



Horace City Council Meeting Minutes

The Horace City Council met on August 3, 2020 @ 6:00 pm at Horace City Hall. Those present were Mayor Kory Peterson, Councilmember Bryan Schmidt, and Councilmember Dave Fenelon. Others present included: Jim Dahlman, Brenton Holper, and Barrett Voigt. Absent: Councilmember Chelsey Johnson and Councilmember John Koerselman.

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 Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #4: Approve consent agenda excluding item #4d and item #4h

- a. Vendor Invoices
- b. Water, Sanitary Sewer, Street and Drainage Improvement District No. 2019-5 (Visto Industrial Addition)
 - i. Progressive Estimate No. 5 to Dakota Underground Co.
- c. Water, Sewer, Storm and Street Improvement District No. 2019-6 (Cub Creek First Addition)
 - i. Progressive Estimate No. to Dakota Underground Co.
- d. (Removed) County Road 17 Shared Use Path
 - i. Progressive Estimate No. 5 to Border States Paving.
- e. Water, Sewer, Storm and Street Improvement District No. 2020-4 (Lost River 5th Addition)
 - i. Progressive Estimate No. 2 to Dakota Underground Co.
- f. Water, Sewer, Storm and Street Improvement District No. 2019-7 (Maple Lake Estates Addition)
 - i. Progressive Estimate No. 2 to KPH Inc.
- g. Sanitary, Storm Sewer and Street Improvement District No. 2019-1 (Lakeview Drive and 79th Avenue) & Storm Sewer and Street Improvement District No. 2019-3 (63rd Street)
 - i. Progressive Estimate No. 9 to KPH Inc.
- h. (Removed) Street Improvement District No. 2017-7 (Maple Grove)
 - i. Progressive Estimate No. 9 to Earthwork Services Inc.

Motion: Approve consent agenda excluding item #4d and item #4h.

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 July 20, 2020

Motion: Approve City Council Meeting Minutes from July 20, 2020.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #6: Approval of City Council Meeting Minutes from July 28, 2020

Motion: Approve City Council Meeting Minutes from July 28, 2020.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #7: Public Comment

A resident requested sand being poured to fill the lift station on Sheyenne Drive. Mr. Dahlman responded that the lift station will be discussed later during the meeting.

Another resident requested ideas for his Eagle Scout project. Councilmember Fenelon responded that one idea could be to plant a small orchard at the City's yard waste site or on land that is owned by the City. Councilmember Schmidt said that scouts could prepare for emerald ash borers and replace infected trees which would reduce exposure. Councilmember Fenelon advised to make an appointment with the City Administrator to discuss options for Eagle Scout project ideas.

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

Deputy Sheriff Thomas Behm explained that there were 228 total calls for service including community-oriented policing and building checks. There was a burglary call in which a suspect was located before fleeing and getting arrested with assistance from a West Fargo K9 and Cass County drone operator. Another incident involved a fleeing dirt bike rider who was apprehended with assistance from vigilant citizens. Due to citizen complaints that drivers were running stop signs in town, extra stop sign enforcement was conducted with 24 warnings and citations issued.

Councilmember Schmidt asked if the new alert system will replace Code Red and if residents would have to sign up for it? Mr. Holper responded that the new service will start on September 1, 2020 and that residents will have to sign up for it. Mayor Peterson requested that the City would post the information online so that residents will be aware of the service change.

Agenda Item #9: 410 4th Street East Nuisance Violation | Barrett Voigt, Community Development Director

Mr. Voigt presented the Nuisance Violation at 410 4th Street East. The property owners responded in the past and did a good job cleaning up the property as requested by the City. The property owners have not removed the ladders next to their garage and have not responded to written communication.

Council agreed that this was a minor issue and Mayor Peterson suggested that City staff try to talk to the property owners one more time instead of ordering an official clean up. No Council action was taken.



Agenda Item #10: 402 Main Street Nuisance Violation | Barrett Voigt, Community Development Director

Mr. Voigt presented the Nuisance Violation at 402 Main Street. The property owners have cleaned up half of the junk previously found in their yard. The property owners requested an extension for the clean up until the middle of August.

Mayor Peterson concluded that given the correspondence and the request from the property owners, the City could grant an extension for the clean up to be completed by August 14, 2020.

