

At a regular meeting of the Milnor City Council held on Monday, July 8, 2019, 5:00 p.m. the following members were present: Curtis Anderson, Merrill Decker, Charles Faber, Monty Haugen, Eric Hoff and Nannette Severson. Also present: City Attorney LeeAnn Even, Deputy Richard Bryant, Mary Engst, Robert Lotzer, Mitch Tompkins, Nichole Kadoun, Donna Johnson, Denise Ferderer, Ryan Smith, Terry Dusek and Jennie Hanna. City Engineer Kent Thoreson and Thomas Herman joined the meeting later.

Meeting called to order by Mayor, Terry Dusek.

Motion to approve the meeting agenda (Haugen/Hoff unanimous).

Motion to approve the June meeting minutes (Anderson/Haugen, unanimous).

Deputy Richard Bryant reviewed the Sheriff's Report. He reported June Fest and the 4<sup>th</sup> of July weekend had both gone without incident. Drug activity in the city has declined. Bryant stated a new deputy has not yet been hired, but the department will be full-staffed for August events.

Members from the Y.O.U. Inc. board were present to request council approval for further property tax exemption, once their current 5-year tax exemption ends at the end of 2019. Mitch Tompkins presented North Dakota Century Code 57-02-08, which states that a city may grant property tax exemption to an organization that owns a building used to provide early childhood services. Tompkins stated that the budget is already tight, and property tax expense would leave little room for possible emergencies. County Tax Director Denise Ferderer stated that she had done some research, regarding this, and reported for the county, it doesn't qualify and that two state's attorneys and Linda Leadbetter, with the Office of the State Tax Commissioner, all said they would be against it. Mayor Dusek voiced concerns that by granting Y.O.U. Inc. a tax exemption as a 501c3, he would be setting a precedent regarding granting tax exemptions to other 501c3s. There was also a question regarding why the MACC is 501c3. Council members requested more information be gathered by both LeeAnn Even and Denise Ferderer and agreed to table a decision until they had a chance to review the information.

Ryan Smith reviewed the Maintenance Report. He stated he had sprayed for mosquitos recently and would continue to spray as often as possible. There was the suggestion of aerial spraying, as this would cover the whole town, including the lake. Mayor Dusek requested Smith get a quote. Smith reported the 3-inch meter at the pumphouse isn't metering, and a new meter is about \$1000. Mayor Dusek requested Smith talk to the Deputy Manager from Tewauken regarding the beaver dam issue at the golf course. The dam is blocking the drainage ditch that runs through the golf course and isn't allowing the lake to drain properly.

Kent Thoreson reviewed the Engineer's Report. He reported the East Acres pumps are in, and the representative will be in contact with Ryan to set up installation. Thoreson stated the geo-grid, needed to repair the alley by the apartments, would cost \$0.35/sq. ft. After a discussion, it was determined the city maintenance crew could do the repair work with the city equipment. Thoreson stated that with council approval, he could order the geo-grid.

Motion to approve Kent Thoreson to order geo-grid for \$.35/sq. ft. for the apartment alley repair (Haugen/Hoff, unanimous).

Kent Thoreson also stated he would be retiring from working full-time in August, and he introduced Thomas Herman, who would be his replacement. Council members questioned the status on the pumphouse update, and Thoreson stated he was waiting on an answer from Sweeney.

LeeAnn Even reviewed the Attorney's Report. The council questioned her opinion on Y.O.U. Inc.'s tax exemption request. She stated she wanted to wait on what Denise Ferderer found out. She was unsure why the MACC was classified as 501c3. Kent Thoreson stated he believed the MACC had been part of a joint powers agreement. Even said she would research it.

The Economic Development Report was unavailable.

Member Severson presented the Shade Tree Committee meeting minutes. Many of the new plantings in the Peterson Addition appear to be dying or already dead. Mayor Dusek said he had looked at them recently, and a lot seem to be greening back up, helped by the recent heavy rains and tree fabric that had been placed. There is a possibility that some may survive. Severson reported several trees in the 600 block are dead and have been deemed dangerous. She requested that Jennie Hanna send letters to the owners to notify them that the trees will need to be removed. Severson addressed other issues concerning city trees and notified the council that Mary O'Neill of the Forestry Service would be conducting a class this fall for pruning fruit trees.

Motion to approve off-site alcohol permit to Hump's Bar & Grill for the Milnor Rodeo on August 10 (Faber/Anderson, unanimous).

Motion to approve building permit to Austin Roeder – back-yard fence (Haugen/Hoff, unanimous).

Motion to approve the renewal of the 2-year contract for Chemical Analyses with the Chemistry Laboratory (Hoff/Severson, unanimous).

The 2018 Drinking Water Quality CCR has been completed & accepted by the NDDH Drinking Water Program. The report has been posted and mailed to consumers. Notice of availability at the City Office has been printed on the utility bills and has been published in The Sargent County Teller and on the Milnor Website.

Motion to approve the 2018 Annual Drinking Water Quality Report (Haugen/Anderson, unanimous).

