

City of Colfax
06/20/2016 Council Meeting Minutes

Meeting was called to order by Mayor Scott Gauslow at 7:00 P.M. Present were Council Members Tom Wulfekuhle, Jeff Olson, Jody Lingen and City Auditor Susan Bowman; Neil Berseth absent. Also in attendance were: Kent Thoreson, Interstate Engineering; Keith Hage; Corey Kratcha, C2Renew; and residents Mary Boehm and Kyle Krump.

Mayor Gauslow suspended the regular meeting and called the Tax Abatement hearing to order at 7:05 PM. He recognized Corey Kratcha from C2Renew and Keith Hage. C2Renew presented an Application for Property Tax Incentives for New or Expanding Businesses requesting a 10 year 100% exemption from property taxes. Letters to the appropriate parties were sent by the Richland County Tax Assessor office. No outside parties with an interest in the tax abatement were present. Mayor Gauslow personally spoke with the School District; no member attended the hearing. Mayor Gauslow opened the hearing for discussion. Corey reported that C2Renew plans to have 6 employees to begin; expanding to 20 employees by year 5. Keith Hage reported that the building will be a smaller footprint than originally submitted which would affect the tax figures quoted by Richland County. It was noted that the address for the new building will be 20 Main Avenue, Colfax, ND 58018. The City has the ability to adjust and approve or deny the abatement as it decides. After discussion, Jody Lingen made a motion, seconded by Tom Wulfekuhle to approve the tax abatement under the following terms: Years 1 – 5, 100% abatement; Year 6, 80% abatement; Year 7 60% abatement; Year 8, 40% abatement; Year 9, 20% abatement; Year 10 no further abatement. There being no further discussion, roll-call vote was taken: Jody Lingen, Yes; Tom Wulfekuhle, Yes; Jeff Olson, Yes; motion to approve the Tax Abatement as stated approved. There being no further business for the Tax Abatement Hearing, Jeff Olson made a motion, seconded by Jody Lingen to adjourn the hearing; hearing adjourned at 7:30 P.M.

Mayor Gauslow reconvened the Regular City Council meeting at 7:30 P.M. Keith Hage was recognized. He presented information on storage units he is considering putting on the property behind the C2Renew Manufacturing facility he is building. Tentatively there would be 10 doors, 5 on each side, and the units would range from 10', 15', or 20' x 12' with adjustable partition walls between the units. There will be security lighting. There will be no climate control. He mentioned there will be electricity, however, not per unit so no refrigerators and freezers could be stored for use in the units. He is researching some specialty SBA loans, but mostly needs to know if there is a need for the units. He requested that the information be put on the website if possible and that anyone that would definitely want to rent a unit contact him as soon as possible.

Mayor Gauslow recognized Mary Boehm. Mary reported that there are approximately 30 t-ball players this year and there are 11 home games scheduled provided weather cooperates. She requested permission to dispose of the mobile kitchen and have a new storage shed/concession stand building installed. She would like to have water go to it and asked if that was a possibility. After discussion, the City asked Mary to contact Wold's concerning the lease that is in place. The City thought the lease was with the Park Board. Also, water may be an issue due to cost; research will be done to see where the closed City water line is and if it is a possibility to install. No further action required at this time.

Mary Boehm then requested that the City be sure that Reagan Street not get forgotten when it comes to gravel, street blading, vector control, and snow removal. They have been personally filling in pot holes. Mayor Gauslow will take care of getting gravel and street blading done as soon as possible; it was an oversight that it was missed this last time. Vector control does Reagan Street at the same time it does the rest of the City. Snow removal will be addressed when the season starts. Any further issues the City requested are brought up to the City as soon as they occur so that they can be taken care of.

Mayor Gauslow recognized Kyle Krump. Kyle submitted a permit application for moving in an unattached garage. As the garage is 57 sq. ft. above the maximum out-building size, he was asked to contact everyone within 100 feet of his property and have them sign off approval of the variance. The permit was provisionally approved pending turning in signatures required at the next council meeting.

Kent Thoreson, Interstate Engineering was recognized. He presented information with new estimates and drawings for the lagoon expansion after receipt of the boring test results. New estimates are \$790,000 for the lagoon; \$250,000 for

lift station and force main; which could be combined into a loan from the State of North Dakota. The State would need three years of financials from the City to proceed. It was also noted that Nathan Berseth infrastructure estimate (including sewer lines, water lines, and roads) for the next phase of 60 lots would run approximately \$1.2 million at the 2% rate. The City portion would qualify under the SRF program and financing could be for 30 years. If SRF was utilized a Wetland Determination would need to be completed. It was noted that there is discussion with an outside financing option with Nathan so possibly no City financing would be utilized if they can come to an agreement. After discussion, Tom Wulfekuhle made a motion to have Interstate Engineering proceed with the preliminary engineering report, SRF, and plans and specs, also approving Resolution 2016-02 authorizing filing of an application with the ND Department of Health for a loan under the Safe Drinking Water Act. Once these are completed, 21 days later the City can proceed to obtain bids for the project and then decide whether to proceed from there. Motion was seconded by Jeff Olson; motion carried.