Motion: Postpone the City Council abatement hearing for the property owners of 402 Main Street until August 17, 2020.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #11: 7669 Memory Lane & 7601 Carroll Court Nuisance Violation | Barrett Voigt, Community Development Director

Mr. Voigt presented the Nuisance Violation at 7669 Memory Lane and 7601 Carroll Court. The lawn grass is over 8 inches tall on over 30% of each lot. The City sent written communications and did not receive a response.

Motion: Approve mowing of the two properties (7669 Memory Lane and 7601 Carroll Court) and assess cost to the property owner.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Agenda Item #12: Old River Oxbow Drainage | Jim Dahlman, City Engineer and Brenton Holper, City Administrator

Mr. Dahlman presented the newly established drainage map for the Old River Oxbow area. The cost for the drainage improvements options, which were introduced during the last City Council meeting on July 20, 2020 remain the same. Mr. Dahlman explained the available financing options for the north and the south side. Option one was a cost share by parcel, option two was a cost share by acre. Mr. Dahlman recommended lining the 5 ft wide drain with concrete for the north and south side because it is efficient and cost effective.

Councilmember Fenelon asked if additional lift station repairs will be needed? Mr. Dahlman explained that the lift station has been working properly and that it requires the least amount of maintenance of all the City's lift stations. Mr. Holper added that a concrete liner would be easiest to maintain. Mayor Peterson asked if the concrete liner has been used in other areas? Mr. Dahlman answered that it has been used numerous times especially in the Fargo area and that a concrete liner is very effective.

Mayor Peterson asked how dry the area would have to be? Mr. Dahlman said that it needs to be done during a very dry time which means fall. The area needs to be drained and a dam might have to be installed to get it as dry as possible.



Mr. Holper explained that the funding could come from the sales tax revenue (which is designed to fund infrastructure projects) or from special assessments. Another option could be combined funding where half of the funding comes from the sales tax revenue and the other half comes from special assessments. Councilmember Schmidt added that other cities have a storm water fund which Horace does not have. Councilmember Fenelon recommended that the City would pay 50% of the costs which would come out of the City's sales tax fund and the other half would be paid by residents (approx. \$1,000 per property owner based on current engineering estimates.)

Resident Al Aamodt said that his neighbors probably would not agree to this. Councilmember Schmidt explained that residents could protest the special assessment but that could mean that the project will not happen and that the drainage issues will continue. Mr. Aamodt proposed a clean-up of the area and to add a small lift station so that the area around his property would drain better which would help the entire neighborhood on the north side. Mr. Dahlman explained that this solution might work for the north side but that a small lift station will not be sufficient for the south side.

Mr. Croaker explained that the specials would be assessed in 2021. He added that residents will not be able to protest because it is a storm sewer project. Mayor Peterson asked for the total balance of the City's sales tax fund? Mr. Holper said that the total of the fund is approx. \$1.4M and that \$1,1M of that are budgeted for a new roundabout and other projects.

Councilmember Fenelon suggested that the City will pay half of the drainage improvement costs and that the other half would be assessed to the property owners. Mr. Holper advised Council to keep in mind that the City might not be able to pay 50% for all the needed City improvements in the future. Mayor Peterson concluded that the plan is to continue paying 50% of needed City improvements going forward.

Motion: Proceed with establishing a special assessment district for the project with the City's sales tax fund covering 50% of the cost of the project (concrete liner in the Old River Oxbow area as presented by staff).

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Council then discussed the next steps. Mr. Holper explained that residents can comment during the public hearing in front of the Special Assessment Commission. The recommendation of the Special Assessment Commission will then go in front of the City Council who will vote on a final approval. Letters to property owners will be sent out explaining the entire process.

Agenda Item #13: Storm Sewer and Street Improvement District 2019-2 (76th Avenue and Roundabout) Mr. Holper summarized the 76th Avenue and Roundabout cost share. The total amount of the project was \$5.2M. The County agreed to pay \$1M and the City of Horace planned to contribute \$1M. The City could pay the entire amount out the City's sales tax fund or the City could assess City property and pay \$750,000 from the sales tax fund and the remaining \$250,000 with City funds which would be paid back over the special assessment period.



Russ Sahr asked where the rest of the money would come from and stated that all Horace residents should be assessed, not just property owners in the surrounding area. Mr. Croaker explained that the Special Assessment Committee will assess the costs. A notice will be published in the local newspaper and letters will be sent, informing residents about the public hearing where residents can voice their concerns.

