
The Mandan City Commission met in regular session at 5:30 p.m. on May 1, 2012 in the Ed “Bosh” Froehlich Room at City Hall, Mandan, North Dakota. Commissioners present were Helbling, Tibke, Rohr, Frank, and Jackson. Department Heads present were: Finance Director Welch, Police Chief Bullinger, City Attorney Brown, City Administrator Neubauer, Director of Public Works Wright, Fire Chief Nardello, Business Development and Communications Director Huber, and City Assessor Barta. Absent: Engineering Project Manager Bechtel.

MINUTES: *Consider approval of the minutes for April 17, 2012 regular meeting.* Commissioner Rohr moved to approve the minutes of the April 17, 2012 minutes. Commissioner Jackson seconded the motion. The motion received unanimous approval of the members present.

PUBLIC HEARING:

1. *Public hearing to consider tax increment financing request (TIF) by Alvin W. Leingang for improvements to 101 East Main Street and a portion of 103 East Main Street (see New Business No. Iii).* Business Development and Communications Director Huber reviewed an application request for a TIF exemption for 101 East Main Street and a portion of 103 East Main Street (the west 194 ft.) to offset improvement costs. Those costs will include renovation of the existing building to add an elevator tower, in addition to significant site improvements including parking lot upgrades, as well as other improvements such as courtyard landscaping and enhancements. The request is for TIF assistance in the form of a property tax exemption on the improved portion of the property for Year 6 to Year 15 of the project. Years 1–5 have already been approved for Renaissance Zone, for the building itself, but not for the site improvements. Huber reviewed what the project would entail with an estimated investment of \$3.6 million. There is an estimated exemption of \$73,577 annually. Huber reviewed the criteria to become eligible for tax increment financing under the City of Mandan’s policy. Huber stated that the property currently generates \$6,047 in property taxes and the City will continue to collect on the base. The City is being asked to provide exemption for the incremental increase in value of the property. There have been two public notices issued in the newspaper and no comments have been received in opposition. Alvin Leingang and Loran Galpin were available to answer questions.

Commissioner Jackson commented that there is a request from the Mandan Growth Fund Committee (MGF) to change the TIF policy on tonight’s Agenda. He requested Huber provide an explanation as to how that change in the TIF policy would affect this particular application. Huber explained that the MGF recommendation came prior to this request from the property owners and prior to the policy revision. While they (property owners) did not put reconsideration of this item on their agenda, it was the intent to bring all this information before the Board simultaneously for consideration. She stated that when the New Business items are discussed later, the details of the Mandan Growth Fund recommendations and the request that’s before you can be discussed at that time.

Commissioner Jackson stated that his reason for bringing this up is to allow for any public comment as to what effect that change would have on this application. Huber

stated that the recommendation of the MGF was to approve the exemption in Year 6-15 with a cap as under current policy of 15% of hard construction costs on the amount of assistance and to reduce the administrative fee to 1%, allowing for its collection at the time of implementation of the tax exemption. The cap was in place at the time of making the recommendation. The recommendation for the change in policy is to reduce the application fee from \$5,000 to \$500; to reduce the administrative fee from 5% to 1%; and to change the time of collection for projects of TIF financing to be at the time of implementation rather than upon certificate of occupancy and lastly to maintain the 15% cap for TIF assistance in the form of upfront financing while removing it for projects requesting the TIF exemption form of assistance.

Commissioner Jackson had a question regarding the change in Policy No. 6 as to how much percentage of tax exemption that would amount to approximately? Huber stated that the dollar value difference is \$188,565, the difference with full exemption would be about 2 ½ years of difference exemption.

Mayor Helbling announced that this is a public hearing and invited anyone to come forward to speak for or against the tax increment financing request (TIF) by Alvin W. Leingang for improvements to 101 East Main Street and a portion of 103 East Main Street.

Loran Galpin came forward and extended a thank you to the City of Mandan for allowing them to move forward with this project indicating that this was the first step in the process. The second step was the approval of the architectural review from the Architectural Review Committee. The third step is the TIF financing request before the Board tonight. If approved, Galpin indicated that the process for obtaining tenants could then begin. Galpin reviewed the project with the Board and again extended a thank you for allowing them the opportunity to bring this project to the City of Mandan.

