
The Mandan City Commission met in regular session at 5:30 p.m. on October 18, 2011 in the Ed “Bosh” Froehlich Room at City Hall. Vice-President Tibke called the meeting to order in the absence of Mayor Helbling. Commissioners present were Tibke, Rohr, Frank, and Jackson. Department Heads present were Finance Director Welch, Police Chief Bullinger, City Attorney Brown, City Administrator Neubauer, Fire Chief Nardello, Business Development and Communications Director Huber, Engineering Project Manager Bechtel, and City Assessor Barta. Absent: Commissioner Helbling, Director of Public Works Wright.

MINUTES: *Consider approval of the minutes for October 4, 2011, regular meeting.* Commissioner Jackson moved to approve the minutes of October 4, 2011. Commissioner Rohr seconded the motion. The motion received unanimous approval of the members present. The motion passed.

PUBLIC HEARING:

BIDS:

1. *Consider award of bids for Water & Sewer Improvement District No. 59, Project 2011-10 (5th Street NE).* Engineering Project Manager Bechtel reviewed with the Board the only bid received for this project from Kvamsdal Construction, in the amount of \$503,574.00. The bid was close to double the estimated amount for the project. Bechtel recommended rejecting this bid and recommended rebidding the project in the spring.

Commissioner Frank stated that it would be logical to suspend awarding the bid - considering the amount of the bid compared to the engineer’s estimate. Are there any public concerns with delaying the project? Bechtel replied “No” indicating there are some houses in that area that could use the services but he did not think they were occupied at this time so there would be no harm in allowing this to be rebid at a later date.

Commissioner Rohr motioned to reject the (only) bid received for Water & Sewer Improvement District No. 59, Project 2011-10 (5th Street NE) and to rebid the project in the spring at the discretion of the engineering department. Commissioner Jackson seconded the motion. The motion received unanimous approval of the members present. The motion passed.

CONSENT AGENDA:

1. *Consider approval of monthly bills.* The Board approved of the monthly bills.
2. *Consider for approval the assessment of delinquent accounts for 2011.* The Board approved of the assessment of delinquent accounts for 2011.
3. *Consider for approval the special assessments for Sidewalks of 2011 and, Health and Safety of 2011.* The Board approved of the special assessments for Sidewalks of 2011, and Health and Safety of 2011.
4. *Consider change order for Residual Management Facility.* The Board approved of the change order for Residual Management Facility.

5. *Consider site authorization for Ducks Unlimited at Seven Seas Waterpark for October 27, 2011 and also waive \$100 fee.* The Board approved of the site authorization for Ducks Unlimited at Seven Seas Waterpark for October 27, 2011 and also waive \$100 fee.

Commissioner Jackson moved to approve the Consent Agenda as presented.

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

Commissioner Frank: Yes; Commissioner Jackson: Yes; Commissioner Tibke: Yes.

Commissioner Helbling: Absent. The motion passed.

OLD BUSINESS:

1. *Consider award of bids for Flood Improvement District #1, Project 2011-06 bid package #6 (Riverbend Dike Removal).* City Administrator Neubauer stated that a meeting was held with the Riverbend residents today regarding this matter. He also indicated that there is not a 100% assurance that FEMA will reimburse the cost for the removal of the levee. He said there could be a potential assessment of \$20,000 – 30,000 special assessment to the property owners if there is no reimbursement from FEMA. It was the consensus of the residents that they would remove their own levees. Neubauer stated that since this is a known quantity and a known outcome - they can probably complete the work themselves. Rollie Messmer from the Riverbend area was present to answer questions on behalf of the residents. Neubauer recommended rejecting any and all bids that were received for this project.

Commissioner Jackson moved to reject the bids received for Flood Improvement District #1, Project 2011-06 bid package #6 (Riverbend Dike Removal). Commissioner Rohr seconded the motion.