Motion: Approve the City's contribution of \$1,250,000 (\$1,000,000 from the City sales tax fund and \$250,000 assessment towards City Property) towards the Storm Sewer and Street Improvement District 2019-2 (76th Avenue and Roundabout).

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

Action taken: All in favor, none opposed. Councilmembers Koerselman and Johnson absent. Motion carried. (2-0)

Mr. Dahlman asked if Council would assess undeveloped land the same as developed land? Council answered that the roads benefit everyone and therefore should be assessed the same way.

Agenda Item #14: C-1 Neighborhood Commercial Permitted Land Uses Text Amendment | Barrett Voigt, Community Development Director

Mr. Voigt presented the C-1 Neighborhood Commercial Permitted Land Uses Text Amendment. City staff did not receive further comments or questions. Mr. Voigt therefore recommended approval.

Motion: Approve C-1 Neighborhood Commercial Permitted Land Uses Text Amendment

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #15: Lost River Sixth Addition | Barrett Voigt, Community Development Director and Lukas Croaker, City Attorney

Mr. Voigt presented the Lost River Sixth Addition Final Plat and Rezone. Mayor Peterson opened the public hearing at 7:24 pm for the Lost River Sixth Addition final plat. No comments or questions were received. Mayor Peterson closed the public hearing at 7:24 pm.

Motion: Approve the Lost River Sixth Addition Final Plat.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Mayor Peterson opened the public hearing at 7:25 pm for the Lost River Sixth Addition rezone. No comments were received. Mayor Peterson closed the public hearing at 7:25 pm.

Motion: Approve the Lost River Sixth Addition Rezone.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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



Agenda Item #16: Cass County Joint Powers Agreement Address Assignment | Barrett Voigt, Community Development Director

Mr. Voigt presented the Cass County Joint Powers Agreement Address Assignment. It was requested that the City handles its own address assignments to offset the County's workload. A written agreement was created between the two parties. West Fargo among other cities have also already entered this written agreement.

Motion: Approve Cass County Joint Powers Agreement Address Assignment.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #17: Full Time City Engineer Job Description and Recruitment Agreement | Brenton Holper, City Administrator

Mr. Holper explained the City Engineer Job Description is similar to Fargo and West Fargo. Hue Life provided a recruitment agreement in the amount of \$17,000 which is average for recruiting positions of this caliber. The recruiter will get paid for time spent producing a candidate pool. If Hue Life cannot find an appropriate candidate that the City will hire, the matter will be brought back to City Council.

Motion: Approve Full Time City Engineer Job Description and Recruitment Agreement.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

Action taken: All in favor, none opposed. Councilmembers Koerselman and Johnson absent.

Motion carried. (2-0)

Agenda Item #18: Public Works Mower Purchase | Brenton Holper, City Administrator

Mr. Holper presented the Mower Purchase Estimates for the Public Works Department. The first estimate was for the Hustler 104 Vanguard Big Block mower in the amount of \$23,202.00. The second estimate was for the Hustler Super Z Kawasaki FX850 mower in the amount of \$11,374.00. The City received contract pricing instead of dealership pricing which saves the City money.

Councilmember Fenelon asked how long the delivery would take? Mr. Holper responded that the turnaround would be about two weeks and that the dealer in Glyndon would be able to do maintenance going forward. The City's general fund will provide the monies for the purchase.

Motion: Approve Public Works Mower Purchase in the amount of \$23,202.00.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

Action taken: All in favor, none opposed. Councilmembers Koerselman and Johnson absent.

Motion carried. (2-0)

Agenda Item #19: FY 2021 Preliminary General Fund Budget | Brenton Holper, City Administrator

Mr. Holper explained that the public hearing date for the preliminary budget and the mill rate will need to be set during the Council meeting. City staff will then complete the preliminary budget statement and send it to the County. Mr. Holper pointed out that if the mill rate will be kept the same, projections



show that the City's property tax revenue will be \$1,083,000 for the fiscal year 2021. If the mill rate will be raised, the property tax revenue amount will have to be adjusted accordingly. Staff recommended keeping the mill rate the same.

The public hearing date for the preliminary budget must be scheduled between September 7, 2020 and October 7, 2020. Mr. Holper recommended to set the public hearing date for the 2021 preliminary budget during the City Council meeting on September 8, 2020.

