

## **FINANCE AND IMPROVEMENTS COMMITTEE**

Tuesday, September 27, 2016 – 4:15 p.m.

City Council Chambers

### **A g e n d a**

1. [Final Payments](#)
2. [Resolution Offering to Purchase Land and Authorizing Use of Eminent Domain Authority](#)
3. [Amendment to Resolution No. 3364 – Resolution Establishing Voluntary Home Acquisition for Abandoned and Blighted Properties Request to the North Dakota Housing Finance Agency](#)
4. [Contract Agreement- City of Minot and Ward County- Housing Prisoners at Ward County Jail](#)
5. [Amendment One to the Contract between the City of Minot and CDM Smith for Administrative Services of the National Disaster Resilient Grant](#)
6. [Amend the 2016 Annual Budget- Boiler Room Pump \(LIB027\)](#)
7. [Amend the 2016 Annual Budget- Engineering Restrooms \(PM0006\)](#)
8. [Amend the 2016 Annual Budget- New World Enterprise Third Party Interface Software \(FD0050\)](#)
9. [Award of Bid- Vehicle for IT Department](#)
10. [Property Tax Exemption for Future Improvements- 1112 Soo Street](#)
11. [Award of Bid- Water Treatment Plant Chemicals \(4232\)](#)
12. [Award of Bid- 600 Tons De-Icing Salt \(4230\)](#)
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14. [Award of Bid- Road Grader Cutting Edges \(4231\)](#)

# FINANCE AND IMPROVEMENTS COMMITTEE

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MEMO TO: Finance and Improvements Committee  
FROM: City Clerk's Office  
RE: Agenda for Tuesday, September 27, 2016 - 4:15 p.m.

## 1. Final Payments

It is recommended the Committee and Council approve the following requests for final payment:

- a. [Graham Construction](#) in the amount of \$2,324,059 for the AIP 046 project (AIR007)
- b. [Graham Construction](#) in the amount of \$412,090.07 for the Economy Parking Lot project (AIR003 & AIR015)
- c. [Graham Construction](#) in the amount of \$127,611.04 for the Airport Road Construction project (AIR015)
- d. [Industrial Builders, Inc.](#) in the amount of \$ 513,738.02 for the Oak Park Bridge Replacement (4032)
- e. [Tom's Backhoe Service](#) in the amount of \$163,183.35 for the Puppy Dog Sewer Phase IV (3020.3)
- f. [NDDOT](#) in the amount of \$18,795.79 for 13<sup>th</sup> Street SE Reconstruction Phase 1 (3491)
- g. [NDDOT](#) in the amount of \$17,815.86 for 13<sup>th</sup> Street SE Reconstruction Phase 2 (3491)
- h. Knife River in the amount of \$4,500 for 13<sup>th</sup> Street SE Reconstruction (3491)
- i. [Excavating, Inc.](#) in the amount of \$234,078.36 for Paving District 496 (4092)
- j. [Rolac Construction](#) in the amount of \$19,211.60 for the Perkett Skating Rink (3764)

## 2. Resolution Offering to Purchase Land and Authorizing Use of Eminent Domain Authority

The City staff has been working with property owners in the first three phases of the flood control project. Staff is not always able to reach an agreement with the property owner on the purchase price of their property. When this occurs, the City will need to proceed to the eminent domain process.

Staff has identified four (4) additional properties that potentially follow the eminent domain process as follows:

Property Address	Record Title Owner	Legal Description
110 - 6th Street NE	Lynette G. Burch	West 110 feet of Lot 1, Block 3, Torbenson's Addition to the City of Minot, North Dakota
400 - 3rd Street NE	Elizabeth Flemming	Revised Minot Flour Mill Site, Minot, North Dakota, less portion to the City of Minot described as Document No. 2796446
Vacant lots at the end of 5th Ave SW	Parker Property Group, Inc.	Lots 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 7A, 7B, 8A and 8B, Witham's 3 <sup>rd</sup> Addition to the City of Minot, North Dakota
10 - 5th Street NW	Jamie Hoffer	North ½ of Lot 2, Wittenborn's Subdivision of Blocks 4 and 5, Brooklyn Addition to the City of Minot, Ward County, North Dakota

It is recommended the Committee and Council adopt the [Resolution](#) Offering to Purchase Land and Authorizing Use of Eminent Domain.

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### **3. Amendment to Resolution No. 3364 – Resolution Establishing Voluntary Home Acquisition for Abandoned and Blighted Properties Request to the North Dakota Housing Finance Agency**

On January 12, 2015, the Minot City Council passed and adopted the subject resolution. The resolution addresses the grant the City received from the North Dakota Housing Finance Agency (NDHFA) to purchase blighted properties.

