

COMMITTEE OF THE WHOLE

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Members Present:

Sipma (Mayor), Jantzer, Olson, Pitner, Podrygula, 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, November 27, 2018:

- 1. The City Council approve the Settlement agreement, release, and covenant not to sue, between the City of Minot and Polaris, LP and authorize the Mayor to sign the agreement.**

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

- 2. The City Council pass an ordinance to amend the 2018 annual budget to increase the Airport landside maintenance and capital expense accounts for parking lot improvements and rental car relocation; and approve Change Order No. 2, Parking Lot Improvements Construction Support; and authorize Mayor to sign all applicable documentation. (AIR071)**

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

- 3. The City Council approve the Airport Lease, T-Hangar between the City of Minot and Craig VanTilborg for T-Hangar No. 6 for \$75.00 per month; and authorize the Mayor to sign the agreement.**

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

- 4. The City Council approve an adjustment to final payment for completion of Park South LMI Multi-family housing project in the amount of \$120,585.25.**

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

- 5. The City Council amend the existing sub-recipient agreement with the Souris Basin Planning Council extending the term for 1 year and adding CDBG-NDR and CDBG-DR Allocation #1 funds.**

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

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- 6. The City Council grant approval to authorize the ability for the City to commence eminent domain proceedings to acquire 9 properties need for flood mitigation projects should purchase negotiations not come to agreement on price.**

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

- 7. The City Council grant approval to add the structure located on 1115 6th Avenue SW acquired through CDBG-NDR flood mitigation buyout program to the auction list.**

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

- 8. The City Council approve the following award contracts to lowest responsible bidders for demolition of structures:**

400 Maple Street- Dig It Up Backhoe Service, Inc. (3755.8)
430 4th Ave. NE- Dig It Up Backhoe Service, Inc. (3755.7)
205/215 Maple Street- Dig It Up Backhoe Service, Inc. (3755.9)
614/701 4th Ave. NE- Berger Enterprises (3755.10)

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

- 9. The City Council appoint Ward County State's Attorney Roza Larson or her designee as Special Assistant Minot City Attorney to prosecute Ward County Case No. 51-2018-CR-02238.**

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

- 10. The City Council appoint Attorney Caitlyn A. Pierson to represent the City of Minot in the prosecution of municipal ordinance violations and authorize the Mayor to sign any agreements relating to Attorney Pierson's appointment.**

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

- 11. The City Council authorize city staff to submit the HSIP grant to install pedestrian signal improvements at 3rd Street/3rd Avenue SE and Burdick Expressway/13th Street SE; and authorize the Mayor to sign the grant applications. (4426)**

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

12. The City Council Authorize City staff to submit the Transportation Alternatives application for the 16th St SW Shared Use Path Replacement; authorize the Mayor to sign the application; and authorize the inclusion of the project in the 2021 Capital Improvement Plan. (4183)

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

Alderman Wolsky pointed out that the motion approves including the project in the 2021 CIP which will be revised this spring. He then asked if the project will include Federal or State funds.

The City Engineer explained, there are Federal funds passed through the State. The DOT manages that account and the City submits an application to the DOT for funding. He said, there is no guarantee this project will be funded in 2021; it could be 2022, 2023, or not at all.

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

13. The City Council authorize the engineering department to solicit Requests for Qualifications for engineering services for the Storm Sewer District 123 – 10th Street SW Project. (4393)

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

Alderman Wolsky stated, he wanted to bring awareness on this project. The last time a Storm Sewer District was created and special assessments took place, there was a lot of conversation about the project.

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

14. The City Council authorize the Mayor to sign the decision document for the Washington Elementary School Safe Routes to School project. (4367)

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

Alderman Wolsky said, the projects resulting from this study were decided in 2010 and need to be revisited. He then asked about the 10% engineering fee for the project and said, it seems excessive.

