

MINUTES OF THE BOARD OF CITY COMMISSIONERS
HELD FEBRUARY 4, 2013

The regular meeting of the Devils Lake City Commission was held Monday, February 4, 2013 at 5:30 P.M. with the following members present: President Johnson, Commissioners Tim Heisler, Craig Stromme, Rick Morse, and Dale Robbins. None were absent.

Commissioner Morse moved to approve the minutes of the regular City Commission meeting held January 22, 2013. The motion was seconded by Commissioner Robbins. President Johnson requested an explanation for the reason for forgiveness on the water bill for the Masonic Temple be added to the minutes. The motion carried unanimously.

5:30 P.M. – This was the time set for the bid opening for the city hall copier. The following bids were opened and read:

1. Central Business Systems Inc, Jamestown, ND Bid \$387.11/month for 36 months without buyout of current lease; \$454.96/month with buyout of current lease
2. Advanced Business Methods, Grand Forks, ND Bid \$278.00/month for 36 months or \$212.00/month for 48 months without buyout of current lease; \$331.00/month for 36 months or \$253.00/month for 48 months with buyout of current lease

Commissioner Morse moved to accept the bids as read, and they be referred to the Auditing Department for further review and recommendation. The motion was seconded by Commissioner Stromme, and the motion carried unanimously.

5:30 P.M. – This was the time set for a public hearing to review a proposal that the City issue revenue bonds under the Municipal Industrial Development Act (MIDA) of 1955 for a project owned by MDI Limited Partnership #112 Project. Jim Stewart, Arnston & Stewart Law Office - bond counsel for the project, appeared before the Commission. The project is for acquisition and rehabilitation of four buildings in Devils Lake, four buildings in Dickinson, one building in Beulah and one building in Turtle Lake. The MIDA act allows financing to be consolidated in the bond issue and issued under one city as long as the other cities agree. Each city needs to hold a public hearing so competing enterprises have an opportunity to voice opposition to the financing. There is no liability to the cities. Bond payments come from MDI Limited Partnership, and the cities are actually barred by state law to make any payments. The reason for asking the City of Devils Lake to sponsor the MIDA bond is because four of the buildings are located in Devils Lake and half of the financing costs will be spent on the buildings located in Devils Lake. Hearing and receiving no comments, President Johnson closed the public meeting.

Commissioner Stromme moved to approve the resolution authorizing the issuance of multifamily housing revenue bonds not to exceed \$9,500,000 under Chapter 40-57 NDCC and authorizing the preparation of necessary documents (including the intergovernmental agreement) therefor for MDI Limited Partnership #112 project. The motion was seconded by Commissioner Heisler, and the motion carried unanimously.

Commissioner Morse – The Public Ways Supervisor stated the estimate for repairs on the orange truck came in under \$12,000. However, he only had \$5,000 of repairs completed and plans to have city employees do the springs and box. The cemetery has a 1974 International truck which he would like to replace with this truck and then get a different truck for the street department in 2014 at the state auction.

Commissioner Robbins –The Public Utilities Supervisor indicated a leaky curb stop on 21st Street was fixed yesterday, and city crews are currently working to repair a hydrant near Park Manor.

The Public Ways Supervisor reviewed the following proposals for a pickup for the weed control department.

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| 1. Devils Lake Chrysler Center, Devils Lake, ND | \$29,662 |
| 2. Lake Toyota, Devils Lake, ND | \$28,140 |
| 3. Lake GM Auto Center, Devils Lake, ND | \$24,993 |
| 4. Marketplace Motors, Devils Lake, ND | \$24,793 |

He would like to accept the low proposal from Marketplace Motors for \$24,793. The purchase is included in the 2013 budget.

Commissioner Robbins moved to award the bid for a pickup for the weed control department to Marketplace Motors, Devils Lake ND in the amount of \$24,793 as recommended by the Public Ways Supervisor. The motion was seconded by Commissioner Stromme, and the motion carried unanimously.

Commissioner Heisler – The City Assessor said everything was fine.

The City Engineer said the ribbon cutting for the four season fish cleaning station will be held on Friday at 11:00 A.M.

Commissioner Stromme – The Sanitation Supervisor distributed totals for recycling for 2012. The total weight recycled in 2012 was up 250,000 pounds which was mostly paper. The revenue received does not include material currently baled and stored. The prices for recycled material were down for half of the year.

The Police Chief recommended purchasing the 2013 Ford Fusion from Marketplace Motors. Twenty two thousand was included in the budget for purchasing a vehicle, and this bid was for \$21,999. Although this was not the lowest bid, it is the bid that met the most specs.

