
The Mandan City Commission met in regular session at 5:30 p.m. on August 21, 2012 in the Ed “Bosh” Froehlich Room at City Hall, Mandan, North Dakota. Commissioners present were Van Beek, Tibke, Rohr, Frank, and Braun. Department Heads present were: Finance Director Welch, Police Chief Bullinger, City Attorney Brown, Director of Public Works Wright, Fire Chief Nardello, Business Development and Communications Director Huber, and Engineering Project Manager Bechtel. Absent: City Administrator Neubauer and City Assessor Barta.

MINUTES: *Consider approval of the minutes for August 7, 2012 regular meeting minutes.* Commissioner Frank moved to approve the minutes, as amended, of the August 7, 2012 regular meeting minutes. Commissioner Braun seconded the motion. The motion received unanimous approval of the members present. The motion passed.

PUBLIC HEARING:

BIDS:

1. *Consider Bid for the Abrasive Blast and Coating of 2 Million Gallon Concrete Reservoir Dome.* Duane Friesz, Water Treatment Plant Superintendent, presented to the Board for consideration for approval the bid for the abrasive blast and coating of two million gallon concrete reservoir dome. He stated that six bids were received and the lowest bid was from Oxentenko, Inc. in the amount of \$56,887.50. He recommended accepting the bid.

Commissioner Frank moved to approve the bid award to Oxentenko, Inc. in the amount of \$56,887.50 for the Abrasive Blast and Coating of 2 Million Gallon Concrete Reservoir Dome project. Commissioner Rohr seconded the motion. Mayor Van Beek recommended that consideration be given to doing increment coatings in the future on a rotational basis in order to spread the cost out over a period of time rather than doing it in one lump sum. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

CONSENT AGENDA:

1. *Consider approval of monthly bills.* The Board approved of the monthly bills. MONTANA-DAKOTA UTILITIES - 4,446.60; ADVANCED ENGINEERING SVC - 24,001.91; AMERICAN PUBLIC WORKS AS - 164.00; AMERICAN WATER WORKS ASS - 70.00; AMERIPRIDE LINEN & APPAR - 89.89; BARTA/RICHARD - 1,155.25; BIS-MAN CONVTVN & VISITOR - 4,068.18; BIS-MAN TRACTORS & EQUIP - 48.00; BIS-MDN TRANSIT BOARD - 2,515.80; BULLINGER TREE SERVICE - 168.75; CBI BUSINESS SERVICES - 7,075.50; CENEX- FUOC BISMARCK-MAN - 25,472.80; CITY OF MANDAN - 151.65; COLE PAPERS INC - 91.68; COOLING & HEATING UNLIMI - 80,553.00; CRETEX CONCRETE PRODUCTS - 1,266.40; DAKOTA COMMUNICATION SVC - 30.00; DAKOTA FIRE STATION INC - 50.45; DAKOTA TOWING - 155.00; DANDEE SERVICES INC. - 3,000.00; DIRECTMED - 305.92; EDLING ELECTRIC INC - 1,052.70; ELECTRO WATCHMAN, INC - 136.00; ETHANOL PRODUCTS - 2,167.48; FETZER ELECTRIC, LLC - 1,099.91; FUSION INTEGRATED TECHNO - 4,433.77; GRAY OIL COMPANY - 1,588.93; HACH COMPANY - 975.83; HAGEMEYER NORTH AMERICA, - 83.40; HALFTONED APPAREL - 15.00; HAWKINS INC - 2,610.50; HOUSTON ENGINEERING, INC - 21,579.83; HUB INTERNATIONAL OF ND - 0.00; INTERSTATE POWERSYSTEMS - 380.76;

