

COMMITTEE OF THE WHOLE

May 29, 2018

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Members Present:

Barney (Mayor), Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky

Members Absent:

None

To the Honorable Mayor and All Aldermen:

Following are the recommendations of the **Committee of the Whole** meeting called to order at 4:15 p.m. on Tuesday, May 29, 2018:

- 1. The City Council approve payment of \$10,734 as final payment for demolition and site restoration of the Minot Mill by Dig It Up Backhoe Service, Inc. (3755.5)**

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The above motion by Alderman Podrygula, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 2. The City Council approve the purchase of a rotary brush cutter in the amount of \$7,001.56 from Gooseneck Implement for the Airport. (AIR068)**

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The above motion by Alderman Podrygula, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 3. The City Council approve the annual support agreement with MEI/Parsons Technologies for the Airport's security system and authorize the Mayor to sign the agreement.**

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The above motion by Alderman Podrygula, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 4. The City Council approve the Joint Powers Agreement between the City of Minot and the Minot Park District and authorize the Mayor to sign the Agreement. Also pass an ordinance authorizing and appropriating, on a contingent basis, City sales tax proceeds derived from City ordinances 3560 and 4380, to the Minot Park District, for upgrading, remodeling, or construction of community facilities as permitted under section 1 of ordinance 4380 (at the time of the approval).**

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The above motion by Alderman Podrygula, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 5. The City Council pass on first reading an ordinance that adds section 9-2(d).1 and amends sections 9-2(f), 9-49, 12-54, 17-25, and 26-3 of the city of Minot code of ordinances.**

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The above motion by Alderman Podrygula, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 6. The City Council approve Amendment #9 adding \$65,000 to contract agreement with CDM Smith for program delivery services for CDBG-DR Allocation #2.**

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The above motion by Alderman Podrygula, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 7. The City Council implement the assessment of a finance charge of 1.75% per month for accounts more than 30 days past due and approve the account application form.**

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The above motion by Alderman Podrygula, seconded by Alderman Olson.

Upon questioning by Alderman Wolsky, the Finance Director stated, there has been progress made on some overdue accounts. In reference to the time it has taken to implement the new process, Mr. Lakefield said, the finance department uses a live system so in order to test the accuracy of the calculations, they have to use the actual aging process. The system seems to be working properly and he believes they are in a good position.

Alderman Podrygula said, the issue illustrates the need for better management information systems and then inquired about the potential revenue from implementing the finance charge. The Finance Director said, according to the aging report at the time the memo was written, it could potentially raise \$12,250 per month if all items were assessed the finance charge. Some accounts would not be subject to the finance charge, for example, accounts in litigation or money waiting for reimbursement from federal agencies. He also said current invoices will not be subject to the finance charge which is another limitation of how the system is set up.

Mr. Lakefield said the account application was designed to include language to enforce collection action on past due accounts.

Whereupon a vote was taken on the above motion by Alderman Podrygula, seconded by Alderman Olson and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

- 8. The City Council amend the CDBG Citizen Participation Plan to replace the Public Information Officer with the City Clerk based on City Clerk becoming citizen information request contact person for the City.**

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The above motion by Alderman Olson, seconded by Alderman Sipma.

Alderman Wolsky asked if the change in the CDBG Citizen Participation Plan was due to a larger change in responsibility.

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Mr. Barry responded by saying, staff is changing the way record requests are processed within the City with the exception of Police Department records. He said, since the City Clerk is responsible for maintaining all of the City records, it makes sense for the City Clerk to manage the public records process. Other departments and staff will be included in acquiring the records but we want to keep the Public Information Officer focused on public communication and information and not with records. He said, he discussed the change with the City Clerk and there is capacity for the work to be done and additional resources will be freed up on the part of the PIO to continue communication with the public.

Alderman Wolsky suggested there might be confusion on behalf of the public on where to go for information.

Mayor Barney expressed his concern with the amount of work the City Clerk is responsible for. He encouraged the City Manager to ensure the resources are available and she is not overburdened.

