



## Horace City Council Meeting Minutes

The Horace City Council met on July 19, 2021 @ 6:00 pm at Horace City Hall. Those present were Mayor Kory Peterson, Councilmember Jeffrey Trudeau, Councilmember Chelsey Johnson, Councilmember Naomi Burkland, and Councilmember Sarah Veit. Others present included: Brenton Holper, Barrett Voigt, and Jim Dahlman.

Mayor Peterson called the meeting to order at 6:06 pm.  
The pledge of allegiance was recited.

### Agenda Item #3: Approve Regular Agenda

**Motion:** Approve the Regular Agenda Tabling Agenda Items #9a, #9b and #9c (Opening the Public Hearings but not Taking any Actions on the Items).

**1<sup>st</sup> Motion:** Councilmember Johnson

**2<sup>nd</sup> Motion:** Councilmember Trudeau

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

### Agenda Item #4: Approve Consent Agenda

- a. Vendor Invoices
- b. Balance Sheet & Income Statement
- c. Water, Sewer, Storm and Street Improvement District No. 2020-1 (Southdale Farms First Addition)
  - i. Progressive Estimate No. 8 (Semi-Final) to Dakota Underground Co.
- d. City Ordinance Amendment (Accessory Buildings) – 2<sup>nd</sup> Reading

**Motion:** Approve the Consent Agenda.

**1<sup>st</sup> Motion:** Councilmember Veit

**2<sup>nd</sup> Motion:** Councilmember Burkland

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

### Agenda Item #5: Approval of City Council Meeting Minutes from July 6, 2021

**Motion:** Approve the City Council Meeting Minutes from July 6, 2021.

**1<sup>st</sup> Motion:** Councilmember Veit

**2<sup>nd</sup> Motion:** Councilmember Burkland

**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 Sheriff Krause summarized the 145 calls for service for the month of June. He explained that a third of the 17 citations and 39 warnings were issued on Wall Ave because of the reduced speed enforcement. He said that most drivers complied to the 15mph speed limit on Wall Ave.

He also noted that the Night to Unite event will take place on August 10, 2021, from 4:00 pm -7:00 pm in the parking lot of the Lutheran Church.



**Agenda Item #8: 2021A Temporary Bond Sale | Mike Manstrom, Colliers International & Lukas Croaker, City Attorney**

Mike Manstrom of Colliers was not present. Mayor Peterson tabled the item until Mr. Manstrom's arrival.

**Agenda Item #9: Maple Lake Estates 2<sup>nd</sup> Addition | Barrett Voigt, Community Development Director**

Mr. Voigt summarized the proposed replat application for the Maple Lake Estates 2<sup>nd</sup> Addition. He added that the application was not ready, and that the developer asked to table it until the next meeting in two weeks. Mayor Peterson opened the public hearing at 6:09 pm for the replat. He then opened the public hearings for the rezone and the future land map use and comprehensive plan amendments at 6:10pm. All three public hearings will be kept open until the next City Council meeting on August 2, 2021.

**Action taken:** None.

**Agenda Item #10: Water, Sewer, Storm, and Street ID No. 2021-5 (Arrowwood 3<sup>rd</sup> Addition) | Lukas Croaker, City Attorney & Jim Dahlman, City Engineer**

Mr. Holper presented the Resolution Acknowledging Petition for Improvements Received. The developer of the Arrowwood 3<sup>rd</sup> Addition requested improvements so that the district for special assessments can be created.

**Motion:** Approve the Petition for Improvements for the Arrowwood Third Addition.

**1<sup>st</sup> Motion:** Councilmember Johnson

**2<sup>nd</sup> Motion:** Councilmember Veit

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

**Agenda Item #11: City Hall Building Remodel | Brenton Holper, City Administrator**

Mr. Holper explained that he has been working with Councilmembers Johnson and Burkland on remodeling City Hall to create space for current and additional incoming staff. Prairie Design is creating a layout that would accommodate all the current and incoming city staff members. The plan is to convert the chamber into additional office space and move the City Council meetings to the Horace Fire Hall Event Center. The layout and bids for the remodel will be brought back to Council at a later point.