KNIFE RIVER - 715.63; MANDAN AIRPORT AUTHORITY - 5,033.60; MANDAN PARK BOARD - 2,200.00; MARINER CONSTRUCTION INC - 6,566.31; MATTHEW BENDER CO - 56.94; MERRICK INDUSTIES - 981.34; MID DAKOTA CLINIC - 197.68; MIDWEST TESTING LAB INC - 2,846.00; MORTON COUNTY AUDITOR - 12,483.33; MORTON MANDAN PUBLIC LIB - 22,149.91; MVTL LABORATORIES, INC - 317.00; ND ASSOC OF ASSNG OFFCRS - 660.00; NDACO RESOURCES GROUP - 1,001.51; NEWMAN TRAFFIC SIGNS - 500.00; NORTHERN IMPROVEMENT CO - 116,662.60; PETROLEUM TANK RELEASE C - 100.00; QUALITY SERVICE - 55.00; ROTO-ROOTER SEWER & DRAI - 130.00; RUNNING'S SUPPLY INC - 2,368.24; STEIN'S INC - 134.46; THRIFTY WHITE STORES - 9.99; TIME RENTAL - 20.00; WE-SHIP-ETC.INC - 10.80; WEBQA INC - 3,300.00; WENCK ASSOCIATES, INC - 165.00; CENTURYLINK - 5,908.42; AT & T - 648.05; ADVANCED BUSINESS METHOD - 17,789.82; ADVANCED ENGINEERING SVC - 27,978.44; ASPEN EQUIPMENT - 370.22; AT & T MOBILITY - 447.95; BALABAN LAW OFFICE - 1,500.00; BANK OF NORTH DAKOTA - 1,808,675.15; CENTURYLINK - 147.99; COMPANION LIFE - 10.00; D & E SUPPLY COMPANY INC - 98.04; DAKOTA FENCE COMPANY - 1,650.00; DAKOTA MEDIA ACCESS - 6,302.17; FERGUSON WATERWORKS - 1,568.37; FORT DEARBORN LIFE - 427.21; GARDINER/LUKE R. - 1,184.05; GLASS/THOMAS J. - 1,500.00; GORMAN/MIKE - 11,660.00; HAGEMEYER NORTH AMERICA, - 37.96; HAWKINS INC - 1,120.00; HEWLETT-PACKARD COMPANY - 630.02; HUB INTERNATIONAL OF ND - 17.00; KELSCH KELSCH RUFF & KRA - 4,000.00; KO INVESTMENTS, LLC - 52,965.04; LILLIS ELECTRIC INC. - 301.60; MANDAN PARK BOARD - 133,732.39; MILLER/CASEY - 182.50; MONTANA-DAKOTA UTILITIES - 46,637.85; MORTON COUNTY HIGHWAY DE - 20,568.65; ND DEPT OF TRANSPORTATIO - 833.23; NEUSTEL/KENT - 844.99; POSTMASTER - 2,300.00; PRINT ON IT - 188.00; QUAM CONSTRUCTION CO INC - 314,600.00; SKINNER'S ROLL-OFF SERVI - 5,510.00; TARGET BANK - 5.11; TRAFFIC SAFETY SERVICES - 2,225.00; WEST DAKOTA UTILITY SERV - 751.44; ND PERS - 80,053.75; MONTANA-DAKOTA UTILITIES - 5,188.62; A & B PIZZA INC. - 122.85; ABM EQUIPMENT & SUPPLY I - 475.29; ACE 24 HR TOWING - 40.00; ACME ELECTRIC - 208.37; ADVANCED BUSINESS METHOD - 249.13; ADVANCED ENGINEERING SVC - 406.00; AIRE MASTER OF ND - 70.00; ALLIANCE CONCRETE LLC - 400.00; AMERICAN WELDING SUPPLIE - 21.70; AMERIPRIDE LINEN & APPAR - 93.44; ARMSTRONG SANIT & ROLL O - 37,316.80; ARROWHEAD CLEANERS & LAU - 574.35; ASSOCIATED SUPPLY CO., I - 188.80; AUDIOVISUAL INC. - 185.24; BILL BARTH FORD INC - 889.70; BIS-MDN TRANSIT BOARD - 236.24; BISMARCK TRIBUNE/THE - 3,874.00; BROWN/MALCOLM H. - 4,500.00; BULLINGER TREE SERVICE - 500.00; BUTCHER BLOCK MEATS - 23.94; BUTLER MACHINERY COMPANY - 801.04; CBI BUSINESS SERVICES - 7,049.20; CENEX- FUOC BISMARCK-MAN - 59.27; CENTURYLINK - 1,711.35; CHEMSEARCH - 226.85; CITY AIR MECHANICAL INC - 320.00; CITY OF MANDAN - 270.65; COMPUTER PROFESS UNLIMIT - 80.00; CONCRETE MUDJACKING SERV - 800.00; CRESCENT PRNT & OFFICE P - 1,547.12; CROSS COUNTRY COURIER - 62.06; CUSTER DISTRICT HEALTH U - 1,014.17; D & E SUPPLY COMPANY INC - 1,442.52; DAKOTA COMMUNICATION SVC - 679.80; DAKOTA STAFFING SOLUTION - 151.50; DAKOTA TOWING - 155.00; DAN'S SUPERMARKET - 39.68; DIRK PLUMBING & HEATING - 984.44; EIDE FORD, MERC, LCLN IN - 440.60; ENTERPRISE SOLUTIONS INC - 865.00; ENVIRONMENTAL TOXIITY CO - 275.00; ETHANOL PRODUCTS - 2,276.27; FACTORY MOTOR PARTS COMP - 422.20; FARGO WATER EQUIPMENT CO - 9,635.75; FASTENAL COMPANY/THE - 436.46; FERGUSON WATERWORKS - 13,753.53; FETZER ELECTRIC, LLC - 5,825.89; FIRE SAFETY USA - 20.00; FLECK/VICKI - 15.77; FUSION INTEGRATED TECHNO - 11,764.88; GEIGER SMALL ENGINE - 67.00; GRAND CENTRAL, INC. - 31.42; GRAY OIL COMPANY - 0.00; GREAT PLAINS TECHN SVCS - 629.00; GRUEBELE/JAYLA - 500.00; GUARDIAN LOCK & SAFE - 82.89; HALFTONED APPAREL INC. - 24.00; HAWKINS INC - 1,120.00; HEDAHL'S OF MANDAN INC - 751.54; HIRSCH FLORIST INC. - 65.00; IGEAR - 285.00; INFORMATION TECHNOLOGY D - 940.94; INLAND TRUCK PARTS - 1,965.69; INTERGOVERNMENTAL SHOP - 18,066.19; INTERSTATE ALL BATTERY C - 16.80; JOHN E.

