

**CITY OF GRAFTON
CITY COUNCIL MINUTES
MEETING OF DECEMBER 10, 2018**

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, December 10, 2018.

Mayor Chris West presided. Members present: Dave Fellman, Don Hutson, Chris Lipsh, Shane Mohn, Phil Ray, Brian Sieben, Mary Stark, and Greg Young. Others present: Nick Ziegelmann, Nick Hall, Tony Dumas, Kevin Sevigny, Scott Boura, Rock Desautel, Mike Grzadzielewski, Brittany Grzadzielewski, Lisa Chapman, Jillian Skjoldal, Brad Wingerter, Genevieve Wingerter, Todd Morgan, and Mike Steinfeldt.

PUBLIC HEARING

Building Official Scott Boura presented an order to demolish the house at 333 West 5th Street owned by Gerald and Karen Mell with contract for deed to Jeff and Lisa Skjoldal. According to utility records the last time this structure was occupied was October 2014. The Building Official has attempted multiple times to enter the structure to complete an inspection, but the basement has been full of water for at least two years. It was discovered there was a break in the water line and the curbstop could not be shut off. The property owner did not take care of it, therefore the City had to hire contractors to fix the curb stop and billed the cost to the property owner. The bill is currently unpaid. Mr. Boura reported the estimated cost of repairs to the home is \$19,500 and the value of the home is \$28,600. However, former City Assessor Ed Sevigny informed Mr. Boura that he had not been in the structure for a considerable period of time and the current value is likely not accurate, but instead the increase may be attributed to the annual general adjustments to property values. Mr. Boura then looked at the value from the last time an inspection was completed which was in 2010 and that value is \$15,100. Mr. Hall stated the costs to repair the home exceed 50% of the value of the structure. Mr. Hall reviewed there was curb stop work done at a cost of over \$800, unpaid utilities totaling over \$300, 2 years delinquent taxes, no occupancy for over 3 years and water in the basement for at least 2 years. Mr. Boura indicated he began attempting to contact the property owners via mail over 1 ½ years ago with no response from the property owner or any of the interested parties. It took an administrative warrant signed by a judge to get into the structure to inspect the property. Mr. Boura reported he has received complaints from neighbors regarding the home. Lisa Chapman explained that when she and Jeff Skjoldal divorced, the home went to him, but he has yet to clear the title. She spoke in support of her daughter, Jillian who is the person interested in repairing the structure. Jillian said she made an effort this past summer to get the structure cleaned up. She realizes there is a high cost to repair the home. They have the means to make those repairs if it can be spread out over a couple of years. Ms. Chapman said Jeff paid off the contract for deed with Gerald and Karen Mell but never finished the deed transfer. Ms. Skjoldal said the taxes are paid for now. They were asked if all three years had been paid; Ms. Skjoldal confirmed all three years are paid. Mr. Lipsh asked who the City should be working with as the deed shows someone else as the owner of the property. Mr. Hall said that correspondence was always mailed to six different addresses because ownership and location was unclear; he added the maximum time ever allowed to make repairs to a structure is 3 to 4 months to completely comply and the track record up to this point is not very good. Jillian Skjoldal requested a copy of the ordinance for condemnation. Mr. Hall indicated that if the Council is to order demolition the resolution should include: 1) Accepts the repair estimates of \$19,500; 2) Assessed value is \$15,100; 3) the actual

value is not greater than \$10,000; 4) the property is not fit for habitation; 5) the property does not meet code standards; 6) does not include the necessary amenities for residential use; 7) constitutes a blight on the neighborhood; 8) the costs of repairs exceed 50% of the value of the structure and the resolution should order the structure be demolished. Council member Sieben asked if Mr. Boura could prioritize what repairs the property owner needs to complete in three months to make the home habitable. Mr. Boura said the problem with granting an extension is that the property owner may only make half of the improvements which means the property does not meet the standard for demolition any longer but then progress stops due to lack of funds, etc. Then the City needs to wait for a few years until the property once again meets the demolition standards. Mr. Sieben questioned what financial resources Ms. Skjordal has to complete the repairs to the home and she responded that she was not required to answer that question. Mr. Fellman recommended that Skjordal's clear the title on the home within the next 30 days. It was moved by Councilmember Sieben that the Skjordal's be given until the January City Council meeting to clear the title, have it recorded, and provide the Council with a 90-day plan to bring the property up to code. Mr. Steinfeldt stated he is a neighbor and he doesn't feel the property is a terrible eyesore, there are not people going in and out of it, there are not any wild animals prowling around; he has seen homes in worse shape than that one. Councilmember Sieben expressed appreciation for Ms. Skjordal's passion for her childhood home and said the City Council needs to give her a chance to fix it up. He clarified his motion to state they will be granted 30 days to get the title recorded and only if that is done, the City Council will consider a 90-day plan for construction or renovation to result in a habitable condition with the understanding the owner will be back at the City Council meeting in January. Ms. Stark seconded the motion. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Ray, Mr. Sieben, and Ms. Stark. Those opposed: Mr. Lipsh, Mr. Mohn, and Mr. Young. Mayor West declared the motion carried.

