
The Mandan City Commission met in regular session at 5:30 p.m. on August 19, 2014 in the Ed “Bosh” Froehlich Room at City Hall, Mandan, North Dakota.

Commissioners present were Van Beek, Rohr, Tibke, Laber, and Braun. Department Heads present were City Administrator Neubauer, Fire Chief Nardello, Planning & Engineering Director Froseth, Planner Decker, Building Official Lalim, Director of Public Works Wright, Finance Director Welch, Business Development Communications Director Huber, Police Chief Bullinger and City Attorney Brown. Absent: Assessor Shaw.

B. APPROVAL OF AGENDA: Commissioner Braun motioned to approve the Agenda as presented. 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 to come forward to address items on the Agenda. A second announcement was made to come forward to speak for or against items on the Agenda. Hearing none, this portion of the Public Communications forum was closed.

D. MINUTES:

1. *Consider approval of the following minutes from the Board of City Commission regular meeting held August 5, 2014 and Special Meeting held August 7, 2014.*

Commissioner Tibke moved to approve the minutes as presented. Commissioner Braun seconded the motion. The motion received unanimous approval of the members present. The motion passed.

E. PUBLIC HEARING:

1. *Public hearing for Big Sky Estates zone change request.* City Planner Decker reviewed with members a request to rezone some lots in Big Sky. He stated this subdivision was started a number of years ago and has evolved in stages. In May, the Planning and Zoning Commission reviewed some requests for zoning changes. That one was rejected. The developer revised the zone request and made it slightly less intensive and resubmitted the request in July. The Planning Commission split the vote 8 to 4 and recommended this one go forward. The zone change involves 3 different zones with the current zoning all R-7 and some of the lots will be R3.2 (duplex units) and some of the lots will be multifamily and some of the lots will be commercial CB zoned. All the zones will have restrictions on them. The Planning Commission discussed this and the R3.2 will be limited to 1 or 2 family units and none of the secondary uses that are allowed in R3.2 would be allowed. The multi-family zone would be limited to a height of 30 ft. and the commercial zone – the initial request was to make it the same as the hotel to the east which limits it. The business B zone the more intense zone, the recommendation also adds some additional restrictions on that to include the multi-family retail group and there would be restrictions in the commercial zone, the lesser intent activities. The developer was present for answering any questions.

Mayor Van Beek announced this is a public hearing and invited anyone to come forward to speak for or against the zone change request.

Kris Lengenfelder, the developer, came forward to review the zone requests with the Board. He again reviewed and explained the zoning requests as presented.

Chris Beach came forward to speak and stated that he lives in a home in this area and mentioned that he is also representing several people who own homes in that neighborhood. He indicated that the neighborhood has filed a petition in opposition to the zone change. The primary reason for the opposition is that the area is single family and if the zone change goes through, it will change the feel of the neighborhood. Beach stated they are requesting that there not be such a drastic variation of the zones and that there be some semblance within the neighborhood when the construction starts. He questioned whether the City is prepared to change zoning based on financial reasons? He inquired as to how restrictions are going to be maintained and if someone from the City will be watching over it.

Planner Decker replied that there are numerous zones that have restrictions on them based on that specific parcel. He stated that the zoning is checked when permits are issued and if there is a restriction that restriction is verified by going to the file when that zone was approved.

Chris Beach voiced concern about the area which has been platted and mapped out. If a commercial zone change is made there, will this require a re-platting for right-of-way for road changes on 27th? Planner Decker stated that at this point there are no plans to change roadway alignments. Beach stressed their primary concern is the character of their neighborhood. The transition of stacking things up in an area that really does not need it. In closing Beach stated that on behalf of his neighborhood, he hopes the City Commission reconsiders the request of opposition in that they would like to see the character of the neighborhood remain.

Commissioner Laber requested clarification on a few items:

- (1) That the multifamily housing is a couple of acres? Planner Decker replied yes.
- (2) There is a specific formula regarding lot size and how many parking spaces you have to have so one could not put in a highly dense multi-family unit on two acres? Planner Decker replied yes to this as well. The 30 ft. height limit will affect the number of units that can be placed on that parcel. There are parking requirements based on units as there have to be parking spaces for the units. The drainage will be managed as part of the roadway alignment.