The resolution resolved the following:

“2. The City of Minot will deed the purchased properties to the Minot Area Community Land Trust for development of affordable housing.”

It is recommended the resolution be amended to include the following:

2. The City of Minot will dispose the property by one of the following alternatives:
  - (1) Deed the purchased property to the Minot Area Community Land Trust for development of affordable housing;
  - (2) Sell the property to an individual based on a bid process; or
  - (3) Sell the property to an individual whose property was purchased through the City of Minot Mouse River Enhanced Flood Protection Plan buyout process based on assessed value or price negotiated by the Finance Department.
3. All sales will be pre-approved by the Minot City Council.

It is recommended the Committee and Council pass and adopt the Amended [Resolution](#) Establishing Voluntary home Acquisition for Abandoned and Blighted Properties Request to the North Dakota Housing Finance Agency.

### **4. Contract Agreement- City of Minot and Ward County- Housing Prisoners at Ward County Jail**

The Police Chief received a new [contract agreement](#) for housing City of Minot prisoners at the Ward County Jail. The contract increases the daily rate from \$50 per day to \$60 per day for housing City prisoners.

The new contract also addresses a concern expressed by the City at a recent Liaison Committee meeting wherein the City was being billed for a full day regardless of how much time the prisoner was at the jail. The new contract states the City will not be billed the daily rate unless the prisoner has been there at least four hours that day.

The contract also adds a \$25 booking fee when a prisoner is brought to the jail to be booked on City charges regardless of the amount of time the prisoner is there.

It is the opinion of the Police Chief the contract is fair to both the City of Minot and Ward County. It is recommended the Committee and Council approve the contract and authorize the Mayor and City Auditor to sign it.

### **5. Amendment One to the Contract between the City of Minot and CDM Smith for Administrative Services of the National Disaster Resilient Grant**

The City of Minot entered into a contract with CDM Smith to provide administrative and project delivery services for the National Disaster Resilient (NDR) grant.

The contract includes services for the Decision Support Tool as included in the NDR application. As the work has begun on this portion of the overall scope, it has been determined due to the complexity of the Decision Support Tool (DST) and the composition of the Souris River Basin senior level CDM staff are required.

CDM Smith is requesting the following labor categories be added to the contract effective June 6, 2016:

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Planner/Scientist	\$170/per hour
Senior Planner	\$205/per hour
Sr. Technical Advisor/Planner	\$215/per hour

There is no associated cost increase for the scope modification.

CDM Smith's invoices support this level of effort.

The overall blended rate for the contract is \$135 and will not change for any of the other effort. This adjustment is recommended without increasing the cost of the overall contract. The hours will be adjusted accordingly to maintain the overall contract cost.

In addition, there is a modification to the scope of the contract to enhance the services under section 1.1.2.1 to ensure the scope will provide adequate services for the Relocation and Anti-Displacement Plan.

It is recommended the Committee and Council approve Amendment One to the Contract between the City of Minot and CDM Smith for the Administrative and Project Delivery Services effective June 6, 2016 and further authorize the Mayor to sign the Amendment.

### **6. Amend the 2016 Annual Budget- Boiler Room Pump (LIB027)**

It is recommended the Committee and Council pass an [ordinance](#) on first reading to amend the 2016 annual budget to increase the Equipment Purchase revenues and expenditures and decrease the Library's Maintenance Buildings and Grounds revenue and expenditures for the purchase of a new boiler room pump.

### **7. Amend the 2016 Annual Budget- Engineering Restrooms (PM0006)**

It is recommended the Committee and Council pass an [ordinance](#) on first reading to amend the 2016 annual budget to increase the Equipment Purchase expenditures and decrease the Property Maintenance department expenditures for the upgrade to Engineering restrooms.

### **8. Amend the 2016 Annual Budget- New World Enterprise Third Party Interface Software (FD0050)**

It is recommended the Committee and Council pass an [ordinance](#) on first reading to amend the 2016 annual budget to increase the Fire Equipment Capital expenditures and decrease the General Fund expenditures for the New World Enterprise Third Party Interface Software.

### **9. Award of Bid- Vehicle for IT Department**

The 2016 budget includes \$20,000 for a used vehicle for the IT Department. Bids were opened on September 15<sup>th</sup>. The following is a tabulation of the bids:

Bidder	Vehicle	Cost	Miles
Westlie	2013 Ford Edge	\$21,900	34K
Ryan Honda	2016 Honda HR-V	\$21,900	1K
Ryan Honda	2014 Buick Encore	\$17,800	46K

The 2016 Honda is \$1,900 over the amount budgeted; however, it is virtually brand new and comes with a warranty.