Mayor Helbling again invited anyone to come forward to speak for or against this project. Hearing none, this portion of the public hearing was closed.

BIDS:

CONSENT AGENDA:

1. *Consider approval of annual Liquor License, Special B Liquor Permit and Special Sunday Permit for Dacotah Speedway.* The Board approved of the annual Liquor License, Special B Liquor Permit and Special Sunday Permit for Dacotah Speedway.
2. *Consider proclamation designating May 4, 2012 as Arbor Day in the City of Mandan.* The Board approved of the proclamation designating May 4, 2012 as Arbor Day in the City of Mandan.
3. *Consider for approval the applications for beer garden and street dance events.* The Board approved of the applications for beer garden and street dance events.
4. *Consider for approval the final plat of Lakewood 7th Addition.* The Board approved of the final plat of Lakewood 7th Addition.

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5. *Consider for approval the final plat of Plainview Heights 13th Addition.* The Board approve of the final plat of Plainview Heights 13th Addition.
 6. *Consider placing City vehicles in public auction.* The Board approved of placing City vehicles in public auction.
 7. *Considering designating May 14-18, 2012 as Bike to Work Week in the City of Mandan.* The Board approved of designating May 14-18, 2012 as Bike to Work Week in the City of Mandan.

Commissioner Tibke moved to approve the Consent Agenda as presented. Commissioner Jackson seconded the motion. The motion received unanimous approval of the members present. The motion passed.

OLD BUSINESS:

NEW BUSINESS:

1. *Consider Mandan Growth Fund (MGF) Committee recommendations:*
 - (i) *Revisions to Tax Increment Financing (TIF) policy:* Business Development and Communications Director Huber stated that at the April 24, 2012 Mandan Growth Fund meeting the TIF policy was reviewed. She indicated that for comparison, 11 other cities were surveyed regarding their TIF policy. It was Fargo's base policy that the Mandan City Commission adopted in 2008 and their terms remain the same. Huber reviewed some of the other cities' policy criteria. Huber stated that the MGF Committee recommends the following changes to the TIF policy:
 - a. Revise the non-refundable application fee to \$500 (down from \$5,000)
 - b. Revise the administrative fee to 1% (down from 5%).
 - c. Revise the due date for payment of the administrative fee for TIF exemption projects to indicate payment is required prior to implementation of the exemption.
 - d. Revise the cap on TIF assistance of 15% hard capital costs to be applied to projects requesting upfront financing while removing the cap for TIF assistance in the form of an exemption.

Commissioner Jackson moved to approve the Mandan Growth Fund Committee's recommendations to the TIF Policy as presented in the Agenda packet. Commissioner Frank seconded the motion.

Commissioner Frank stated that she had the opportunity to speak with members of the Mandan Growth Fund Committee who indicated they were in agreement with the modifications to this policy. She indicated that she is in favor of the reduced application fee as presented. She requested Huber provide a summary of the composition of the Growth Fund Committee. Huber stated that the MGF is comprised of nine business people appointed by the City Commission. Growth Fund representatives include members from the financial, retail, and professional sectors of the community in efforts to include representation from the three primary business districts including downtown Mandan, Memorial Highway and north Mandan.

Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed.

(ii) *TIF & business incentive agreements with Alvin W. Leingang for improvements to 101 E Main Street and a portion of 103 E Main Street:* Business Development and Communications Director Huber clarified that the agreement for TIF financing assistance includes the 15% cap that was in place at the time the MGF Committee acted on this application. The agreement in the packets has the 15% cap included; however if you choose to remove that cap level, the agreement would have to be amended to reflect that. The 15% cap equals about 2.5 years of exemption or approximately \$189,000. Huber explained that the agreement before this Board for consideration, the TIF agreement, outlines the amount of assistance that will be provided and the Business Incentive agreement outlines the expectations.

Commissioner Frank moved to approve the Tax Increment Financing Agreement with the provisions recommended by the MGF Committee to assist with improvements to 101 E Main Street and a portion of 103 E Main Street to include the revisions to the policies approved by the Board tonight. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed.