The City Engineer explained that the engineering cost is just an estimate. The reason construction engineering costs are included in the project is because the City does not have anyone on staff that can handle the NDDOT requirements. They can do the surveying and inspections but when it comes to the volumes of paperwork required just for a simple sidewalk it becomes onerous. He said, in the past, they

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have solicited proposals from engineering consultants to help with the DOT paperwork. City staff can survey and do most of the work. The contract will include an hourly not to exceed amount based on a scope that is yet to be developed. The cost depends on how long the project takes. If the low bidder is an experienced contractor, it could be done in as little as five days. If it's a contractor that takes weeks to do the project, the cost could reach the estimate of \$30,000. The City Engineer said it is not uncommon to have higher engineering costs on smaller projects. He explained, as the project cost increases, what consultants charge will go down because it wouldn't be fair to charge 15% on a \$30 million project. A smaller scale project still has hourly wages that must be paid to those consultants.

Alderman Straight asked if these Safe Route to School projects are new and how they originated.

Mr. Meyer explained, the projects have been taking place for over 10 years. A study was initiated in 2010, to find where issues were located, prioritize them and group them together to gain cost effective bids. He said we are getting to the latter part of the report so in the next few years he recommends initiating a new study and possibly expanding the scope to include shared use paths. We can continue to apply for grant funding through DOT or other funding sources.

The City Engineer listed several projects that have taken place including Lewis and Clark, areas around Washington, and Perkett.

Upon questioning by Alderman Podrygula, Mr. Meyer said, the timeline for completing all of the projects depends on grant funding. It could be completed in 3-5 years but could take as much as ten if they are not selected to receive grant funding. He also recommended conducting a new study within three years because the costs are outdated and some data has changed.

Mayor Sipma stated, this project was initiated about ten years ago because some neighborhoods did not have sidewalks at all and variances had been granted to allow it. It was an inconsistent policy in the past but we don't see the need in newer areas where sidewalks are now mandated.

Alderman Wolsky suggested the Anne Street Bridge might qualify as a project under this scope. Mr. Meyer agreed.

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

15. The City Council update the City of Minot's insurance coverage with First Western Insurance.

The above motion by Mayor Sipma, seconded by Alderman Pitner.

The Finance Director explained that he brought this issue to the Council over the summer when staff reviewed coverage for the parking structures. They identified a number of issues regarding City owned properties having inadequate coverage. There was also a coinsurance clause in the existing coverage that further penalized the City if there was not enough coverage and there was a claim against the property. State Fire and Tornado limited the coverage to the contract amount even if the value of the building had increased over time so it was difficult to increase our coverage to our requested amounts. The RFP

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identified properties that did not have enough coverage, consolidated the list of properties, added about \$20 million in property value, and eliminated the coinsurance provisions. NDIRF, who holds our liability coverage, because of our claims history have issued a premium increase to our policy which is reflected in the proposal. He mentioned that some of the policies are staying with the same agencies. The main change is with the blanket property coverage and the boiler and machinery coverage. The result is an increase in the premium but it is still less than what was anticipated in the budget.

Mayor Sipma said, there was a discussion about NDIRF taking over the fire and tornado coverage in the future and when that happens it can be revisited. He added, he is comfortable with the increased amount of protection.

The Finance Director stated, the proposal is for a two year term with options to extend in the future. There should not be many changes but we will have the opportunity to adapt if necessary.

Alderman Podrygula asked if there is still an opportunity to fine tune the proposed agreement. He mentioned a few areas of concern including a clause for furs, as well as jewels, pearls and precious metals. He asked if these were necessary to include.

Mayor Sipma said, they may be included as automatic increase under the blanket policy but he can look at it and consult with the Finance Director before final approval.

The City Manager said, those categories might be included to cover things confiscated as evidence or loss of items on City property.

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

16. The City Council pass an ordinance on first reading to repeal and reenact sections 2-126, 2-157, 4-16, 5-25, 5-32, 9-135, 18-193, 18-196, and 18-197 of the City of Minot Code of Ordinances in order to reflect the City Council's decision to discontinue the regular use of the committee of the whole and, instead, have two regular City Council meetings each month.

