
The Mandan City Commission met in regular session at 5:30 p.m. on May 3, 2011 in the Ed “Bosh” Froehlich Room at City Hall. Commissioners present were Helbling, Tibke, Rohr, Frank and Jackson. Department Heads present were Finance Director Welch, Police Chief Bullinger, City Attorney Brown, City Administrator Neubauer, Director of Public Works Wright, Fire Chief Nardello, Business Development and Communications Director Huber, Engineering Project Manager Bechtel, and City Assessor Barta.

MINUTES: *Consider approval of the minutes for April 19, 2011, Meeting of the Board of City Commissioners.* Commissioner Tibke moved to approve the minutes as presented. Commissioner Jackson seconded the motion. The motion received unanimous approval of the members present.

PUBLIC HEARING:

1. *A Public Hearing to consider for approval the resolution to vacate the utility easement located between Lots 8 & 9, Block 2 as platted in Nicola’s 4th Addition.* Engineering Project Manager Bechtel reviewed with the Board a request from the American Lutheran Church to approve a resolution to vacate the utility easement located between Lots 8 & 9 Block 2, Nicola’s Addition, in order to add on to the church property. It will require a 10 foot easement on the west side of the property. The utility company’s have been notified. Bechtel recommend approval to vacate the easement.

Commissioner Jackson questioned if the easement will be moved to the west side of the building. Bechtel stated that MDU has indicated approval of the move.

Mayor Helbling asked for comments from the audience. A second request for comments was made. Hearing none, the public hearing was closed.

Commissioner Jackson moved to approve the resolution to vacate the utility easement located between Lots 8 & 9, Block 2 as platted in Nicola’s 4th Addition. Commissioner Tibke seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Jackson: Yes; Commissioner Helbling: Yes. The motion passed.

2. *A Public Hearing to determine the sufficiency of protests for Street Improvement District No. 165, (14th Street NW).* Engineering Project Manager Bechtel stated that the opportunity to protest the special assessments for the property closed on April 18, 2011. There were two letters in opposition of District 165 representing less than 1% of the district that is eligible to be special assessed for benefits of the project. That is below the 50% required to protest out the district. Bechtel requested moving forward with this project.

Mayor Helbling asked for comments from the audience.

Jason Tomanek, 608 13th Street Northwest came forward and stated that he was one of the individuals who provided a letter regarding this project. He stated that he would like

to take this opportunity to encourage the City to consider opportunities such as this in the future. In particular, 14th street is identified by the Metropolitan Planning Organization as a collector roadway that carries a significant amount of traffic efficiently. However, he stated he feels there are some faults that could be addressed with this street. The roadway is @ 44' / 45' drive-line section curb to curb. It allows for sufficient parking and traffic movement in both directions. This street is located in a residential neighborhood and is adjacent to an elementary school. It is his opinion that this is a missed opportunity to calm traffic movements, help to mitigate snow removal efforts in the area, and also an opportunity to provide grass boulevards, etc. This is a good chance to consider things like this in the future. He suggested that if the City does consider improvements such as this status quo, neighborhoods would find it more appealing and also have an impact on overall budgets such as snow removal efforts. In summary, Tomanek requested the Board consider his suggestions in the future when projects such as this come up by querying such neighborhoods when a project is being designed as opposed to when bids are out and it is too late for input.

Commissioner Jackson extended a thank you to Mr. Tomanek for voicing his concerns and coming forward to explain his position. Mayor Helbling concurred with Commissioner Jackson and indicated to Mr. Tomanek that if the situation involved a whole new street project that his opinion would be taken under advisement. However, this is a regular maintenance project for routine repair work.

Mayor Helbling asked for any other comments from the public. Hearing none, this portion of the hearing was closed.

Commissioner Jackson moved to approve the sufficiency of protests for Street Improvement District No. 165, (14th Street NW). Commissioner Tibke seconded the motion.

Commissioner Frank mentioned that she has been hesitant throughout this project concerning the rehabbing of 14th Street. She shares a neighborhood with Mr. Tomanek and she also has a concern about the storm runoff part of the project that in two years will involve tearing up the street that is being repaired this year. She requested Engineering Project Manager Bechtel explain this. Bechtel replied that they have looked at possibly sending that storm sewer from the 2nd Avenue Northwest area to the west to approximately the school to pick up some of the additional water. That's approximately 1,100 feet of storm sewer that would have to be put in, for an approximate cost of \$1M to complete that. It would have to be put to a protest in a district. Other options indicate that the storm sewer would be brought up from the school location on 7th Street by Mandan High School to the north to 14th Street and Sunset. The engineers at Houston Engineering indicated it would be possible and it would take a lot of water off the current 14th Street that comes down towards the school heading to the east. It would be approximately 750 feet of storm sewer that would have to be extended to the east as opposed to 1,100 feet, so there would be a cost savings there. There may be a small trench that would have to be dug and that trench is proposed for the year 2013. There is a piece that would have to be opened back up in the future to accommodate that.