Mr. Barry said he spent time discussing the move before making the recommendation. We conducted a workload allocation breakdown to ensure there was enough time available. We sat down with the PIO to determine the nature of the requests and the amount of time necessary and we are comfortable with the change. We will manage accordingly to ensure the public gets the records they need in a timely manner and the staff is balanced regarding workload.

Whereupon a vote was taken on the above motion by Alderman Olson, seconded by Alderman Sipma, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

9. The City Council authorize the auction of properties acquired using state grant funds which were flood damaged with deed restriction barring permanent structures from being built on the lots.

The above motion by Alderman Sipma, seconded by Alderman Olson.

Alderman Straight said he appreciates staff for working through these issues and reducing the amount of time Public Works will spend on maintaining the properties.

Upon questioning by Alderman Sipma, Mr. Zakian said, there have been 14 individual inquiries which has covered about nine or ten lots. There have been additional inquiries and he expects more to be sold in the auction.

Alderman Jantzer said he is pleased to see the people interested will be personally notified of the auction.

Alderman Sipma stated, he is glad to see these properties get back on the tax roll and they will no longer be the responsibility of the City.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Olson, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Podrygula, Sipma, Straight, Wolsky. nays: none.

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10. The City Council approve the policy and procedures to be used for acquisition of flood damaged properties which remain in disrepair from the flood with funding from CDBG-DR Allocation #1.

The above motion by Alderman Sipma, seconded by Alderman Podrygula.

Alderman Podrygula thanked Mr. Zakian for finding flexible opportunities to use the CDBG-DR Grants. He said this project is a major accomplishment toward repairing the community. He estimated the funding should allow the City to buyout about 20 homes.

Alderman Sipma asked if the City will have the ability to resell the lots after the properties are demolished or if the grant funding carries restrictions that will prevent them from being sold. Mr. Zakian said, all of the properties being acquired must have damage from the 2011 flood. They have identified 35-36 that qualify. He said they are using a new national objective that requires the properties be demolished. After that step is done, he will then offer ideas to the Council on how to move forward. Once a decision is made, it will require a technical amendment to the Action Plan and then they can proceed with the future use.

Alderman Straight read a section from the information provided, stating, the property owner has the option to either agreeing to the offer price or provide proof of intent to repair the home into code compliance. He asked what the acceptable timeframe would be to bring the home into code compliance. Mr. Zakian responded by saying, the timeline is specifically spelled out in the document. From the date they receive the letter, they have 150 days to bring the house into code compliance and be at a standard where the City has the ability to allow occupancy. He said the goal of the program is to remove the conditions threatening neighborhoods, so if the owner wants to come forward and repair the home, they have accomplished their goal.

Whereupon a vote was taken on the above motion by Alderman Sipma, seconded by Alderman Podrygula, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Sipma, Straight, Wolsky. nays: none.

11. The City Council establish a Renaissance Zone Administrative Application fee of \$500 for a commercial property and \$150 for residential single family properties.

Alderman Wolsky moved the City Council adopt a Renaissance Zone Administrative Application fee of \$350 for a commercial property and \$150 for a residential property. Motion seconded by Alderman Sipma.

Alderman Wolsky stated, his motion is a matter of opinion. He said he prefers a fixed fee rather than basing it on a percentage of the investment because it could reduce the amount of investment put in. He decided to choose costs high enough that only serious investors will apply, but low enough they aren't a disincentive.

Alderman Olson moved to amend the motion to adopt a Renaissance Zone Administrative Application fee of \$500 for all applications. Motion seconded by Mayor Barney.

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Alderman Olson explained, she is taking into account the time put in by City staff to review and process applications regardless of the size of the investment.

Alderman Sipma asked how mixed use zoning would come into play, whether it would be considered commercial or residential.

