
The Mandan City Commission met in regular session at 5:30 p.m. on April 5, 2016 in the Ed “Bosh” Froehlich Room at City Hall, Mandan, North Dakota. Commissioners present were Van Beek, Tibke, Rohr, Laber and Commissioner Braun was present via telephone. Department Heads present were Finance Director Welch, Deputy Police Chief Bier, City Attorney Brown, City Administrator Neubauer, Director of Public Works Wright, Fire Chief Nardello, Business Development & Communications Director Huber, Planning & Engineering Director Froseth, Planner Decker, Assessor Shaw, and Building Official Lalim. Absent: Police Chief Ziegler.

B. APPROVAL OF AGENDA: Commissioner Tibke moved to approve the Agenda. Commissioner Laber seconded the motion. The motion received unanimous approval of the members present. The motion passed.

C. PUBLIC COMMUNICATIONS: Mayor Van Beek invited anyone interested to speak for or against any items on the Agenda except for the two Public Hearings to come forward. A second announcement was made inviting anyone to come forward to speak on the Agenda. Hearing none, this portion of the Public Communications was closed.

D. MINUTES:

1. *Consider approval of the following minutes from the Board of City Commission of March 15, 2016 regular meeting.* Commissioner Laber moved to approve the minutes as presented. Commissioner Rohr seconded the motion. The motion received unanimous approval of the members present. The motion passed.

E. PUBLIC HEARING:

1. *Consider establishing a restaurant rewards program (see Old Business No. 1).* Business Development & Communications Director Huber stated that the purpose of the public hearing is to gather comments on a proposal that comes with recommendations for approval from the Mandan Growth Fund Committee (MGF). The MGF Committee met and discussed the concept to more effectively attract restaurants to our community on February 18th and March 10th. This presentation includes an explanation of the sales tax rebate program and an interest buy-down using the Bank of North Dakota (BND) Flex PACE program. A public notice was published in the Mandan News about this hearing. It was also published via a News Release through public media and also on the City of Mandan’s Facebook page. Copies of the six (6) written comments received have been provided in advance to this Commission. Director Huber stated that the proposal would involve rebating the 1% portion of city sales tax for five (5) years. This is the 1% local tax that was approved by voters in 1991 for the purpose of economic development projects, property tax reduction, reducing infrastructure costs, and debt reduction. The restaurant owner or property owner will still be required to pay taxes and there would be other local sales taxes paid and they will still pay the 1% restaurant and lodging tax, which is a tax for capital improvement projects that attract visitors to a community, restricted in use by state statute, the 0.75% tax for the sports complex that voters approved in June that was implemented on 10/1/15 along with the half-percent for the Morton-Mandan Burleigh-Mandan joint jail project.

The incentive will be performance based in that if they don't sell there will be nothing to rebate. But if they are successful then there is a rebate available. The Flex PACE interest buy-down will leverage approximately \$2 in BND funds for every \$1 invested by the City of Mandan. That program will buy down the interest rate when a project is to be financed to as little as 1% for as long as the buy-down will last. That buy-down period will vary based on the principal amount of the amount being financed. There is some protection in that program because if the project would ever go into default or the borrower were to become delinquent on their payment, the installments for the buy-down are held in escrow by the BND and that account would then be frozen. In both of these situations there will need to be business incentive agreements with outlined goals and claw back provisions if approved. The Flex PACE component is being proposed to set aside \$162,000 in the Growth Fund. These are dollars that are generated from the sales tax and already set aside for economic development activities. That amount is set aside to provide the local match for BND's interest buy-down program providing that local match in the form of a forgivable loan which can act like a grant rather than a repayable loan as is the case for most projects. The above outline provides the two types of components for the Restaurant Rewards Program.

Mayor Van Beek announced this is a public hearing and invited anyone to come forward to speak for or against the matter at this time.