F. BIDS:

G. CONSENT AGENDA

1. *Consider approval of monthly bills.* MONTANA-DAKOTA UTILITIES - 107.36; ABC SEPTIC - 685.00; ADVANCED ENGINEERING SVC - 48,606.33; AMERICAN WATER WORKS ASS - 72.00; BECC CORPORATION - 1,146.00; BIS-MAN CONVTN & VISITOR - 3,901.53; BISMARCK POLICE DEPARTME - 943.54; BJORND AHL/DAVID - 405.00; BURLEIGH COUNTY SHERIFF - 2,722.80; CROWLEY FLECK PLLP - 300.00; ECOLAB PEST ELIIMINATION - 149.04;

EDLING ELECTRIC INC - 110,238.30; ETHANOL PRODUCTS - 2,804.81; FERGUSON WATERWORKS #251 - 593.11; FLECK/DUSTIN - 84.35; FOUR SQUARE CONCRETE LLC - 4,211.02; HDR ENGINEERING, INC - 970.21; INTERSTATE ENGINEERING - 1,072.50; KADRMAS, LEE & JACKSON, - 31,699.81; MANDAN PARK BOARD - 2,500.00; MIDWEST TESTING LAB INC - 748.25; MILLER/CASEY - 26.00; MISSOURI VALLEY PETROLEU - 22,496.69; MORTON COUNTY AUDITOR - 56,500.00; NALCO CHEMICAL CO - 1,402.96; ND DEPT OF TRANSPORTATIO - 809.47; ND INSURANCE DEPARTMENT - 50.00; NDAAO - 390.00; NDACO RESOURCES GROUP - 1,241.28; NEUBAUER/JAMES - 309.12; NORTHERN IMPROVEMENT CO - 780,877.73; PRESORT PLUS - 968.92; SRF CONSULTING GROUP - 1,354.86; TOWNE/LARRY - 80.75; WAGY/ARNOLD - 100.00; WALFORD/STEVE - 200.00; WENCK ASSOCIATES, INC - 11,643.86; ND PEACE OFFICERS ASSOC - 50.00; MONTANA-DAKOTA UTILITIES - 30,535.35; AT & T - 707.36; BALABAN LAW OFFICE - 1,500.00; COMPANION LIFE - 10.00; DAKOTA MEDIA ACCESS - 8,332.25; FORT DEARBORN LIFE - 487.21; GLASS/THOMAS J. - 1,500.00; KELSCH KELSCH RUFF & KRA - 4,000.00; ND PERS - 95,909.42; EILER/CHAD J - 6,000.00; A & B PIZZA INC. - 48.09; ADVANCED ENGINEERING SVC - 9,215.60; BANK OF NORTH DAKOTA - 1,880,761.30; BIOCOPE, INC - 28,200.00; BIS MAN DEVELOPMENT ASSO - 25,000.00; BIS-MDN TRANSIT BOARD - 550.45; BISMARCK POLICE DEPARTME - 1,928.11; BULLINGER TREE SERVICE - 525.00; BURLEIGH COUNTY SHERIFF - 2,457.79; CBI BUSINESS SERVICES - 7,314.15; COAST TO COAST OFFICE MA - 400.37; COMPUTER PROFESS UNLIMIT - 89.00; CO2 SYSTEMS, INC - 1,500.00; CROWLEY FLECK PLLP - 4,500.00; CUSTER DISTRICT HEALTH U - 1,060.45; FERGUSON WATERWORKS #251 - 5,880.61; FETZER ELECTRIC, LLC - 8,823.45; FOUR SQUARE CONCRETE LLC - 3,127.45; GRAYMONT CAPITAL INC - 11,230.83; HIT, INC. - 133.00; HOLTER/DEBORAH - 70.00; HUB INTERNATIONAL OF ND - 388.00; INFORMATION TECHNOLOGY D - 55.00; INTERGOVERNMENTAL SHOP - 17,274.02; INTERSTATE ENGINEERING - 419.50; JACOBSEN/CARL - 105.00; KLEIN/LAROMY & VALERIE - 68.75; LEXIPOL LLC - 7,300.00; MANDAN AIRPORT AUTHORITY - 1,100.96; MANDAN MUNICIPAL COURT - 928.00; MANDAN PARK BOARD - 154,531.39; MIDWEST TESTING LAB INC - 9,143.00; MINI COMPUTER SRVICES, L - 637.50; MORTON COUNTY RECORDER - 67.00; MORTON COUNTY SHERIFF - 2,283.44; MORTON COUNTY STATES ATT - 26,928.00; MORTON MANDAN PUBLIC LIB - 15,269.20; MY GOV, LLC - 700.00; ND STATE DEPT OF HEALTH - 320.00; ND STATE DEPT OF HEALTH - 150.00; NORTHERN IMPROVEMENT CO - 497,575.01; PRAIRIE VINYL REPAIR - 45.00; PRESORT PLUS - 2,757.76; QUAM CONSTRUCTION CO INC - 2,590.00; RENNER'S LAWN SPRINKLING - 783.50; ROSEN/BRANDON - 355.00; SCHIRADO/DENNIS - 76.52; SEVERIN, RINGSAK & MORRO - 850.00; SRF CONSULTING GROUP - 879.52; SURE SHRED - 114.90; WEHRI/RADEANNA - 650.00; WINKS/LOREN K - 70.00; WELLS FARGO COMMERCIAL C - 189,856.93; ABC SEPTIC - 1,135.00; ADVANCED ENGINEERING SVC - 39,921.60; BIS-MAN CONVTN & VISITOR - 6,939.65; BORDER STATES ELECTRIC - 1,575.00; CENTRAL DAKOTA FORENSIC - 160.00; EILER/CHAD J - 600.00; ETHANOL PRODUCTS - 2,278.54; FETZER ELECTRIC, LLC - 7,792.39; FOUR SQUARE

