



Horace City Council Meeting Minutes

The Horace City Council met on March 2, 2020 @ 6pm at Horace City Hall. Those present were Mayor Kory Peterson, Councilmember Chelsey Johnson, Councilmember Bryan Schmidt, Councilmember John Koerselman, Councilmember Dave Fenelon. Others present included: Jim Dahlman, Russ Sahr, Lukas Croaker, Brenton Holper and Barrett Voigt.

Mayor Peterson called the meeting to order.

The pledge of allegiance was recited.

Agenda Item #3: Approve regular agenda

Motion: Approve the regular agenda with the removal of 10a and 10b.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Johnson

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

Agenda Item #4: Approve consent agenda

a. Vendor Invoices

b. Balance Sheet & Income Statement

i. Discussion: Councilmember Schmidt had a question on a large expenditure on contractual for water. Mr. Holper clarified that it was due to the water leak repair and addressing the water tower freezing.

Motion: Approve the consent agenda.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Agenda Item #5: Approval of City Council Meeting Minutes from February 3, 2020.

Motion: Approve City Council Meeting Minutes from February 3, 2020.

1st Motion: Councilmember Johnson

2nd Motion: Councilmember Koerselman

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

Agenda Item #6: Public Comment

Wally Stack had a question on his property assessment and the process for how they assess. Mayor Peterson commented that assessments will be addressed later with the agenda.

Darren Galde spoke on his property tax increase as well.

Al Aamodt spoke with the assessor's office and relayed the feedback of his meeting.

Ron Erickson wanted to know the process on assessments so he can prepare more for the assessor to come to his property.

Mayor Peterson commented that this is the first time Horace has done these assessments and Horace is in a growth market, but the State does require it and unfortunately it should have been done sooner.



Agenda Item #7: Property Tax Appraisals | Paul Fracassi, Cass County Director of Tax Equalization

a. Discussion: Mr. Fracassi presented details on the Vanguard appraisals and addressed that the Cass County Tax Equalization office received property record cards from Horace in 2017. There was some erroneous information on these cards and some cards missing all together. They made the decision to update this information and with the amount of new construction and staff size, they opened up a RFP for this project and Vanguard was selected. Vanguard began working on updating the City of Horace over a two-year appraisal process. The Horace market was analyzed over the years of 2018 and 2019 to help address the home values. On April 20, 2020 representatives from Vanguard will be available in 15-minute windows for individual meetings with residents to discuss their appraisal at Horace City Hall. With this reappraisal the property records are all available online on the Cass County website for residents to look at their property record card and make sure the data is correct. Mr. Fracassi will be at the meeting but will not be taking individual meetings since he didn't personally do the appraisals. Mr. Fracassi spoke to the process of how the reassessments affect taxes and explained the process. Once the reassessments are finalized at the state level a letter is sent to residents showing an estimation and the Tax Equalization office has no bearing on this estimate as it's at the state level. The tax multiplier on the County website is as up to date as possible as it's based on 2019 data. Moving forward the valuation process will be ongoing as the County continues to monitor new construction and calibrate the City of Horace appropriately.

Agenda Item #8: Lost River 5th Addition | Lukas Croaker, City Attorney

a. Improvement District Agreement

i. Discussion & Action: Mr. Croaker addressed that this is our standard Improvement District Agreement that was addressed at previous meetings.

Motion: Approve the Improvement District Agreement as presented.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Koerselman

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

Agenda Item #9. Water, Sewer, Storm, and Street Improvement District No. 2020-4 (Lost River 5th Addition) | Jim Dahlman, City Engineer

a. Resolution Approving Engineer to Prepare Preliminary Engineer's Report

i. Discussion & Action: Mr. Dahlman presented that this is a continuation of the Lost River subdivision West of the river. Also includes some landscaping to the storm sewer pond to make it more aesthetically pleasing. Another component of this project is a storm sewer improvement that is an outlet structure to the Sheyenne river. Will be bid as two phases with the first phase being Lost River 5th Addition infrastructure and the second phase being storm sewer improvement which benefits all Lost River.