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

The City Manager called attention to the primary changes taking place in the ordinance revisions. He said, the City Council meetings will be held the first and third Monday at 5:30 pm and the Committee of the Whole meetings will be eliminated. There are also proposed changes to the policy on rescheduling meetings which will be permitted with approval by the Mayor, City Manager and City Council President.

Alderman Podrygula said, he appreciates the revision to the rescheduling policy but believes requiring all three officials is needlessly cumbersome.

Alderman Podrygula moved to amend Section 2-28 (b) to state that if two of the three, the city manager, the mayor and the council president agree, in writing, that a regular meeting should be rescheduled due to inclement weather or a public safety concern, the meeting shall be rescheduled to a date within eight (8)

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days of the date the meeting would, pursuant to 2-26, have occurred in the absence of such rescheduling. Motion seconded by Alderman Straight and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

Alderman Podrygula moved to amend Section 2-30 (Order of Business) (10) to state "Miscellaneous and New Business." Motion seconded by Alderman Wolsky.

Alderman Podrygula explained, he would like to see more flexibility in the agenda and would like more informal opportunities to discuss issues without taking action.

Alderman Olson said, she agrees with the idea but believes the public should be made aware of any topics to be discussed prior to meetings.

Mayor Sipma stated, the current Council has an understanding that these issues will be for discussion purposes only but a future Council may not feel that way. He would prefer to give staff time to collect information prior to discussing during the meeting.

Alderman Podrygula changed his motion to state "Miscellaneous and Discussion Items" rather than Miscellaneous and New Business." Alderman Wolsky, as the second, agreed.

The City Attorney clarified by saying, historically, council members have brought items up under other business. Specific items have also been approved under other business. She said, under State law, the Council can bring up new items during regular Council meetings but cannot during special Council meetings.

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

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

The City Manager stated, in order for the ordinance to take effect next year, a second reading of the ordinance must be approved before the end of the year, therefore a special City Council meeting will be scheduled in December.

17. The City Council deny the request by C & K Consulting, LLC for an abatement to reduce the 2016 True and Full Value for 16 vacant lots owned by C & K Consulting on or near Mulberry Loop and Olive Tree Circle.

Michael Raum and Brandt Doerr of Fredrickson & Bryon P.A., came forward to represent the applicant on the abatement requests. They distributed a binder of information on each of the abatement requests. Mr. Raum recognized that the City Assessor is responsible for assessing thousands of properties and explained that the legislature has provided them the process to take a position that certain assessments are incorrect. The issue being discussed is finding the full and true value of the properties based on market conditions.

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The first set of properties for discussion were vacant lots that were assessed at \$75,000 each in 2016. The applicant is requesting the assessment be lowered to \$25,000 each. Mr. Raum explained that it is sometimes difficult to assess values to vacant lots because there are fewer comparable sales and there isn't any income data to rely on. He showed documentation saying the lots were marketed for sale at \$50,000-\$60,000 and stated, the sale price is expected to be considerably higher than the assessment. He added that none of the lots sold which indicates they were appraised too high. He then pointed out documentation from sales that took place in 2017, confirming that identical lots sold for \$25,000. He recognized that the data would not have been available at the time of the appraisal but said, they can use information from a later date if it confirms market trends.

The City Assessor stated, the application for abatement was made three years after the assessment was done. The Assessor's Office did not have the information about the sale price of the properties and could not find any listing saying they could be purchased for \$50,000 in 2016. He said there are recorded sales between 2012 and 2014 indicating that similar vacant lots were being sold for \$68,000 to \$75,750 plus the cost of special assessments for the area. He demonstrated how the model used to determine the value was at 101% meaning they were very close to market value at the time. Mr. Ternes also explained that they only consider values from properties sold between January 1, 2015 and December 31, 2015 and they cannot reset assessments based on sales that occurred two years later. He also mentioned that all of the similar lots in that area were assessed the same regardless of who owned them. He recommended the Committee deny the request for abatement.

