nays: none.

Council Member Bolken moved to approve Pay Application #5 (EMS Building) from AHTNA for $24,721.73. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Homiston, Mulder, Samuelson, Voll, and Bolken; nays: none.

Council Member Bolken moved to approve Pay Application #6 (City Hall Renovation) from AHTNA for $143,240.47. Motion seconded by Council Member Voll and carried by the following roll call vote: ayes: Samuelson, Homiston, Mulder, Voll, and Bolken; nays: none.

Council Member Bolken moved to approve Pay Application #6 (EMS Building) from AHTNA for $233,749.76. Motion seconded by Council Member Mulder and carried by the following roll call vote: ayes: Voll, Bolken, Mulder, Samuelson, and Homiston; nays: none.

Member Homiston moved to approve the annual step increase for Brett Wold, Category 3, Step 5; effective January 1, 2014. Motion seconded by Council Member Voll and carried by the following roll call vote: ayes: Mulder, Samuelson, Bolken, Homiston, and Voll; nays: none.

Council Member Samuelson moved to approve $100.00 in Watford City Bucks for employees. Motion seconded by Homiston and carried by the following roll call vote: ayes: Bolken, Voll, Mulder, Samuelson, and Homiston; nays: none.

Council Member Bolken moved to approve the Second Reading on Ordinance #333 Annexing Property to the City of Watford City per Annexation Application submitted by Net Money, LLC (3408 4th Ave NE, SW ¼, SE ¼, Section 16, T150N, Range 98W – 3 acres). Motion seconded by Council Member Samuelson and carried by the following roll call vote: ayes: Mulder, Voll, Samuelson, Homiston, and Bolken; nays: none.

Council Member Bolken moved to approve the Second Reading on Ordinance #334 Annexing Property to the City of Watford City per Annexation Application submitted by Tim Giles/ Mike Malais (NE1/4NW1/4 Ex IT 1002 Terr Sub, NE1/4SW1/4S1/2NW Ex IT 1056 Old West Sub Ex IT 1279 – 53.67 acres). Motion seconded by Council Member Mulder and carried by the following roll call vote: ayes: Samuelson, Homiston, Mulder, Voll, and Bolken; nays: none.

Justin Voll, chairman of the Water, Sewer and Garbage committee, reviewed the following Utility Rate Resolution No. 2014-01. 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:

A. Normal operating cost

B. Costs for main replacement

C. Interest income on investments

D. Whether or not the assumptions for self-perpetuating the system are adequate.

Effective January 1, 2014 the rates for utility services are to be adjusted as follows:

  **October 2013 January 2014**

**WATER**

**Residential**

Basic Service

 Base Rate $19.60 $19.60

 Unit Charge $3.24/1,000 $3.92/1,000

 Hook-up Fee (New Connection, no

 previous service to property)

 Up to 1” Water Service Line $550 $550

 2” Water Service Line $2,000 $2,000

**Commercial**

Basic Service

 Base Rate $30.77 $30.77

 Unit Charge $3.24/1,000 $3.92/1,000

 Hook-up Fee (New Connection, no

 previous service to property)

 Up to 1” Water Service Line $550 $550

 2” Water Service Line $2,000 $2,000

 3” & 4” Water Service Lines $4,000 $4,000

 6” Water Service Line $6,000 $6,000

 8” Water Service Line $12,000 $12,000

Bulk Water

 Unit Charge $35.00/1,000 $35.00/1,000

Water Meter Rental

 Deposit $2,000 cash

 Base Rate $25.00 $25.00

 Unit Charge $35.00/1,000 $35.00/1,000

**SEWER**

**Residential**

 Min Monthly Fee $20.06 $20.66

 Unit Charge $1.56/1,000 $2.15/1,000

 Maximum $32.54 $42.16

 (based on 10,000 gal/mo)

Hook-up Fee (New Connection, no

 previous service to property)

 Up to 1” Water Service Line Refer to chart Refer to chart

 2” Water Service Line Refer to chart Refer to chart

**Commercial**

 Min Monthly Fee $36.77 $42.29

 Unit Charge to 10,600 $1.56/1,000 $2.15/1,000

 Over 10,600 $1.98/1,000 $2.73/1,000

Hook-up Fee (New Connection, no

 previous service to property)