REID AND ASSOC. - 420.00; JT SERVICES INC - 281.34; KADRMAS, LEE & JACKSON, - 3,932.00; KELLER MACHINE - 126.00; KNIFE RIVER - 927.93; KOSTELECKY/EVE - 516.00; KROH/FAYE - 52.98; KUPPER CHEVROLET INC - 46.96; LEROY'S TESORO - 17.16; MANDAN AIRPORT AUTHORITY - 472.98; MANDAN FIRE DEPARTMENT - 583.33; MANDAN MUNICIPAL COURT - 520.00; MANDAN NW PIPE FITTINGS - 6.15; MANDAN PARK BOARD - 600.00; MANDAN TIRE CENTER - 1,042.22; MARINER CONSTRUCTION INC - 12,223.60; MEDCENTER ONE INC - 25.00; MET PRO CORPORATION - 12,222.09; MIDWAY DIESEL & ELECTRIC - 38.38; MIDWEST TESTING LAB INC - 3,521.25; MISSOURI WEST WATER SYST - 44.10; MJM ENTERPRISES - 3,961.44; MOR-GRAN-SOU ELECTRIC CO - 10,522.76; MORTON COUNTY RECORDER - 48.00; MORTON MANDAN PUBLIC LIB - 14,169.92; MVTL LABORATORIES, INC - 261.00; NAPA AUTO PARTS - 298.39; ND SOCIETY OF CPA - 135.00; ND STATE DEPT OF HEALTH - 320.00; NELSON LEASING INC DBA - 72.62; NEWMAN TRAFFIC SIGNS - 500.00; NORTHERN IMPROVEMENT CO - 81.81; NORTHERN PLAINS EQUIP CO - 263.01; NORTHERN STATE SUPPLY IN - 440.00; O'REILLY AUTOMOTIVE, INC - 59.96; ONE CALL CONCEPT INC - 363.75; PIZZA RANCH - 66.00; POUR MOR INC. - 15,146.00; POWERPLAN - 1,992.48; PRAXAIR - 25.95; PRESORT PLUS - 678.84; PRINT ON IT - 61.48; PRO BUILD COMPANY - 26.34; RHI SUPPLY REFRIG. HEATI - 98.44; RK ELECTRIC - 7,809.00; ROTO-ROOTER SEWER & DRAI - 1,175.00; ROUGH RIDER INDUSTRIES - 402.94; RUNNING'S SUPPLY INC - 631.23; RYAN CHRYSLER DODGE OF B - 127.95; SCHEELS OF BISMARCK - 659.98; SCHWAN BUICK GMC CADILLA - 901.16; SHERWIN-WILLIAMS COMPANY - 197.25; STEIN'S INC - 456.10; SWANSTON EQUIPMENT CORPO - 3,587.53; TITAN MACHINERY INC - 3,393.20; TOMAN ENGINEERING CO - 89,834.23; UNIFORM CENTER & EMBROID - 1,376.45; URS CORPORATION - 276.99; VERIZON WIRELESS SERVICE - 1,627.36; VISION TECHNOLOGY INC - 56.25; WASTE MANAGEMENT OF ND, - 1,637.88; WEHRI/RADEANNA - 630.00; WELLS FARGO REMITTANCE C - 12,595.61; WINKLER/JOEL - 59.60; WOODMANSEES INC - 76.78;