Councilmember Veit asked how the remodeled building would be used once the new City Hall was built. Mr. Holper replied that public works staff would move in the remodeled office space once the administrative staff has moved into the new City Hall building.

**Agenda Item #12: Capital Improvements Program (CIP) – FY 2021 Projects | Brenton Holper, City Administrator**

Mr. Holper explained that he has been working with Councilmember Trudeau and the public works staff on identifying projects for capital improvement. He would like to have the Council approve the capital improvements for FY 2021. He summarized the intent of the Capital Improvements Program (CIP) that will include improvement projects, their timelines, and cost estimates for the next four years.

**Motion:** Approve the Preliminary Capital Improvement Program (CIP) – FY 2021 Projects as Presented by Staff.

**1<sup>st</sup> Motion:** Councilmember Veit



**2<sup>nd</sup> Motion:** Councilmember Trudeau

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

**Agenda Item #13: Building Inspections & Public Works Staffing | Brenton Holper, City Administrator**

Mr. Holper explained that earlier this year, a part-time seasonal position was posted for a stormwater inspector but was not filled because no qualified candidates applied. Mr. Holper suggested to add a full-time public works position instead of the part-time seasonal stormwater position because the current staff cannot keep up with the workload. The full-time position was calculated in the FY-2022 budget. The new public works position would focus on stormwater compliance and help public works. During the winter, the added staff member would help with snow removal because the City of Horace has added a lot of additional lane miles in the last few years that need to be maintained.

Mr. Holper also suggested to add an administrative full-time position that would be dedicated to scheduling inspections and issuing building permits for the building inspections department. The new position would help with the building inspector's workflow.

**Motion:** Approve the Proposed Public Works and Building Inspection Administration Position as Presented by Staff.

**1<sup>st</sup> Motion:** Councilmember Johnson

**2<sup>nd</sup> Motion:** Councilmember Trudeau

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

Mike Manstrom of Colliers joined the meeting.

**(Moved) Agenda Item #8: 2021A Temporary Bond Sale | Mike Manstrom, Colliers International & Lukas Croaker, City Attorney**

Mike Manstrom of Colliers International provided an overview of the 2021A Temporary Bond Sale and explained how temporary bonds work. The Council discussed the rating the City of Horace received. Additional information on the City's audits were explained and how a clean audit improves the rating.

The 2021A Temporary Bond Sale Parameters Resolutions will be presented during the next City Council meeting on August 2, 2021. Mr. Manstrom added that the temporary bond rate is .65%.

**Action taken:** None.

**Agenda Item #14: FY 2022 Budget | Brenton Holper, City Administrator**

Mr. Holper explained that he would like to focus this update on the general fund, the highway fund, and sewer fund for the FY2022 budget. He added that the City of Horace tries to keep the mills at the same rate but if the Council decided to add one or two more law enforcement officers, the mill rate will need to increase. Councilmember Veit said that the safety of the community is her number one priority and that an increase in construction and residents will also increase the crime rate. She believes more law enforcement in Horace will be needed. The Council discussed the incoming workers and new residents that will increase substantially once construction on the FM Diversion south of Horace will start. Councilmember Veit suggested looking into retired veterans or law officers willing to help with possible law enforcement shortages.



Mr. Holper explained that another area the revenue will be impacted is the franchise fees with Cass County Electric. The franchise agreement is expected to be presented to Council in August.

The general fund budget is estimated to be around \$2.1M. If deputy sheriffs will be added, the amount increases by approximately \$100K for the addition of one deputy and \$200K for adding two deputies. The Council discussed the possibility of a law enforcement shortage in the County and how to solve the problem. Mayor Peterson said that there will be a meeting with Sheriff Jahner, the County Administrator and the County Commissioner to discuss additional law enforcement.

Mr. Holper listed several items that will be added next year to the general fund. He also explained the draft budget changes for the highway fund and the sewer fund. The next draft budget will focus on the water fund.