Commissioner Frank asked Neubauer if there would be any concerns if the dikes were not taken down in a timely manner. Neubauer replied that the levee that was put in place was put on private properties so it would be up to the property owner to determine the best way to remove it. He stated that there has been a contract put in place to remove the sandbags on the west side of the street in that area and the two plugs that were placed across the street at the right of way and those projects are nearly completed.

The motion received unanimous approval of the members present. The motion passed.

2. *Consider bids for Waste Water Treatment Plant improvements.* Russ Sorenson from AE2S reviewed with the Board his previous discussion two weeks ago regarding this matter and what discussions have occurred since that time. He stated that PKG Contracting provided two contracts, one for the process improvements and one was for the underground improvements. He explained that if the City would allow a three month time frame to get the equipment there, they would deduct \$38,246 from their bid. He reviewed the valve replacement options outlined by PKG and stated that in discussions with the plant and Steve Himmelspach, Superintendent WWTP, City staff and Financing Department, the wishes are to go with Option No. 1 - to leave all valves in the ground.

The deduction of \$38,246 would allow for a time extension. Himmelspach was available to explain the budgetary costs to accomplish this recommendation.

Commissioner Frank motioned to keep the best interest of the Water Plant in mind and operations up to par by moving to award the combined contract for Phase I Interim Improvements Project to PKG Contracting, Inc. (Option No.1) for a total of \$354,854. Commissioner Jackson seconded the motion. Roll call vote: Commissioner Rohr: Yes; Commissioner Frank: Yes; Commissioner Jackson: Yes; Commissioner Tibke: Yes. Commissioner Helbling: Absent. The motion passed.

NEW BUSINESS:

1. Consider the request for No Parking Signs on Riverwood Avenue SE.

Engineering Project Manager Bechtel reviewed with the Board letters of concern received from property owners along Riverwood Avenue Southeast regarding semis and trailers being parked in that area that block drivers' views causing driving hazards as well as damage to the road itself. Bechtel stated that he has worked with both the Police and Public Works departments to come up with possible solutions: To change the "No Parking" signage on the west side of the street to "No Overnight Parking" and to post on the east side of the street "No Parking" signage. This would allow for the owners of the adjacent lots to utilize the west side for day business parking and keep permanent parking from occurring on the east side of which much of the street now has none due to the amount of driveways intersecting the streets. Bechtel stated that business owners and property owners are available to answer any questions regarding this matter.

Duane Jangula came forward to comment on the Riverwood Avenue Southeast parking matter. He stated he is one of the owners along Riverwood Avenue. He also mentioned that he coordinated the letters that have been submitted and signed by property owners on this matter. He mentioned that he has observed the situation over the last few months stating that some of the trucks/trailers are parked there for several days. He indicated that with the implementation of the "ticketing of the vehicles" may have some impact on the situation because there is only one vehicle parked there now, in comparison to several of them as has been in the past. Jangula stated there are four property owners in the condo-suites area and there is one property owner at Riverwood RV, so there is a total of five property owners located there. He noted there is another suite of condos to the south of this area. He said that it would be his opinion that the majority of the property owners in that area would support additional signage as previously outlined by Bechtel.

Commissioner Rohr commented that he agrees that "No Parking" signage is more effective than an "ordinance stating 48 hours"; indicating that signs generally eliminate the problems more effectively. Commissioner Jackson stated that he has concern with damage to the road itself. The road is only a few years old and it appears there has been a fair amount of damage done to the road already. He noted he would agree with the installation of the signage as proposed. Bechtel mentioned there are no weight restrictions on the street because it is an industrial area and property owners are allowed to park there under the 48 hour limit; however, long-term parking has become a concern.

Commissioner Jackson moved to approve the signage changes for “Parking” on Riverwood Avenue Southeast as proposed by the Engineering Department. Commissioner Rohr seconded the motion. The motion received unanimous approval of the members present. The motion passed.