Susan Beehler, a Mandan resident, came forward and stated that she has lived in Mandan for over 20 years. She questioned why the City of Mandan is giving away consumer dollars that are paid for in the form of a tax that could go towards a property tax relief to a business or a potential business and also to creating that competition between existing businesses that have already been established here. She stated she has spent 13 years in the hospitality industry realizing those services can go up and down and at times has to do with the service that one gives and the quality of the employees that you have. Regarding the tax incentive, she inquired as to a current rental program offered by the Mandan Growth Fund Committee to restaurants in the form of rent reduction? Also, what about the incentive for storefront building improvements that is available to restaurants? It is her opinion that when compared to Bismarck, the City of Mandan needs to stop doing that and she recommended that what Mandan has to offer should be set up differently than what Bismarck has to offer. She suggested offering something different that would encourage people to drive from Bismarck over to Mandan. She is not in favor of giving away tax dollars to businesses that may come to the community (and subsequently do not), when those dollars could be used by existing businesses. It would take five (5) tax paying property homes to make up that incentive of that \$10,000 that a restaurant would get.

Giving away money that could be used towards things that make our community better, not just saying we have another restaurant or whatever, there is no exclusion to make this something that is identified differently. She voiced concern that those tax dollars could be better spent by improving businesses that already exist within city owned properties or towards improving law enforcement requests for bullet proof vests or improving security coverage for more help at local events. She inquired why the city wants to give away tax

dollars to businesses that should have in their business plan what they are going to make based on their clients in their niche that are in this market. She suggested reining this in and not adding on another way to give away the tax dollars because it is not fair to the businesses that have been here. She suggested using those dollars to invest in something that everyone in the community can benefit from by a property tax reduction, or increasing law enforcement security in the community. It is her position that giving away tax dollars is not the best thing that can be done for the Mandan residents. She noted that she does not believe there are any restaurant business owners on the MGF Committee, thus noting that the group is not represented well on the committee.

Don Boehm, Vice Chairman of the Mandan Growth Fund (MGF) Committee came forward to speak. He stated when he has an opportunity to talk with people around the city, they repeatedly state “What we need are restaurants”. They are tired of going to Bismarck all the time to go eat, we need more restaurants. The only way to do that is to enhance programs so we can draw more businesses. The MGF Committee has attempted many times to bring new businesses to Mandan. (New) Businesses will not come on their own accord. To say that there is no tax revenue that’s going to be derived, yes, we will give the 1% rebate back; but what is important is that these businesses that come, they will pay the property tax. The more assessed value you have in the city the lower the mill levy for everybody. The restaurants also pay the one-half percent sales tax which goes towards the county jail. They also pay a 1% city restaurant tax that also helps fund the capital construction. They also pay the three-quarters of 1% which is what we need to fund the sports complex. All the MGF Committee is trying to do is enhance or entice more restaurants to provide more options for Mandan and its residents.

Wayne Papke came forward and stated he is not opposed to bringing restaurants to Mandan. However, he believes there are better ways to attract them to the community. He asked why the hospitality tax is not being used for this. He said that is because the City of Mandan has already given that away for the next three (3) years to the YMCA; therefore, there is not anything left to give to the restaurants. His point on that is that the City has given, (in different respects,) all the money out and therefore there is no more money to give out. When the city starts dipping into the sacred cow “the sales tax” that is in his opinion, the last resource. The (city’s) reserve funds are still intact, which is good. But this is the city’s last revenue item that can be given away. He stated he agrees with Susan Beehler about the property tax. For every dollar given away within this Program, the taxpayer’s levy goes up 50 cents on the dollar. Therefore the city is increasing the pressure on the taxpayer’s property taxes and increasing property taxes versus if the incentive was there paying down the property tax. It is his opinion that by approving this, the property taxes will in essence be increased. He also said that by approving this it would be unfair to existing restaurant owners who have paid all taxes all along, and received no such (tax) breaks from the city. In comparison to West Fargo, the less government involvement, the better the city has done with their programs. They are investing in the basics: police, fire, the infrastructure; and the businesses are coming along just fine because the city government does not get in their way. He discouraged the passing of this program and encouraged the Commission to find a better way to offer incentives for restaurants to come to Mandan.

