



Horace City Council Meeting Minutes

The Horace City Council met on September 20, 2021 @ 6:00 pm at Horace City Hall. Those present were Mayor Kory Peterson, Councilmember Chelsey Johnson, Councilmember Naomi Burkland, Councilmember Jeffrey Trudeau, and Councilmember Sarah Veit. Others present included: Brenton Holper, Jim Dahlman, and Lukas Croaker.

Mayor Peterson called the meeting to order at 6:00 pm.
The pledge of allegiance was recited.

Agenda Item #3: Approve Regular Agenda

Motion: Approve the Regular Agenda.

1st Motion: Councilmember Burkland

2nd Motion: Councilmember Veit

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #4: Approve Consent Agenda

- a. Vendor Invoices
- b. Balance Sheet & Income Statement
(Added) b.1. Checks Written in August 2021
- c. Water, Sewer, Storm and Street Improvement District No. 2020-1 (Southdale Farms First Addition)
 - i. Progressive Estimate No. 9 Final

Motion: Approve the Consent Agenda Adding Agenda Item #4b.1.

1st Motion: Councilmember Veit

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #5: Approval of City Council Meeting Minutes from September 7, 2021

Motion: Approve the City Council Meeting Minutes from September 7, 2021.

1st Motion: Councilmember Trudeau

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #6: Public Comment

None.

Agenda Item #7: Sheriff's Update | Ross Krause/Craig Keller, Cass County Sheriff's Department & Brenton Holper, City Administrator

Deputy Craig Keller summarized the 128 service calls during the month of August which included four vehicle crashes. He added that he continues to patrol new construction sites to make sure no vandalism or theft will occur. Deputy Keller informed the City Council that a new deputy will start working in Horace in 2022.



Agenda Item #8: FY 2022 Budget | Brenton Holper, City Administrator

Mr. Holper presented the FY 2022 Budget. He summarized the planned staff increases for 2022, insurance adjustments, a 4% cost of living adjustment (COLA), and special assessments the City of Horace must pay for city property. Mr. Holper also summarized the general, highway, water, and sewer fund. He explained that manhole repairs are planned, and new equipment will be needed in 2022. He noted that the City will be developing reserve funds to cover unexpected costs that might arise in the future. The goal of the water reserve fund is also to be able to cover the City's bond payments for one year. The solid waste, sewer fund, vector, forestry, and sales tax funds were also addressed.

Mayor Peterson opened the public hearing at 6:31 pm. Councilmember Johnson thanked Mr. Holper for creating a very clear budget that everyone can understand. No comments or questions were received. Mayor Peterson closed the public hearing at 6:32 pm.

Motion: Approve the FY 2022 Budget as Presented by Staff.

1st Motion: Councilmember Veit

2nd Motion: Councilmember Trudeau

Action taken: All in favor, none opposed. Motion carried (4-0).

Agenda Item #9: 2021-7 Connection to Cass Rural Water District Project Time Extension Request | Jim Dahlman, City Engineer

Mr. Dahlman explained that the firm Key Contracting asked for a time extension for the 2021-7 Connection to Cass Rural project. The reason for the request is that the needed water meter vault has a longer than expected lead time. The meter vault was ordered on August 6, 2021, but will not be delivered until March 7, 2022. Once the vault has been delivered, Key Contracting will need 8 weeks to complete the project.

Motion: Approve the Time Extension Request from Key Contracting for the 2021-7 Connection to Cass Rural Project.

1st Motion: Councilmember Veit

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried (4-0).

Agenda Item #10: Sanitary Sewer ID No. 2018-1 | Lukas Croaker, City Attorney

Mr. Croaker presented the resolution for the Sanitary Sewer ID 2018-1 extending the sanitary sewer infrastructure. He noted that proposed assessments were discussed during the last City Council meeting on September 7, 2021. The sewer line extension will run south to the new Maple Lakes Estate Addition. There are two existing properties that have septic systems but would benefit from the new sewer line. The City Council felt that those two property owners should not be assessed until they chose to connect to the new sewer line.

Motion: Approve the Resolution for the Sanitary Sewer ID No. 2018-1 as Presented by Legal.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Burkland

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #11: Sprinkler Ordinance | Lukas Croaker, City Attorney

Mr. Croaker explained that the West Fargo School District is currently working with the Cass Rural Water District to connect the schools to Cass Rural Water service. The School District requested that water meters would not be installed on the schools' fire suppression systems. When sprinklers are



connected to water meters, it could restrict the water flow. The proposed resolution would clarify that water meters will not be installed on fire suppression systems in Horace.