Commissioner Frank concurred with Mr. Tomanek's presentation in regards to safety on the street. She inquired if it would make sense to wait on this project based on the discussion tonight. Bechtel stated that there is another project in that area scheduled and it is a good idea to maintain these streets at this time. He reviewed the cost estimates if the street was to be reconstructed rather than maintained indicating the costs would be substantially more for a reconstruction project.

Mayor Helbling commented that it is his opinion that street maintenance on this project if it were to wait another two years, could be detrimental to the street that is there.

Commissioner Jackson asked Mr. Bechtel about the second option that he proposed coming in from Sunset Drive, approximately how much would that cost? That two block area? Bechtel estimated it would be approximately \$600,000 - \$700,000.

Mayor Helbling stated there is a motion and a second before the Board. Commissioner Tibke inquired what would happen if the bid is rejected and they turn the project.

Bechtel replied there are two options if it is decided to not award the bid:

- (1) Continue to go with maintenance and it would be completely funded by the city and that option is available with a re-construction and the whole project would be special assessed.
- (2) Take it off the schedule and if we decide to do something with federal funds in the future we would have to put it back on the Urban Roads list which, depending on their funding, could be at least 2 to 4 years out. Once we get that indication we would have the appropriate money to do a reconstruction and then there would be 1-2 year environmental document and the design before the project would be bid. So it would be 4-7 years before another project could be put on.

Commissioner Tibke inquired as to how long before the road would not be too far gone before the City would have to spend a lot of money fixing it. Bechtel replied that some work needs to be done between 6th and 14th Street. It will be continuous maintenance for Public Works. Mayor Helbling commented that 14th Street was not on the Urban Road list years ago, but the City pushed hard to get it on there. He stated it would not be a wise decision at this point to put it off. Commissioner Rohr commented that the "federal dollar" will be competitive for infrastructure money throughout all the states due to economic reasons and there may not be accessibility to that federal money at a later time. Commissioner Frank suggested to the commissioners to consider what Mr. Tomanek presented and to think a little farther forward than is normally done while taking into consideration the risks involved.

Mayor Helbling stated that there is a motion and a second on the floor. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: No; Commissioner Jackson: Yes; Commissioner Helbling: Yes. The motion passed.

BIDS:

1. *Consider award of bids for Street Improvement District #165 (14th Street NW).*

Engineering Project Manager Bechtel reviewed the bids received on this project. He stated that there was an engineer's estimate of \$509,414.40 and the low bid of \$529,937.80 was received from Northern Improvement @ \$20,000 over the engineer's estimate most likely due to the increase in oil prices. Notices were sent to homeowners with a range of what the estimated specials will be. Bechtel stated that he would support the bid award to Northern Improvement as the low bidder.

Commissioner Tibke moved to approve the bid for Street Improvement District #165 (14th Street NW) to Northern Improvement in the amount of \$529,937.80. Commissioner Jackson seconded the motion.

Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: No; Commissioner Jackson: Yes; Commissioner Helbling: Yes. The motion passed.

CONSENT AGENDA:

1. *Consider approval of the replat of Big Sky 3rd Addition.* The Board approved of the replat of Big Sky 3rd Addition.
2. *Consider approval of the plat of Lakewood Commercial Park 5th Addition.* The Board approved of the plat of Lakewood Commercial Park 5th Addition.
3. *Consider proclamation designating May 12, 2011 as Arbor Day in the City of Mandan.* The Board approved of the proclamation designating May 12, 2011 as Arbor Day in the City of Mandan.
4. *Consider approval of Sunday openings for the Silver Dollar Bar for June 12, 2011 and July 3, 2011.* The Board approved of the Sunday openings for the Silver Dollar Bar for June 12, 2011 and July 3, 2011.
5. *Consider approval of Games of Chance for Saidin Shrine Unit (El Zagal Shrine) for May 4, 2011 to August 30, 2011.* The Board approved of Games of Chance for Saidin Shrine Unit (El Zagal Shrine) for May 4, 2011 to August 30, 2011.
6. *Consider a resolution of appreciation for Dave Ressler.* The Board approved of a resolution of appreciation for Dave Ressler.
7. *Consider for approval, the requests submitted by the Mandan Progress Organization for the Mandan Sports & Recreation Show.* The Board approved of the requests submitted by the Mandan Progress Organization for the Mandan Sports & Recreation Show.
8. *Consider approval of the following site authorizations for American Foundation for Wildlife at Dean's Steak House: (i) May 9, 2011 through June 30, 2011 and (ii) July 1, 2011 through June 30, 2012.* The Board approved of the site authorizations for American Foundation for Wildlife at Dean's Steak House: (i) May 9, 2011 through June 30, 2011 and (ii) July 1, 2011 through June 30, 2012.
9. *Consider approval of the annual (July 1, 2011 through June 30, 2012) site authorizations for the Mandan Hockey Club located at Vicky's Bar, The Silver Dollar, The Ridge Motel, and the Old Town Tavern.* The Board approved of the annual (July 1, 2011 through June 30, 2012) site authorizations for the Mandan Hockey Club located at Vicky's Bar, The Silver Dollar, The Ridge Motel, and the Old Town Tavern.