Don McGuire, a Mandan resident who is a part-investor of the Mandan Comfort Inn and Suites and is also a commercial contractor, came forward. He indicated that he has been involved with investments of businesses and stated that he is aware of a restaurant business who is interested in coming to this area. However, there is a good chance he will build in Bismarck rather than Mandan. He said that when he showed the party the land by the Mandan Comfort Inn and Suites, these were the contentions: The land in Mandan cost slightly less (than land in Bismarck) and the infrastructure is already in place. However, the cost of the building was the same but the Mandan property taxes will eventually be higher. However, there is more traffic and roof-top counts in Bismarck. Well, obviously he is going to Bismarck to build his place. Mr. McGuire said that he agrees with Ms. Beehler and Mr. Papke's comments about the sports arena matter as alluded to. He said that he hears from customers who have stayed at the Mandan Comfort Inn and Suites who come to Mandan for events but the big thing is they are not staying at our hotel because there is no place to eat in that area. People are coming (to Mandan) for the sports events but they are going to Bismarck's restaurants and hotels. He pointed out that nationally and in western North Dakota, there are very few cities the size of Mandan that do not have a true restaurant /bar and grill.

Mark Weide, Mandan Growth Fund Chairman, came forward and stated that the Flex PACE programs have been successful in Mandan in the past and pointed out that many jobs have been created, new facilities have been built and tax dollars have been generated. However, not everyone is successful (in their business) as there is no guarantee with anything. The Restaurant Rewards Program has built-in clauses, and he reviewed some of those and said they are all on an earned basis. The Flex PACE program is held in escrow. If they don't make their payments, the money is refunded back to the city. There is a cap limit on it and it is spread out over the amortization of the loan or it can be bought down to 1% until it is used up. He said that because the MGF was challenged to create a program to bring some restaurants into the community, which is a key thing the community is looking for, this is what was agreed upon and presented to the City Commission. On behalf of the MGF Committee, Mr. Weide recommended approval of the Restaurant Rewards Program as outlined by Business and Communications Development Director Huber.

Mayor Van Beek commented that a main complaint heard today is giving away taxes and that there are restaurants already established in Bismarck that will not do any good for Mandan. He does not agree with those comments. He encouraged Commissioners to think outside the box by offering some type of incentive. If the 1% sales tax is enough of a savings for a business to say "I'm giving up" the roof top counts or car counts in Bismarck (do not matter) and they decide to come to Mandan (to open their business), we hope they will be successful and we hope they will be a thriving business in the community that will serve the Mandan citizens. Mayor Van Beek stated he supports the Restaurant Rewards Program and that he is in favor of offering an incentive to prospective businesses to entice them to locate in Mandan.

Mayor Van Beek provided a second announcement for anyone to come forward to speak on this matter. Wayne Papke requested Mayor Van Beek to clarify his comment about

restaurants coming to Mandan that are already available in Mandan. Commissioner Tibke called for a point of order stating that anyone wishing to speak is to come up to the podium and speak for it to be proper.

Mayor Van Beek asked for any further comments from the public or the commissioners and hearing none, this portion of the public hearing was closed.

2. *Consider approving Resolution determining insufficiency of protests for Street Improvement District 206, Project 2016-07(Big Sky Additions).* Planning & Engineering Director Froseth stated that on March 1, 2016, the Commission approved the resolution creating the district, Resolution approving Engineer's Report, Feasibility Report and Resolution of Necessity for Street Improvement District No. 206, Project 2016-07 Big Sky Addition. He said that in February 2016, optional public input meetings were held to get input from property owners within the district prior to taking the matter to the City Commission. Following the March 1, 2016 meeting, a notice was published in the Mandan News in accordance with ND Century Code and letters were sent to addresses of all property owners of record in this district. The protest period ended April 4, 2016. There were letters of protest representing 6 lots received for this project which is about 22% of the district area which is below the percentage of 50% required for protest. It was recommended that the project move forward. When this was discussed with the Commission on March 1, 2016, there was discussion of a base bid and an alternate. The base that will be constructed will be to pave 31st Street, Hillside Road, and Jude Lane (south of Hillside Road). If property owners install sewer and water before the paving project were to start, the project will start north of Jude Lane.

Mayor Van Beek announced this is a public hearing and invited anyone to stand and speak for or against the project at this time.