2. *Consider the addition of projects to the NDDOT Urban Roads Project List.* Engineering Project Manager Bechtel presented a request for approval of the addition and/or input of projects to be submitted to the federal aid list under the Urban Roads Program. The planning phase for this list of projects projected out through 2014 has been submitted to the NDDOT but they are asking for a submittal list for 2015. Bechtel stated that the City of Mandan receives about \$1M per year through federal funding based on population for Mandan that goes into a fund for this purpose. For 2012 the City funded Sunset Drive and that has been moved to 2013. Bechtel indicated that he would recommend for planning purposes, the additional projects as follows:

- 2015 Old Red Trail Highland Road to Crown Point Road Traffic Signal – Concrete Pavement Repair (CPR) – 10th Avenue SW
- 2016 Traffic Signal – Concrete Pavement Repair (CPR) – 6th Avenue SE
- 2017 Downtown Core Area – from 6th Avenue NW to Collins Avenue Main Street to 2nd Street NW Traffic Signal – Concrete Pavement Repair (CPR) – Mandan Avenue

Bechtel stated the DOT will “program out” the money that far. He explained that having a placeholder with some money in there is advisable. He also indicated that the City will only incur 20% of the estimated cost of the projects outlined.

Commissioner Jackson moved to approve the recommended projects of the 2015 NDDOT Urban Roads Project List. Commissioner Rohr seconded the motion. The motion received unanimous approval of the members present. The motion passed.

3. *Consider abatement – Wayne Papke.* City Assessor Barta reviewed with the Board a request from Wayne Papke, a Mandan resident for an abatement to his property. That the 2011 true and full value of his residence be lowered from \$277,600 to \$239,850 due to flood damage. Papke states that the damage to his home ranges from \$34,000 to \$42,500. Papke is requesting the midpoint correction of \$37,750. Barta stated that he recommends denying the request by Papke based on his reconsideration and reduction of costs.

Wayne Papke came forward to comment on his property abatement request. He stated that the potential reconstruction expenses are at \$86,500 noting that the bottom line is that the true damages reduced the value of his home ended up being, based on an SBA appraisal, \$24,941 bringing his new request down to a revised amount of \$252,659. This is documented with the SBA and this is the (revised) amount Papke is requesting.

Commissioner Jackson asked Papke if he was aware that he has two years to ask for an abatement. Papke replied “Yes”. Commissioner Jackson inquired whether Papke is

aware that his value may diminish even greater than it has already and if he would rather be given an abatement at this time rather than later, if the value goes down even further. Papke replied “Yes” and should there be further reduction determined in the future, he would request an amended abatement.

Assessor Barta provided photos of Papke’s property and Barta stated that his concern is that Papke does not have a finished basement indicating that the photos depict insulation and studs. Based on that, it is unclear to Barta why the appraisal came to \$24,941. Vice-President Tibke asked Barta to explain how he typically reviews these cases and to explain how he arrives at the decisions he has provided. Barta stated that in the past when the state has allowed the city to adjust the values through October 1st – is that if you had basement finished, the assessor would go in there and determine the percentage of damage done to the house – the basement area and only the basement area. If there wasn’t a permit to finish the basement and the city showed no basement finished, there was no reduction given even if the basement was finished because they had no value for a finished basement. Barta stated that the \$24,000 request is out of line in comparison to what the City has done for any other property owners. Barta stated that he is concerned that if this is granted, there may be many other properties that will also need to be considered. There have been about 44 requests filed and some have had very minimal damage. Barta stated that if this request would be granted to Papke, he would be getting more than any other home owner would get.

Commissioner Jackson questioned Barta as to whether home sales in that area have been affected by the flood event? Barta indicated that there is a list; however, the list is confidential because there are sales prices listed. Barta stated that according to the sales report he had available, five homes sold for less than what the City had them assessed at, the remainder sold for more than we had them assessed at. Barta said percentages were 25% or 26% higher than the City had recorded.