CONSENT AGENDA

Mayor West asked if any Council member wanted to remove any item from the Consent Agenda. As no one did, it was moved by Mr. Lipsh and seconded by Mr. Young to approve the Consent Agenda as follows:

IV. CONSENT AGENDA

4.1 Approval of Minutes:

- a) City Council regular meeting of November 5, 2018
- b) Ways and Means Committee regular meeting of December 3, 2018.
- c) Public Utilities Committee regular meeting of December 3, 2018.

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

4.3 Game of Chance applications:

- a) #975 – Marvin Spirit Squad
- b) #976 – Grafton Area Chamber of Commerce

4.4 Site Authorization applications:

- a) Grafton Blueline Club, Inc. @ Frosty Fox

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

BILLS, CLAIMS AND ACCOUNTS

Councilmember Young questioned an almost \$20,000 bill from Kieley Electric for wiring work at the lagoon. He asked if that project was put out on bids according to the purchasing policy for all projects exceeding \$10,000. The Street/Wastewater Superintendent explained the original bid was \$10,600 but Ryan Hanson of Kieley's dropped it by \$1,000 to be under the \$10,000 project bidding limit. There was a lot of underground work to be done and Kieley's original plan was to pull new wire, but there was broken wire and conduit, so it involved more work than anticipated, including trenching. Street/Wastewater Superintendent Rock Desautel reported that he told Kieley Electric to get the job done but he did not expect it to be double the price of the estimate. Mr. Desautel reported nothing was working on the west side of the aeration cell and if it was left unfixed there would have been extreme odor issues. At this time everything is running other than one floater which needs a new motor; they will complete that in house. It was moved by Mr. Young and seconded by Mr. Lipsh 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. Mr. Sieben asked if there was any indication the lagoon wiring costs would go so high and Mr. Desautel said Ryan Hanson of Kieley Electric told him it would be a little more. The purchasing policy will be reviewed at the next Ways and Means Committee. Mayor West said he would like the contractor to know that through the City bid process, the way this project was handled was unacceptable; we don't appreciate working with any vendors that operate in that manner and the vendor could be in jeopardy of not being utilized for City contracted services in the future. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Ray, Mr. Sieben, Ms. Stark, and Mr. Young. Those opposed: None. Mayor West declared the motion carried.

REPORTS OF STANDING COMMITTEES

At the Ways and Means Committee meeting it was moved by Mr. Mohn and seconded by Mr. Lipsh that it be recommended to City Council to approve the applications submitted for 2019 Retail Alcoholic Beverage Licenses except 12th Street Bowl, unless they have their real estate taxes current by the time the City Council meets on December 10th. Mayor West reported the delinquent taxes for 12th Street Bowl have been paid. Mr. Mohn and Mr. Lipsh amended their motion to add 12th Street Bowl to the list of applications that meet the ordinance requirements and to approve the following 2019 Retail Alcoholic Beverage Licenses:

On- and Off-Sale Liquor and Beer –

Maher El-Sarraf, LLC – d/b/a Last Chance Bar and Grill

Polly's Lounge, Inc. – d/b/a Polly's
Grafton Company – d/b/a Extra End
Rosie's Place Too, Inc. - d/b/a Rosie's Place Too
Frosty Fox, LLC - d/b/a Frosty Fox

Off-Sale Liquor and Beer –

Valley Liquors, Inc. – d/b/a Hugo's Wine and Spirits
Plains Liquor, LLC – d/b/a Cenex Zip Trip #61

On-Sale Beer and Wine –

Mary Kippen-Morgan – d/b/a Luscious Boutique
Gail Martinson – d/b/a Shananigan's Family Restaurant
Grafton Hospitality, LLC –d/b/a AmericInn Motel & Suites