Motion: Approve the Preliminary Engineer's Report.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon



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

b. Direct the City Engineer to Prepare Detailed Plans and Specifications

i. Discussion & Action: Mr. Dahlman presented that these plans and specifications have already been done by the developer and this initiates the City's review of these plans.

Motion: Approve the Detailed Plans and Specifications.

1st Motion: Councilmember Koerselman

2nd Motion: Councilmember Schmidt

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

Agenda Item #10. Southdale Farms First Addition | Barrett Voigt, Community Development Director

a. Request for Consideration of Letter of Credit (75% to 50%)

i. Discussion & Action:

Action taken: Motion to table for further discussion.

b. Developers Agreement

i. Discussion & Action

Action taken: Motion to table for further discussion.

c. Final Plat: Mr. Voigt presented details on Southdale Farms First Addition and the staff recommendation is to approve the final plat as presented. Chris Mack spoke on details of the final plat and changes made in the past with discussion to block length and connectivity. Due to the current zoning ordinance the final plat was set to fit within the parameters. The Planning and Zoning Commission is in the process of changing the ordinance of block length in order to accommodate further development proposals in the future.

i. Public Hearing: A Public Hearing was open at 7:14 p.m. Chris Mack made a comment that the block length as presented would be appropriate with the intersections included, pending the zoning ordinance changes. A Public Hearing was closed at 7:15 p.m.

ii. Discussion & Action: Kyle Friar from New Horizons home asked Council for direction on removing a proposed short road in the development. Councilmember Koerselman and Councilmember Fenelon voiced support of removing the short road and putting a lot back and Mr. Croaker cautioned Council on being too specific on proposed changes.

Action taken: Motion to table for further discussion.

d. Rezone – amended second reading

i. Discussion & Action:

Action taken: Motion to table for further discussion.

Agenda Item #11. West Fargo – Wilds 20th Addition Impacts on Horace | Brenton Holper, City Administrator

a. Discussion & Action: Mr. Holper presented details on the Wilds 20th addition final plat proposal that is in West Fargo City limits. The area on 60th Ave. West of the proposed Wilds 20th Addition connects to the Grayhawk subdivision. The concern is that if there is no connection to 9th St. from 64th Ave. in Horace, then there will be a significant increase in traffic through the Grayhawk subdivision. The City has



been in communication with the City of West Fargo and one of their options is to have a rural gravel road and that type of road will not support that level of traffic either. The City is asking the developer to support putting in a paved road. The City Council was asked what stance they would like staff to take to West Fargo's Planning Commission and City Commission on this issue. Staff is recommending a request to West Fargo for a paved road, even it's designated as rural and the City of Horace could potentially upgrade it to an urban standard road prior to construction of the road. Residents of Grayhawk spoke about the construction and resident traffic from the Wilds Development currently. Council agreed with the direction of the developer putting a paved rural road for the continuation of 9th St. and the City would look into upgrading to urban standard. If that option is not accepted, then Council will consider blocking the access into Grayhawk subdivision from the Wilds subdivision in West Fargo and the City would coordinate with Fire and Rescue.

Agenda Item #12. Horace Comprehensive Plan | Barrett Voigt, Community Development Director & Brenton Holper, City Administrator

a. Update: Mr. Voigt provided an update on the Comprehensive Plan and has reviewed the draft document and is almost complete to finalize. Stantec held an open house on February 27, 2020 and received some great public comment. Final steps are presenting the final plan to Council for adoption on April 6, 2020. Stantec will update the draft Comprehensive Plan on the website on March 9, 2020 for public comment.

Agenda Item #13. Facility Needs Assessment | Brenton Holper, City Administrator

a. Discussion & Action: Mr. Holper presented two proposals from Stantec and Foss Architects. These proposals are for a facility needs assessment for City Hall and allows us to look at what our needs are for City Hall as a City as we outgrow our current City Hall. This is not proposals for a design but is the framework for what our needs are for square footage, meeting space, Council room and office space. When you look at the elements of both proposals, our recommendation is to ask for approval of up to \$15,000 for the proposals. Both companies have worked with municipalities in the past. Looking at both proposals, Stantec gives more in terms of background into our growth and justification on our needs.

