



Horace City Council Meeting Minutes

The Horace City Council met on July 6, 2020 @ 6:00 pm at Horace City Hall. Those present were Mayor Kory Peterson, Councilmember Chelsey Johnson, Councilmember Bryan Schmidt, and Councilmember Dave Fenelon. Others present included: Jim Dahlman, Brenton Holper, and Barrett Voigt. Councilmember John Koerselman was absent.

Mayor Peterson called the meeting to order at 6:00 pm.

The pledge of allegiance was recited.

Agenda Item #3: Approve regular agenda excluding agenda item #12

Motion: Approve the regular agenda excluding agenda item #12.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Johnson

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

Agenda Item #4: Approve consent agenda

- a. Vendor Invoices
- b. Water, Sanitary Sewer, Street and Drainage ID No. 2019-5 (Visto Industrial Addition)
 - i. Progressive Estimate No. 4 in the amount of \$278,598.62 to Dakota Underground Co.
- c. Water, Sewer, Storm and Street ID No. 2019-6 (Cub Creek First Addition)
 - i. Progressive Estimate No. 8 in the amount of \$89,290.77 to Dakota Underground Co.
- d. County Road 17 Shared Use Path
 - i. Progressive Estimate No. 4 in the amount of \$31,833.31 to Border States Paving.
- e. Water, Sewer, Storm and Street ID No. 2020-4 (Lost River 5th Addition)
 - i. Progressive Estimate No. 1 in the amount of \$97,513.45 to Dakota Underground Co.
- f. Water, Sewer, Storm and Street ID No. 2019-7 (Maple Lake Estates Addition)
 - i. Progressive Estimate No. 1 in the amount of \$531,820.80 to KPH Inc.
- g. Sanitary, Storm Sewer and Street ID No. 2019-1 (Lakeview Drive and 79th Avenue) & Storm Sewer and Street ID No. 2019-3 (63rd Street)
 - i. Progressive Estimate No. 8 in the amount of \$826,172.39 to KPH Inc.

Motion: Approve the consent agenda.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Fenelon

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



Agenda Item #5: Approval of City Council Meeting Minutes from June 15, 2020

Motion: Approve City Council Meeting Minutes from June 15, 2020.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #6: Approval of Special City Council Meeting Minutes from June 23, 2020

Motion: Approve Special City Council Meeting Minutes from June 23, 2020.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Agenda Item #7: Public Comment

No comments.

Agenda Item #8: Sheriff's Update | Ross Krause/Thomas Behm, Cass County Sheriff's Department

The Sheriff's update will be available at the next City Council meeting on July 20, 2020.

Agenda Item #9: Sleepy Hollow Lift Station | Brenton Holper, City Administrator

Mr. Holper explained that in the past, Sleepy Hollow residents have received water from a neighborhood well. The residents of the development requested that the City take ownership of the lift station in Sleepy Hollow because the residents will be switching to Cass Rural Water service.

Councilmember Schmidt asked if there were funds leftover for repairs in case the lift station breaks down? Resident Tom Gohdes explained that he found tax records from 1997 which indicate that \$8100.00 was spent on updating the lift station.

Mayor Peterson asked how the Sleepy Hollow lift station compares to other lift stations in town? Mr. Dahlman replied that it is similar to the system in Southwood Drive. Mayor Peterson asked if the City has replacement parts the unit? Mr. Dahlman answered that the lift station is an older model and getting replacement parts might be difficult because not many companies carry parts for this unit. Resident Tom Gohdes said that the pump has not failed since 2009. He added that when flooding occurs, the water usually flows east and back into the river. If the lift station fails, the water would not flood the Sleepy Hollow development.

Motion: Approve the City's new ownership of the Sleepy Hollow lift station.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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



Agenda Item #10: Water Treatment and Infrastructure Survey | Brenton Holper, City Administrator

Mr. Holper explained that the City is about to conduct a survey to find out how residents feel about the current water quality and what kind of water service they would prefer in the future. Mr. Holper presented the planned survey and asked Council if they had any additional questions that they would like to ask residents. The survey will be conducted online but residents can also fill out a paper questionnaire at City Hall.