 Up to 1” Water Service Line Refer to chart Refer to chart

 2” & 3” Water Service Lines Refer to chart Refer to chart

 4”-8” Water Service Line Refer to chart Refer to chart

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| **Sewer Access Fees** |
| **Type of Installation** | **Unit of Measure** | **Charge** |
| **Residential**  |  |  |
| Single Family | Unit | $2,256.59 |
|  | In-home Apartment | $1,805.27 |
| Duplex | Unit | $2,256.59 |
| Townhome | Unit | $2,256.59 |
| Individually Metered Apartment/Condominium | Unit < 3 BdrmUnit 3+ Bdrm | $1,805.27$2,256.59 |
| Mobile Home | Unit | $2,256.59 |
| **Commercial**  |  |  |
| Apartment/Condominium | Unit < 3 BdrmUnit 3 + Bdrm | $1,805.27$2,256.59 |
| Bar | Seat | $225.19 |
| Bed & Breakfast | Room | $1,125.97 |
| Campground/RV Park | Space | $1,805.27 |
| Car Wash | Wash Bay | $8,107.00 |
| Church | Seat | $45.04 |
| Coin Laundromat | Washing Machine | $4,503.89 |
| Commercial Laundry | Washing Machine | $7,206.22 |
| Commercial-Retail | 1000 sq. ft. | $540.47 |
| Convenience Store-Retail | 1000 sq. ft. | $540.47 |
| Fast Food | Seat | $360.31 |
| Hospital | Bed | $2,251.95 |
| Hotel/Motel/Rooming House (with Restaurant) | Room | $1,125.97 |
| Hotel/Motel/Rooming House(no Restaurant) | Room | $810.70 |
| Mobile Home/Trailer Park | Space | $2,256.59 |
| Nursing Home | Bed | $1,351.17 |
| Office | 1000 sq. ft. | $1,125.97 |
| Restaurant | Seat | $315.27 |
| Shopping Center | 1000 sq. ft. | $1,125.97 |
| Theater | Seat | $45.04 |
| Warehouse | 1000 sq. ft. | $540.47 |
| Light Industrial | Employee | $225.19 |
| Industrial Strength Discharger | Case By Case BasisCase By Case Basis |
| Others Not Listed |

**GARBAGE**

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|   | **WATFORD CITY 2014 SANITATION RATE STRUCTURE** |
| **Residential** | **$21.89/ month** |  |  |  |  |  |  |  |
| **Commercial** |  |  |  |  |  |  |  |  |
| **DUMPS/ WEEK** | **1 CAN** | **2 CANS** | **3 CANS** | **1.5 YARD** | **2 YARD** | **3 YARD** | **4 YARD** | **6 YARD 8 YARD** |
| 1 | $23.88  |   |   | $62.98  | $73.05  | $94.46  | $115.88  | $173.81 $231.75 |
| 2 |   |   |   | $125.95  | $146.10  | $188.93  | $231.75 | $347.63 $463.50 |
| 3 |   |   |   | $188.93  | $219.16  | $283.39  | $347.63  | $521.44 $695.26 |
| 4 |   |   |   | $251.90  | $292.21  | $377.86  | $463.50  | $695.26 $927.01 |
| 5 | $39.60  | $79.18  | $118.78 | $314.88  | $365.26  | $472.32  | $579.38  | $869.07 $1158.76 |
| 6 |   |   |   | $377.86  | $438.31  | $566.78  | $695.26  | $1042.88 $1390.51 |
| 7 |   |   |   | $440.83  | $511.37  | $661.25  | $811.13  | $1216.70 $1622.26 |

The above resolution was introduced and passed at a regular meeting of the City Council of Watford City on the 2nd day of December, 2013. Council member Voll moved to approve the Utility Rate Resolution showing a 0% increase in the water base rate and a 21% increase in the water unit charge for both residential and commercial customers. The residential sewer base rate increases by 3%, and the per unit charge by 38%. The commercial sewer base rate increases by 15%, and the per unit charge by 38%. Residential garbage rates increase by 10%, and commercial garbage rates increase by 20%. Motion seconded by Council Member Samuelson and carried by the following roll call vote: ayes: Mulder, Bolken, Homiston, Samuelson, and Voll; nays: none. Absent: Pacheco. ENACTED by the City Council of Watford City, North Dakota, this 2nd day of December, 2013.

Council Member Voll moved to approve Resolution 2013-15 -Supporting the North Dakota DOT to Proceed with Plans to Four-Lane US Hwy 85 between Watford City and Belfield, ND. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Bolken, Samuelson, Mulder, Homiston, and Voll; nays: none.

Council Member Homiston moved to approve Resolution 2013-14 – Amending Building Permit Fees. Motion seconded by Council Member Samuelson and carried by the following roll call vote: ayes: Mulder, Samuelson, Bolken, Voll, and Homiston; nays: none.