Marty Moen, representing HM4, LLC property owners at 1627 31st St. NW, came forward to speak with concerns of a section of 31st Street NW (from Sunset Drive to Lot 7). He is the owner of Lot 7 of the Missouri Valley Addition, stating that he is not opposing construction of street improvement District 206 Project No. 2016-07. He said he is also the builder of this apartment complex. But he indicated that he is protesting how the units are allocated. He has surveillance cameras throughout the property and has conducted an informal traffic observation through the cameras and has seen zero benefit to his property and that building costs should be assessed to Unit 1627 on 31st Street Northwest. He stated he is aware of an informal observation of traffic that was done in order to figure out who benefits and he suggested that a more formal study of benefits would be appropriate to allocate out the costs of the project.

Commissioner Rohr stated he observed the project site and commented that the easement road is rough and it is hard to drive through there. Mr. Marty Moen stated there is no use for that easement and in case of detrimental weather no emergency vehicle would attempt to use that road. It is not a necessary easement to use for the property as it was designed.

Jim Moen, JDS Holdings, LLP came forward to speak. He said that JDS Holdings owns

lots 5 and 6 of Missouri Valley Addition (1611 and 1619 - the apartment buildings), and said that these properties will have no benefit from the proposed street improvement project so they should not be part of the assessment district. When these lots were under construction a temporary construction easement access was obtained from the owner of the adjacent property at Big Sky Estates Addition. The temporary easement expired on 12/15/15. A permanent access road in the NE corner of the properties was constructed with access coming off Sunset Drive. JDS shared the cost of that access road with the owner of lot 7, HM4, LLC. HM4, LLC who granted an easement to JDS for access to its property. The residents at 1611 and 1619 31st Street use the unapproved gravel access point to Jude Lane on a limited basis. As per the plat map of the project the Missouri Valley Addition lots do not connect with Jude Lane so the lots do not have access to the streets in the project. JDS and HM4 were required by the city to make adjustments to the site plan to get approval from the Fire Marshal because the Fire Marshal would not allow temporary construction access easement to be used. These adjustments allowed for adequate space in the private drives and parking spaces for fire department equipment to be able to loop through the property in order to enter and exit from the private drive off of Sunset Drive. Due to the above, the normal traffic patterns of JDS tenants, it is believed that these properties should not be part of the proposed special assessment district. Mr. Jim Moen said he does not object to the project, but he believes these lots should not be part of the assessment district.

Mayor Van Beek announced once again that this is a public hearing and invited anyone to stand and speak for or against the project at this time. Hearing none, this portion of the public hearing was closed.

Commissioner Rohr questioned Director Froseth as to what percentage of the assessment district would be affected if these lots (owned by Jim Moen) were taken off? Director Froseth stated that each of the properties mentioned was allocated four units of cost and each unit of cost was estimated at \$26,000 so each property x 4 equals about \$104,000 x 3 properties would be around \$315,000. The total project cost is estimated at \$1,264,680. The records do show an access easement. Commissioner Labor inquired if the property owners were notified of the City Engineer's evaluation and that it was fair and upfront. Director Froseth stated that public input hearings were held and letters were sent to all the property owners in the area. At those meetings, there were discussions on the traffic that was observed using the roads and a lot of the comments were to the effect that a lot of traffic was observed. He explained that what was proposed is four units per apartment property of cost allocation with each apartment building having either 36 or more units within. So it actually divides out to about 1 unit of cost per 9 living units of apartments. City Attorney Brown stated that the Engineering Department at this phase of the project has not determined which properties pay how much for this project. That is determined after the conclusion of the construction, by the Special Assessment Commission. Their determination may not be the same as the Engineering Department suggests at this point.

Commissioner Labor moved to approve the Resolution determining insufficiency of protests for Street Improvement District 206, Project 2016-07(Big Sky Additions). Commissioner Tibke seconded the motion.

Commissioner Rohr commented that the Big Sky Additions has been discussed now for several years and it has been difficult for the City to determine a viable way to get it paid for. It is a difficult terrain in that area and the City has put a lot of effort into this matter and he feels the City has done the best that it can under the circumstances.

Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

F. BIDS:

1. *Consider the award of bids for Municipal Sidewalk Improvement Project 2016-05 and approving the Resolution approving the contract and contractor's bond.* Planning & Engineering Director Froseth reported that five bids were received on March 15, 2016 for this project. The engineer's estimate was approximately \$83,000 for the remove and replacement of the sidewalks for the upcoming construction year. Fleck and Sons Concrete was the low bidder in the amount of \$68,115.00. It was recommended to award the project bid to Fleck and Son's.

Commissioner Laber moved to approve the award of bids for Municipal Sidewalk Improvement Project 2016-05 and approving the Resolution approving the contract and contractor's bond to Fleck and Sons Concrete in the amount of \$68,115.00.

Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

2. *Consider for approval the award of the Lawn and Weed Spraying contract to All Pest Control.* Public Works Director Wright stated that on March 23, 2016, bids were opened for the lawn and weed spraying contract. Two bids were received but one bid did not include the bidders bond so the bid was considered a nonresponsive bid. The contract includes noxious weed spraying, weed and feed on city owned lots, non-noxious weed spraying and total kill applications. Advertisements for bids were published in the newspaper, the website and 10 companies in the Bismarck-Mandan area were contacted. It was recommended by the Weed Board to award the bid to All Pest Control in the amount of \$13,643.

Commissioner Rohr moved to approve the bid award for the Lawn and Weed Spraying contract to All Pest Control in the amount of \$13,643. Commissioner Laber seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

3. *Consider award of low bid for Old Red Trail reconstruction to Veit contingent upon NDDOT concurrence.* Planning & Engineering Director Froseth said this request is for awarding a bid for the Street Improvement District 205 Project 2015-06. On February 2, 2016, the Commission approved the creation of Street Improvement Project No. 205 and approved the resolution approving Engineer's Report, plans and specs and the Resolution of Necessity. On March 15, 2016, the Commission approved the Resolution

of Insufficiency of Protest. Since the project is receiving federal funds it was bid through the NDDOT bid opening system. On March 18, 2016, the bids were opened by the NDDOT. Veit and Company of Rogers, MN, was the low bidder in the amount of \$3,761,743.90. The bid is 22% lower than the engineer's estimate. Since the bids came in under estimate the local share will be reduced appropriately and be less than previous estimates. The local sources of funding that will require less allocation because of lower than expected bids include sales tax fund, property tax, special assessments and hub city funds or utility fund to pay for the water main replacement portion. It was recommended to accept the bid received from Veit and Company of Rogers, MN, in the amount of \$3,761,743.90.

Commissioner Laber moved to approve the bid award for Old Red Trail reconstruction to Veit and Company in the amount of \$3,761,743.90 contingent upon NDDOT concurrence. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

4. *Consider concurrence with NDDOT for award of low bid for Twin City Drive and Main Street traffic signals to Edling Electric Inc.* Planning & Engineering Director Froseth presented a request to consider a bid for Twin City Drive and Main Street traffic signals. He said that the existing traffic signals at Twin City Drive and Main Street are beyond their life expectancy and they are due for replacement. This project would consist of replacing all posts, mast arms, and equipment. It will incorporate the latest in ITS for optimum intersection efficiency. Since the project is receiving federal funds it was bid through the NDDOT bid opening system through the DOT process. On March 18, 2016, the bids were opened. Edling Electric, Bismarck, ND, was the low bidder in the amount of \$213,578.75. The bid is 48% lower than the engineer's estimate. It was recommended to approve the bid from Edling Electric.

Commissioner Laber moved to approve the award of low bid for the Twin City Drive and Main Street traffic signals to Edling Electric Inc. in the amount of \$213,578.75 contingent upon NDDOT concurrence. Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

G. CONSENT AGENDA

1. *Consider request to allow BMHBA signs within city right of way during the week leading up to the home show.*
2. *Agreement with KLJ for Engineering for Lakewood 9th Street Improvement District 204 Project 2016-06.*
3. *Consider the Fire Department's requests for out-of-state travel.*
4. *Consider for approval of the loader lease option and adopt authorization resolution.*
5. *Consider approval of Millennium Trail Cost Participation and Maintenance agreement.*