CONCRETE LLC - 5,901.45; GREAT PLAINS TOWERS - 392.50; HATFIELD, WASS & ASSOC. - 1,585.00; INFORMATION TECHNOLOGY D - 1,318.93; KADRMAS, LEE & JACKSON, - 855.80; KLESALEK EXCAVATING - 1,440.00; MANDAN MUNICIPAL COURT - 835.00; MANDAN PARK BOARD - 5,500.00; MARINER CONSTRUCTION INC - 58,002.42; MIDWEST TESTING LAB INC - 1,957.25; MILLER/CASEY - 35.00; MINI COMPUTER SRVICES, L - 4,699.00; MISSOURI VALLEY PETROLEU - 19,168.68; MISSOURI WEST WATER SYST - 104.19; MONTANA-DAKOTA UTILITIES - 22,617.76; MORTON COUNTY AUDITOR - 7,467.80; MUNICIPAL CODE CORPORATI - 2,740.00; MUNICIPAL GOVERNMENT ACA - 15.00; NALCO CHEMICAL CO - 1,402.96; NORTHERN IMPROVEMENT CO - 509,515.94; OFFICE OF THE STATE AUDI - 165.00; ONE CALL CONCEPT INC - 445.50; PRESORT PLUS - 3,525.07; QUAM CONSTRUCTION CO INC - 1,300.00; RENNER'S LAWN SPRINKLING - 129.00; SOUTH CENTRAL CRIME CONF - 25.00; STARION BOND SERVICES - 2,516,579.63; THIRKETTLE CORPORATION - 779,549.95; TOMAN ENGINEERING CO - 58,639.64; UNITED PRINTING INC - 118.67; WEBQA INC - 3,480.00; WENCK ASSOCIATES, INC - 4,273.86

2. *Consider amendment to the 2014 fire department budget to include the purchase of tablet computers.*

3. *Consider approval of Beer Gardens for Spirit of Life Church on September 6, 2014.*

4. *Consider approval of change order for Street Improvement District 195, Project 2014-13 (Roughrider's).*

5. *Consider for approval Law Enforcement Out-of-State Travel & Training.*

6. *Consider Change Order for additional street work needed on Lewis Rd NW.*

Commissioner Rohr moved to approve the Consent Agenda items as presented.

Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: Yes;

Commissioner Tibke: Yes; Commissioner Laber: Yes; Commissioner Braun: Yes;

Commissioner Van Beek: Yes. The motion passed.

H. OLD BUSINESS:

I. NEW BUSINESS:

1. *Introduction of Program Coordinator for City Administration and Business Development and Communications.* Business Development Communications Director Huber introduced Krista Harju as the program coordinator to assist City Administration and the Business Development and Communications program and projects. Ms. Harju will be helping with many of the activities and projects with committees and administration including tracking and reporting. She is a 2013 University of Mary graduate with a degree in marketing and mass communication and is a native of Velva, North Dakota.

2. *Consider the Mandan Airport Authority's 2015 Budget.* Dale Klein, Chairman of the Airport Authority provided the Board with an aerial tour of the City of Mandan during the budget request for 2015. This presentation included the new runway project of \$6.1 million and a summary of the airport expenses and upcoming projects.

The Mandan Airport Authority manages the local airport facility. The Authority's five member board is appointed by the City Commission. The Authority is fiscally dependent upon the City because the City Commission levies taxes and must approve any debt issuances. The Authority is reported as a component unit in the City of Mandan's audited financial statements. He stated that the Airport Authority Board approved the 2015 Budget on July 21, 2014. Commissioner Tibke extended a thank-you to Dale Klein for his leadership on the Airport Authority Board of which he has served as a member for several years.

Jim Lawler, Airport Manager, provided a summary review of the proposed 2015 Airport Authority Budget: The City of Mandan has included the following revenues for the Mandan Airport Authority in the City's 2015 Budget:

- Property Taxes (4 Mills) = \$217,850
 - Delinquent Taxes = \$6,400
 - Mobile Home Taxes = \$2,800
 - State Aid Distribution = \$5,600
 - Disabled Veterans Credit = \$1,650
 - Homestead Credit = \$4,000
- Total=\$238,300

Total Income	\$707,150.00
Gross Profit	\$707,150.00

Payroll Expenses	\$ 92,330.00
Fees & Service Chgs	\$ 700.00
Insurance	\$ 7,500.00
Travel/Training	\$ 7,000.00
Utilities	\$ 27,150.00
Publishing/Printing	\$ 2,750.00
Dues/Subscriptions	\$ 2,000.00
Supplies/Maint.	\$313,800.00
Repairs/Maint.	\$ 26,750.00
Capital Outlay	\$ 10,000.00
New Construction	\$ 0.00
Debt Services	\$ 33,000.00
Leasehold Tax	\$ 14,000.00
Revenue Bonds	\$ 78,000.00

Total Expenses	\$619,980.00
Net Ordinary Income	\$ 87,170.00

Other Income/Exp	
Grants, State Aid	\$710,000.00
FAA Grant	\$165,000.00
State Grant	\$625,000.00
Total Other Exp	\$790,000.00

Net Other Income	- \$	80,000.00
Net Income	\$	7,170.00

Mr. Klein stated that there is one more opening on the Airport Authority Board. He stated they are working on an interview process and anticipates that process to be in effect soon. He is also working on moving this from a small business to a big business philosophy.

Commissioner Braun moved to approve the Mandan Airport Authority's 2015 Budget as presented. Commissioner Tibke seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

3. *Consider the Morton Mandan Public Library's 2015 Budget.* Kelly Steckler, Library Director, presented for approval the Morton Mandan Public Library's 2015 Budget. Also present was Rebecca Donovan, MMPL Board President. Director Steckler stated that this particular budget has three areas of focus this year: staffing, technology and capital outlay. A strategic planning group has been established to help the library develop a clear mission, vision and core values for a 5-year plan. A community survey will be distributed to city and county residents via social media, website and paper copies to get feedback.

The City of Mandan has included the following revenues for the Morton Mandan Public Library in the City's 2015 Budget:

- Property Taxes (7 Mills) = \$381,300
 - Delinquent Taxes = \$11,200
 - Mobile Home Taxes = \$4,950
 - State Grants = \$20,000
 - State Aid Distribution = \$10,650
 - Disabled Veterans Credit = \$2,850
 - Homestead Credit = \$7,000
- Total = \$437,950

Ms. Steckler stated that the Library's Board of Trustees approved the 2015 Budget on July 28, 2014.

