
The Mandan City Commission met in regular session at 4:00 p.m. on November 1, 2011 in the Ed “Bosh” Froehlich Room at City Hall. Commissioners present were Helbling, Tibke, Rohr, Frank (arrived at 4:25 p.m.) 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, and Engineering Project Manager Bechtel. Absent: Business Development and Communications Director Huber, City Assessor Barta.

2. *Employee Service Awards:*

20 Years of Service: Dee Miller, Mary Himmelspach, Larry Dale, Robert Smith, Scott Eckroth, Mike Hanson, Brent Wilmeth, Jeff Wright.

15 Years of Service: Dave Bechtel, Kim Hust, Terry Aasand, Mary Alice Gaebe.

10 Years of Service: Brendan Jochim, Michael Anfinson.

5 Years of Service: Ellen Huber, Andrew Beck, Patrick Martin, Shane Weltikol, Britni Zander, Mary Henderson, David Raugust, Heidi Schuchard, Joseph Schaner, James Steinman.

Mayor Helbling extended a *thank you* to all employees receiving service awards and also extended a *thank you* to Montana Mike’s Restaurant for their contribution for the service awards.

MINUTES: *Consider approval of the minutes for October 18, 2011, regular meeting.*

Commissioner Tibke moved to approve the minutes of October 18, 2011. Commissioner Jackson seconded the motion. The motion received unanimous approval of the members present. The motion passed.

PUBLIC HEARING:

1. *A Public Hearing to consider a five-year Ad Valorem Tax Exemption for ProFinish at 160 Riverwood Ave SE (see also New Business #1i):* City Administrator Neubauer reviewed with members a request for consideration of a five-year Ad Valorem Tax Exemption for ProFinish at 160 Riverwood Ave SE. Neubauer stated that Shane and Jackie Farland, ProFinish, are requesting the exemption on the construction of a new office and retail building. The Notice to Competitors was published in the Mandan News on October 7th and October 14th and there have been no written protests submitted. The Mandan Growth Fund reviewed this project and approved unanimously to grant a 100% exemption for five years contingent upon the business meeting the employee schedule. If that condition is not met, the percentage of exemption would decrease after two years per policy guidelines. The MGF recommended approval of the exemption. The Park and School Districts, as well as the County, have been notified of this request and no opposition has been received from these entities.

Shane Farland, ProFinish, came forward and commented that he started his business about 7 years ago with the assistance of a Small Business Loan. He mentioned that he did not expect the business to grow as it has, and said he was appreciative for the assistance of the tax exemption program incentive for small businesses.

Mayor Helbling invited comments from the public regarding the request for a five-year Ad Valorem Tax Exemption for ProFinish at 160 Riverwood Ave SE, Mandan, North Dakota. A second invitation was extended for comments. Hearing none, this part of the public hearing was closed.

2. *A Public Hearing to consider a five-year Ad Valorem Tax Exemption for Infinity Ventures at 4102, 4202, and 4302 Shoal Loop SE (see also New Business #1ii):*
City Administrator Neubauer reviewed with members a request for consideration of a five-year Ad Valorem Tax Exemption for Infinity Ventures at 4102, 4202, and 4302 Shoal Loop SE. Neubauer stated that Stacey Zander D/B/A Infinity Ventures is requesting the exemption on the construction of three (3) thirty-six (36) unit apartment buildings. The Notice to Competitors was published in the Mandan News on October 7th and October 14th and there have been no written protests submitted. The Mandan Growth Fund reviewed this project and approved unanimously to grant a 100% exemption for two years per the policy adopted by the Commission in February 2011. This project falls into the 24 units or more category. The MGF recommended approval of a two-year exemption. The Park and School Districts, as well as the County, have been notified of this request and no opposition was received from these entities.