Council did not add further questions to the water survey. Mr. Holper said that it will be on the City's website by July 10, 2020. Councilmember Schmidt suggested that the link to the survey should be added to the next water bill.

Agenda Item #11: Land Use Ordinance Amendment-Plat Requirements | Barrett Voigt, Community Development Director and Lukas Croaker, City Attorney

Mr. Voigt presented the Land Use Ordinance Amendment-Plat Requirements. The City did not receive comments or questions since the last presentation during the City Council meeting on June 15, 2020. Given the property sizes in Horace, Mr. Voigt suggested that the distance of the surrounding properties that will be notified, would increase to 500 ft. Councilmember Fenelon suggested 300 ft, but with the discretion of the City to increase the distance if needed. He added that a sign at the location itself and a permanent page on the City's website should be in place.

Mr. Holper summarized that the City will be saving money by eliminating preliminary plats and by making the application process easier which will offset the cost of the notification process. All Councilmembers agreed that the distance of notifications sent to the surrounding properties should be 300 ft.

Councilmember Fenelon requested that Mr. Holper and Mr. Voigt present the new plat application requirements once they have been finalized.

Motion: Approve the Land Use Ordinance Amendment-Plat Requirements.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #12 (removed): C-1 Neighborhood Commercial Permitted Land Uses Text Amendment | Barrett Voigt, Community Development Director

Agenda Item #13: Sahr 2nd Addition Rezone | Lukas Croaker, City Attorney

Mr. Voigt presented the Sahr 2nd Addition Rezone. City staff did not receive any comments or requests for changes since the last public hearing and therefore approval was recommended.

Motion: Approve the Sahr 2nd Addition Rezone.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Schmidt

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



Agenda Item #14: Oversized Vehicle Penalty Ordinance | Lukas Croaker, City Attorney

Mr. Croaker presented the Oversized Vehicle Penalty Ordinance and explained that the City did not have the added two sections because there was no Municipal Court in place until now. He recommended that the two text sections be approved and added to the City's Oversized Vehicle Ordinance.

Councilmember Schmidt voiced concern about the low penalty fee of \$20.00. Mr. Croaker explained that the \$20.00 fee would be added to the weight specifications that are already stated in the City's Oversized Vehicle Ordinance. A fee of \$100 fee will also be charged for drivers without a permit. This permit is only for oversize not overweight vehicles.

Motion: Approve the Oversized Vehicle Penalty Ordinance.

1st Motion: Councilmember Koerselman

2nd Motion: Councilmember Fenelon

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

Agenda Item #15: FY 2020 Misc. Infrastructure Projects | Brenton Holper, City Administrator

Mr. Holper summarized the following FY 2020 Miscellaneous Infrastructure Projects for the City of Horace.

- a. The Ruds addition needs a second lift station installed and the road needs to be fixed. The cost estimate is \$70,000. There is approx. \$45,000 leftover in the special assessment fund of the Ruds development that will be used towards the costs.
- b. The second project area is Sunnyside Drive and Woodland Circle where asphalt patching, GAP mastic, a chip seal, and a fog seal are planned. The cost estimate is \$190,000.
- c. The City is planning on filling potholes in several different locations.
- d. River's Edge residents have reported that when the river overflows, the water comes into the development, fills up the ditches but does not drain. The City is proposing to install stop logs which will help with the overflowing of the river. The estimated cost is \$25,000. This will not solve all of River's Edge's problems, but it will help. The City anticipates that the River's Edge 2nd Addition will help elevate the remaining storm water issues in the future.
- e. The sluice gate in the Greyhawk Addition needs to be replaced. The cost estimate is \$6,000.
- f. There are right of way clean ups planned for the Adelman Addition. The City received a complaint from a resident who found large pieces of concrete in his yard. After the City investigated, a patch of washout concrete which was left and buried by the contractor/developer was found. Unfortunately, the contractor/developer is not in business anymore and cannot be held responsible for the cost of the removal which is estimated at \$1,500. The City agreed to remove the concrete and the property owner agreed to fill in the area with dirt and reseed it.
- g. The City would like to improve the drainage issues around the Sleepy Hollow /Sunnyside Drive area. The cost estimate for the project is \$5,000.