2. *Consider approval of authorized check signers for the Mandan Consortium relating to the U.S. Department of Treasury's State Small Business Credit Initiative Allocation Agreement.* The Board approved of the authorized check signers for the Mandan Consortium relating to the U.S. Department of Treasury's State Small Business Credit Initiative Allocation Agreement.

3. *Consider approval of Sunday Opening for Mandan Eagles Club for August 26, 2012.* The Board approved of the Sunday Opening for Mandan Eagles Club for August 26, 2012.

5. *Consider approval of site authorization for American Foundation for Wildlife at the Lakewood Bar & Grill (The Drink) from August 24, 2012 through June 30, 2013.*

The Board approved of a site authorization for American Foundation for Wildlife at the Lakewood Bar & Grill (The Drink) from August 24, 2012 through June 30, 2013.

Commissioner Tibke moved to approve the Consent Agenda as presented. Commissioner Frank requested Item No. 4 be removed for discussion. Commissioner Tibke moved to amend the motion approving only Items No. 1, 2, 3, and 5 of the Consent Agenda as presented. Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

Consent Agenda Item No. 4: Consider entering into a Mutual Aid Agreement with the Bismarck Fire Department. Commissioner Frank commented that she had a question with regard to the Mutual Aid Agreement that we may have with the County. She said

this appears to include a reimbursement clause. She inquired if there was a similar clause in the agreement with the rural fire department; and if not, is that something that should be pursued. Fire Chief Nardello responded to the questions raised by stating “No” the City of Mandan does not have similar wording in the other agreements. The last time one was updated with Bismarck was in 1999. He stated that the State of North Dakota has come up with a model agreement, this being the first one in this area. Chief Nardello stated that moving forward with future agreements, this model will be used.

Commissioner Frank moved to approve the Mutual Aid Agreement with the Bismarck Fire Department and the Mandan Fire Department. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

OLD BUSINESS:

NEW BUSINESS:

1. *Consider the creation of, approval of the feasibility report for, approve the plans and specifications for, and authorize a call for bids on Street Improvement District No. 173, Project No. 2012-14 (Meadows 5th Addition).* Engineering Project Manager Bechtel reviewed with the Board a request to create and allow the assessments of specials related to and also to authorize the required paperwork for the project and to allow for a change order on the existing project. This project would allow for another 29 lots for a total cost of approximately \$476,734.38. Six of the lots would be assessed approximately \$9,167.97 per lot and all other lots approximately \$18,335.94. Bechtel stated that in addition to this request they are requesting a change order with Northern Improvement. Bechtel stated that the compaction requirement has gone through as requested as this was a concern previously on the road in this area.

Commissioner Frank moved to approve the creation of, approval of the feasibility report for, approve the plans and specifications for, and authorize a call for bids on Street Improvement District No. 173, Project No. 2012-14 (Meadows 5th Addition). Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

2. *Consider the execution of a 3-way agreement for the installation of water & sewer in Meadows 5th Addition. (Project #2012-15).* Engineering Project Manager Bechtel stated that this is a follow up to the previous approval for this street within this Addition. The 3-way contract will allow the installation of the water and sewer at the developer’s cost.

Commissioner Frank moved to approve the execution of a 3-way agreement for the installation of water & sewer in Meadows 5th Addition (Project #2012-15) for the construction of the second project. Commissioner Frank seconded the motion. Roll call

vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

3. *Consider the creation of, approval of the feasibility report for, approve the plans and specifications for, and authorize a change order for Street Improvement District No. 174, Project No. 2012-16 (Plainview Heights 13th Addition).* Engineering Project Manager Bechtel stated this request is from Lee Mitzel and is located in the southeast part of town. This will create approximately 27 single family lots. The cost for the construction is \$442,000 which brings the specials to approximately \$17,000 per lot. Bechtel explained that the naming of the streets is up to the developer and the engineer, however, all proposed street names are run through a Emergency Services database so there is no duplication with any of the existing Mandan or Bismarck streets.

