

MINUTES OF THE BOARD OF CITY COMMISSIONERS
HELD FEBRUARY 20, 2007

The regular meeting of the Devils Lake City Commission was held on Tuesday, February 20, 2007 at 5:30 P.M. with the following members present: Commissioners Tim Heisler, Craig Stromme, Rick Morse and President Fred Bott. Commissioner Richard Johnson was absent.

Commissioner Stromme moved to approve the minutes of the regular City Commission Meeting held February 5, 2007. The motion was seconded by Commissioner Heisler. On roll call vote being called for all Commissioners voted Aye, and motion carried.

Dakota and Larry Gustafson from Dakota Aircraft Service appeared before the Commission to update their documentary that they are filming in the area. They are looking at approximately ten films that they are working on right now in some stage of development. They will show the first film called "The Pilot Maker". It is basically a story about four people within North Dakota restoring the World War II era aircraft. It is about Jess Brekke, Brekke Aerial Service who is twenty three year old man who is a very accomplished agricultural pilot. He will be the youngest pilot in the history of the Reno Air Races to race in 2008. He will be racing a plane that they are asking for today to be called the "Miss Devils Lake" to help represent and create more awareness for the City of Devils Lake. There is also a seventeen year old man who works at the Fargo Air Museum. He wants to end up learning more about aircraft and he is almost a pilot now. There is also a man in the film who was the Assistant Director over at the Fargo Air Museum. He is also a Northwest Airlines pilot. He will be working with the students. What Mr. and Mrs. Gustafson have done is they have created an educational program where they will be training young pilots ages seventeen to twenty three. They are going beyond that. They want to help the community. They are very concerned about losing our youth outside of North Dakota. With their program, they are getting them into the shop and they are assessing their skills. They are bringing them in and putting them at a certain wage level. Then they want to graduate them. They showed the Commission the film which features all four pilots. The film was shot in Devils Lake, Edmore and Fargo. They said the documentary should not only generate interest in Devils Lake and North Dakota, but will hopefully get young people interested in aviation. They also said they be able to generate over \$2 Million impact in advertising equivalency since last fall for this area and the State of North Dakota. Right now, they have one film in production, two in preproduction and six more planned and one full length motion picture. Mr. Gustafson said what is drawing national publicity right now is that the airplanes are being assembled and rebuilt by young men, they are maintained by young men and they are going to be flown by the youngest people. One other aircraft that they have that is being assembled by these young men is going to be entered in the National Heritage Competition which is a restoration competition judged by the Smithsonian and Rolls Royce. It is for putting aircraft back in regional configuration was when it came off the assembly lines. The film will not be completed until September, 2008. They will be set to have these airplanes built and take them to Reno.

Mrs. Gustafson said they are already in the process of developing another film which will highlight the region. There will be another announcement coming in May, 2007 that will be good for the State as well.

Mr. Gustafson said what they are asking for is endorsement from the City as to keep the name "Miss Devils Lake" on the aircraft and using the City Seal as the nose art and use that as the publicity vehicle for not only them taking the young men to Reno, but they are using that for their filming purposes. It will put national publicity on the City that the City has a wide open avenue as to what they want to do for publicity. He answered questions that the Commission had. He said that they are not asking for financial support. They are asking for the City's support for the naming of the aircraft.

After discussion, Commissioner Heisler moved to approve the name of "Miss Devils Lake" with the City's logo on the aircraft as requested by Mr. and Mrs. Larry Gustafson – Dakota Aircraft Service. The motion was seconded by Commissioner Stromme. On roll call vote being called for all Commissioners voted Aye, and motion carried.

Stan Orness appeared before the Commission regarding the 2007 Devils Run. He gave the Commission a copy of the schedule to review. There are a lot of changes this year. He will be talking to the Police Chief very soon. The Devils Run is a week long event. He has always planned to make it a week long event. This is their fifteenth anniversary of Devils Run. He is trying to convince the motorcycle people to stay a little bit longer and the car people to come a little bit earlier. In order to have activities for them, he has a week long list of things to do. Most