Commissioner Tibke moved to approve the Morton Mandan Public Library's 2015 Budget. Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

4. *Consider Community Beautification Committee recommendation for appointees.* City Administrator Neubauer reviewed with the Board that there are three open positions on the Community Beautification Committee. A public announcement was placed in July requesting interested persons apply by August 4, 2014. Three individuals submitted

letters of interest by the deadline: Tammy Lapp-Harris, Amy Schmidt, and Dale Schwindt. The CBC met and they recommended that Tammy Lapp-Harris and Amy Schmidt for the remainder of the 2014 terms and Dale Schwindt for the term ending in 2015. Commissioner Tibke extended a thank you to Amy Schmidt for organizing the Clean Up Mandan day that was held.

Commissioner Rohr moved to approve the appointments of Tammy Lapp-Harris and Amy Schmidt for the remainder of the 2014 terms and Dale Schwindt for the term ending in 2015. Commissioner Tibke seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

5. *Consider Emergency Roof Repair for Public Works Building.* Director of Public Works Wright reviewed with the Board the following: To authorize the emergency repair of the Public Works roof to be completed this year before cold weather arrives; on the inside, the roof leaks and poor insulation are the main problems with the roof. On the outside, access doors create safety concerns. Temporary repairs have been attempted but have not solved the problems. The proposed problems would require insulation to cover the roof with rubberized product. Two quotes were received, one from Twin City Roofing in the amount of 94,671 and Tecta America Custom Roofing in the amount of \$111,809. Both companies submitted a bid for the project with September 15, 2014 as a start date and November 30, 2014 completion date. Director Wright recommended accepting the bid from the low bidder Twin City Roofing in the amount of \$94,671.00. He also recommended a budget amendment to the Building Improvement 2014 budget for \$94,671.00. The amendment would be paid for under the City Sales Tax Fund. Finance Director Welch indicated the sales tax would support this project.

Commissioner Braun moved to approve the bid from the low bidder Twin City Roofing in the amount of \$94,671.00 and approve the budget amendment to the Building Improvement 2014 budget for \$94,671.00. Commissioner Laber seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

J. RESOLUTIONS AND ORDINANCES:

1. *Consider Resolution Authorizing Issuance of \$2,490,000 Refunding Improvement Bonds of 2014, Series A.* City Finance Director Welch stated this is a required resolution to complete the financing of the bond sale that took place at the last meeting.

Commissioner Laber moved to approve the Resolution Authorizing Issuance of \$2,490,000 Refunding Improvement Bonds of 2014, Series A. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

2. *First Consideration of Ordinance 1190 Big Sky Estates Rezoning.*

Commissioner Tibke requested viewing the zoning for this neighborhood. Planning & Engineering Director Froseth provided a map of the existing zoning.

Commissioner Laber moved to approve the First Consideration of Ordinance 1190 Big Sky Estates Rezoning and to limit the uses on the 3.2 lots to one or two family dwellings, limit the height of the structures on the multi-family lots to 30 ft. above existing grade and limit the development on the CB zoned lots to multi-family residential, Retail Group A, Service Group A and Office-bank Group uses for:

- ~ Lots 1 & 2, Block 1, Big Sky Estates 3rd Addition Replat from R7 to CB Restricted;
- ~ Lots 1 & 2, Block 2, Big Sky Estates 3rd Addition Replat from R7 to CB Restricted;
- ~ Lots 1-3, Block 1, Big Sky Estates 5th Addition Replat from R7 to CB Restricted;
- ~ Lots 9-13, Block 4, Big Sky Estates 3rd Addition Replat from R7 to RM Restricted;
- ~ Lots 4 & 5, Block 1, Big Sky Estates 3rd Addition Replat from R7 to R3.2 Restricted;
- ~ Lots 1-4, Block 2, Big Sky Estates 3rd Addition Replat from R7 to R3.2 Restricted;
- ~ Lots 7 & 8, Block 2, Big Sky Estates 3rd Addition Replat from R7 to R3.2 Restricted;
- ~ Lots 1-4, Block 1, Big Sky Estates 4th Addition Replat from R7 to R3.2 Restricted;

And to restrict the development on the R3.2 lots to 1 and 2 family structures.

Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: No; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

3. *Consider the introduction and first consideration, and call for a public hearing of Ordinance No. 1189 making the annual appropriations for expenditures or expenses of the City of Mandan, North Dakota, for the fiscal year commencing January 1, 2015, and ending December 31, 2015, and making the annual tax levy for the year 2014.*

Commissioner Rohr was excused from the meeting at this time for a personal matter.

Finance Director Greg Welch presented the following introduction and first consideration, and call for a public hearing of Ordinance No. 1189 adopting the 2015 Budget.

The City of Mandan is required to prepare the annual Budget in accordance with the Municipal Budget Law (North Dakota Century Code Chapter 40-40) and also with existing City Ordinances, Resolutions, contracts and agreements. In addition to these legal requirements, the City's Significant Budget Policies provide further direction and guidance to the budgeting process. The Preliminary 2015 Budget is in compliance with these legal requirements and City Policies. The proposed Budget for 2015 is submitted to you as a recommendation from the City's Budget and Finance Committee. The City's Budget and Finance Committee consists of the following members: Sandy Tibke, City Commissioner (Finance Portfolio), Jim Neubauer, City Administrator, and Greg Welch, Finance Director.

REVENUES

Total = \$27,044,600

- Property Taxes = \$3,567,900 or 13%
- 1% City Sales Taxes = \$2,817,100 or 10%
- Other Taxes = \$705,600 or 3%
 - 1% Restaurant and Lodging Taxes = \$435,050
 - 2% Occupancy Taxes = \$65,350
- Licenses and Permits = \$1,085,950 or 4%
 - Building Inspection Permits = \$615,550
 - Cable TV Franchise Fees = \$339,750
- Intergovernmental = \$3,975,900 or 15%
 - State Aid Distribution = \$2,112,100
 - Highway Tax Distribution = \$1,337,800
 - Fire Insurance Taxes = \$126,250
- Water, Sewer, Solid Waste, Street Light Utility Charges = \$9,375,500 or 35%
- Other Charges for Services = \$481,650 or 2%
 - Fuel (City Shop) = \$240,550
 - Grave Opening and Closing (Cemetery) = \$47,050
- Fines and Forfeits = \$238,300 or 1%
- Special Assessments = \$4,420,750 or 16%
- Miscellaneous = \$375,950 or 1%
 - Loan Repayments (Mandan Growth Fund) = \$20,400
 - Sale of Lots (Cemetery) = \$37,250

EXPENDITURES

Total = \$27,413,350

- Salaries and Benefits = \$9,888,700 or 36%
 - Salaries = \$7,355,700
 - Benefits = \$2,533,000
- Operations and Maintenance = \$6,900,800 or 25%
- Debt Service-Principal and Interest = \$8,801,050 or 32%
- Capital Outlay = \$1,822,800 or 7%

MAJOR FUNDS

All Major Funds have met required minimum fund balance operating reserves.

- Provides for economic stability.
- Assists in maintaining the City's bond rating.
- General Fund and Cemetery Fund = 17%
- Utility Funds = 25%

Condensed Operating Statements:

- General Fund
 - Committee recommends renaming Weed Control Department to Grounds Maintenance Department.
- Cemetery Fund

- Mandan Growth Fund
- Water and Sewer Utility Fund:
 - Base Rate increase:
 - Residential = \$3.65 per month
 - Commercial and Industrial = \$7.30 per month
 - Apartment (3+ units) = \$10.95 per month
 - Purpose: \$5.3M Wastewater Treatment Plant Interim Optimization Improvement Project (State Revolving Fund Loan)
 - The annual increase in the Utility Bill for a residential customer using 8 units (6,000 gallons or 800 cubic feet) of water per month = \$44
- Solid Waste Utility Fund
- Street Light Utility Fund

TAXABLE VALUATION

Taxable Valuation (estimated) = \$57,337,840

- Increase from Tax Year 2013 (2014 Budget) = 11.6%
- 1 Mill = \$57,338
- Increase from 2013 to 2014:
 - Residential property = 12.8%
 - Commercial property = 8.8%