On-Sale Beer -

Lee's Restaurant, Inc. – d/b/a Lee's Restaurant
12th Street Bowl, LLP – d/b/a 12th Street Bowl
Hart Management, Inc. – d/b/a Pizza Hut of Grafton

Club, Short-Term (monthly) -

Grafton Curlers, Inc.– d/b/a Grafton Curling Club
Grafton Golfers, Inc. – d/b/a Fair Oaks Golf Course

On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Ray, Mr. Sieben, Ms. Stark, 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. Lipsh and seconded by Mr. Fellman to approve the 2019 Retail Fireworks License applications for: Bruce Eikenberry d/b/a TNT Fireworks at Hugo's parking lot, and Memory Fireworks at 86 East 6th Street. All members present voted in favor thereof; Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Fellman and seconded by Mr. Mohn to renew the contract with Walsh County Nutrition Program to use the Armory kitchen and dining room for 2019 at \$500 per month. All members present voted in favor thereof; Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Lipsh and seconded by Mr. Mohn to renew the contract with the Grafton Senior Citizen Club to use the Armory Community Room for 2019 at \$100 per month. All members present voted in favor thereof; Mayor West declared the motion carried.

On recommendation of the Ways and Means Committee, it was moved by Mr. Mohn and seconded by Mr. Lipsh to approve the purchase of the following seven parcels available for purchase from Walsh County due to 3 years delinquent taxes and to direct the County Auditor to waive the special assessments totaling approximately \$1,600:

- Lots 13-14, Block 15, Askelsons Addition
- West 64' of the East 214' of Lot 2, Block 25, Askelsons Addition

- Lot 3, Block A, of the Replat of Lot 2 of Block 25, and Lot 1, Block 26, Askelsons Addition
- N ½ Lot 17 and all of Lot 18-19, Block 7, Cooper Addition
- A parcel in NE1/4NE1/4 13-157-53 described as follows; Beginning at the SW corner of Lot 13, Block 8, Coopers Addition on the East line of Wakeman Ave, running thence East on the South line of said Lot 13 and in continuation of said south line until the same intersects the center of the Park River, thence in a southerly, southwesterly and westerly direction, following the center line of the present channel of Park River to the East line of Wakeman Avenue, thence North along the east line of said Wakeman Avenue to the place of beginning, except the tracts previously conveyed by deeds recorded in the Records Office in Book “E” of Deeds page 336 and Book “18” page 286, subject to easement.
- S. 23.5’ of Lot 3, All of Lot 4, and N 1.4’ of Lot 5, Block 1, Coopers 1st Replat
- Lot B, Block 1, Replat of Adamsens 2nd Addition

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

On recommendation of the Public Utilities Committee, it was moved by Ms. Stark and seconded by Mr. Young to approve the application for possession and consumption of alcohol at the Armory submitted by Blue Lopez for a family Christmas party on Monday, December 24th from 7:00-11:00 pm. All members present voted in favor thereof; Mayor West declared the motion carried.

REPORTS OF SPECIAL COMMITTEES

Mayor West reported a public hearing was held at the December 5, 2018 Economic Development Committee meeting to consider the Renaissance Zone applications submitted by Lifetime Dental, P.C. and Ekman Dusek, LLC for 927 West 12th Street; no one appeared in opposition to the incentive. Administrator Ziegelmann reported the building is valued at \$232,500 and the scope of the project to remodel the entire building easily exceeds 50% of the current structure value as an estimated remodeling cost is \$371,854.15. They have projected a 5-year property tax savings of \$27,900 and a 5-year income tax savings of \$5,000. It was moved by Mr. Hutson and seconded by Ms. Stark to approve the Renaissance Zone applications for the property tax and income tax benefits for Lifetime Dental, P.C. and Ekman Dusek, LLC. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Ray, Mr. Sieben, Ms. Stark and Mr. Young. Those opposed: None. Mayor West declared the motion carried.

UNFINISHED BUSINESS

Administrator Ziegelmann reviewed Gladen Construction, Inc. Change Order #5 for the Flood Risk Reduction Project. The Change Order is a net reduction of \$156,741.90 based on quantities of riprap needed and the ballast that was needed on the Walhalla line. It was moved by Mr. Young and seconded by Mr. Lipsh to approve Change Order #5 for the Gladen Construction, Inc. contract. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Ray, Mr. Sieben, Ms. Stark and Mr. Young. Those opposed: None. Mayor West declared the motion carried. Mr. Ziegelmann reported the contractor will quit for the season at Christmas time and start again when weather allows.