Council Member Bolken move to approve purchasing Centennial Banners from Display Sales in the amount of $1,485. Motion seconded by Council Member Homiston and carried by the following roll call vote: ayes: Voll, Samuelson, Homiston, Mulder, and Bolken; nays: none.

No action was taken regarding the city mobile home located on Reagan Street.

Mayor Sanford declared City Hall (213 2nd St NE) as the designated polling place for the 2014 June election.

Council Member Voll moved to approve the bills as listed. Motion seconded by Council Member Samuelson and carried unanimously. EFPTS $26,649.97; EFTPS $27,134.68; TASC $205.55; TASC $205.55; NDPERS $422.50; NDPERS $422.50; Payroll $136,209.25; BCBS $25,497.40; NDPERS $19,434.06; NDPERS $207.20; Symetra $359.68; AFLAC $601.58; 3-D Specialties, Inc $1,248.00; 24/7 Contracting Services $46,476.09; Abel Enterprises $1,057.95; Advanced Engineering $281,601.44; Astro Chem Services $50.00; Badlands Power Fuels, LLC $399.00; Bluetarp Financial, Inc. $27.67; Ben Meadows $280.39; Bismarck Tribune $1,399.00; Black Mountain Software $3,487.50; Buttons By Fish $320.00; Carquest Auto Parts $437.65; Coborn’s $61.59; Construction Services Inc $2,085.00; Dacotah Paper Co $495.54; Dakota Dumpster $930.00; Dakota Supply Group $10,162.40; Darrington Snow Removal $400.00; Digital Ally $12,975.00; Direct Electric $648.38; DW Excavating $48,142.09; Electronic Communications $167.50; Farmers Union Oil Co $9,189.47; Fastenal Company $785.42; FBI – LEEDA $50.00; Flexible Pipe Tool Co $2,697.65; Foremost Promotions $478.64; Gaffaney’s Inc $599.66; Galls $1,257.61; Gary Hoffman $62.50; Gerad Andrews $125.00; Hawkeye Oil Field $143.56; Heggen Equipment, Inc. $252.92; Holiday Inn Express $219.98; Information Technology Dept $342.35; International Code Council $125.00; Intoximeters $25.00; Jack & Jill $157.42; Jackola Engineering $10,466.68; Jim Hanson Masonry $18,138.00; Kotana Communications $6,780.55; Law Enforcement Systems $115.00; Link’s Logistics $1,187.29; Lyle Signs $972.52; Lund Oil $4,343.81; MainStay Suite $385.00; McKennett Law Firm $8,650.00; McKenzie County Ambulance $6,364.80; McKenzie County Farmer $1,693.85; McKenzie County Guaranty & Title $2,492,509.85; McKenzie County Landfill $10,957.50; McKenzie County Recorder $83.00; McKenzie County Road & Bridge $500.00; McKenzie Electric Coop $4,240.54; Meuchel Enterprises, Inc. $908.52; Michelle Bonnet $56.68; Montana Dakota Utilities $10,251.85; Moore Engineering $1,825.00; MyGov $1,450.00; ND Assoc of Oil & Gas $110.00; ND Rural Water Systems $200.00; ND Workforce Safety & Insurance $230.00; Northern Pump and Compression $4.90; North Star Energy & Construction $83,963.62; OK Implement $519.16; OK Tire Store $622.72; One Way Service Machine Shop $265.88; Page Rosenlund $125.00; POST Board $25.00; Quality Flow Systems $809.94; Ramkota Hotel $329.00; Red Carpet $135.20; Reservation Telephone $1,288.44; Rita Olson $312.18; Roughrider Industries $14,998.52; Roughrider Motor Inn $276.88; Schock’s Safe & Lock $25.00; Sirchie Finger Print $41.68; Soltis $284.72; State Disbursement $325.00; Stuart McDaniel $157.04; Taser International $22,013.06; TD & H Engineering $14,970.00; The Attic $2,022.00; Timber Creek Services $3,835.00; Titan Plumbing $55.00; Total Funds by Hasler $500.00; Triple AAA Safety $2,748.37; Vanguard Appraisals $300.00; Verizon $1,723.45; VISA $248.66; Vogel Law Firm $245.00; Watford City Chamber $7,889.59; Watford City Enterprises $600.00; Watford City Express Laundry $290.09; Wenck Associates $24,761.41; Wingate by Wyndham $69.30.

 The next regularly scheduled City Council meeting will be on Monday, January 6, 2014 at 6:00 p.m. at City Hall in the Civic Center.

There being no further business, the meeting was adjourned at 8:28 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