The total estimated amount for the projects is \$322,500. The projects will be funded by the sales tax fund which has to be spent on infrastructure projects. The approx. \$45,000 from the special assessment fund from the Ruds Addition will also be used. The City's sales tax fund is currently at \$1,3 million.



There are other larger projects that the City needs to address in the future (e.g. Wall Avenue, the 8th Avenue Extension, the Old Oxbow by Northwood and Southwood Drive, the Trailer Court, Dreamfields Addition drainage issues, Lakeview First Addition, River's Edge Second Addition, City Hall etc.) The projects will be addressed separately during upcoming City Council meetings.

Councilmember Fenelon asked if the street cracks at the roundabout will be repaired? Mr. Holper said that the City scheduled a walkthrough for July 7, 2020 and that the repair project will be a separate topic during a future City Council meeting.

Motion: Approve the FY 2020 Misc. Infrastructure Projects in the estimated amount of \$322,500 as presented by staff.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Chelsey

Action taken: All in favor, none opposed. Councilmember Koerselman absent. Motion carried. (3-0)

Agenda Item #16: FY 2021 Budget | Brenton Holper, City Administrator

Mr. Holper gave an overview of the FY 2021 budget. He explained that COVID-19 will affect the general fund and the highway fund which will decrease by approximately 20%. The reason for the decrease is state aid funding cuts. The rest of the City's funds will remain steady.

Vector and sewer rates were adjusted which will balance out the budget. The forestry fund will remain stable and future forestry projects are planned. The water fund will be balanced but Mr. Holper emphasized that current water rates are only covering the cost of operations and minimum maintenance, not future improvements, water leaks or capital improvements.

Given the COVID-19 situation, the City will have to be conservative going forward which is one of the reasons that hiring a fourth Public Works position will be postponed. Not hiring a fourth Public Works laborer will help balance the budget. Public Works positions are paid through the sewer, waste, and highway fund. The full-time position of a City engineer however has been calculated into the new budget and the City is looking into hiring someone fulltime to offset the costs of continuously outsourcing the workload. The City engineer's position will be paid through the general fund. The City was also looking into hiring a full/part time Deputy Sheriff, but the County's budget was decreased and therefore the City of Horace will postpone hiring additional law enforcement.

The overall goal is to keep the mill rate as low as possible. If the City changes the mill rate it would be a minor change. During the first meeting in August, the preliminary budget will be voted on as well as the cap of the mills. Mr. Holper reminded Council that once the mill rate for the year has been set, it cannot be raised, it can only be lowered.

Agenda Item #17: Engineering / Public Works | Jim Dahlman, City Engineer

- a. Sanitary Sewer Improvement District No. 2018-01 (Service to 100th Avenue South Area) contracts have been distributed.
- b. Street Improvement District No. 2017-07 - Maple Drive, Maple Lane and 75th Street working on final quantities.