Upon questioning by Alderman Podrygula, Mr. Ternes said, at the time of the assessment in 2016, the market value was \$75,000 and the model used was 100%. There may be sales now that backup a \$25,000 market but the sales in 2016 confirmed a \$75,000 assessment.

Mr. Raum stated, the timeframe for applying for an abatement is determined by the legislature but the question remains, is the true and full value supported by data at the time. He said, every taxpayer has the right to appeal and they should not be penalized because other property owners have not appealed.

Mayor Sipma moved to deny the abatement request to reduce the 2016 True and Full Value for 16 vacant lots owned by C & K Consulting on or near Mulberry Loop and Olive Tree Circle. Motion seconded by Alderman Straight and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

18. The City Council deny the request by Stonebridge Villas II, LLC (3215 8th Street NE) for a reduction of the 2016 Property taxes

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Mr. Raum came forward to discuss the next abatement request. He apologized for the volumes of information placed before the Committee but said, once they submit their application, there is very limited time before appearing at the meeting. For this request, they provided information documenting the income approach of determining value using actual rent and expenses from the time period. They applied a capitalization rate based on a survey to come up with an assessed value for the combination of the properties listed at 3215 8th St NE and 3241 8th St NE. He said, the properties are appraised at \$12.8 million and they are asking for a reduction to \$9.2 million. He said there was nothing retroactive about the data, it reflects actual operation costs from 2015.

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Mr. Ternes said, the abatement for 3215 8th St NE looks at the market at the beginning of 2016. It is a 42 unit building and the applicant is asking for a 45% reduction on the application. The request on their application is for a much lower amount than their data suggests. He also mentioned, it is a very large request considering there was no appraisal done. He suggested some alterations to their calculation using the income approach. Mr. Ternes said, they are using a vacancy rate of 25% but he suggested they use a rate closer to 15%. He said the rate in December may have been 25% but throughout the rest of the year, it is likely that it was lower. An appraisal submitted for another property of theirs shows the vacancy rate in that area was about 8%. In addition, the capitalization rate they used was about 10% when it should be at 9%. He said, if they substitute those numbers, they will find that the valuation assessed by the City was actually less than if using the income approach.

Mr. Ternes requested the Committee deny the abatement request for several reasons. He said, the document they filled out requested a valuation of \$77,000 per unit when they were assessed at \$139,000 per unit but now they are suggesting a different amount.

Mr. Raum said that North Dakota law allows an owner to testify to the owner's opinion of value. He then explained the values used in their calculation of the income approach. He said they used a vacancy rate of 17% and a base capitalization rate of 8.7%.

Alderman Wolsky moved to deny the abatement request by Stonebridge Villas II, LLC (3215 8th Street NE) for a reduction of the 2016 Property taxes. Motion seconded by Alderman Olson and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

19. The City Council deny the request by Stonebridge Villas II, LLC (3241 8th Street NE) for a reduction of the 2016 Property taxes

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Mr. Raum came forward to state, this request was combined with the last property when calculating a value.

Mr. Ternes added, if using the model Mr. Raum described, they would get a higher number than what was requested in their application. They did not provide information to support their valuation. He then demonstrated the value of this property compared to similar newly built properties in the area. The current assessment is \$124,000 per unit. When ranked against other newly built apartments, this property is one of the higher per unit assessments because they contain three bedroom units. If the value was lowered to what they are requesting, it would place them as the lowest valued property at \$7,500 per unit. Mr. Ternes also mentioned that the value of apartments overall were already reduced by about 14% between 2015 and 2016.

Mr. Raum stated, the apartments being discussed are only two bedrooms. The number of bedrooms was not verified.