Motion: Approve a budget of up to \$15,000 for a facility needs assessment with Stantec.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Koerselman

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

Agenda Item #14. Engineering / Public Works | Jim Dahlman, City Engineer

a. 2020 Construction Project Schedule Review: Mr. Dahlman presented a 2020 construction update including a schedule for bidding projects and awarding them. Projects include: Maple Lakes, Southdale Farms, Sewer Improvements to 100th Ave, 81st Ave. South of School, Lost River 5th Addition. This list was compiled based on council agenda items and pending approval so timeline dates of bids will be revised to reflect today's meeting. Of these projects listed there are two that are City driven and the others Developer driven. Councilmember Johnson commented that we should get more information out to



residents regarding the costs of sewer connections. Some highlights of other projects in 2020 include the storm water management policy with the Department of Environmental Quality. The City is stressing to developers that erosion control for storm water needs to be a priority. More discussions regarding storm water will be upcoming. Met with Stanley Township regarding Wall Ave. so more conversations between City staff is happening, but Stanley Township did offer a letter of support for this project to the City.

Agenda Item #15: City Administrator

i. Discussion: Mr. Holper gave the City Administrator update including.

a. Looking into Renaissance Zones and at what other smaller communities have done this and with the research have found Lake Agassiz Development Group has recently done Renaissance Zones in Kindred and Buffalo. The City received a proposal from Lake Agassiz Development Group for \$3,500.00 to complete a Renaissance Zone Plan and cost less then what was expected and staff is looking to see if Council has any feedback on this proposal and would like to get this project started if approved. The proposal includes Lake Agassiz Development Group to develop a plan that outlines criteria for development in a Renaissance Zone, establish a board and a scoring matrix so when applications are submitted it helps decipher what proposals are within the matrix.

Motion: Approve a budget of up to \$5,000 for Lake Agassiz Development Group Proposal for Renaissance Zone Proposal.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Johnson

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

b. Received building plans for the High School if anyone is interested in looking at them. They're extensive and will take about 30 - 45 days for plan review.

c. Horace Happenings will be in mailboxes later this week.

d. Construction projects overview for 2020 and looking to have a Council workshop to talk about the different projects going on and would be a more comprehensive conversation.

e. We have three open positions including Public Works, Building Inspector and Executive Assistant. Public Works we have identified an individual and made an offer that was accepted.

Agenda Item #16: Portfolio Reports

Mayor Peterson:

- Need to pay attention to lot inventory so we can keep an eye on boundaries.
- Mr. Holper and Mayor Peterson went to Bismarck for a meeting with other Mayors and City Administrators in about 15 different communities. Good conversations regarding other bills and budgets. Next meeting will be in June. Mr. Holper talked with senator Wardner and he's aware of the dynamics in Horace and has seen what we're anticipating in the next couple years.
- Talked to Governor Burgum's staff and hoping to get the Governor to come to Horace.

Councilmember Koerselman: No updates.

Councilmember Fenelon: Excited to get the Public Works position filled and see other candidates for the open positions so we're prepared for the building season and having another building inspector on staff.



Councilmember Johnson: Event planning meetings have been happening regularly every month and no one really shows up besides Shelby Wheeler from the City staff. She's been valuable in past event planning and we hope to continue these events because it's important for the community. Consistency is important for these events.

Councilmember Schmidt: Fargo and West Fargo signed the Declaration of the flood so if flooding does happen, we can be prepared for FEMA funds. Something to keep on our radar in case the Sheyenne floods. We would typically coordinate with West Fargo as well.

Agenda Item #17. Executive Session – Dreamfields Land Dispute

a. Executive Session regarding attorney consultation and discussion of potential negotiation strategy related to Constellation Development, LLC v. City of Horace; Houston Engineering, Inc.; and KPH, Inc., pursuant to N.D.C.C. § 44-04-19.1(2)&(9). 18. Adjourn

Agenda Item #18: Adjourn

Motion: Approve meeting adjourn.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Next Regular Meeting is March 16, 2020 at 6:00 pm