The City Manager said they would need to evaluate how to look at that. It would depend what type of project is being done and if it is both, commercial and residential, could look at what the dominant percentage of the project will be. The amendment adopting a flat fee would eliminate any confusion. He added, there is a certain amount of time staff has to put in to evaluate applications regardless of what type of project it is.

Mr. Zakian responded to further questions by saying, the average investment for the 70-75 Renaissance Zone applications that have been processed, was \$100,000-\$125,000. Between 85%-90% of the blocks identified in the Renaissance Zone are not single family. The majority of applications are either mixed use or commercial.

A vote was taken on the amendment by Alderman Olson, seconded by Mayor Barney and failed by the following roll call vote: ayes: Jantzer, Olson, Sipma; nays: Barney, Podrygula, Straight, Wolsky.

Mayor Barney moved to amend the motion to adopt a Renaissance Zone Administrative Application fee of \$500 for a commercial property and \$150 for a residential property. Motion seconded by Alderman Podrygula.

The Mayor stated, he believes \$500 is too high for a residential project, but \$350 is too low for a commercial project.

The City Manager commented, the Council was provided with information explaining that the cost estimate staff believes is associated with processing these applications is between \$600-\$900. Anything less than that will be subsidized by City offices. Given the fact there are considerable tax benefits for the projects, staff does not feel the amount is an impediment especially to realize those tax benefits over the five year period. He also asked for specific direction on defining commercial, residential and what happens with mixed use.

Mayor Barney clarified, only R1, single family residential zoning would be considered residential.

Whereupon a vote was taken on the amendment by Mayor Barney, seconded by Alderman Podrygula, and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Sipma, Wolsky. nays: Straight.

Alderman Podrygula spoke in reference to Mr. Barry's comments about tax benefits. He said, there are residential properties that can take advantage of Renaissance Zone opportunities and he does not want a fee to detract from that. In this instance he believes improving the housing stock is more important than conducting a process that pays for itself.

Alderman Olson said property tax has been a popular topic recently and emphasized that if we aren't charging enough fees to cover services then they need to be paid for in other ways.

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Whereupon a vote was taken on the above motion by Alderman Wolsky, seconded by Alderman Sipma, as amended and carried by the following roll call vote: ayes: Barney, Jantzer, Olson, Sipma, Wolsky; nays: Straight.

12. The Airport Director submitted a written report

Alderman Wolsky acknowledged the increased activity at the Airport.

Upon questioning by Alderman Sipma, the Airport Director said, the increase in car rentals reflects an increase in business travelers. He expressed concern however, the minimum annual guarantee was renegotiated last year. It was originally done in 2012, which was the height of the oil boom. He said, the contracts are being redone but the Airport will not be collecting as much revenue from car rentals.

13. The Library Director presented the Minot Public Library Annual Report.

Janet Anderson, the Library Director, described the American Library Association's "Libraries Transform Campaign." The intent of the campaign is to demonstrate that libraries are necessary to the continued success of our community. She explained, the Minot Public Library receives 1.07% of the City's overall budget but provides over \$7 million in services throughout the year. Which means, for every \$1 spent, they provide \$4.42 in services. She listed some of the services they offer, including eBooks, genealogy research, meeting rooms, computer training, equipment/technology rentals, story times, gaming, crafts/art classes, video games, DVDs, homebound delivery, and books.

She showed photos and described some of the events and activities they have held at the Library so far this year. The Library recent added a 3D printer and a Tool Library. She announced the kickoff of the Summer Reading Program which takes place June 4th through August 18th and has free programs for all ages.

Ms. Anderson then explained some of the challenges that face the Minot Public Library. The dominate concern being the belief that libraries are no longer relevant. She encouraged the Council to be an advocate for the Library and share with friends, family and constituents all of the services and activities the Library has to offer.

The entire presentation can be viewed online at: <https://www.youtube.com/watch?v=4zPJcXbNzpl>

There being no further business, the meeting was adjourned at 5:16 pm.

Respectfully Submitted,
Kelly Matalka,
City Clerk