MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF CITY COMMISSIONERS
HELD JUNE 25, 2013

Pursuant to due call and notice thereof, a special meeting of the Board of City Commissioners of the City of Devils Lake, North Dakota was held at the City Office on Tuesday, June 25, 2013 at 12:00 P.M. with the following members present: Commissioners Tim Heisler, Craig Stromme, Dale Robbins and President Johnson. Commissioner Rick Morse was absent.

President Johnson stated the purpose of the meeting was to review a purchase agreement for the embankment and two development agreements. The development agreement for Kurtz was not ready and will be reviewed at a later date.

The City Assessor discussed the agreement to purchase real estate from James Andrew for the embankment project. The City Attorney clarified items two and four. The City will prepare the deed, and the seller will sign.

Commissioner Heisler moved to approve the agreement to purchase real estate from James Andrew due to Phase III of the embankment project in the amount of $58,437.50 as recommended by the City Assessor. The motion was seconded by Commissioner Stromme. On roll call all Commissioners voted aye, and the motion carried.

The City Administrator reviewed the development agreement for Dahlen. The City will cost share at 15% for the improvement.

The City Attorney stated the word pont in the first legal description should be point. The City Engineer inquired about adding the wording "without prior city commission approval" to paragraph 11. In paragraph 15, the City Engineer indicated the blocks should be 3 and 4.

Discussion followed on the time frame for improvements. Water and sewer should be installed this year with paving taking place next year. Temporary access will be provided with a gravel surface. The City currently has an open contract for water and sewer in the area. It may be possible to change order this project onto the open project since the contractor is willing to use the same unit prices. However, the plans need to drawn and approved by the ND Department of Health. The City Engineer inquired about paragraph 14. Without the improvements, the south lots would not be issued building permits. The temporary road could possibly be completed with an existing contract through Peterson, Strata or with the 16th St SE project.

President Johnson reviewed the conditions in the agreement – 1 house per lot, real estate taxes being paid when due and 16% added to the project for administration, legal and engineering.

The Commissioners discussed a timeline for when the paving would be completed. The developer agrees to complete the paving in the 2014 construction season.

Commissioner Robbins moved to approve the development agreement for John R Dahlen and Kimberly R Dahlen with the changes of the word pont in the first legal description to point; adding "without prior city commission approval" to paragraph 11; and changing the blocks to 3 and 4 in paragraph 15. Approval is also contingent upon all the conditions contained in the agreement being met and on the pavement being completed during the 2014 construction season. The motion was seconded by Commissioner Stromme. Discussion was held on the timeframe for the final completion of the paved road and paragraph 14. The issue with paragraph 14 is that a building permit should not be approved unless the water, sewer and street improvements are completed. The north side is okay, but the section along Lincoln will not have complete water and sewer or paved street. Discussion continued on the paving of Lincoln, TIF payments, the preliminary plat being approved without Lincoln being platted, long dead ends, garbage trucks and emergency vehicles on Lincoln, and on the south part not having any houses or pavement until an agreement is reached between city and developer. Wade Schwan stated Stone Ridge and Granite were not setup or designed for more traffic. The area was developed for retired and elderly people. Originally the area was for single lots, and now an 8-plex is planned. Cash flow and the bond payment schedule for the TIF were discussed. Commissioner Stromme stated all of Lincoln Ave needs to

be paved (doesn't include Remington). Discussion followed on adding an item to the agreement regarding the lot facing west and two lots not being developed.

Commissioner Stromme withdrew his second to the motion, and Commissioner Robbins withdrew the motion.

Commissioner Heisler moved to table the development agreement for Dahlen until July 1, 2013. The motion was seconded by Commissioner Stromme, and the motion carried unanimously.

The City Administrator reviewed the development agreement for Agassiz Properties. The original agreement was for two 8-plexes. This phase will finish the street and loop water and sewer around. The City will engineer, bid and design this phase. The estimate for the improvements is $800,000 and has been adjusted for the property tax change. Paragraph 7 contains the language for special assessing if the property taxes do not cover the bond payment; however, the developer would pay the amount before it was assessed. The developer would also like to add language giving him the right to review the bids to determine if the project is feasible based on the bid prices. The timeframe for the water and sewer on the south end is for this fall.

Commissioner Heisler moved to approve the development agreement for Agassiz Properties, LLLP with the addition of the developer having the first right of refusal if bids are not financially feasible. Discussion followed on amounts being special assessed only if the amount was not paid by the developer and on excavation material remaining onsite.

Commissioner Heisler rescinded his motion.

Commissioner Stromme moved to table the development agreement for Lafleur until July 1, 2013. The motion was seconded by Commissioner Heisler, and the motion carried unanimously.

There being no further business to come before the Commission, President Johnson adjourned the meeting at 1:30 P.M.

LINDA LYBECK   **RICHARD S. JOHNSON**
CITY AUDITOR   **PRESIDENT**