Commissioner Tibke moved to approve the creation of, approval of the feasibility report for, approve the plans and specifications for, and authorize a change order for Street Improvement District No. 174, Project No. 2012-16 (Plainview Heights 13th Addition). Commissioner Frank seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

4. *Consider the execution of a 3-way agreement for the installation of water & sewer in Plainview 13th Addition. (Project #2012-17).* Engineering Project Manager Bechtel stated that this is a follow up to the previous approval on this street within this Addition. The 3-way contract will allow the installation of the water and sewer at the developer's cost.

Commissioner Tibke moved to approve the execution of a 3-way agreement for the installation of water & sewer in Plainview 13th Addition. (Project #2012-17). Commissioner Frank seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

5. *Consider City Attorney Brown's written opinion as to Prairie Ridge Estates Subdivision with regard to whether the City of Mandan or the Morton County Commission has planning and zoning jurisdiction over the north/south section line which separates Sections 4 and 5, 139N-8W.* City Attorney Brown stated that the lot in question is Lot 11 and is located on the far western edge of Prairie Ridge Estates, a rural subdivision of Mandan's extraterritorial jurisdiction. He explained that when the home was built on Lot 11 it was permitted to be built within the West 33 feet of lot 11, the former section line right of way. The west lot line of Lot 11 is on the section line. Attorney Brown recommended that the Commission formally recognize that the section line right of way on the west 33 feet of the lot on Lot 11, Block 1, Prairie Ridge Estates Subdivision, does not exist.

Commissioner Rohr motioned that the Commission accept and adopt the City Attorney's opinion that the City had planning and zoning authority over the East 33 feet of the

section line which separates Sections 4 and 5, Township 139 North, Range 81 West, as it concerns Lot 11, Block 1, of the Prairie Ridge Estates Subdivision, and that the platting of said subdivision vacated the section line within said Lot 11. Commissioner Frank seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

6. *Consider appointments to a Morton/Mandan Jail Review Committee.* Morton County Sheriff Dave Shipman gave a brief summary for the new commissioners of what has transpired over the past several months regarding establishing a Morton/Mandan Jail review committee whose purpose is to discuss the option of Morton County building a joint detention facility with Burleigh County, and to discuss funding options. He stated that Kimme and Associates recently completed a jail study presented to Burleigh, Morton, City of Mandan and City of Bismarck wherein their recommendation is to build a joint detention facility in Burleigh County. Shipman stated that both Burleigh and Morton County have appointed representatives to serve on this committee. In addition, Bismarck is looking into involvement on the committee, as well as funding options. The City of Mandan is also being asked to appoint representatives. Shipman recommended that Mayor Van Beek, Commissioner Braun and Chief Bullinger be appointed to represent the City of Mandan.

Commissioner Frank suggested that a female be appointed as one of the representatives to the Morton/Mandan Jail Review Committee. She recommended that Commissioner Tibke be appointed to represent Mandan. Commissioner Tibke responded that she has been involved in the MBBM jail study process since it began and she would be willing to take the assignment if given.

Commissioner Frank motioned to appointment Mayor Van Beek, Commissioner Tibke, and Chief Bullinger as representatives on the Morton/Mandan Jail Review Committee. Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

7. *Consider the Mandan Airport Authority's 2013 Budget.* Jim Lawler, Mandan Airport Manager, presented the Mandan Airport Authority 2013 Budget. He stated that currently the airport runway is under construction with complete removal of the old one from the base ground up and replacing it with a new one. He indicated it is a \$4.75 million project with a 90/10 match. (With 5% coming from the State and 5% from the City along with the 90% federal funds.) Commissioner Frank asked if the airport has considered offering a jet service. Lawler replied that the request for jet service is in the master plan to extend our runway to 5000 feet. He stated that the need is not quite there at this time explaining that it is a 5-year process from start to finish in order to complete the study.

Commissioner Frank motioned to accept Mandan Airport Authority's 2013 Budget.