Motion: Approve the 1st Reading of the Sprinkler Ordinance as Presented by Legal.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Trudeau

Action taken: All in favor, none opposed. Motion carried.

Item #12: Water, Sewer, Storm and Street Improvement District No. 2021-7 (Deer Creek Estates) | Jim Dahlman, City Engineer

Mr. Dahlman presented the proposed Water, Sewer, Storm and Street Improvement District No. 2021-7 (Deer Creek Estates). He explained the location of the district to the City Council by showing a map on the display screens. He added that the construction is planned to begin in the spring of 2022.

Motion: Approve the Water, Sewer, Storm and Street Improvement District No. 2021-7 (Deer Creek Estates).

1st Motion: Councilmember Trudeau

2nd Motion: Councilmember Johnson

Action taken: All in favor, none opposed. Motion carried.

Motion: Direct the Engineer to Prepare the Engineer's Report and Cost Estimate for the Water, Sewer, Storm and Street Improvement District No. 2021-7 (Deer Creek Estates).

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Trudeau

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #13: Letter of Credit Requirements | Brenton Holper, City Administrator

Mr. Holper explained that a letter of credit from developers a developer must currently cover 75% of the total construction costs of a planned development. Developers continue to request that the City of Horace reduces the requirement back to 50%. Mayor Peterson summarized why the letter of credit requirement was raised to 75%. The City Council discussed the risks and benefits of lowering the percentage. Mr. Holper noted that the percentage of the letter of credit can always be readjusted. The City Council agreed that they felt comfortable with reducing the letter of credit to 65%.

Motion: Approve the Letter of Credit Requirement to be Reduced to 65% of the Construction Costs.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Veit

Action taken: All in favor, none opposed. Motion carried (4-0).

Agenda Item #14: Water, Sewer, Storm and Street Improvement District No. 2020-1 (Southdale Farms First Addition) | Jim Dahlman, City Engineer

Mr. Dahlman presented the change order No. 2 in the amount of \$10,607.46 for the Water, Sewer, Storm and Street Improvement District No. 2020-1. This amount was adjusted to balance out materials and construction costs. He noted that the amount is low considering that this is a multimillion-dollar project.

Motion: Approve the Change Order No. 2 in the Amount of \$10,607.46 for the Water, Sewer, Storm and Street Improvement District No. 2020-1.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Trudeau



Action taken: All in favor, none opposed. Motion carried.

Agenda Item #15: Water, Sewer, Storm and Street Improvement District No. 2021-1 (Southdale Farms Third Addition) | Jim Dahlman, City Engineer

Mr. Dahlman presented the change order No. 2 in the amount of \$35,358.00 for the Water, Sewer, Storm and Street Improvement District No. 2021-1 (Southdale Farms Third Addition). The original plan was to keep a four-to-one slope on the additional turn lane into the South Farms Addition. During construction, the County reviewed the project and requested that a five-to-one slope would be created instead of a four-to-one slope which adds \$35,358.00 to the construction costs. The City Council discussed traffic flow in the area.

Motion: Approve the Change Order No. 2 in the Amount of \$35,358.00 for the Water, Sewer, Storm and Street Improvement District No. 2021-1 (Southdale Farms Third Addition).

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Burkland

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #16: Water, Sewer, Storm and Street Improvement District No. 2021-3 (Lakeview Addition) | Jim Dahlman, City Engineer

Mr. Dahlman presented the change order No. 1 in the amount of \$186,255.58 for the Water, Sewer, Storm and Street Improvement District No. 2021-3 (Lakeview Addition). He explained the reason for the change order which included a revision of the water main that feeds the Lakeview Addition project. The City Council discussed the change order. Councilmember Veit asked Mr. Dahlman to verify the prices of some of the items listed in the change order.

Motion: Approve the Change Order No. 1 in the Amount of \$186,255.58 for the Water, Sewer, Storm and Street Improvement District No. 2021-3 (Lakeview Addition) Pending on Cost Verification of some of the Items Listed.

1st Motion: Councilmember Veit

2nd Motion: Councilmember Trudeau

Action taken: All in favor, none opposed. Motion carried.

Agenda Item #17: City Hall Remodel | Brenton Holper, City Administrator

Mr. Holper presented the Horace City Hall remodel. The number of staff is increasing, and more office space is needed to accommodate the incoming employees. The plan is to remodel city hall and transform the current chamber into additional offices. All public, City Council, and Planning Commission meetings would be held at the Fire Hall Event Center going forward. Prairie Design provided their architectural services pro bono and created the layout for the remodel. Bids from Meridian and Lee Jones & Sons were received. Mr. Holper summarized the lowest bid received which was by Meridian.