6. *Consider approval of the following proclamations: (i) Proclaiming April 5, 2016 as Mayors Day of Recognition for National Service in the City of Mandan; (ii) Proclaiming April 8, 2016 as Wear Blue Day in the City of Mandan; (iii) Proclaiming April 10-16, 2016 as National Public Safety Telecommunications Week in the City of Mandan.*
7. *Consider approval of site authorization for Horse Race ND at Strawberry Bar & Grill from April 15, 2016 through June 30, 2016.*
8. *Consider approval of Annual Site Authorization for Abate of ND at the Hideaway Bar from July 1, 2016 through June 30, 2017.*
9. *Consider approval of Special Sunday openings for Lukes Bar LLC dba Silver Dollar Bar: April 3, 2016 through June 26, 2016.*
10. *Consider Police Department 2016 General Fund Budget Transfer.*

Commissioner Laber moved to approve the Consent Agenda items 1, 3, 4, 5, & 7-10, as presented, excepting items No. 2 and No. 6 to be removed for further discussion.

Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

Consent Agenda Items removed for discussion:

2. *Agreement with KLJ for Engineering for Lakewood 9th Street Improvement District 204 Project 2016-06.* Commissioner Laber stated she requested this item be pulled for discussion due to it being a request for the approval of an engineering services agreement for an improvement district. She indicated that the Commission does not normally enter into these agreements in this manner. She inquired why “we are breaking our rules” when it is their rule to bring it before the City Commission. She questioned whether this binds the Commission into something that she was not previously aware of. Director Froseth explained that it has not been standard practice for the City Engineer’s Office to enter into an engineering service agreement for street improvement districts near developments. There is an inherent motivation on the part of the developer to keep those costs in-check because those costs of engineering and construction as well as any administrative change orders that come about can be assessed to the district. In the past, there has not been any formality with engineering service agreements for street improvement districts and it may not be a bad way to move to going forward so there is a clear understanding before getting into the project itself. This is also a new process on KLJ’s part, (having an engineering service agreement for a new development), but their management staff needs this agreement for them to be satisfied.

Commissioner Laber suggested changing the City’s process to doing business this way so there is a formal agreement on file between the staff and the third party contractors that are working with those street improvement districts so there is a joint oversight in place. Director Froseth pointed out that many times the Engineer’s Office does not know what developer is working with what engineer on these development projects until it gets to the point of commission for the street improvement district request so they may have completed a lot of engineering before it is presented to the City. They have already opened bids on this project and they are already to the construction part of this project.

Commissioner Laber moved to approve the Consent Agenda Item No. 2. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

6. *Consider approval of the following proclamations: (i) Proclaiming April 5, 2016 as Mayors Day of Recognition for National Service in the City of Mandan; (ii) Proclaiming April 8, 2016 as Wear Blue Day in the City of Mandan; (iii) Proclaiming April 10-16, 2016 as National Public Safety Telecommunications Week in the City of Mandan.* Mayor Van Beek read the three proclamations aloud.

Commissioner Laber moved to approve the Consent Agenda Item No. 6. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

H OLD BUSINESS:

1. *Consider a Mandan Growth Fund Committee recommendation to establish a restaurant rewards program.* Business Development Communications Director Huber added the following points subsequent to her earlier presentation: She said there are really four points as to how this program will benefit the Mandan community and its economy: (i) There have been two household surveys and Nielson data done in the last decade that indicate that restaurants are a top demand (in Mandan) only second behind a general merchandise store which has been achieved; (ii) It impacts our ability to attract visitors to our community and to retain them for longer periods of time for further expenditures. We have tremendous events in our community, but we need a more robust hospitality business sector in order to attract more visitors and retain them for longer periods of time; (iii) (Existing) Businesses tell us how important it is to have restaurants in the community; (iv) It is a significant way to generate additional tax revenues for the community in property tax, in increasing property values by occupying buildings, new construction, increasing the tax base as a whole and many other revenues. There has been favorable support (for the Restaurant Rewards Program) from the real estate sector, the financial institutions and commercial lenders that have participated in the discussions of this program thus far. There are definite interested prospects if this program is approved. Director Huber explained that in regard to the questions about what existing tools are still available: the Store Front Improvement Program is in effect for the greater main street downtown area including Memorial Highway corridor. The Retail Incentive Program is available for businesses on smaller scales and it is maxed out at \$20,000 per project under current approved guidelines. This is a program to help with overall initial business start-up costs and the qualifications are rated on a series of 13 factors in order to qualify.