Commissioner Rohr moved to approve the Consent Agenda as presented. Commissioner Frank seconded the motion. The motion received unanimous approval of the members present.

OLD BUSINESS:

NEW BUSINESS:

1. Consider proposals for city-owned properties received by Oaktree Realtors. Pat Maddock, Oaktree Realtors presented an update on the building at 116 East Main Street in which there has been an offer on the property that has been disclosed to the Board. Scott Johnson will be presenting that information. Maddock stated that the property has been listed for approximately 9 weeks. Ten parties have looked at it and only one offer has been submitted. One party expressed interest; however, after learning that a sprinkler system would be required, the party backed out. The feedback received has been concerning the location and that the cost of the repairs to be done in the building range from \$100,000 up to \$180,000. The location raises concern because there are no other retail businesses nearby. Maddock opened the floor for questions.

Commissioner Frank inquired about the popularity of “staging properties” and if there are any suggestions to better “stage” the property that may or may not include some investment into the property, including the sprinkler system. Are there any improvements the City can establish to make the property marketable? Maddock replied that with the roof leak, currently ongoing, one of the contractors felt that there would have to be some mold remediation done because of the roof leak. The other unknown with that is the floor joists with the main level and the apartments. It is unknown what condition they are in.

Commissioner Frank inquired if people are interested in rehabilitation of properties or if the interest is in turnkey property? Would it be beneficial to rehab the buildings versus letting interested parties do the repairs themselves? Maddock replied that the question came up about replacing the roof or bringing in sufficient water lines or sprinkler system and indicated that he is not sure if there would be any return on those upgrades. It would be one less item that a new buyer would have to deal with. Yet you would want to recoup those monies and that does not seem to be a viable solution.

City Attorney Brown commented that there is an offer on the property; however, he did not think a decision or counteroffer would have to be made at this meeting. He stated that an alternative would be for Administrator Neubauer, Business Development and Communications Director Huber, and he review the offer and discuss anything further with Scott Johnson. The information could be brought back to the next meeting.

Mayor Helbling stated that he agreed with Attorney Brown and if the sprinkler system would be taken on by the City, it should be available to everyone. He recommended that the matter be taken under advisement and that photographs be taken and that all commissioners are offered an opportunity to view the building.

Scott Johnson came forward to discuss the property. He stated that a main concern with the property is the fire code and the cost of installing a sprinkler system that will be needed on the property. He proposed cleaning up and dressing up this property may attract buyers to the corner lots for sale. He stated that he owns other properties and that he has a good knowledge of what rental prices would bring in. He stated that the price he offered is what is listed on the website, which is the value of the land and also saving the cost of tearing down the property. He provided estimates of what it would cost for the sprinkler system and he also has had discussions with Twin City Roofing as far as time frames and costs involved to put a new roof on the building of @ \$55,000. He reviewed comparable properties that have sold on Main Street indicating that his investment to improve the property would be at least \$100,000.

Mayor Helbling inquired that if the City accepted the offer from Mr. Johnson, what would the timeline of completion of the remodel project be? Johnson replied that it would be the “next day” indicating that the roofers are already booking through the summer. The sprinkler system would also have to be completed before any other remodeling could be done. He offered to put the money in an escrow account if the City would feel that would be appropriate in order to get the project moving forward immediately.

Commissioner Frank asked Mr. Johnson if he has plans to apply for incentives to offset the costs of the remodel. Johnson replied that he plans to take advantage of what is available through the Renaissance Zone and the Storefront Improvement Funds.

Commissioner Frank moved to accept the recommendation of City Attorney Brown to table this matter allowing City staff and Brown to investigate further and to present additional information after reviewing the offer at a future meeting. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Jackson: Yes; Commissioner Helbling: Yes. The motion passed.

RESOLUTIONS & ORDINANCES:

OTHER BUSINESS:

1. *Mandan Sports & Recreation Show is scheduled for May 14, 2011:* Del Wetsch, Executive Director of the Mandan Progress Organization, invited the Board members to attend the events as planned.

There being no further actions to come before the Board, Commissioner Jackson moved to adjourn the meeting at 6:22 p.m. Commissioner Tibke seconded the motion. The motion received unanimous approval of the members present.

/s/ James Neubauer

James Neubauer,
City Administrator

/s/ Timothy A. Helbling

Timothy A. Helbling,
President, Board of City
Commissioners