Councilmember Johnson explained the proposed floorplan. She added that the building would be used to house the public works department once the City Hall staff outgrows this space. The Council discussed the plans and the proposed siding project which could be done after the remodel has been completed. Councilmember Veit asked if a remodel of the old building would be worth the money that this project would cost instead of purchasing a prebuilt building that could replace the old building. The Council discussed leasing options and determined that leasing a new office space at a different location would be more expensive than the remodel. Mr. Holper noted that the remodel would be paid for by the City's public facilities fund.



The Council discussed the need for additional office furniture which was not included in the bids.

Motion: Approve the Bid from Meridian for the City Hall Remodel (Removing Alternates #1, #2, #3 from the Bid) and not Exceeding the Amount of \$220,000.

1st Motion: Councilmember Burkland

2nd Motion: Councilmember Trudeau.

Action taken: All in favor, none opposed. Motion carried (4-0).

Mr. Holper explained that all public, City Council, and Planning Commission meetings could be held at the Horace Fire Hall Event Center. Mr. Holper summarized that one rental option would be ongoing for Mondays and Tuesdays every week. The rental would cost approximately \$13,000 for the 2022 calendar year and approximately \$15,000 for the 2023 calendar year. Mr. Holper explained that he is not looking for a motion at this time, because staff is researching additional options. Councilmember Burkland asked that staff look into renting a room for two nights a week as needed at one of the schools because that might be cheaper. Mayor Peterson concluded that the discussion would continue to find the best option.

Agenda Item # 18: Engineering/Public Works | Jim Dahlman, City Engineer

- a. Three bids were received for the lift station project in Horseshoe Bend. One of the bids was substantially lower than the other two bids. The contractor is currently reviewing his low bid to make sure it is the correct bid number. Updates will follow.
- b. The Connection to Cass Rural Water project is continuing.
- c. KPH continues to work on the Water Line Replacement project. The contractor is currently lining the water mains in Willow Ct., Center St., and Southwood Dr.
- d. Terra Gardens Third Addition underground work will be completed on September 22, 2021.
- e. The first run of Christianson Blvd. was paved in the Southdale Farms Third Addition on September 18, 2021. The second run will be paved on September 25, 2021.
- f. The Lakeview Addition underground work was completed.
- g. Mr. Dahlman reminded everyone that the objection hearing meeting for the proposed special assessments will take place on Tuesday, September 28, 2021, at the Fire Hall Event Center. Mr. Holper added that anyone who would like to object, should submit their objection in writing and detail why they are objecting to the assessments. Stating "I object" without any given reasons will not be sufficient.

Agenda Item # 19: City Administrator | Brenton Holper, City Administrator

- a. The Future Land Use Map (FLUM) will be brought back to the City Council in October.
- b. The finance director position was filled. The new employee will start on September 27, 2021.

Agenda Item #20: Portfolio Reports

- a. Mayor Peterson explained that he would like to schedule a one-on-one meeting with each councilmember in the next couple of weeks.
He also explained that the City of Horace had three subdivisions applications in 2016. This year, there might be twelve incoming subdivision applications which shows the tremendous growth that is happening in Horace.
He noted that he attended the North Dakota League of Cities Annual Conference. He thought it was a great conference and he was thankful for receiving the 2021 Leadership Excellence Award.



- b. Councilmember Veit – no updates.
- c. Councilmember Burkland said she enjoyed attending the North Dakota League of Cities Annual Conference.
She explained that Horace’s 150th Anniversary was coming up in 2023 and that volunteers are needed for the festivities. She encouraged anyone who was interested in participating to send an email to pr@cityofhorace.com.
- d. Councilmember Johnson said that it would be great to involve the schools for the 150th anniversary.
She reported that the storm grate by the Senior Center has been broken for years. She asked if the Public Works Department could replace it.
- e. Councilmember Trudeau congratulated Mayor Peterson on receiving the North Dakota League of Cities Excellence Award. He asked for an update on building permits. Mr. Holper replied that the backlog has been decreased and that residential building permits take less than a week. He added that he will get an updated number of building permits for the next City Council meeting.

Agenda Item #21: Adjourn

Motion: Approve Meeting Adjourn at 8:51 pm.

1st Motion: Councilmember Trudeau

2nd Motion: Councilmember Veit

Action taken: All in favor, none opposed. Motion carried.

The next Horace City Council meeting is scheduled for **Monday, October 4, 2021, at 6:00 pm**