

**CITY OF GRAFTON  
CITY COUNCIL MINUTES  
MEETING OF NOVEMBER 10, 2014**

The regular meeting of the City Council of the City of Grafton, North Dakota was held in the Council Chambers, City Hall, Grafton, North Dakota at 6:00 p.m. on Monday, November 10, 2014.

Mayor West presided. Members present: David Fellman, Don Hutson, Chris Lipsh, Shane Mohn, Brian Sieben, Mary Stark, Len Wysocki, and Greg Young. Others present: Nick Ziegelmann, Nick Hall, Scott Boura, David Erickson, Ken Miskavige, Randy Franco, Cecilia Franco, Tanya Bastida, Martin Franco, Ryan Johnston, Jim Restemayer, Jon Markusen, and Mike Steinfeldt.

**PUBLIC HEARINGS**

Scott Boura, Building Official, reported that he inspected 644 Stephen Avenue today and it is approximately 75% complete. The water service is not connected yet as it is unknown where the where the service line enters the house, and there is still some foundation work incomplete. On recommendation of the Building Official, it was moved by Mr. Hutson and seconded by Mr. Sieben to authorize Franco's to complete repairs to the house at 644 Summit Avenue. Mr. Boura will issue a Certificate of Occupancy once the water issue is resolved and the foundation repairs are completed. All members were present and voted in favor thereof; Mayor West declared the motion carried. Mr. Boura was directed to provide a final report at the December Council meeting.

**CONSENT AGENDA**

The City Auditor requested that an Application for Retail Fireworks License from Bruce Eikenberry of TNT Fireworks be added to the Consent Agenda. Mayor West asked if any Council member wanted to remove any item from the Consent Agenda. It was moved by Mr. Mohn and seconded by Mr. Hutson to approve the Consent Agenda as follows:

IV. CONSENT AGENDA

4.1 Approval of Minutes:

- a) Ways and Means Committee regular meeting of October 6, 2014 and November 3, 2014.

4.2 Reports of Officers:

- a) City Auditor-Treasurer
- b) Municipal Judge
- c) Chief of Police
- d) Building Official
- e) Parks and Recreation

f) Others, if any

4.2 Game of Chance Applications:

- a) #881 – Knights of Columbus
- b) #882 – Our Saviours Lutheran Church

4.3 Retail Fireworks License Applications:

- a) Bruce Eikenberry, d/b/a TNT Fireworks

All members present voted in favor thereof; Mayor West declared the motion carried.

### **BILLS, CLAIMS AND ACCOUNTS**

It was moved by Mr. Fellman and seconded by Mr. Young that the General, Special, Capital Projects, Debt Service, and Enterprise Funds bills be approved for payment in accordance with the listing submitted; said listing to be a part of these minutes as if herein set out verbatim. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

### **REPORTS OF STANDING COMMITTEES**

On recommendation of the Public Utilities Committee, it was moved by Mr. Lipsh and seconded by Mr. Sieben to accept the bid from Jerry's Electric, Inc. for 1 – 25KVA, 2 – 50KVA, 1 – 150KVA, and 1 – 500KVA refurbished transformers for a total cost of \$14,855. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

On recommendation of the Public Utilities Committee, it was moved by Mr. Sieben and seconded by Mr. Lipsh to approve an amendment to the engineering services agreement with AE2S for Phase III of the Water Plant project; the amendment is to redesign the Phase III project for rebid and is in the amount of \$410,000. Part of the amended contract cost will be reimbursed from the generator grant. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Young and seconded by Mr. Fellman to accept the application from the Chamber of Commerce to use the City's share of the Walsh County ½ Mill Self Help grant for its downtown beautification project.