of the events are headquartered here in Devils Lake. There are a few that are out of the City such as Antique Shop Run and Mystery Tour, day out on the lake at Woodland Resort, Fort Totten's Calvary Square and Sully's Hill Tour, etc. On Saturday, May 26, 2007 there is a Motorcycle Parade starting at KDLR and riding to the old Nordic building located 2nd Avenue and 4th Street NE. It starts at 12:00 Noon. June 1, 2007 is the Annual Puglsey's Muscle Car Show at the Memorial Building Parking Lot. June 2, 2007 is the 15th annual Devils Run Parade through downtown Devils Lake. He is asking for the City's cooperation in building up the area across from the City Office such as putting up barriers, signage, etc. The City merchants are adding some things and activities going on. The only complaint that the uptown merchants had last year was the street dance Friday night and Saturday night that was held in conjunction with Devils Run. They said that the main 4th Street was blocked off too early for the street dance. That was the only complaint that he heard. He answered questions that the Commission had.

The City Commission said Mr. Orness has their support and will work with them during the Devils Run week.

Bob Karns with Sovereign Air appeared before the Commission saying that they have been working with Larry Gustafson and Dakota Aircraft Service. They have shown a lot of interest in schedule service being developed out of Devils Lake to Minneapolis. He has an airplane that Mr. Gustafson is working on and getting it ready for him to use. He does understand and knows the reason for essential air service. It was developed so a community like this could use it to build economic structure when you don't have a bus. Devils Lake has a train. You need scheduled service where people can leave and arrive at a reasonable rate at a reasonable time during the day. When you don't have that, then it is a burden on the community and a burden on economic development. Mrs. Gustafson talked to him today to go over some of the aspects. He gave the Commission a general idea. If you were to take the subsidy that you have here and possibly Jamestown, combine the two, there are airplanes that are available that we could run back and forth two times a day to Minneapolis and probably not charge more than \$25.00. What Sovereign Air is getting into a position to do is they are finishing up rectification before he goes to the FFA office in Fargo. They will be a certificate air carrier in North Dakota probably within ninety days. After the ninety days, they are going with the schedule air service. By June or July, Sovereign Air will actually be a United States Schedule Air Carrier. They will be based primarily in Belcourt but the airplanes will be in Devils Lake. This is going to be our maintenance facility. What they would like to do is to find out exactly what the City's needs are. You know when the flights come and go. You are also the people that know how much money should be charged for these flights. You should also have at your finger tips the amount of money the Federal Government is paying for you to have service that leaves early in the morning. For essential air service to work it has to belong to a community. He answered questions that the Commission had. Mr. Karns said that Devils Lake might have a perfect setting to develop essential air service. To his knowledge right now, there are no communities that have really developed their own essential air service. He has been looking at Devils Lake a long time.

President Bott said the Chamber of Commerce and the travel agencies should be aware of this discussion.

Mr. Karns said he didn't want to say anything until the Air Carrier Certificate is in his hands. What he plans on doing is trying to set up appointments to anybody that is interested. He has a copy of award that Mesaba has for the community. He will send President Bott a copy. In the award it says it is going to be about \$80.00 a ticket. Whoever gets the essential air service will have to have the backing of the community. The DOT will heavily listen to the community. What he has to do is show how he can come in with a much smaller airplane but one that will give you the service, give you the rates and give you more liquidity. This is a good way of bringing the young people into Devils Lake. He also said that he will probably talk to President Bott when he comes up to this area about who he should talk to. He has been down to Jamestown and looked at their airport. He watched the Mesaba operation there. Devils Lake has a hangar where they would like to put the airplanes that are flying back and forth. He said that the airplane he has here is only for certification and training students, etc. Then when they are certified, he will be bringing the airplane in and it will be used for Native Americans. He also said they will have a charter operation and flying charters out of here. There will be no airplanes that are not pressurized and everything will be turbine power. They should not be any piston power airplanes.

President Bott thanked Mr. Karns for coming tonight with information and input on essential air service.