Mayor Sipma moved to deny the abatement request by Stonebridge Villas II, LLC (3241 8th Street NE) for a reduction of the 2016 Property taxes. Motion seconded by Alderman Olson and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

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20. The City Council deny the request by Stonebridge Villas LLC (3343 8th Street NE) for a reduction of the 2016 Property taxes on a 68 unit apartment complex.

Mr. Raum began by stating, the property contains 68 units. They used the income approach to determine a value of \$5.5 million.

Mr. Ternes expressed his frustration that his office has put in 50-60 hours of work on these abatements when the application requests one number and the documentation supports a different number. He continued by saying, the request on the application is for a reduction in value to \$3,655,000 but their documentation suggests a value of \$5.5 million. He showed that the State tax department model which demonstrates that the Assessor's commercial model is between 90%-100% on all sales. If the model shows the values are very different then staff would drill down to find the error. He explained, in this case the apartment's value was lowered about 14% like other apartments in Minot, from \$132,000 in 2015 to \$113,000 in 2016. What they are asking for on the application is \$3,750 per unit.

Mr. Raum came forward to clarify, they provided an estimate on their application before conducting their research but the goal is still to find the true and full value. They came in tonight with a number that is higher than their initial estimate and they are free to deviate upwards in order to reach the true and full value. They are trying to be as reasonable as possible.

Alderman Wolsky moved to deny the abatement request by Stonebridge Villas, LLC (3343 8th Street NE) for a reduction of the 2016 Property taxes on a 68 unit apartment complex. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

21. The City Council deny the request by Townhomes at Stonebridge for a reduction of the 2016 Property taxes on 46 Townhomes along 7th Street NE.

Mr. Raum stated, they have provided a full appraisal for this property that was done in October, 2015 for the purpose of financing. They are asking for a modest reduction from the assessed value of \$10.3 million to a value of \$9.85 million. He recognized that their application requested a much lower value but he clarified that this is their request.

Mr. Ternes explained, the property contains 46 units owned by one company and operated as an apartment. Townhomes are assessed separately as a single residential rate and cannot be assessed as one property. Residential rates are about 10% less than commercial. They use comparable sales of single family residential units to determine the value, not commercial apartments. The appraisal would be very helpful if they were looking at a commercial complex. The Assessor used sales of individual units to support their value. He recommended denial of the abatement.

Mayor Sipma moved to deny the abatement request by Townhomes at Stonebridge for a reduction of the 2016 Property taxes on 46 Townhomes along 7th Street NE. Motion seconded by Alderman Olson and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

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22. The City Council deny the request by Stonebridge Development Company for a reduction of the 2016 property taxes on or near Mulberry Loop NE, Olive Tree Circle NE, and 34th Avenue NE.

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Mr. Raum stated, this application is similar to the first application that was discussed.

Mr. Ternes explained, they are unable to use data that became available after the assessment. They used sales from the time period to support their assessment.

Alderman Pitner moved to deny the abatement request by Stonebridge Development Company for a reduction of the 2016 property taxes on or near Mulberry Loop NE, Olive Tree Circle NE, and 34th Avenue NE. Motion seconded by Mayor Sipma and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky. nays: none.

23. The City Council discussed implementing an ombudsman position on the City Council.

The City Manager explained, as a result of the change in government, there are no longer representatives for different wards because all Council members are elected at large. The public often doesn't know who to contact to discuss an issue. An ombudsman would be a point of contact for the citizens of Minot and could direct inquiries in the appropriate manner. The position could be rotated for a set period of time or the Council could discuss other options.

The Council agreed it would be worthwhile to explore. In an example where one citizen reaches out to all Council members by email, there could be conflicts with open meeting violations if they all respond. It would be more efficient to have one Council member responsible for sending a response and following through with a department rather than having each member contact a department separately. They mentioned that it would be a good way to track citizen requests but it should not discourage the community from reaching out. Each Council member will continue to answer calls and field questions from citizens but the ombudsman would act as a main point of contact.

The City Manager was given direction from the Council to develop an approach for the ombudsman position by identifying a job description, and role as well as a process for administration and direction for the rest of the Council. He will explore options and present a report for the Council to approve.