**Agenda Item #15: Water Utility Rate | Brenton Holper, City Administrator**

Mr. Holper summarized the water rate increase step approach which was approved in October 2020. The goal of the step approach was to gradually mirror Cass Rural Water's rate. The Council delayed the rate increase until the project was started, and ground was broken on the improvements. The original rate increase was scheduled for July 1, 2021, and after the two months delay will go into effect on September 1, 2021.

The base rate will increase from \$12.00 to \$19.50 and from \$3.00 to \$4.20 for 1,000 gallons of water. Notices about the rate increase will be added to the utility bills and posted online so that residents will be aware of the increase. The second water rate increase will be scheduled for after the connection to Cass Rural Water has been established and residents have been receiving the new water service. The rate would then increase to a base of \$27.00 and a rate of \$5.40 for 1,000 gallons of water. Mr. Holper presented the rates from surrounding cities and compared it to Cass Rural Water rate.

**Agenda Item #16: Engineering/Public Works | Jim Dahlman, City Engineer**

- a. Mr. Dahlman will start to create summary sheets for each project which will give the Council an overview of the progress of each project.
- b. Maple Lakes Estates was not completed yet. The completion date was set for the end of June. Mr. Dahlman summarized the remaining items that need to be completed.
- c. Lost River Fifth Addition was completed except for the lighting of the shared use path. The lights are scheduled to ship in August.
- d. Southdale Farms First Addition was completed and the final paperwork for the project is currently being worked on.
- e. Southdale Farms Third Addition water and sanitary sewers were completed. The storm sewer is currently 25% completed. A completion date has not been set yet.
- f. The site stripping has begun in Terra Gardens Third Addition, but underground work has not been started yet.
- g. The pre-construction meeting for the Lakeview Addition took place during the second week in July. Once the funding is in place, the notice to proceed will be issued.
- h. The pre-construction meeting for the Water Replacement Project took place on Thursday, July 15, 2021.



- i. The Connection to Cass Rural Water project was discussed during the State Water sub commission meeting on July 8, 2021. The State Water Commission will meet on August 12, 2021, and will determine if the Connection to Cass Rural Water project will receive funding assistance.

**Agenda Item # 17: City Administrator | Brenton Holper, City Administrator**

- a. Mr. Holper explained that the City's video system has been acting up lately and that a technician from Tricorn Audio will service the unit to make sure no further technical issues will occur in the future. Staff has been using BoxCast to live stream meetings on the City's website. The BoxCast streaming service has been working without issues.
- b. The deadline for applying for the City's Finance Director position is on July 30, 2021.
- c. The North Dakota League of Cities will hold their annual conference from September 16 to September 18. If any council members would like to attend, they should let Mr. Holper know so that reservations can be made.

**Agenda Item #18: Portfolio Reports**

- a. Mayor Peterson explained that he had a meeting with the communication specialist to discuss ideas for Horace's 150<sup>th</sup> anniversary celebrations. The staff is currently working on creating the steering committee for the event.  
ReadiTech will do a groundbreaking ceremony on July 27, 2021, on Main Street.
- b. Councilmember Veit – no update. She requested that construction deadlines will be kept because it costs money when deadlines are missed.
- c. Councilmember Burkland – no update.
- d. Councilmember Johnson reminded everyone that Bean Days parade registrations are open and that everyone can register.  
Councilmember Johnson asked if the contractors should be required to attend City Council meetings and give the Council an update. Mr. Dahlman responded that it could be made a requirement in the contracts.  
She noted that she would like boulevard and tree programs being implemented before new developments are approved. She would like staff to research tree programs for existing developments.
- e. Councilmember Trudeau reported that he attended a MetroCOG meeting and a Grand Farm event.  
He is currently working with Mr. Holper on finding a funding program that would help residents update their waterlines from the curb stop to their house. Mr. Holper is looking into a loan program for residents.

**Agenda Item #19: Adjourn**

**Motion:** Approve Meeting Adjourn at 8:18 pm.

**1st Motion:** Councilmember Johnson

**2nd Motion:** Councilmember Trudeau

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

The next Horace City Council meeting is scheduled for **August 2, 2021, at 6:00 pm**