Mike Hammond appeared before the Commission saying that he lives at 1203 – 4th Avenue South which is located behind Riggins Motors. Across from his residence, there was a trailer that was in need of repair and moved out of the City. This happened last fall. In getting that trailer emptied, he had the City put three dumpsters out there. He was

aware of the \$25.00 fee for each dumpster, but he did not realize that there was going to be pull fees, landfill closure fees and other things. All of this was added onto the final bill for 1204 SE 4th Avenue which amounted to \$866.04 which was assessed on the 2006 real estate taxes. He would like some help in getting some of that roll off fees taken off the assessment. He has a lot of personal hours in cleaning up the lot and he has maintained it such as mowing the grass, cut the weeds down, etc. for the last two years. The person living there was unable to do that. He took as many things out of the trailer that he could salvage and sold and paid the person that lived there. He would like to get the taxes up to date and get the person's name off. He has a quit claim deed signed by the person. He will be taking ownership of the property. Hopefully, he can get the person paid off and have everything squared away. There was a gentleman from Minnewaukan that help clean the trailer out and fill a couple of the dumpsters. He said the first dumpster charge in the amount of \$113.40 is what he did. The other two dumpsters charges are things that the gentleman and his workers from Minnewaukan filled to the maximum - \$286.20 plus \$286.20. He answered questions that the Commission had. He also said he was the one that talked to the Sanitation Supervisor and set it up. He feels that he is responsible for it. He takes responsibility for all of it. If none is forgiven, the bill will be paid. He is just asking for some help.

The City Administrator/City Auditor said when this came up last fall, we talked about the City doing it or hiring someone to do it. Then we decided to hire somebody to do it and assess it to the property. He basically acted as a contractor almost. He feels that Mr. Hammond put in quite a few hours in cleaning the trailer. He is not charging for the hours.

Mr. Hammond said that Alan McKay from the District Health Office has pictures of the trailer and property if the Commission is interested. He said that he is going to purchase the property. Last summer, he was helping a neighbor not realizing what he was getting into. Once you start you can't leave it. He paid the taxes for 2004 and 2005. He went in to bring the current ones up to date and he wasn't prepared to pay the amount that was there under special assessment. That is what is holding him up for the last two weeks. He is trying to decide on how to write a letter. It is kind of a sensitive nature. He would just like some help with it.

Commissioner Heisler said it was the neighborhood that got together to clean up the mess. They all volunteered. Ten people spent an entire day on this. He would like to come with some kind of a figure to compensate the citizens for cleaning up the mess. It was obviously a severe health situation.

Commissioner Heisler moved to forgive \$500.00 of the \$866.04 that was assessed on the 2006 real estate taxes. The motion was seconded by Commissioner Morse. Upon discussion, President Bott said that Mr. Hammond and others in the neighborhood helped clean up the property for the betterment of the community. Mr. Hammond said he is happy with \$500.00 and he thanked the Commission for this. On roll call vote being called for all Commissioners voted Aye, and motion carried.

COMMISSION PORTFOLIOS.

Commissioner Heisler – The City Assessor said everything is fine in the Assessing Department.

The City Engineer said everything is fine in the Engineering Department.

Commissioner Stromme – The Sanitation Supervisor said we will have to make a decision on where to haul our garbage. He would like to meet with the City Administrator/City Auditor to discuss this further. We need to do this very quickly. We do have some offers on the table. We need to talk about it before we make the final decision. He and the City Administrator/City Auditor will make a recommendation to the Commission before the next Commission meeting. The City Administrator/City Auditor has a copy of a new contract. He also said they will be moving the D-8 Cat back out to the landfill tomorrow morning depending on the weather. The work came in within \$93.39 of what he estimated.

In regard to the Water Department, the Public Utilities Supervisor said they had two water leaks in the last couple of weeks. One was a couple of blocks from the City Office on 5th Avenue NE. The other one was on 3rd Street NW across from the old Taco John's building. It was the corporation off the main to the renter's house which had deteriorated.

Commissioner Morse – The Public Ways Supervisor said in the 2007 City Budget, he has money put aside for a used pickup for the Street Department. He has been checking local car dealers asking them with a certain amount of money what can we get. They are coming in very close to what we could ever get at an auction. Does he have to bid for it or can he call for proposals or how can he do that. He has \$15,000 in the budget for the pickup.

The City Attorney said that the Public Ways Supervisor better call for bids.

The Public Ways Supervisor asked can he put that dollar amount in the specifications. The City Attorney said he could put the dollar amount in the specifications.

The Public Utilities Supervisor said everything is fine in the Sewer Department.

The City Administrator/City Auditor said everything is fine in the Auditing Department.