24. The City Council direct City staff to file an application with the Planning Commission to move forward with rezoning the entire 320 Acres to Public for expansion of the Landfill; Direct City Staff to move forward with permitting the expansion into 160 of the 320 acres in described areas: East 1/2 of the NE 1/4 Section 33-155-83 and North 1/2 of the SW 1/4 Section 33-155-83 and direct City Staff to conduct a comprehensive siting and financial impact analysis for a new landfill within 5 years of permitting the partial expansion.

The Assistant Public Works Director, Jason Sorenson, gave a brief presentation to recap the discussion from the previous month and provide clarification on a few issues. He described the location of the landfill and the issues that led to the need for additional landfill capacity. There were three options considered for future disposal including, expansion, finding a new site, or collection and haul. The cost to expand the landfill at its current location will cost an estimated \$3.7 million annually over 20 years. The cost for a new site at comparison #1 is estimated to be \$5.6 million annually and comparison #2 estimated

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at \$5.7 million annually over 20 years. If a new location was developed, the additional monthly charge per household would be about \$7.00 or an increase of 43%. The cost for collection and haul was deemed too significant to pursue.

During the previous discussion on this issue, there were some concerns about the Minot landfill absorbing the burden as a regional facility. Mr. Sorenson clarified some misconceptions that were mentioned. He explained, prior to 1993, there were 111 landfills in North Dakota. After the EPA established subtitle D regulations, the number of landfills was reduced to 13, leaving Minot as the only landfill in Region II. As waste haulers requested to bring trash to Minot, permission was granted and in 1999 the City Council released all restrictions on Region II. Waste is still collected from outside Region II on a case by case basis. What has happened is, as the City collected revenue from outside the Region, they pulled back from charging City of Minot residents.

He clarified the quantities of waste accepted, by saying, the City of Minot including residential and commercial waste, makes up 27,884 tons of MSW collected at the landfill. The regional MSW contributes another 43,365 tons. The total MSW makes up about 62% of all waste at the landfill but Minot also deposits 20,599 tons of inert waste, 2,921 tons of yard waste, 2,104 tons of trees, and 18,764 tons of lime. He stated, 405 of MSW come from residential and commercial entities within Minot but a total of 61% of waste at the landfill is accepted locally and 39% of waste is from the rest of the region. He then described the financial contributions made locally and from the region. He showed data separating the types of disposal and the various amounts charged and explained that, local charges make up \$1,452,663 or 45% of revenue, whereas, regional charges equal \$1,780,133 or 55% of total charges. In summary, the City of Minot contributes 61% of the total volume but only pays 45% of the total bills. He said, there was the assumption that the City was subsidizing the entire region but that is not the case. The regional contribution makes it possible for the City to defray the cost of disposal for our citizens.

Mr. Sorenson then explained why staff is not in favor of a regional authority. He said, the majority of waste collected is from the city of Minot and it is beneficial to maintain control of the availability and prices charged at the landfill. If the landfill was in the hands of a regional authority, Minot would be only one voice. It is in our best interest to maintain control of ownership and operation of the landfill.

He concluded by stating, the recommendation from staff is to expand the existing facility at the current site. There are operational efficiencies gained by utilizing only one location. The timeframe necessary to relocate should have begun ten years ago if it is to take place before space runs out, and expanding the current location is economically more efficient for the residents of Minot. He said, based on the input from residents at meetings and on social media, the opinion is three to one in support of expanding the landfill. He then said, if the Committee supports staff's recommendation, it will move forward for approval at City Council, an application would be submitted to the Planning Commission for rezoning, then the rezoning would be considered at City Council before a full facility application would be submitted to NDDH.

Upon questioning by Alderman Wolsky, Mr. Sorenson said, the recycling report was conducted by the same consultant as the site analysis and is expected to be completed in the next month.