- c. Recreational Trails Grant Project is complete. Punch list items remain. Final inspection with ND Park and Rec is complete.
- d. Sanitary, Storm, Sewer & Street Improvement District No. 2019-1 (Lakeview Drive and 79th Ave) project is 68.3% complete. Working on concrete street paving. They are not meeting their completion date.
- e. Street and Storm Sewer Improvement District No. 2019-2 (76th Avenue & Roundabout) Final walk through will be the week of July 6, 2020.
- f. Storm Sewer & Street Improvement District No. 2019-3 (63rd Street) Project is 68.3% complete. Starting curb and gutter the week of July 6, 2020.
- g. Water, Sanitary Sewer, Storm, Street and Drainage Improvement District 2019-5 (Visto) project is 88.6% complete. Pond excavation and electrical work continues.
- h. Water, Sewer, Storm and Street District No. 2019-6 (Cub Creek First Addition) project is 90.7% complete. Private utility work continues and 63rd Street. Shared Use Path work remains.
- i. Water, Sewer, Storm and Street Improvement District No. 2019-7 (Maple Lake Estates Addition) project is 13% complete. Contractor is working on Earthwork. Utility installation is scheduled for after July 4, 2020.
- j. 3rd and 4th Street Drainage Improvements. Contractor has been trying to shape the ground around the spillways.
- k. Water, Sewer, Storm and Street ID No. 2020-1 (Southdale Farms First Addition) contracts have been distributed.
- l. Water, Sewer, Storm and Street ID No. 2020-4 (Lost River Fifth Addition) project is 2% complete. Contractor has stripped the site and started sanitary sewer installation.
- m. Water, Sewer, Storm and Street ID No. 2020-2 (81st Avenue) contracts have been distributed.
- n. Wall Ave Improvements West of the Sheyenne River is in the preliminary planning phase.
- o. Water, Sewer, Storm and Street ID No. 2020-5 (Rivers Edge Second Addition) is in the planning phase. Project area needs to be annexed into the City.
- p. The preliminary report for the Old Oxbow Drainage is complete.

Mayor Peterson asked for an update about the progress of the Heritage Middle School during the next City Council meeting on July 20, 2020.

Agenda Item #18: City Administrator | Brenton Holper, City Administrator

- a. The City was awarded the grant for the second phase of the County Road 17 Shared Use Path by the Transportation Alternative Fund. Construction for the second phase will start in 2022. Councilmember Schmidt asked if the City could put up 'No Motorized Vehicles' signs to avoid ATVs riding on the new bike path? Mr. Holper and Mr. Dahlman said that they would look into it the available options.
- b. Horace Happenings went out to residence last week.
- c. The City's audit should be completed in August.



- d. The City's temporary bond has sold at an interest rate of 1.9%. The previous rates were 2.5% and 2.9%. Colliers International might be able to offer an even better bond rating after they look at the City's latest audit in August.
- e. After receiving complaints from residents about speeding on Wall Avenue, the City requested that the Sheriff's department install a speed trailer to monitor the area. They confirmed and will let the City know when the trailer will arrive.
- f. The City is working with the Lutheran Church to bring in food trucks and have them set up in the Church's parking lot once a week. The City anticipates that there will be at least one food truck permit application presented during the next City Council meeting. The City's Food Truck Ordinance states that food truck permit applications must be presented to Council for approval. The permits are valid from the time it was awarded until November of that calendar year.

Agenda Item #19: Portfolio Reports

- a. Mayor Peterson thanked Big Erv's for the great fireworks on Independence Day. He also encouraged residents to fill out the Census form if they have not done so yet. Mayor Peterson asked Mr. Dahlman if signage was put up in the Greyhawk Addition? Mr. Dahlman said that nothing had been done yet. Mayor Peterson requested that the Greyhawk's signage should be added to the to-do list.

Residents requested that flashing lights or a signal would be installed at the roundabout for the crosswalk (coming from the west side of 76th). Mayor Peterson asked what needs to be done to get that in place? Mr. Dahlman suggested a pedestrian-activated warning signal and said that he will research it.

- b. Councilmember Koerselman absent.
- c. Councilmember Fenelon – no updates.
- d. Councilmember Johnson – no updates.
- e. Councilmember Schmidt – no updates.

Agenda Item #20: Adjourn

Motion: Approve meeting adjourn at 8:05 pm.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

The Next City Council Meeting is July 20, 2020 at 6:00 pm