

MINUTES OF THE SPECIAL MEETING OF THE  
BOARD OF CITY COMMISSIONERS  
HELD AUGUST 8, 2013

Pursuant to due call and notice thereof, a special meeting of the Board of City Commissioners for the City of Devils Lake, North Dakota was held at the City Offices on Thursday, August 8, 2013 at 12:00 P.M. with the following members present: Commissioners Tim Heisler, Rick Morse and President Richard Johnson. Commissioners Craig Stromme and Dale Robbins were absent. Others present were the Public Utilities Supervisor, the Sanitation Supervisor and the City Administrator.

President Johnson said the purpose of the meeting was to review and discuss the 2014 Preliminary City Budget. The City Administrator gave the Commission a copy of the revenues and expenditures for the Enterprise Funds.

**6003 – SANITATION DEPARTMENT** – The City Administrator stated the 4% landfill closure fee will be done. The rate for one can service will be increased by \$.50, and the rate for two can service will be increased by \$1.00. The cubic yard rate will go to \$9.00.

The Sanitation Supervisor has requested purchasing a loader for \$230,000 with the funds coming from the equipment reserve. Equipment maintenance was increased, and the recycling expense was increased by the CPI in accordance with the contract.

**INERT DISPOSAL** – The City should save money on landfill cover since cover should be available from the expansion.

**TRANSFER STATION** – Gas expense has decreased by \$20,000 due to the cost savings of the new truck and switching to the Grand Forks landfill. Container expense was increased. Grand Forks will not be increasing the tipping fees for 2014. Based on future equipment replacements the depreciation schedule has increased to \$75,000 from \$50,000. The percentage transferred to the general fund was increased to 18%; the goal is 20%.

Discussion followed on the loader. It is a 1996 loader with 14,000 hours. The Sanitation Supervisor would like to keep this loader and not trade it in on the new loader. The old loader could be kept at the landfill where it would be used year around. The new one would be kept in town.

**6006 – WATER SOURCE REPLACEMENT** – No change.

**6001 – WATER DEPARTMENT** – The City Administrator would like to increase the water rate by 20 cents – from \$2.60 to \$2.80.

**WATER DISTRIBUTION** – Meters were increased for the new projects – Wal-Mart, Sleep Inn, Applebee's, Agassiz Properties, etc. Equipment purchases include a skidsteer, dump truck and trailer. The City crews are doing more of the work that use to be hired out. The truck would cost around \$35,000 or one may be available through the State auction. A new skidsteer would cost about \$42,000.

**HAMAR WELLS** – Expenses are the same as this year except maintenance for potential water breaks was not included. Electricity is the big line item.

**WATER TREATMENT PLANT** – Expenses are about the same as this year.

The transfer in/out includes \$200,000 each from water and sewer for Wal-Mart in 2013.

**6002 – SEWER DEPARTMENT** – Rates are the same for sewer. What is in there for Creel Bay, Lakewood and Country Club is from the spreadsheet given to the County. The County will be joining the meeting to discuss what amount they will be paying for depreciation. The reimbursable in there is the O&M maintenance on the dike and the County's share would be 30%.

**SEWER OPERATIONS** – Expenses are about the same as this year.

**STORM SEWER** – Time for one employee is split here and for the dike. The railroad has been increasing the lease each year. It is expected to be \$13,000 with this being the maximum.

**SEWAGE TREATMENT** – A flow meter is needed to disperse water into the lake and report it to the State.

**EMBANKMENT** – This is a new department created for maintenance of the levee. It includes ½ person for embankment and pump stations maintenance. Discussion followed on hiring out for spraying of the weeds on the rock side.

The transfer in/out includes \$200,000 for the sewer costs at the new Wal-Mart, and \$5,000 for temporary employees for mowing.

Depreciation for the pump stations was reviewed, and the costs included in the pump costs were discussed.

The Public Utilities Supervisor requested getting wireless internet for the SCADA system with the cost being approximately \$40/month. Consensus of the City Commission was to include this cost in the operating budget.

Ramsey County Commissioners Ed Brown and Bill Mertens, and Ramsey County Auditor Elizabeth Fischer joined the meeting to discuss the O&M agreement. Based on the pump costs, depreciation would be \$80,000/year. The County has budgeted \$60,000/year and inquired if this would be acceptable to the City. The City Engineer had asked the Corps of Engineers about depreciation, but they have no set depreciation schedule. The rule of thumb is 3% of the project costs, but that is not feasible for this project. He stated the items included in the pump costs were for items that could break. Discussion followed on if something happened if assistance would be available from the Corps of Engineers or the State. A letter was received from Senator Heitkamp. She had introduced legislation to address this issue, but it would have to apply to all Corps of Engineer projects so it was not included. The City has not had any written response from Todd Sando at the State Water Commission. Discussion continued on the lead time needed to build a replacement pump, on there being no requirement to replace pumps every so often, on testing pumps and on training.

The County questioned item #6 in the agreement regarding the mowing. The County's share of mowing would be \$6,500/year. Discussion followed on the type of mower used and on the optimal mower costing \$170,000.

The next budget meeting is scheduled for Thursday, August 15, 2013 at noon.

There being no further business to come before the Commission, President Johnson adjourned the meeting at 1:10 P.M.

**LINDA LYBECK**  
**CITY AUDITOR**

**RICHARD S. JOHNSON**  
**PRESIDENT**