Mr. Sorenson responded to questions about the amount of time left at the current landfill by saying, inert waste is at its peak and could expand laterally for a few years but has not been studied. The MSW is estimated to last until 2023-2025. He said, if approved, it would take about 18 months to receive a permit

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for the expansion. By comparison, expansion could take place much faster than relocating. A new location involves a more lengthy permitting process and new hurdles that expansion does not require. For example, the City of Grand Forks took 15 years to find a new site for their landfill.

Alderman Olson moved to expand the landfill at the current location. Motion seconded by Mayor Sipma.

Alderman Straight said, he understands that a solution should have been found 10 years ago, but land wasn't for sale. He also brought up issues regarding the lack of planning in the City of Minot. He wondered if it would buy some time if we no longer accepted regional waste.

Mayor Sipma stated, the fact is that the City of Minot is a regional landfill. Minot is responsible for regional flood protection, is the regional water supplier regarding NAWS, a regional commercial center, and it would be detrimental to shut out the rest of the region. In addition, the longer this is delayed, the more difficult it will be to find suitable piece of land around the county. He estimated it would take the better part of a decade to work through the legal process of obtaining land for a new site. He said, we will continue to look but the bottom line is, we need to expand now. The area continues to grow economically expanding our infrastructure at the current taxpayer cost.

Mayor Sipma moved to amend the motion to direct City staff to file an application with the Planning Commission to move forward with rezoning the entire 320 Acres to Public for expansion of the Landfill; Direct City Staff to move forward with permitting the expansion into 160 of the 320 acres in described areas: East 1/2 of the NE 1/4 Section 33-155-83 and North ½ of the SW ¼ Section 33-155-83 and direct City Staff to conduct a comprehensive siting and financial impact analysis for a new landfill within 5 years of permitting the partial expansion. Motion seconded by Alderman Podrygula.

Alderman Jantzer agreed, this motion is what they were trying to accomplish during the previous discussion.

Alderman Podrygula said, although he believes the land in that area is too valuable to be used as a landfill, there is no choice but to expand. We can't take the risk of trying to find new land. He mentioned, this is a statewide issue but we have to make the best of what we have. He emphasized the need to look at recycling.

Alderman Wolsky said he is opposed to the motion. He would like to see more restriction on the size of the expansion.

Alderman Pitner asked why we need to move forward now when we could wait two years based on the remaining capacity. The last ten years of the energy boom and the 2011 flood ate up some of our time with the landfill but there is still time to look for other options.

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

A vote was then taken on the motion by Alderman Olson, seconded by Mayor Sipma, as amended and carried by the following roll call vote: ayes: Jantzer, Olson, Podrygula, Sipma. nays: Pitner, Straight, Wolsky.

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25. The City Council direct staff to conduct a study of tipping fees to see if Minot's rates are aligned with those around the state.

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The above motion by Alderman Wolsky, seconded by Alderman Straight.

The City Manager said, he is not certain what it would cost to conduct this type of study and said it is not typically done in-house.

Alderman Wolsky clarified, he is just suggesting someone call other municipalities around the state to find out what they are charging. He wants to ensure, Minot is not incentivizing dumping here opposed to other locations.

Mr. Sorenson said, each year Minot's tipping fee is calculated based on a waste quantity estimate. The fees may not be aligned with others around the state because they are based on operation costs.

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

26. The City Council direct staff to evaluate the cost savings gained by providing once per week garbage collection.

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The above motion by Alderman Wolsky, seconded by Alderman Straight.

Mayor Sipma clarified, the motion is to conduct the analysis but they are not suggesting the changing service at this point.

Alderman Straight said, he is looking forward to the conversation on single use plastic bags and recycling. He said, consumption is not cheap and it is important to set priorities and plan for the future.

Alderman Podrygula said, he is not in favor of reducing services but believes they should be priced fairly for what it costs to conduct the service.

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

There being no further business, the meeting was adjourned at 7:04 pm.

Respectfully Submitted,
Kelly Matalka,
City Clerk