The minutes from the May 16, 2016 meeting were reviewed. Jeff Olson made a motion, seconded by Tom Wulfekuhle to approve the minutes as presented; motion carried.

The financial report for the month of May was reviewed; it was noted that the annual loan payment on the meter replacement loan with Bank of North Dakota had be automatically withdrawn in May and thus reported on the financials. Notification of the payment was received after the last meeting. Jody Lingen made a motion, seconded by Tom Wulfekuhle to approve the report; motion carried.

The bills for the month of June were reviewed. Mayor Gauslow submitted a bill for gravel from TJM to add to the City bills. Mayor Gauslow also noted that the Bottom Line bill submitted with May bills had been verified and thus paid in May. Jody Lingen made a motion, seconded by Jeff Olson to approve the bills as presented with the addition of TJM above; motion carried.

Old Business:

Water & sewer accounts –Past due accounts and water usage was reviewed. No major issues. It was noted that the football field meter isn't reading so verification of the serial number will get done and then verification that the auto reader portion is working.

Mayor Gauslow reported that the roads had been graveled and JAV completed the blading. Dust Control has been contacted, but they have not scheduled yet. The Elevator said they would pay for dust control on their property. Additionally, Kent Thoreson and JAV will get together and get information together for redoing Broadway Street S.

Tom Wulfekuhle reported on signs quoted from Newman Signs. Artwork for the signs was forwarded for review. The signs would be 12' x 5' and adding reflective lettering both signs would cost less than \$1,500. After discussion, Jody Lingen made a motion to approve Tom purchasing the signs, seconded by Jeff Olson; motion carried.

County 1 ditch clean-out and culvert repairs was completed by JAV. There were a few issues with the railroad changing their mind on lowering their culverts; however, they wanted the East side of the track done and after discussion it was agreed to do both. The bid increased by approximately \$6,000; however, sales of the dirt from the project should cover the City's portion of the bill. Dirt from the project that was piled on the West side of properties (east side of tracks) has already been sold to a few and there a couple in the works including the practice football field using a portion of it. The dirt that is piled on the north side of Erdahl's will not be sold at this time; tabled.

Mayor Gauslow reported that the mowing will run \$150/week by Eric Bartholomy. Eric mentioned that the sign for the Bar has been removed; no status as to whether it will be updated & replaced so council will deal with that when it arises. It was further noted that the portion of the right-a-way that was utilized by the elevator after the fire is not completely back to normal; a lot of weeds and bare spots. The elevator has been notified of the situation and it will be worked on over the summer.

Mayor Gauslow gave a status update on the Buccholz rental property. Currently nothing will be done as the property is involved in a law suit by the owner and previous tenants. The elevator has been mowing the property; an eye will be kept on it and hopefully an agreement made at some point between the elevator and Buccholz to sell to the elevator.

Mayor Gauslow reported on the owner of the property sold by Roger Miller and where to send the utility bill.

Mayor Gauslow reported that the grant was approved for updating the emergency siren. Unfortunately getting it installed requires a lot of leg work. He is going to contact the fire department to get assistance as they are more familiar with the siren system.

New Business:

Turner Fixen forwarded a permit to complete their basement along with the fee to the City Auditor. After review, Jeff Olson made a motion to approve, seconded by Jody Lingen; motion carried.

Election results were reviewed. Scott Gauslow was elected Mayor, Jeff Olson and Neil Berseth was elected to City Council for 4 years. It was noted that the mandatory publishing of the City minutes in the newspaper was defeated. Tom Wulfekuhle was nominated to be President by Jody Lingen, seconded by Jeff Olson; Neil Berseth nominated to be Vice President by Jeff Olson, seconded by Jody Lingen; nominations closed; both duly elected to the council positions. Mayor Gauslow appointed Interstate Engineering to be the city engineers, Susan Bowman to be the city auditor, and Smith & Strege law firm to be the city attorneys. Jody Lingen made a motion to approve the appointments, seconded by Tom Wulfekuhle, motion carried.

There being no further business, Jeff Olson made a motion, seconded by Tom Wulfekuhle to adjourn. Meeting adjourned at 9:45 P.M.