Commissioner Frank moved to approve the Business Incentive Agreement associated with the TIF exemption for improvements to 101 E Main Street and a portion of 103 E Main Street to include the revisions to the policies approved by the Board tonight. Commissioner Jackson seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed.

2. *Consider for approval, a request for City cooperation for the Rodeo Days and Buggies N Blues Events:* Vern Cermak presented a request on behalf of the Mandan Musician's Association and Buggies-n-Blues for the City of Mandan to support the festivities on June 9-10, 2012. He stated that these events are entering their 19th year.

Del Wetsch, Executive Director of the Mandan Progress Organization presented a request for approval and assistance from the City for the Rodeo Days events scheduled for July 2-4, 2012. He reviewed the schedule of events noting some minor changes having been made along with requests for street closings on certain dates and times.

Commissioner Jackson moved to approve the requests for the Rodeo Days and Buggies-n-Blues Events as presented. Commissioner Frank seconded the motion. The motion received unanimous approval of the members present.

3. *Consider recommendation from the Mandan Visitor's Committee regarding funding assistance for the Old Red/Old Ten Scenic Byway Committee.* City Administrator Neubauer reviewed with members a request for funding assistance from

the Old Red/Old Ten Scenic Byway Committee in the amount of \$4,500 to complete the walking trail project. He stated he would recommend approval of the request and that there is sufficient funding available.

Commissioner Tibke moved to approve the recommendation from the Mandan Visitor's Committee regarding funding assistance for the Old Red/Old Ten Scenic Byway Committee to complete the Walking Trail project in the amount of \$4,500.

Commissioner Jackson seconded the motion. The motion received unanimous approval of the members present.

4. *Consider Weed Cutting Proposal.* Fire Chief Nardello reviewed a proposed Weed Cutting Proposal for 2012. He stated that bids were opened for the 2012 season and only one bid was received and that it was three times more than last year's contract. The bid was rejected and the Weed Board met to discuss the possibility of providing weed cutting services through the Public Works Department in addition to amending the 2012 Weed Control Budget to allow for the purchase of equipment and the hiring of a part-time person. Nardello stated that any private property that would have to be cut would be special assessed back to the property owner. He indicated his recommendation would be to work with last year's budget to cover the costs and then to reassess it next year. Nardello indicated that with the equipment purchased the cutting process will be expedited. He provided a summary of how the cutting has been scheduled in the past and how he plans to utilize the same schedule for a part-time person. He outlined plans for how the costs would be allocated and reviewed how a part time position would be staffed.

Commissioner Frank stated she would like to see the position rebid rather than have the Public Works Department maintain it. Commissioner Rohr commented that he holds the portfolio for this and he has been working with Director of Public Works Wright on this matter. He stated they are working on an analysis of the situation and he assured the Board that he will work through this thoroughly with Wright.

Commissioner Tibke moved to amend the 2012 Weed Control Budget to allow for the purchase of weed cutting equipment totaling \$32,500, \$8,000 for part time labor and \$3,500 for fuel and oil and to allow public works to provide weed cutting services for the City of Mandan. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: No; Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed.

RESOLUTIONS & ORDINANCES:

1. *Second consideration and final passage of Ordinance No.1121 Zone Change for West Hills Estates 2nd – An ordinance to amend and reenact section 21-03-02 of the Mandan Code of Ordinances relating to District Boundaries and Zoning Map.*

Commissioner Jackson moved to approve the Second consideration and final passage of Ordinance No.1121 Zone Change for West Hills Estates 2nd – An ordinance to amend and reenact section 21-03-02 of the Mandan Code of Ordinances relating to District Boundaries and Zoning Map. Commissioner Frank seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes;

Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed. *(A copy of the ordinance is on file, open for public inspection, during regular working hours in the Office of the City Administrator.)*

2. *Second consideration of Ordinance No. 1120 – An ordinance to amend and re-enact Section 12-02-04 and to repeal Section 12-02-05 of the Mandan Code of Ordinances relating to alcoholic beverage licenses as amended.* City Attorney Brown stated that this matter was taken off the list when the ordinances were previously reviewed because he was trying to omit language in the ordinance by combining sections. It was pointed out that the special permits for the golf courses and the Speedway to permit them to sell alcoholic beverages on certain occasions, (as opposed to just beer only which is their normal alcoholic beverage sales), was in the ordinance that was to be repealed. Class G license for alcoholic beverages on the riverboat was added to the ordinance.