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

8. *Consider the Morton Mandan Public Library's 2013 Budget.*

Kelly Steckler, Morton Mandan Public Library (MMPL) Director, presented the following request for approval of the Morton Mandan Public Library's 2013 Budget:

Revenues:

Taxes	\$328,600
Intergovernmental	\$233,500
Charges for Services	\$ 2,850
Fines and Forfeits	\$ 5,000
<u>Miscellaneous</u>	<u>\$ 45,100</u>
Total Revenues:	\$615,050

Expenditures:

Salaries and Benefits	\$377,200
Fees and Other Service Charges	\$ 23,500
Insurance	\$ 2,900
Rentals	\$ 1,000
Travel and Training	\$ 3,500
Utilities	\$ 20,200
Publishing and Printing	\$ 2,000
Library Materials	\$107,100
Supplies and Maintenance	\$ 34,900
Repairs and Maintenance	\$ 31,000
Capital Outlay	\$ 2,000
<u>Transfers</u>	<u>\$ 60,000</u>
Total Expenditures:	\$665,300

Commissioner Tibke moved to approve the Morton Mandan Public Library's 2013 Budget as presented. Commissioner Frank seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed

9. *Consider appointment to the Morton Mandan Public Library (MMPL) Board of Trustees.* Kelly Steckler, MMPL Director reviewed with the Board the vacancies on the MMPL Board of Trustees stating there are currently three openings, two city and one county, that occurred on June 30, 2012. She reported that David Leingang submitted a letter of request to fill one of the city Trustee positions. Steckler recommended appointing David Leingang to one of the three open positions on the MMPL Board of Trustees.

Commissioner Tibke moved to approve the appointment of David Leingang to the Morton Mandan Public Library (MMPL) Board of Trustees to a three-year term to be held July 2012 to June 2015. Commissioner Frank seconded the motion. Roll call vote:

Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes;
Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed

10. Consider the creation of Street Improvement District No. 175 Project # 2012-18. (Meadow Ridge 1st & 2nd Addition). Engineering Project Manager Bechtel reviewed with the Board a request from Mike Wachter requesting the special assessment of streets within the Meadow Ridge 1st and 2nd plats. The location of the plats is the southeast corner of 8th Avenue NW and 27th Street NW in the Terra Vallee area. The roads to be paved would be 6th Avenue NW and all of Meadow Ridge 2nd (Cul-de-Sac street). The total cost is estimated at \$362,603.56 and the specials would be spread over the three large residential multi-family lots. Bechtel recommended approval for the creation of the district.

Commissioner Frank moved to approve creation of Street Improvement District No. 175 Project # 2012-18. (Meadow Ridge 1st & 2nd Addition). Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

RESOLUTIONS & ORDINANCES:

1. Consider the introduction and first consideration, and call for a public hearing of Ordinance No. 1129 making the annual appropriations for expenditures or expenses of the City of Mandan, North Dakota, for the fiscal year commencing January 1, 2013, and ending December 31, 2013, and making the annual tax levy for the year 2012. Finance Director Greg Welch presented the following introduction and first consideration, and call for a public hearing of Ordinance No. 1129 adopting the 2013 Budget.

BACKGROUND

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 2013 Budget is in compliance with these legal requirements and City Policies. The proposed Budget for 2013 is submitted to the Board 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
- Greg Welch, Finance Director

REVENUES

Total = \$24,695,700

- Property Taxes = \$3,656,350 or 15%
- 1% City Sales Taxes = \$1,928,050 or 8%
 - YTD - increase of 25% from 2012 YTD
 - 2009 to 2011 - increase of 6.4%

- Other Taxes = \$733,450 or 3%
 - 1% Restaurant and Lodging Taxes
 - 2% Occupancy Taxes
- Licenses and Permits = \$619,850 or 2%
- Intergovernmental = \$3,307,150 or 13%
 - State Aid Distribution
 - 2009 to 2011 - Increase of \$553,514 or 65%
 - Highway Tax Distribution
- Water, Sewer, Solid Waste, Street Light Utility Charges = \$8,009,800 or 32%
- Other Charges for Services = \$503,200 or 2%
 - Fuel (City Shop to departments)
 - Grave Opening and Closing (Cemetery)
- Fines and Forfeits = \$182,700 or 1%
- Special Assessments = \$5,368,950 or 22%
- Miscellaneous = \$386,200 or 2%
 - Interest
 - Loan Repayments (Mandan Growth Fund)
 - Sale of Lots (Cemetery)