Director Huber summarized the Restaurant Rewards Program stating that the beauty of the proposed 1% sales tax rebate is its simplicity. And there will be very few dollars rebated if that restaurant is not successful. If they do not generate sales, they will not be successful in the long run. So the goal is for restaurants that are long term and successful

will generate far more in sales tax revenues in the future than are ever rebated in that short term initial period.

Commissioner Laber commented that the focus of this request should be that this is “an incentive” which is a small piece of the pie. According to the US Census Bureau, half of the new establishments survive for 5 years or more. So it is risky. If someone is willing to take the risk, if you do not perform, if you do not have a product that people want then people will not patronize you and you will not be successful. There is risk and with risk you need an incentive. It is a rebate. It is an incentive. It is not something that is going to be coming out of your direct bill and when your property tax comes, that is not how this works. If people choose to eat here, they pay sales tax. If you pay sales tax, that money goes to different programs. Having a \$23 million dollar leakage as Director Huber indicated is a huge leakage and we cannot continue to afford having prospective business owners going somewhere else. We need to keep this here. We still get all the other benefits. Commissioner Laber stated that in her opinion it is a small incentive and it should be considered.

Commissioner Laber moved to approve the establishing the Restaurant Rewards Program. Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: No; Commissioner Tibke: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

I. NEW BUSINESS:

1. *Update on transition to Central Dakota Communication Center (CenCom).*
Mike Dannenfelzer, Communications Director of the Central Dakota Communication Center (CenCom), presented an update on the transition of the City of Mandan’s Public Safety Communication services to what is now called the Central Dakota Communications Center. This transition started the week of January 4, 2016 wherein emergency and non-emergency calls for service for the City of Mandan Police and Fire Departments and Metro Area Ambulance Service shifted over to the newly formed CenCom organization. Regular monthly meetings have been held by the Executive Committee to monitor the status of the transition to make sure everything was working smoothly. The Board of Directors has also met monthly to review the progress. A transition to the normal schedule will occur in April wherein meetings will move to a quarterly basis for the Executive Committee and the Board of Directors will meet 2 or 3 times per year. An Operational Committee meets on the 1st Tuesday of the month to discuss operational matters. There is also a Technical Committee that has met in the past and will be meeting sometime probably in early May to discuss replacement of CAD records mobile system and determine when that will occur and how that will be funded. He provided highlights of the calls received and how they compared to previous calls. There was roughly an increase of an additional 600 calls in February and March for the City of Mandan. He reported that the staff has adjusted well to the new process and operations much to the assistance of the Mandan Police and Fire Department and Metro Ambulance.

Fire Chief Nardello reported that as far as the radio communications since the switch to CenCom, all staff members are very pleased with the exception of one. Chief Nardello explained that the one is not “displeased”, but he just does not understand why a switch was made. He said that at the beginning of this switch there was speculation that Mandan would not get equal attention. He noted that when discussions occur, it is not about jurisdiction or agencies, rather it stems around how we can work better together and get better information. For example, he said it is helpful to learn and know how departments can share their warrant information. It is working very well. There is an electronic emergency medical dispatch which is very helpful to the fulltime firefighters because it will tell them pretty much in advance what type of a medical call it is and how to respond. Almost all the patient information that is needed is contained in the CAD narrative dispatcher. There have been no problems with the CAD going down. He has had conversations with Deputy Chief Bier who has indicated the police department is pleased with the service as well.

2. *Consider the city water system projects to submit to the State Water Commission for 2017-19 funding.* Planning & Engineering Director Froseth stated that city staff have met with AE2S staff and developed a short list of water projects for the 2017-2019 biennium. The State Water Commission grant monies have been approved for the 2015-2017 water projects that were before this Commission recently; so it is hopeful that they will grant monies for the 2017-2019 projects as well. The items on the short list include: (i) Collins Reservoir Roof Replacement; (ii) the 30” Sunset Avenue Reservoir Transmission Main replacement; (iii) Boundary Road Pressure Reducing Valve (PRV) NW; and (iv) Conventional Intake (Construction). If the City receives 60% State Water Commission grant money for the 2017-2019 term, (as it did for the 2015-2017 biennium), the City would still have to come up with a local cost share of approximately \$7.8 million. In working with the Finance Department, that would represent about a \$5.26 increase in the residential monthly utility bill. It was recommended to approve the four projects listed for SWC grant consideration.