Jennie Hanna reported that the city had received no sales tax distribution in June, due to large refunds and adjustments from previous months that exceeded city tax revenue collected. This had caused a deficit that needed to be repaid. Hanna reported that she had previously spoken with Mayor Dusek, and they had agreed to notify the state to let future city tax revenue be withheld until the deficiency was repaid. Hanna presented a report that showed enough sales tax had been already been collected to cover the deficit, and the city was now in the black.

Member Hoff questioned the possibility of an additional drop box for after-hours payments, as the office and store may be closed when residents return from work. There was a discussion, and Jennie Hanna reported that she was looking into different on-line payment software options and hoped that the ability to pay online would be implemented soon. This would be an option for people who are unable to pay in person or at the drop-box.

Member Haugen inquired about the city weed ordinance and what the ordinance the city has regarding yard maintenance. He said many properties are unkempt and may contain noxious weeds, which are prohibited in city limits. There was a discussion regarding noxious weeds and whether there should be an ordinance establishing a yard length height limit, and what that height limit should be. The council agreed on a 6-inch or less limit and requested LeeAnn Even to begin working on the ordinance wording.

Member Faber questioned the status on the city culverts that needed repairs or maintenance. He stated that many are plugged and not draining. Mayor Dusek requested Ryan Smith get numbers from Kent Thoreson for the August meeting.

The following bills were presented and approved (Hoff/Faber, unanimous).

<u>Check #:</u>	<u>Fund:</u>	<u>To Whom:</u>	<u>Amount:</u>
18100	General	Sargent County Auditor	2113.79
18101	General	Carol Peterson	1050.00
18102	General	Bluetarp Financial Inc	69.98
18103	General	Dakota Plains Ag	25.90
18104	General	Dickey Rural Networks	347.20
18105	General	John Deere Financial	154.24
18106	General	Lee's Service Station	459.80
18107	General	Milnor Market	1.28
18108	General	Otter Tail Power Company	1490.37
18109	General	Riteway	171.82
18110	General	Team Laboratory Chemical Corps	343.50
18111	General	Waste Management of WI-MN	1167.50
18112	General	WRSCD	740.00
18113	General	Payroll Account 61-639	5441.08
18114	General	Milnor Public School	300.00
18115	General	ND Insurance Department	1008.69
18116	General	Debt Service Fund	425.00
18117	General	Verizon Wireless	76.93
18118	General	Milnor Postmaster	110.60
18119	General	Storbakken Sanitation Inc.	4452.00
18120	General	Library Fund	40.38
18121	General	Airport Authority	154.54
18122	General	Debt Service Fund	4140.74
18123	General	Milnor Park Board	1929.25
18124	General	Library Fund	188.70
18125	General	Airport Authority	112.97
18126	General	Payroll Account 61-639	10,643.37
18127	General	Blue Cross Blue Shield of ND	2636.41
2976	Debt Service	Southeast Water Users	4516.20
2977	Debt Service	Dakota Valley Electric Coop	390.00
2978	Debt Service	John Deere Financial	12.30
2979	Debt Service	ND Department of Health	16.00
2980	Debt Service	North Dakota One Call Inc	49.20
2981	Debt Service	Red River Valley & Western RR	100.00
2982	Debt Service	The Sargent County Teller	26.92
2983	Debt Service	Payroll Account 61-639	977.06
2984	Debt Service	Payroll Account 61-639	1076.44

5364	Payroll	Terry J. Dusek	138.52
5365	Payroll	Jennie M. Hanna	1291.41
5366	Payroll	Richard A. Kaufmann	1215.16
5367	Payroll	Ryan J. Smith	1737.78
5368	Payroll	Nationwide Retirement Solutions	338.84
5369	Payroll	Curtis E. Anderson	711.09
5370	Payroll	Merril G. Decker	711.09
5371	Payroll	Terry J. Dusek	212.40
5372	Payroll	Charles J. Faber	609.51
5373	Payroll	Jennie M. Hanna	1288.07
5374	Payroll	Monty N. Haugen	738.80
5375	Payroll	Eric J. Hoff	683.39
5376	Payroll	Richard A. Kaufmann	1390.91
5377	Payroll	Nannette A. Severson	637.21
5378	Payroll	Ryan J. Smith	1836.86
5379	Payroll	Nationwide Retirement Solutions	363.88
5380	Payroll	Blue Cross Blue Shield of ND	402.09
5381	Payroll	Unum Life Insurance Company	15.90
EFTPS 7	Payroll	Internal Revenue Service	3699.28
841	Airport	Arrowhead Transport Inc.	1007.37
842	Airport	Dickey Rural Networks	116.98
843	Airport	Lee's Service Station	33.00
844	Airport	Lillegard Inc.	442.72
845	Airport	Midwest Pest Control Inc.	60.00
846	Airport	ND Insurance Department	130.32

The regular August and Preliminary Budget meeting will be held at 5:00 p.m., Monday, August 5, 2019.

Motion to adjourn (Faber/Hoff, unanimous).

Jennie Hanna, Auditor

Terry Dusek, Mayor