Commissioner Stromme moved to award the bid for a 2013 Ford Fusion for the Police Department to Marketplace Motors, Devils Lake ND in the amount of \$21,999 as recommended by the Police Chief. The motion was seconded by Commissioner Robbins, and the motion carried unanimously.

President Johnson - The City Auditor stated everything was fine.

The Fire Chief stated everything was fine.

The City Attorney indicated the Judge has set some dates for the embankment condemnation cases. For the Mertens' case deadlines for discovery, exchange of exhibits and experts have been set. The trial date for this case is scheduled for March 2014.

The City Attorney reviewed the recommendation for the appraisal invoice for the embankment project. He has reviewed the written material and is concerned about the lack of documentation to show for the bill. He recommended sending a letter asking for time records. The City Administrator is concerned if the Corps comes in and does an audit, they could deny the bill.

Commissioner Heisler moved to have the City Attorney write a letter to Appraisal Associates Inc requesting time records for the appraisal work done on the embankment project. The motion was seconded by Commissioner Stromme, and the motion carried unanimously.

Chris Schilken, Executive Director of Forward Devils Lake, appeared before the Commission to review the agreement with Advanced Engineering and Environmental Services Inc for the Devils Lake Industrial Park Concept Planning. He stated Forward Devils Lake has received multiple requests about spots in the new industrial park. The City Attorney has reviewed the agreement. Discussion followed on the location of the land, and the proposed layout and plan of growth for the land. The land is not currently within city limits, but is within the two-mile extraterritorial. The land is contiguous to the City and would be annexed into the City. KLJ completed the original study for the new industrial park; however, Forward Devils Lake has chosen to go with Advanced Engineering because they have experience working with R&R Contracting for rail service, and the scope of the rail has changed since the first study. Also discussed were the fees that can be charged for rail service and the current prices being charged in the western part of the state. Burlington Northern is not doing main line switches, and it costs \$3 million dollars for two switches which are needed to get off the line. Working with the short line, there is a local connection, work can be completed faster, and the costs are less. The amount of line needed was also discussed.

Commissioner Morse moved to approve the letter agreement with Advanced Engineering and Environmental Services Inc for the Devils Lake Industrial Park Concept Planning in an amount not to exceed \$28,700 based on an hourly and reimbursable expense basis. The motion was seconded by Commissioner Stromme, and the motion carried unanimously.

Commissioner Heisler moved to approve the consent agenda which included the following:

1. Game of chance permits for the month of January 2013;
2. Authorizing the City Auditor to call for bids a public utilities pickup with the bids to be opened on Tuesday, February 19, 2013 at 5:30 P.M. at the City Office as recommended by the Public Utilities Supervisor; and
3. Authorizing the City Auditor to cancel Check No 102583 dated January 8, 2013 in the amount of \$175.00 payable to ND Water Users Association (General-Engineering Department-Education and Training). The invoice had previously been paid.

The motion was seconded by Commissioner Stromme. The pickup to be bid is in the 2013 budget. The motion carried unanimously.

Commissioner Robbins moved to approve the 2012 Budget Amendment No. 06-12 – final adjustment to actual as recommended by the City Auditor. The motion was seconded by Commissioner Morse, and the motion carried unanimously.

The City Engineer reviewed the agreement with ND Game & Fish for the four seasons fish cleaning station. The original cost was estimated at \$100,000 with ND Game & Fish paying 75% up to \$75,000. There were additional costs involved including two rural sewer memberships for \$3,000 each and a rural water membership for \$800. ND Game & Fish has agreed to pay 75% up to \$100,000 and to adjust the completion date

Commissioner Stromme moved to approve Amendment No 1 with the ND Game & Fish for the Four Seasons Fish Cleaning Station for an increase in the grant amount from \$75,000 to \$100,000 and for an extension of the deadline to submit requests for reimbursements for this project from November 30, 2012 to June 30, 2013 as recommended by the City Engineer. The motion was seconded by Commissioner Robbins, and the motion carried unanimously.

Commissioner Heisler moved to approve payment of the list of bills as submitted. The motion was seconded by Commissioner Stromme. On roll call all Commissioners voted aye, and the motion carried.

There being no further business to come before the Commission, President Johnson adjourned the meeting at 6:15 P.M.

**LINDA LYBECK
CITY AUDITOR**

**RICHARD S. JOHNSON
PRESIDENT**