Commissioner Laber moved to approve the four projects listed for State Water Commission grant consideration. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

3. *Consider Architectural Services recommendation for the Public Works Expansion Project.* Director of Public Works Wright stated that on January 19, 2016, the Commission approved the advertising for Professional Architectural Services for the existing Public Works Expansion project. A panel of 5 individuals reviewed the four request proposals received and rated each firm on the Request for Proposals (RFP) evaluation criteria. EPIC Engineering was scored the highest. In checking references, EPIC Engineering was found to be a good firm to work with and kept projects within budget and on time. He also met with staff onsite who reviewed different options and ways to satisfy the City of Mandan’s needs for this project. A concept drawing and an estimate for that concept drawing was provided to the Commissioners in their packets. By moving forward with negotiating a contract with EPIC Engineering, we will be able

to plan for this project and allow us to bring the cost estimate within the budget. Director Wright requested approval to begin negotiations with EPIC Engineering and bring a proposal back to the Commission for approval at the next meeting on April 19th. If approved, the bidding and design process would begin with construction scheduled to start in September 2016 with anticipation of completing the project on or before May 2017. It was recommended to move forward with a negotiation process with EPIC Engineering with City staff and City Attorney Brown for the architectural and engineering services for the Public Works Expansion project.

Commissioner Laber moved to approve the recommendation to negotiate with EPIC Engineering for the architectural and engineering services for the Public Works Expansion project. Commissioner Rohr seconded the motion.

Commissioner Rohr stated that the City will need to be sure to provide proper accommodations in the City Shop area for the next 10-15 years. He recommended that discussions occur with the Park Board regarding their future plans for the land where the football stadium was near the Public Works Shop. There is some available land there that could be of value to the City. He suggested that option be pursued. Director Wright indicated that it will be a joint effort with the Park District to make both projects work. Mayor Van Beek concurred with the recommendation outlined by Commissioner Rohr to work with the Park Board on the land south of the Shop. Commissioner Laber reminded the Commissioners that there is a Joint Meeting with the Mandan Park Board on May 9th at which time this matter could be discussed with the Park Board.

Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

J. RESOLUTIONS AND ORDINANCES:

1. *Consider for approval resolution creating private street named Cascade Way in Eagle Ridge First Addition.* Planner Decker stated that when this project was developed there were no streets identified within the project. There were easements created to provide access for various portions of this development but the only street that was available at the time building permits were issued was 12th Avenue. The two buildings that are currently there were both issued addresses off of 12th Avenue. The emergency responders have requested having addresses on a street that pass by the buildings. These buildings are east of 12th Avenue. We are identifying one of the existing improved access easements and placing a street name on it as a private street. There are four more buildings that will be going up in this area and emergency responders would like better location addresses in order to find them. The private street maintenance responsibility remains within the property owners and they are aware of that responsibility. Planner Decker stated that the owner of the property will make sure the streets are properly maintained for the use of these residential apartment buildings.

Commissioner Laber moved to approve the approval of the resolution creating a private street named Cascade Way in Eagle Ridge First Addition. Commissioner Rohr seconded

the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

K. OTHER BUSINESS:

1. Working Session: Commissioner Laber requested that a Working Session be scheduled in order to discuss the overall business incentive programs in preparation for the upcoming budget process. A temporary date of Friday, April 15, 2016 was discussed. When confirmed, a notice will be provided to the public.

There being no further actions to come before the Board of City Commissioners, Commissioner Rohr moved to adjourn the meeting at 7:30 p.m. Commissioner Laber seconded the motion. The motion received unanimous approval of the members present. The motion passed.

/s/ James Neubauer

James Neubauer,
City Administrator

/s/ Arlyn Van Beek

Arlyn Van Beek,
President, Board of City
Commissioners