Commissioner Frank inquired whether based on Papke’s request and the properties located in his neighborhood, do our records indicate he has a finished basement that he is being taxed on? Barta replied “For 100 square feet”. The \$24,000 is high for the 100 square feet that was damaged. In determining present value of any of the homes, including Papke’s, the values for 2012 will not be determined until after the first of the year. Papke commented that he is assessed on the drain tile and he is assessed on the stairwell. He stated that those two items alone that are included in the valuation are \$20,000 of the \$24,000. The stairwell from the basement to the garage is approximately \$5,000. Those are true valuations that affect the value of the house.

Commissioner Jackson clarified on behalf of Commissioner Frank and inquired of Papke what the value is of his house? The goal of the abatement is to put your house at what it’s worth. Papke stated that one year ago (as noted in the Minutes) he came in and stated that his house was under value at that time. He stated it is now probably over value with the \$277,000. He has contacted appraisers to obtain a current appraisal on his home and he has been told “to give it 2 years”. As a result, Papke is going off of the city-wide assessment reappraisal that put his house at \$277,000. Papke stated that he has spoken

with a realtor about the market price of his home and he has been told that the \$277,000 is in the ballpark. Papke advised the City to be consistent throughout the valuation process of assessing property values to homes. Barta stated that the City has not done the reassessments yet so his market value could be more or less for 2012 - the year that the official reassessment values will be done.

Commissioner Frank suggested that in the best interest of the City and Mr. Papke, that additional time be allocated to review this matter further. She stated that it is fair to say that all parties are in agreement that his home did suffer damages from the flood whether interior or exterior. She suggested this matter be tabled to look into Papke's request to consider the value of his home as it is right now. Barta stated that if he were to do a new market he would take what was on record in 2011 and see what the figures come up as. Commissioner Frank indicated that would be her recommendation in order to move this matter forward. Commissioner Jackson suggested Papke obtain a statement from a realtor that would indicate what his house would list at. Commissioner Frank commented that with regard to Papke's statement of "being consistent" in this process it is one of importance and that one way of assuring consistency would be to have the same person perform the valuations using the same formula for all evaluations as outlined throughout the process. Barta stated that in conversations he has had with Fargo and Grand Forks officials; they have told him that there has been little change in property valuations as a result of flooded properties.

Commissioner Jackson motioned to table the abatement request by Wayne Papke until the next City Commission meeting on November 1, 2011. Commissioner Frank seconded the motion.

Commissioner Rohr asked Barta if the City Assessor's office has reduced any valuations this year. Barta replied "No". Commissioner Rohr asked Mr. Papke how much water he had in his basement. Papke replied "4 inches over a 2½ month period".

The motion received unanimous approval of the members present. The motion passed.

RESOLUTIONS & ORDINANCES:

OTHER BUSINESS:

1. *Consider approval of the Request for Proposals for the redevelopment of the former junior high school property.* Commissioner Jackson moved to approve the Request for Proposals for the redevelopment of the former junior high school property. Commissioner Rohr seconded the motion. Commissioner Jackson stated that this is the same matter that came before this commission previously. The Agenda documentation is thorough on this issue and what the RFP is. It is a good idea to look at different proposals for this property. The motion received unanimous approval of the members present. The motion passed.

2. *Acknowledgement - Riverbend Avenue Residents:* City Administrator Neubauer extended a thank-you to the residents of the Riverbend area along with the various firms

involved, and with the City Staff for their cooperation in the resolution of the levee issue in the Riverbend area.

Wayne Papke noted for the record that he and Richard Barta, City Assessor, do like one another.

Commissioner Frank reminded Board members and area residents to partake in the many events coming up over the next few months.

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

/s/ James Neubauer

James Neubauer,
City Administrator

/s/ Sandra Tibke

Sandra Tibke,
Vice-President, Board of City
Commissioners