Motion: Approve the FY 2021 Budget Hearing for September 8, 2020 and keep Tax Levy at \$1,083,000.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Agenda Item #20: Food Truck Applications | Brenton Holper, City Administrator

Mr. Holper presented the Soul Taco Food Truck Application. He explained that staff intends to continue bringing food trucks to Horace through the end of September 2020. Food trucks have set up on Wednesdays in the Horace Lutheran Church parking lot. Mr. Holper recommended approving the food truck permit for Soul Taco.

Motion: Approve Soul Taco Food Truck permit.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt

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

Agenda Item #21: Liquor License Renewals | Brenton Holper, City Administrator

Mr. Holper explained that City Council has to approve liquor license renewals. Big Erv's and Casey's Liquor Store both have to renew their licenses. No incidents (such as selling alcohol to minors) have been reported and Mr. Holper therefore recommended approval.

Motion: Approve liquor license renewals for Big Erv's and Casey's liquor store.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

Agenda Item #22: Engineering / Public Works | Jim Dahlman, City Engineer

Mr. Dahlman presented bids for the Street Improvement District No. 2005-2 (Rud's Addition) and Miscellaneous Street Patching. Proposals from Northern Improvement Co., FM Asphalt, LLC, and Border States Paving were received on Friday, July 24, 2020. Northern Improvement Co. was a low bidder with a proposal in the amount of \$110,394.75.

\$68,515.00 would be spent on the Rud's Addition Overlay and \$41,404.25 will be spent on miscellaneous street patching.

Motion: Approve Northern Improvements bid in the amount of \$110,394.75 for various street patching in the Rud's Additions.

1st Motion: Councilmember Fenelon

2nd Motion: Councilmember Schmidt



Action taken: All in favor, none opposed. Councilmembers Koerselman and Johnson absent.
Motion carried. (2-0)

Mr. Dahlman gave an update on current construction projects.

- a. Sanitary, Storm, Sewer & Street Improvement District No. 2019-1 (Lakeview Drive and 79th Ave) paving is 83% complete. Councilmember Schmidt asked about the projected completion date. Mr. Dahlman answered that it will take approximately a couple of weeks.
- b. Water, Sanitary Sewer, Storm, Street and Drainage Improvement District 2019-5 (Visto) was completed.
- c. Water, Sewer, Storm and Street District No. 2019-6 (Cub Creek First Addition) was approved on July 28, 2020.
- d. Maple Lakes Estate is 20% complete. Utility work will start on Wednesday, August 5, 2020.
- e. The Southdale Farms contractor indicated that construction would start during the week of August 10, 2020.
- f. Lost River 5th Addition is 11% complete. Underground and earthwork continue.

Councilmember Schmidt asked if the survey for Sunnyside has been mailed to residents? Mr. Dahlman responded that he is in the process of mailing out the survey.

Agenda Item #23: City Administrator | Brenton Holper, City Administrator

- a. Mr. Holper explained that the mosquito trap count numbers have been low in the past couple of weeks. Cass County Vector Control has indicated that the trap count will rise because of rain in the forecast. As soon as the numbers rise and reach a certain number, the City will start mosquito spraying.
- b. The State is working on approving COVID-19 funding to offset some of the law enforcement and emergency personnel costs.
- c. The middle school is ready for occupancy in the academic section of the building. Construction on other areas (e.g. musical classroom and the auditorium) continue. The middle school should be able to receive the temporary certificate of occupancy by August 18, 2020.
- d. Over 100 building permits have been approved so far this year. The number was at 80 building permits in August 2019. The available housing and industrial lot number is projected to be at 600 available lots in Horace by the end of 2020. Councilmember Schmidt requested that a lot inventory would be completed every three months.
- e. A note about the two available City surveys (water and strategic planning) will be send out to residents in the utility bills on August 4, 2020.
- f. The facility-needs site visits for the Horace City Hall building will take place from August 20, 2020 to August 21, 2020. The facility-needs study will be presented to City Council shortly after.

Agenda Item #24: Portfolio Reports

- a. Mayor Peterson asked that City staff check the lawn heights of undeveloped lots to prevent Canadian Thistle from growing and spreading.
- b. Councilmember Koerselman absent.



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

Agenda Item #25: Adjourn

Motion: Approve meeting adjourn at 8:24 pm.

1st Motion: Councilmember Schmidt

2nd Motion: Councilmember Fenelon

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

The Next City Council Meeting is August 17, 2020 at 6:00 pm