In summary, the Class A licenses are at 17; this ordinance increases the Class D licenses which is strictly off sale alcoholic beverage sales from 2 to 3 which is increased by 1. Class D-1 off-sale beer and wine licenses are increased from 5 to 7 which is increased by 2. Language was added that if the number of living units in the city increases by 500 over that as of June 20, 2012 the Commission will have the authority to issue one additional license in each Class. City Attorney Brown noted that this does not obligate the Commission to do anything if such an event occurs. If this ordinance is adopted, it will take effect on July 1, 2012.

Commissioner Jackson moved to approve the second consideration of Ordinance No. 1120 as amended – An ordinance to amend and re-enact Section 12-02-04 and to repeal Section 12-02-05 of the Mandan Code of Ordinances relating to alcoholic beverage licenses. Commissioner Tibke seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed. *(A copy of the ordinance is on file, open for public inspection, during regular working hours in the Office of the City Administrator.)*

3. *Resolution establishing rates and charges for services from the Solid Waste Utility Fund.* Director of Public Works Wright reviewed with the Board a request to increase rates to cover the costs of maintaining the landfill. The proposed rate increase would go from \$12/ton to \$15/ton for commercial accounts and from \$2 to \$3 for minimum load accounts. He explained that there has been a substantial increase in material coming to the landfill over the last six months making it difficult to keep up with operation costs at the current rate. The proposed increase would go into effect July 1, 2012. He stated that it is anticipated that there will be an increase in revenue at \$65,000 to \$75,000 depending on final tonnage. Wright recommended that a separate equipment fund be established from a portion of the revenue that is collected. He also stated that even with the increase, Mandan would still be lower than what some other cities are charging, (excluding Bismarck). Commissioner Frank commented that she has done some checking on this matter and found that Mandan's rates are lower than other cities as

alluded to by Wright. Wright stated that the larger loads coming to the landfill are commercial, mostly due to the fee increase that occurred in Bismarck last year.

Mayor Helbling commented that he would like to see a different rate schedule for Mandan residents vs. non-Mandan residents coming from outside the city. Wright indicated that he will research that when he puts the 2013 budget together. Mayor Helbling directed City Administrator Neubauer to include this item within the 2013 budget process. Administrator Neubauer stated that several years ago there was a process in place wherein the driver's license had to be provided at the landfill and at that time there was a different rate for Mandan residents than the non-Mandan residents. He did not know when or why that process was discontinued. Mayor Helbling commented that the County road going to the landfill is in need of repair in order to prevent accidents or fatalities. Director of Public Works Wright mentioned that he had contacted the county regarding the situation.

Commissioner Jackson moved to approve establishing rates and charges for services from the Solid Waste Utility Fund for Mandan city residents at the current cost. Commissioner Rohr seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Tibke: Yes; Commissioner Frank: Yes; Commissioner Helbling: Yes; Commissioner Jackson: Yes. The motion passed.

Mayor Helbling directed Administrator Neubauer and Director of Public Works Wright to bring this matter back to the next meeting with a recommendation that addresses a rate schedule for those non-Mandan residents who use the landfill.

OTHER BUSINESS:

1. Spring cleanup week is occurring this week from April 30th thru May 4th.
2. In addition, May 4, 2012, is Arbor Day in the City of Mandan. There will be a short program at 9:00 a.m. at Lewis and Clark Elementary School.

There being no further actions to come before the Board of City Commissioners, Commissioner Jackson moved to adjourn the meeting at 6:45 p.m. Commissioner Frank seconded the motion. The motion received unanimous approval of the members present.

/s/ James Neubauer

James Neubauer,
City Administrator

/s/ Timothy A. Helbling

Timothy A. Helbling,
President, Board of City
Commissioners