The Fire Chief updated the Commission on the following items:

1. He would like to request permission for out of state travel for March 7th through March 9, 2007 for himself to attend a Fire Chiefs Meeting in Columbus, Ohio. All expenses are paid by the International Association of Fire Chiefs. It is for interstate mutual aid agreements.

Commissioner Stromme moved to approve the request submitted by the Fire Chief for out of state travel to attend a Fire Chiefs Meeting in Columbus, Ohio on March 7th through March 9, 2007. The motion was seconded by Commissioner Heisler. On roll call vote being called for all Commissioners voted Aye, and motion carried.

2. This week he will be attending a Fire School and Fire Chief Meeting in Bismarck starting Thursday through Saturday.
3. There is a meeting at the Fire Hall tonight to talk about the new alarm board systems. There is a new plan that the various companies will be in attendance to propose to the people that are currently hooked up to the board system and what our options would be. That meeting will began at 7:00 P.M. It will go more to the 911 System. The current board that is in place is obsolete and is not worth putting the money and investment into it. Our best solution is to have it go into the 911 System. We have three suppliers that are going to make their proposals tonight with all the people that are currently hooked up to the board.

The Police Chief said everything is fine at the Police Department.

The Sanitation Supervisor said in November, 2006, we declared the used 955 Caterpillar Track Loader surplus. Is it necessary to go through the call for bids procedure? It was surplus to be put out for bids in November, 2006. He wants to get bids and get rid of it. It is not worth much. It is under \$5,000. We would be fortunate to receive \$1,500 to \$2,000 for it.

In regard to Quality One Agreement, Denise Hendrickson with Forward Devils Lake Development Corporation said the City Attorney prepared the agreement. (A copy of the agreement is on file in the office of the City Administrator/City Auditor.) It has been approved by the corporation of Quality One. They are in operation in Devils Lake. They have thirty two full-time employees. They have been submitting receipts to her and she is keeping track of all their expenses.

Commissioner Heisler moved to approve an Agreement between the City of Devils Lake through the Lake Region Growth Fund and Q1 W ND, LLC, known as “Quality One” – 1123 College Drive NE as prepared by the City Attorney. The motion was seconded by Commissioner Stromme. On roll call vote being called for all Commissioners voted Aye, and motion carried.

Commissioner Stromme moved to approve an Application for a Permit to Sell Alcoholic Beverages at a Special Event submitted by the Knights of Columbus at the Dinner Theater from Wednesday, March 21, 2007 through Sunday, March 25, 2007 to be held at the St. Joseph Parish Center – 501 – 4th Street NE. The motion was seconded by Commissioner Heisler. On roll call vote being called for all Commissioners voted Aye, and motion carried.

Commissioner Morse moved to approve an Application for a Fireworks Permit submitted by Troy & Geralyn Lang, d/b/a Generous Jerry's Factory Discount Fireworks to be located at Wally's Supermarket Parking Lot. The motion was seconded by Commissioner Stromme. On roll call vote being called for all Commissioners voted Aye, and motion carried.

Commissioner Stromme moved to approve 2007 City Budget Amendment No. 01-07 – Library Fund as recommended by the Lake Region Library Board and the City Administrator/City Auditor. The motion was seconded by Commissioner Heisler. On roll call vote being called for all Commissioners voted Aye, and motion carried.

Commissioner Morse moved to approve payment of the list of bills as submitted. The motion was seconded by Commissioner Stromme. On roll call vote being called for all Commissioners voted Aye, and motion carried.

President Bott acknowledged the following correspondence:

1. Police Department Monthly Report.
2. Municipal Judge Monthly Report.
3. Fire Department Monthly Report.
4. Letter from the Lake Region Public Library Board regarding the resignation of a City appointed member Yvonne Mahoney effective January 30, 2007. Mrs. Mahoney's term expires June 30, 2009. The Librarian will begin advertising for anyone who is a resident of the City and interested in being a member of the Board to submit a written letter.

There being no further business to come before the Commission, Commissioner Stromme moved that the meeting be adjourned. The motion was seconded by Commissioner Morse. On vote being called for the motion was declared carried and the meeting adjourned.

TERRY L. JOHNSTON
CITY ADMINISTRATOR/CITY AUDITOR

FRED BOTT
PRESIDENT