Stacey Zander, D/B/A Infinity Venture, came forward and commented that he currently owns property in Mandan. He explained why he has chosen Mandan over Bismarck as the property location for Infinity Ventures stating that in the long run (50-55 years projected life span of the building) the City of Mandan would receive \$5M. Basically by staying in Mandan he estimates savings of \$30,000 annually which will help his cash flow if he receives the five year ad valorem tax exemption. He stated that the project is a \$9M to \$11M dollar project.

Mayor Helbling invited comments from the public regarding the request for a five-year Ad Valorem Tax Exemption for Infinity Ventures at 4102, 4202, and 4302 Shoal Loop SE. Commissioner Rohr commented that at this time it is unknown as to what the taxes will be ten years from now. Mayor Helbling extended a second invitation for comments from the public. Hearing none, this part of the public hearing was closed.

BIDS:

CONSENT AGENDA:

1. *Consider approval of Communication Tower Usage Agreement.* The Board approved of the Communication Tower Usage Agreement.
2. *Consider approval of a request for Temporary Staffing (Police Department).* The Board approved of the request for Temporary Staffing (Police Department).
3. *Consider approval of the final plat of North Prairie 5th Subdivision.* The Board approved of the final plat of North Prairie 5th Subdivision.
4. *Consider approval for out of state travel for personnel within the Engineering Department.* The Board approved of out of state travel for personnel within the Engineering Department.

5. *Consider approval of Classification Change of the IT Systems Analyst.* The Board approved of the Classification Change of the IT Systems Analyst.

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

OLD BUSINESS:

1. *Consider abatement – Wayne Papke:* City Administrator Neubauer reviewed with the Commission Wayne Papke's request for the 2011 true and full value of his residence to be lowered by \$24,941 due to flood damage to his home. City Assessor Barta addressed this matter on October 26, 2011 and based on the reports and calculations the true and full value of Papke's property came in at \$293,300. Barta recommends denying the request by Mr. Papke to lower the 2011 true and full value from \$277,600 to \$252,659 due to the damage sustained in the flood. Mayor Helbling stated that if the Commission denies Mr. Papke's request that he still has the option to go before the County with his request for abatement. Neubauer commented that Papke would also have the opportunity to go before the State Board of Tax Equalization should he choose to do so. Commissioner Jackson commented that he had a conversation with Papke to clarify this matter. He noted that Papke was not present today for this discussion. Jackson pointed out that in Barta's memo addressed to this Commission, the true and full value of the property as Barta sees it is \$293,000; if the difference is related to the re-assessment that is currently going on in the City of Mandan. He stated there is a difference between what Mr. Papke's value is as of 2011 and what his value will be next year because the City will be holding off with the reassessment until next year. Commissioner Jackson stated that this comment is inserted to make it clear for the Commission, viewers, and Mr. Papke. Neubauer pointed out that discussion at the last Commission meeting was an increase in value that occurred with Mr. Papke's residence in the last few years and Mr. Barta has made an adjustment to the land value in that area by \$35,000 and that the adjustment was not a result of a city-wide reassessment. It was a result of a review of land sales in the neighborhood and determining that the land value was higher in that area. It was not a result of a re-assessment. Commissioner Jackson noted that just recently a property adjacent to Papke's property sold for more than what the City of Mandan appraised it at.

Commissioner Rohr commented that Assessor Barta is one who is trained to assess values and what he is telling the Commission is what those values are in his professional opinion. If the Commission is to recognize his professional opinion then his recommendation should be considered.

Commissioner Frank motioned to deny the request from Wayne Papke to lower his 2011 true and full value from \$277,600 to \$252,659 due to damage sustained in the flood. Commissioner Jackson seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Frank: Yes; Commissioner Jackson: Yes; Commissioner Tibke: Yes. Commissioner Helbling: Yes. The motion passed.

NEW BUSINESS:

I. Consider Growth Fund Committee recommendations:

i. Application for property tax exemption by Shane & Jackie Farland, ProFinish, 160 Riverwood Ave SE. Commissioner Jackson moved to approve the request by Shane and Jackie Farland D/B/A ProFinish, to receive a five-year tax exemption for a newly constructed commercial building due to meeting all criteria under the City of Mandan's Commercial Property Tax Exemption Policy and Guidelines under State Statute and also upon approval from the Mandan Growth Fund Committee contingent upon the business meeting the employee schedule as outlined in the policy.