NEW BUSINESS

It was moved by Mr. Lipsh and seconded by Mr. Ray to approve the Mayor's appointments of Dave Fellman to the Library Board expiring 12-31-21, Mary Stark to the Walsh County Job Development Authority expiring 12-31-21, Shane Mohn and Greg Young to the Walsh County Planning and Zoning Commission expiring 12-31-22. All members present voted in favor thereof; Mayor West declared the motion carried.

Mayor West reported Unity Medical Center will be reapplying for Hazard Mitigation grant funds for generators with the City of Grafton as a sponsor; the application submitted last year for the same equipment was denied.

It was moved by Mr. Young and seconded by Mr. Fellman to close the 2008-B Refunding Bond Fund as the bonds are paid in full and to transfer the balance to the General Fund for reserve in Finalized Debt Service. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Hutson, Mr. Lipsh, Mr. Mohn, Mr. Ray, Mr. Sieben, Ms. Stark, and Mr. Young. Those opposed: None. Mayor West declared the motion carried.

It was moved by Mr. Fellman and seconded by Mr. Young to approve the list of 2018 Budget Amendments as presented, 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. Ray, Mr. Sieben, Ms. Stark, and Mr. Young. Those opposed: None. Mayor West declared the motion carried.

It was moved by Mr. Lipsh and seconded by Ms. Stark to approve the list of 2018 Budget appropriation reserves as presented, 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. Ray, Mr. Sieben, Ms. Stark, and Mr. Young. Those opposed: None. Mayor West declared the motion carried.

Mike Grzadzielewski was present to discuss reopening The Edge, which was a youth center run by the Grafton Ministerial Association that has been closed for a couple years. He said the Center had a lot of use, but the Ministerial Association had a lot of difficulty keeping the place staffed with volunteers, etc. He said the Ministerial Association has been considering reopening it, not as a Christian youth center but simply as a youth teen lounge. Mr. Grzadzielewski's daughter, Brittany, conducted a survey at the high school and 67% of the students surveyed responded favorably to utilizing the lounge. The students indicated they would like to see darts, board games, pool league. Of the students surveyed 25% indicated they would like to be part of the startup of the lounge and 38% said they would like to be on a committee. Mr. Grzadzielewski said they are also considering holding career nights to present options to the kids. He said Grafton Ministerial Association owns the building and supports the project. He said some of the funds necessary to keep a place such as this open can be raised through food sales and juke box sales, but he will also be contacting other businesses and community members for support as they hope to pay a part time position for 3 evenings a week. He requested financial support from the City Council. He said they don't want to proceed too far with the project until they know they have the funds to hire a part time person. Mr. Lipsh suggested he talk with Parks and Recreation or the North Valley Career and Tech Center. Mayor West recommended he work with other entities to develop a plan and then present that plan to the Council for consideration. Mr. Lipsh said the City has just begun a strategic planning process

which will include recreation quality of life issues and the Ministerial Association will be involved in that process, but that process is in the beginning stages at this time. The Council did not appropriate towards the project.

It was moved by Mr. Fellman and seconded by Mr. Ray to approve the application from Grafton Company, Inc. for a special event alcoholic beverage permit for the Spoiler Hockey Alumni Game at the Centennial Center on Saturday, December 22nd from 4:00 – 9:00 p.m. On roll call vote the following voted in favor thereof: Mr. Fellman, Mr. Lipsh, Mr. Mohn, Mr. Ray, Mr. Sieben, Ms. Stark, and Mr. Young. Those opposed: Mr. Hutson. Mayor West declared the motion carried. Mr. Hutson said we might as well give the hockey arena a liquor license and added that the event will be full of kids.

CORRESPONDENCE AND ANNOUNCEMENTS

The City's Community Development Block Grant application to fund a new HVAC system for the Armory was denied.

City Hall will be closed Monday, December 24th, Tuesday, December 25th and Tuesday, January 1st.

ADJOURNMENT

It was moved by Mr. Hutson, seconded by Mr. Ray, and carried to adjourn the meeting.

* * * * *

Chris West, Mayor

Connie A. Johnson, City Auditor