EXPENDITURES

Total = \$24,125,050

- Salaries and Benefits = \$7,571,000 or 31%
 - Overtime non-grants = \$205,350
 - Overtime grants = \$29,600
- Operations and Maintenance = \$6,371,600 or 26%
- Debt Service-Principal and Interest = \$8,327,900 or 35%
- Capital Outlay = \$1,854,550 or 8%

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
- Cemetery Fund
- Mandan Growth Fund
- Water and Sewer Utility Fund:
 - Base Rate increase:
 - Residential = \$1.70 per month
 - Commercial and Industrial = \$3.40 per month
 - Apartment (3+ units) = \$5.10 per month

Purpose: Debt Service for \$4.1M of improvement projects financed through the State Revolving Fund (SRF) Program.

- Service Rate increase:
 - Last increases were several years ago
 - Water = \$.10 per 100 cubic feet/per month
 - Sewer = \$.05 per 100 cubic feet/per month
 - Missouri West Water System = \$.07 per 1000 gallons/per month

Purpose: Operations & Maintenance costs of Water & Sewer services.

- Solid Waste Utility Fund
- Street Light Utility Fund
 - Base Rate increase = \$0.90 per month
 - Purpose: Operations and Maintenance costs of Street Light services and LED Lights Replacement Project.

TAXABLE VALUATION

Taxable Valuation (estimated) = \$46,569,228

- Increase from Tax Year 2011 (2012 Budget) = 3.7%
- 1 Mill = \$46,569
- 2010 to 2012 – Residential increased 6.6% and Commercial increased 14.3%
- 2011 to 2012 – Residential increased 1.9% and Commercial increased 9.5%

MILL LEVY

Mill Levy = 93.65 Mills

- Decrease from Tax Year 2011 (2012 Budget) = 4.06 Mills
- Average city levy of the 11 largest cities (excluding Mandan) for Tax Year 2011 (2012 Budget) = 93.65 Mills
- City's share of 1 Mill for Tax Year 2011 (2012 Budget) = 24%

PROPERTY TAXES

Property Taxes = \$4,361,191

- Decrease from Tax Year 2011 (2012 Budget) = \$26,476
- The decrease in the City property taxes for an existing residential home valued at \$175,000 with an average valuation increase of 0.1% (Board of Equalization) in the true and full value, excluding special assessments = \$31.24

SALARIES AND BENEFITS

Salaries = \$5,671,000

- Cost of Living Adjustment (COLA) = 2.5%
 - Current Pay Plan began 2008
 - Consumer Price Index (Midwest urban less than 50,000)
- Merit or step increase = 2.5%
 - Last merit or step increase was 2010 Budget.
 - Human Resources is performing a Salary and Benefits Survey to compare the City of Mandan with other major cities in the State. The results and

recommendations from the Budget and Finance Committee will come at a later date.

- New Full Time positions:
 - General Fund:
 - Appraiser/Inspector
 - Principal Planner
 - Engineering Technician
 - Police Officer (School Resource) - Mandan Public School District Share = 75%
 - (2) Equipment Operator I
 - Water and Sewer Utility Fund:
 - Utility Operator I - Street Light Utility Fund Share = 5%
- Existing Full Time positions:
 - General Fund:
 - Additional 50 hours (1560 hours to 1610 hours) for the Permit Technician position in the Assessing/Building Inspection department.
 - Upgrade position in the Street department to Street Maintenance Assistant Superintendent.
- Overtime decrease = \$18,050
- Part Time increase:
 - Volunteer Firefighters = \$10,800
 - Additional 581 departmental hours (net) = \$12,500
- Increase from 2012 Budget (revised) = \$454,900 or 8.7% (Includes COLA, merit, step and personnel requests)

Benefits = \$1,900,000

- Health Insurance increase (estimated), effective July 2013 = 10%
- Increase from 2012 Budget (revised) = \$139,650 or 7.9%

Salaries and Benefits = \$7,571,000

- Increase from 2012 Budget (revised) = \$594,550 or 8.5%
 - Personnel requests = \$367,669