MILL LEVY

Mill Levy = 76.50 Mills

- Decrease from Tax Year 2013 (2014 Budget) = 5.28 Mills
- City's share of 1 Mill for Tax Year 2013 (2014 Budget) = 24%

PROPERTY TAXES

Property Taxes = \$4,386,468

- Increase from Tax Year 2013 (2014 Budget) = \$185,870
 - New construction = \$101,297
 - Existing property = \$84,573
- The increase in the City property taxes for an existing residential home valued at \$225,000 with an average valuation increase of 9% (Board of Equalization) in the true and full value, excluding special assessments = \$16

SALARIES AND BENEFITS

Salaries = \$7,355,700

- Increase from 2014 Budget (revised) = \$390,350
- Salary ranges for comparable positions are at 95% of the City of Bismarck.
 - Future market adjustments based on the annual Salary Study will be effective January 1.
 - Cost = \$301,550
- Performance adjustments = 1.5%
 - Consumer Price Index (Midwest urban less than 50,000)
 - Cost = \$50,300
- New part-time employees = 2

-
- Municipal Court = 1 (Administrative Assistant)
 - Engineering Department = 1 (Assistant Engineering Technician)
 - Cost = \$23,100
 - 2014 Budget
 - Committee recommends request from Police Department for Compliance Enforcement Officer full-time position contingent upon available funds from unfilled positions in the Department during 2014 to be transferred to 2015 Budget.
 - Cost = \$0

Benefits = \$2,533,000

- Increase from 2014 Budget (revised) = \$279,350
- Committee recommends increasing City Pension contribution from 8% to 10% for eligible police and fire employees with an additional 2% contribution match from same employees.
 - Purpose: employee recruitment and retention.
 - Cost = \$60,000
- Health Insurance monthly premiums are fixed until June 30, 2015.
 - Increase (estimated), effective July 2015 = 15%
 - Cost = \$120,600
- Committee recommends conducting a Benefits Analysis Study.

Salaries and Benefits = \$9,888,700

- Increase from 2014 Budget (revised) = \$669,700

OPERATIONS AND MAINTENANCE

Operations and Maintenance = \$6,900,800

- Decrease from 2014 Budget (revised) = \$105,900
- Increase in departmental base spending = \$231,000
 - General Fund = \$164,450
 - Planning and Zoning Department = \$16,200
 - Engineering Department = \$50,500
 - Information Technology Department = \$28,600
 - Police Department = \$33,850
 - Fire Department = \$10,550
 - Building Inspection Department = \$10,800
 - Cemetery Fund = \$4,200
 - Mandan Growth Fund = \$1,450
 - Business Development/Communications
 - Water and Sewer Utility Fund = \$44,900
 - Utility Billing Department = \$11,300
 - Wastewater Treatment = \$32,300
 - Solid Waste Utility Fund = \$16,000

DEBT SERVICE

Debt Service-Principal and Interest = \$8,801,050

- Total Principal and Interest = \$75,221,558
 - Principal = \$63,763,951
 - Interest = \$11,457,607
- Bonded Indebtedness:
 - General Obligation Bonds = \$802,628
 - Special Assessment Bonds = \$40,914,253
 - Committee will continue discussions concerning Developer Agreements for new subdivisions.
 - Revenue Bonds/State Revolving Fund Loans = \$33,504,677
- Amortization:
 - % of Debt Service retired in 10 years = 83%
 - % of Debt Service retired in 15 years = 97%
- \$5.3M Loan is anticipated from the Clean Water State Revolving Fund (CWSRF) Program to finance the Wastewater Treatment Plant Interim Optimization Improvement Project.
 - Project is included in City's Capital Improvement Program and North Dakota Department of Health's CWSRF Intended Use Plan.
- Bond Rating = A1