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**Fiscal Impact:** The additional \$1,900 is available in the IT 2016 budget operation supplies.

It is recommended the Committee and Council declare the best bid to be the 2016 Honda HR-V for \$21,900, to pass on first reading the [budget amendment](#) moving the \$1,900 from operation supplies to the capital projects funds, and further authorize the Finance Director to sign the necessary paperwork.

### 10. Property Tax Exemption for Future Improvements- 1112 Soo Street

The owner of the residential property at 1112 Soo St, Minot has applied for an exemption of improvements for tax years 2017, 2018, 2019 per NDCC 57-02.2. The house has been gutted down to the studs and the owner states he is ready to start replacing the home's interior and exterior finish to include electrical and mechanical components. According to the Council approved policy on this exemption, it would be eligible for an exemption of the improvements. The policy is attached for reference.

If the Council would approve, the assessment of the property would not be increased after work is completed until after 2019. The current assessment for 2016 is \$23,000 for the land and \$48,000 for the building for a total assessment of \$71,000. The \$48,000 building assessment would remain in place for three years unless the entire neighborhood saw across the board adjustments.

If the Council wishes to approve the request, it is recommended a motion be made to approve the [Property Tax Exemption for Improvements](#) to a residential building for 1112 Soo Street.

### 11. Award of Bid- Water Treatment Plant Chemicals (4232)

On Friday, September 16, 2016 bids were opened for water treatment plant chemicals for the year 2017. Results of the bid opening have been tabulated below.

BIDDER	CARBON DIOXIDE \$/TON	CHLORINE \$/TON	QUICKLIME \$/TON	AMMONIUM SULFATE \$/LB
Ethanol Products, LLC	\$180			
Hawkins Water Treatment		\$612		\$0.305
DPC Industries, Inc.		\$605		
Thatcher Company of MT				\$0.3426
DR Transport Inc.			\$134	
Mississippi Lime Company			\$280	
H & H Trucking			\$157.20	

**Fiscal Impact:** Monies are budgeted in the Water Supply and Treatment account 140-6000-506.06-10

It is recommended the Committee and Council award the bids as follows:

- Carbon Dioxide awarded to Poet Ethanol Products for \$180.00/Ton.
- Chlorine awarded to DPC Industries for \$605.00/Ton.
- Quicklime awarded to DR Transport for \$134.00/Ton.
- Ammonium Sulfate awarded to Hawkins Water Treatment for 0.305/LB

### 12. Award of Bid- 600 Tons De-Icing Salt (4230)

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On Friday, September 16, 2016 bids were opened for salt for the 2016-2017 winter operation for the City of Minot. Two bids were received. The following is the bid tabulation:

BIDDER	UNIT COST	EXTENDED COST
DR Transport	\$62.90	\$37,740
H & H Trucking	\$64.29	\$38,574

**Fiscal Impact:** Monies for this are budgeted in the Street Maintenance Account.

Based on the bids received it is recommended the Committee and Council award the bid to DR Transport for \$62.90/ton. The total for the 600 tons is \$37,740.

**13. Award of Bid- 6,000 Tons Washed Sand (4229)**

On Friday, September 16, 2016 bids were opened for sand for the 2016-2017 winter operations. Four bids were received. The following is the bid tabulation:

BIDDER	UNIT COST	EXTENDED COST
Aggregate Construction	\$14.94	\$89,640
Gravel Products	\$14.15	\$84,900
Sundre Sand & Gravel	\$14.78	\$88,680
Pinky's Aggregates, Inc.	\$16.60	\$99,600

**Fiscal Impact:** Monies for this are budgeted in Street Maintenance Account.

Based on the bids received it is recommended the Committee and Council award the bid for sand to Gravel Products for 14.15/ton.

**14. Award of Bid- Road Grader Cutting Edges (4231)**

On Friday, September 16, 2016 bids were opened for road grader cutting edges for the Street Department for the 2016-2017 winter snow removal season. Five bids were received. Following is the bid tabulation:

BIDDER	UNIT COST	EXTENDED COST
Butler Machinery	\$55.99	\$30,794.50
Normont Equipment Co.	\$58.43	\$32,136.50
Valk Manufacturing Co.	\$49.48	\$27,214
Titan Machinery	\$53.46	\$29,403
RDO Equipment	\$49.98	\$27,489

**Fiscal Impact:** Monies for this are budgeted in the cutting edges and brooms account in the Street Department

It is recommended the Committee and Council award the bid for road grader cutting edges to Valk Manufacturing Company.