On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Fellman and seconded by Mr. Young to approve the proposal from Valley Ambulance and Rescue Service to add sleeping rooms and a rest room to the City-owned ambulance building contingent upon Valley Ambulance and Rescue Service, Inc. being responsible for all costs associated with the improvements. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Young and seconded by Mr. Fellman to approve the Armory rental agreement with the Walsh County Nutrition Program for the kitchen and dining room with the new rate of \$500 per month effective January 1, 2015. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Young and seconded by Mr. Fellman to approve the Armory rental agreement with the Grafton Senior Citizens Club for the community room with the new rate of \$100 per month effective January 1, 2015. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Young and seconded by Mr. Fellman to approve the Municipal Prosecutor contract with Fleming, DuBois, & Fleming, PLLP effective January 1, 2015 at \$1,650 per month. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

## **REPORTS OF SPECIAL COMMITTEES**

Mayor West reported the Economic Development Committee approved a Storefront Improvement grant for Dale's Body Shop, 635 Griggs Avenue.

Mayor West reported the Economic Development Committee recommended appropriating \$100,000 towards the Grow Grafton program and the Committee also discussed whether to discontinue the Grow Grafton program, make changes to it, or leave it unchanged. Mayor West said he feels the program has been a huge success and there are 50 new homes in Grafton that may not have been here without it. The City Administrator said with the Phase II of the Lessard Addition Development, the incentive will have to be either \$1.00 lots or Grow Grafton. Mr. Hutson said it takes too many years to see a return on this incentive and these homes would be

built even if the incentive was not in place. It was moved by Mr. Sieben and seconded by Mr. Fellman to approve appropriating \$100,000 to the Grow Grafton program. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, and Mr. Young. Those opposed: Mr. Hutson and Mr. Wysocki. Mayor West declared the motion carried.

On recommendation of the Economic Development Committee it was moved by Mr. Hutson and seconded by Mr. Wysocki to approve a one year option on land, through December 31, 2015, described as Lots 3, 4, 5, 6, 11, and 12, Block 1, Dakota Addition for Quality Agriculture Products, LLC. The approximately 6.8 acres is estimated to be valued at \$70,000 to \$100,000. Dave Holland of Quality Agriculture Products, LLC is developing a greenhouse project to be located on the option land, using the Life Skills and Transition Center power house. The option on the land will make the project more desirable to prospective investors. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

Mr. Lipsh reported the Nelson County Commission has approved the Carnegie Regional Library Agreement; the contract will be forwarded to the Walsh County Commissioners, and then the Grafton City Council for action.

#### **UNFINISHED BUSINESS**

Mayor West reported City representatives will be meeting with the State Water Commission to request financing for the engineering portion of the flood risk reduction project on December 5<sup>th</sup> in Bismarck.

#### **NEW BUSINESS**

Mr. Young introduced Resolution No. 1689 entitled, "A RESOLUTION PREPAYING OUTSTANDING BONDS \$315,000 REFUNDING IMPROVEMENT BONDS, SERIES 2005B" and moved its adoption. Mr. Hutson seconded the motion. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

Mr. Mohn introduced Resolution No. 1690 entitled, "RESOLUTION CREATING AND DEFINING THE BOUNDARIES FOR FLOOD PROTECTION IMPROVEMENT DISTRICT NO. 2014-1" and moved its adoption. Mr. Fellman seconded the motion. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

Mr. Lipsh introduced Resolution No. 1691 entitled, "RESOLUTION DIRECTING PREPARATION OF ENGINEER'S REPORT AND COST ESTIMATE" and moved its adoption. Mr. Mohn seconded the motion. On roll call vote the following voted in favor thereof:

Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

Mr. Fellman introduced Resolution No. 1692 entitled, “RESOLUTION APPROVING ENGINEER’S REPORT AND DIRECTING PREPARATION OF DETAILED PLANS AND SPECIFICATIONS FOR FLOOD PROTECTION IMPROVEMENT DISTRICT NO. 2014-1” and moved its adoption. Ms. Stark seconded the motion. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

Ms. Stark introduced Resolution No. 1693 entitled, “RESOLUTION OF NECESSITY FOR FLOOD PROTECTION IMPROVEMENT DISTRICT NO. 2014-1” and moved its adoption. Mr. Young seconded the motion. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