CAPITAL OUTLAY

Capital Outlay = \$1,822,800

- General Fund = \$272,600
 - Information Technology Department = \$31,850
 - Computer Equipment
 - Police Department = \$124,100
 - Communications Center Equipment (City share)
 - Vehicle (Administration/Investigations)
 - Vehicle (Patrol)
 - Building Inspection Department = \$41,800
 - Office Expansion
 - Vehicle (Inspections)
 - Street Department = \$74,850
 - Snow Plow and Coupler (Loader)
 - Lease 2 Front End Loaders (Street Maintenance/Snow Removal)
 - ½ Ton Vehicle (Superintendent)
- City Sales Tax Fund = \$230,000
 - Memorial Highway Traffic Signals (NDDOT-City share)
 - Downtown Street Maintenance Project-Phase II (Engineering)
- Water and Sewer Utility Fund = \$982,400
 - Waterline Maintenance Department = \$420,550
 - Watermain Replacement Project (Capital Improvement Program)
 - Sewerline Maintenance Department = \$397,650

-
- Odor Control Project (Capital Improvement Program)
 - Sewermain Replacement Project (Capital Improvement Program)
 - Meter Reading Department = \$137,500
 - Water Meters (new construction)
 - Solid Waste Utility Fund = \$283,800
 - Lease Front End Loader (Landfill)
 - Tandem Truck w/Hook and Tarp System (Compost/Compaction Boxes)
 - Asphalt/Concrete Crushing Project (Landfill)
 - Street Light Utility Fund = \$54,000
 - LED Lights Replacement Project
 - Transfer from City Sales Tax Fund

Public Works Director Wright reported on the Water Main Replacement Project and stated that it is an annual scheduled project. The Public Works Department identified water mains that need to be replaced typically old cast iron pipe that are under-sized and failing. This year's project will be on the east side of Mandan between Mandan Avenue and 4th Avenue Northeast and it will comprise of approximately 10-13 blocks (of water main replacement).

TRANSFERS

Transfers = \$3,745,450

- General Fund = \$167,350
- Highway Distribution Fund = \$1,337,800
 - Street Department-Maintenance
- City Sales Tax Fund = \$2,168,700
 - Property Tax Reduction = \$1,408,550 or 24.57 Mills
 - Contribution % = 50%
 - Business and Economic Development = \$250,000
 - Debt Service = \$141,100
 - Sunset Drive Project = \$33,350
 - Water and Sewer Rate Stabilization = \$281,700 or \$2.60 per month
 - Contribution % = 10%
 - Committee recommends retroactive \$258,250 Transfer to 2014 Budget.
 - LED Lights Replacement Project = \$54,000

ANNUAL COST FOR CITY SERVICES

The annual cost for City services for an existing \$225,000 residential home with an average valuation increase of 9% (Board of Equalization) and using 8 units of water per month, excluding special assessments = \$1,766

- Increase from 2014 Budget = \$60

The City will publish a Notice of Public Hearing on August 29, 2014 for the second and final consideration of Ordinance No. 1189 adopting the 2015 Budget on September 16, 2014. The Preliminary 2015 Budget will also be posted on the City's website at cityofmandan.com.

The Budget and Finance Committee has three goals to achieve in the near future:

- To develop a formal Special Assessments Policy.
- To develop an Infrastructure and Development Policy.
- To develop a Debt Management Policy.

Finance Director Welch stated that these are three different policies that relate to one another. The Budget and Finance Committee will work on the development of these policies once this Budget is approved.

Commissioner Laber moved to approve the introduction and first consideration, and call for a public hearing of Ordinance No. 1189 making the annual appropriations for expenditures or expenses of the City of Mandan, North Dakota, for the fiscal year commencing January 1, 2015, and ending December 31, 2015, and making the annual tax levy for the year 2014. Commissioner Tibke seconded the motion. Roll call vote: Commissioner Rohr: Absent; Commissioner Tibke: Yes; Commissioner Braun: Yes; Commissioner Laber: Yes; Commissioner Van Beek: Yes. The motion passed.

K. OTHER BUSINESS

1. Commissioner Laber extended a thank you to the City staff for the nice work done on the City of Mandan Facebook page and website as well as other electronic accessibility to the City's information.

There being no further actions to come before the Board of City Commissioners, Commissioner Tibke moved to adjourn the meeting at 7:25 p.m. Commissioner Rohr 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