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

ii. Application for property tax exemption by Infinity Ventures, 4102, 4202, and 4302 Shoal Loop SE. Commissioner Tibke moved to approve the request by Stacey Zander, Infinity Ventures to receive a two-year 100% Ad Valorem Tax Exemption for Infinity Ventures at 4102, 4202, and 4302 Shoal Loop SE due to meeting all criteria under the City of Mandan's Commercial Property Tax Exemption Policy and Guidelines under State Statute and also upon approval from the Mandan Growth Fund Committee.

Commissioner Rohr seconded the motion. Commissioner Jackson stated that he does not support the large multi-unit residential units in this area based upon advertising that this area is located only five minutes away from the area's largest shopping district, which of course is in Bismarck; thus it is not increasing the traffic counts needed in Mandan. He stated that it is his opinion that the Commission went against the policy as it was written at the last meeting making an exception to the policy. Roughly over the last two years, the Commission has approved almost 175 of these multi-family units, not buildings but units, and this is adding higher numbers. Based on these comments, Commissioner Jackson does not recommend approving this request. Zander commented that based on his calculations over the next 50 years, the City of Mandan will receive \$5M from this property. Mayor Helbling commented that he does not think the Commission has waived from the policy regarding this matter or the matter addressed at the last meeting. He stated that the policy has been adhered to when considering these requests and the Commission has made or will make decisions based upon the recommendations received from the Mandan Growth Fund. Commissioner Tibke commented on the car count stating that it is not necessarily the way the car is going but if there are empty lots or empty businesses. What attracts retailers and business owners is the increased number of cars going by in a day. Commissioner Jackson stated that he would be in favor of a special working session to discuss policies.

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

Commissioner Rohr motioned to schedule a special working session to discuss the policies regarding tax exemptions. Commissioner Jackson seconded the motion and also

commented that in addition to the discussion on tax exemptions, Business Development and Communications Director Huber stated that the Growth Fund Committee struggles with policy issues at times and it would be to the benefit of everyone that the policies are clearly written. Commissioner Frank suggested incorporating the residential and commercial exemptions for discussion because they coincide with these topics. The motion received unanimous approval of the members present.

2. *Consider the creation of, approve the feasibility report for and authorize the advertisement of the Resolution of Necessity for Street Improvement District No. 161 Areas A & B Projects #2010-03 & 2011-12.* Engineering Project Manager Bechtel reviewed with the Commission a request to create the special assessment districts and authorize the required paperwork for the requested projects. District 161 is the expanded Diane's Project that now includes areas north and west. District 161B is a separate district that is in the northwest area of Mandan. This area has had deterioration of the street due to groundwater over the last several years. Bechtel clarified that this would not include every street within this district and the assessments would be limited to the streets under repair. He pointed out the areas where ground water studies are being conducted to determine the source of the water problems and those areas would be included within the cost of this project.

Commissioner Frank moved to approve the request for the creation of, approve the feasibility report for and authorize the advertisement of the Resolution of Necessity for Street Improvement District No. 161 Areas A & B Projects #2010-03 & 2011-12. Commissioner Rohr seconded the motion. The motion received unanimous approval of the members present.

RESOLUTIONS & ORDINANCES:

OTHER BUSINESS:

1. *Announcements:* Commissioner Frank announced that there is a city-related event hosted by the Mandan Tomorrow Committee for Economic Development coming up. It is a succession planning seminar for businesses. This is an opportunity for businesses within the Mandan community and beyond to hear about what steps they need to take to prepare for retirement and hand that business off to another young entrepreneur. Further information can be found on the City website at www.cityofmandan.com for this event that is scheduled in November.

There being no further actions to come before the Board, Commissioner Rohr moved to adjourn the meeting at 5:46 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