City Administrator Ziegelmann proposed an adjustment to the water rates by establishing a base rate of \$14.07 with no minimum usage and increasing the per thousand gallon rate from \$5.28 to \$5.67. He explained the Water Department’s base rate should be \$16.50 to cover the fixed costs but he recommends an incremental increase at this time. Mr. Ziegelmann proposed removing the industrial rate sliding scale; the rate decreased the more water that was used. He said if a business is using over 2.5 million gallons, the rate can remain at \$4.40 per thousand gallons. There are currently no industrial users. It was moved by Mr. Young and seconded by Mr. Hutson that an ordinance entitled, “AN ORDINANCE OF THE CITY OF GRAFTON, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF GRAFTON, NORTH DAKOTA, BE AMENDED AND REENACTED BY REVISING SECTION 24-136 WATER RATES” be placed on first reading. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

City Administrator Ziegelmann proposed an adjustment to the wastewater customer charge from \$4.50 to \$7.00. He explained the wastewater customer charge should be \$9.50 to cover fixed costs, but proposed an incremental increase at this time. This increase will generate approximately \$30,000 per year. It was moved by Mr. Fellman and seconded by Mr. Sieben that an ordinance entitled, “AN ORDINANCE OF THE CITY OF GRAFTON, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF GRAFTON, NORTH DAKOTA, BE AMENDED AND REENACTED BY REVISING ARTICLE VIII SEWER SECTION 24-232 WASTEWATER RATES” be placed on first reading. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

The City Administrator said he hopes to have more accurate electric rate projections for the next 2 years after he attends an NMPA meeting on November 18<sup>th</sup>. He has heard of a possible 10% increase over the next 2 years so his current recommendation is to increase the residential and from \$.095 to \$.1050 per kWh and the commercial rate from \$.0985 to \$.1050 per kWh. The off-peak rate will increase from \$.0444 to \$.5111 per kWh; the off-peak rate will increase about

15%. The industrial rate is proposed to change from \$.0656 to \$.0702 with the monthly demand from \$11.40 to \$12.20 per kWh; and the large industrial rate is proposed to change from \$.0475 to \$.0540 per kWh, with the transmission from \$.00444 to \$.005 per kWh. There are no industrial customers at this time. It was moved by Mr. Hutson and seconded by Mr. Young that an ordinance entitled, "AN ORDINANCE OF THE CITY OF GRAFTON, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF GRAFTON, NORTH DAKOTA, BE AMENDED AND REENACTED BY REVISING SECTION 24-201 ELECTRICAL RATE SCHEDULES AND CONDITIONS" be placed on first reading. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Sieben, Ms. Stark, Mr. Wysocki, and Mr. Young. Those opposed: (None). Mayor West declared the motion carried.

Mr. Ziegelmann explained that with the proposed rate increases between water, wastewater and electric customers will see a 7% to 12% increase in their utility bill overall. Mr. Lipsh requested a five city comparison of utility rates be provided at the next meeting to include the local cities.

Mr. Wysocki reported he was approached by a property owner with concerns about a neighbor who has had their electric and water services disconnected, but the neighbor continues to reside in the home. Mr. Wysocki asked what happened to the ordinance which prohibits people from living in a home without electric and water services. The Building Official said it has been discussed in the past but no formal ordinance has been developed or adopted. The City Attorney will check with other cities to see how they handle situations such as this and draft something for consideration.

Abandoned vehicles were also discussed and it was reported each police officer has been assigned a certain neighborhood to enforce removal of abandoned vehicles.

### **CORRESPONDENCE AND ANNOUNCEMENTS**

City Offices will be closed November 27 and 28, 2014 for Thanksgiving.

A thank you note was received from family for the memorial given in memory of former employee, Dorothy Wentz.

A thank you note was received from family for a memorial given in memory of former Council member and employee, Harvey Skjerven.

The Chamber of Commerce Annual Banquet is November 24<sup>th</sup>; contact City Hall if you wish to attend.

### **ADJOURNMENT**

It was moved by Mr. Wysocki and carried to adjourn the meeting.

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Chris West, Mayor

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Connie A. Johnson, City Auditor-Treasurer