DEBT SERVICE

Debt Service-Principal and Interest = \$8,327,900

- Total Principal and Interest = \$74,745,906
- Amortization:
 - % of Debt Service retired in 10 years = 84%
 - % of Debt Service retired in 15 years = 97%
- Does not include \$9.8M in anticipated new debt for a number of new infrastructure projects including \$8.9M for the North Mandan Street Project. In addition, does not include \$4.1M in anticipated State Revolving Fund Program Loans.
- Bond Rating = A1

CAPITAL OUTLAY

Capital Outlay = \$1,854,550

- General Fund = \$677,100
- Cemetery Fund = \$2,000
- Fire Equipment Reserve Fund = \$345,000
- Police Equipment Reserve Fund = \$2,000
- Water and Sewer Utility Fund = \$774,450
- Street Light Utility Fund = \$54,000

ANNUAL COST FOR CITY SERVICES

The annual cost for City services for an existing \$175,000 residential home with an average valuation increase of 0.1% (Board of Equalization) and using 8 units of water per month, excluding special assessments = \$1,574

- Increase from 2012 Budget = \$14

Finance Director Welch stated that if the Board accepts the preliminary budget as proposed, the City will publish a Notice of Public Hearing on August 31, 2012 for the second and final consideration of Ordinance No. 1129 adopting the 2013 Budget on September 18, 2012. He stated that the Preliminary 2013 Budget will also be posted on the City's website www.cityofmandan.com.

Commissioner Frank moved to approve the introduction and first consideration, and call for a public hearing of Ordinance No. 1129 making the annual appropriations for expenditures or expenses of the City of Mandan, North Dakota, for the fiscal year commencing January 1, 2013, and ending December 31, 2013, and making the annual tax levy for the year 2012. Commissioner Tibke seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

2. *Resolution establishing rates and charges for services from the Solid Waste Utility Fund.* Director of Public Works Wright presented a request to the Board establishing rates and charges for services from the Solid Waste Utility Fund. The recommendation is to increase the tipping fee at the landfill from \$37/ton to \$40/ton for nonresidents as a result of the recent rate adjustment by Waste Management of North Dakota for providing transportation and landfill services from the City of Mandan's transfer station.

Commissioner Frank motioned to increase the tipping fee at the landfill from \$37/ton to \$40/ton for residents and from \$37/ton to \$42/ton for non-resident. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

OTHER BUSINESS:

1. *Consider Development and Purchase Agreements related to the Don*

McGuire and John Shultz proposal for development of city-owned property.

Business Development and Communications Director Huber reviewed with the Board a proposal for development and purchase agreements related to the Don McGuire and John Shultz proposal for development of city-owned property. Huber provided highlights of the proposal of the 18.7 acres in the northwest part of the city to “Fifth Addition, LLC”, (the limited liability company that McGuire and Shultz formed), to be developed for a hotel and other commercial property:

- A closing date no later than October 1, 2012
- The property will be sold for \$476,927 and the buyers will pay off the \$429,776 in special assessments to build a hotel of at least 60 units and other commercial or residential projects
- At least \$10 million must be invested in the hotel with site development and other commercial or single and multi-family residential construction
- Work on the hotel must start by June 1, 2013 and be completed by June 1, 2014
- Commercial or single and multi-family residential units are to be completed between 2015 and 2017
- The buyers will be allowed to apply for property tax exemptions under the policy in place as of August 1, 2012
- The City will reimburse the developer \$125,000 for sanitary and sewer easement improvements made
- The buyers agreed to give the City an easement for a sanitary sewer line if the city speeds up its platting process

City Attorney Brown stated that this proposal constitutes the direction from the Commission on the agreements discussed at the previous executive sessions that have been held with minor changes made. He said that Director Huber has duplicate agreements and that if all is in order, the Commission can at this time enter a motion to accept both the Development and Purchase Agreements.

Commissioner Rohr moved to approve the Development and Purchase Agreements related to the Don McGuire and John Shultz proposal for development of city-owned property as presented. Commissioner Braun seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Braun: Yes; Commissioner Van Beek: Yes. The motion passed.

2. *Grill Fest 2012* - Mayor Van Beek extended a thank you to Del Wetsch, from the Mandan Progress Organization and Vern Cermak from the Musicians Association along with all the volunteers that assisted with the 3rd Annual Wild West Grill Fest an amazing event if not the #1 event in Mandan this year.

There being no further actions to come before the Board of City Commissioners, Commissioner Frank moved to adjourn the regular meeting at 7:53 p.m. Commissioner Tibke 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