

City of Minot

Regular City Council Meeting
Monday, March 18, 2019 at 5:30 PM
City Council Chambers - City Hall

Any person needing special accommodation for the meeting is requested to notify the City Clerk's Office at 857-4752.

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. PERSONAL APPEARANCES
4. MAYORAL APPOINTMENTS

Attached is a list of Mayoral appointments for the Council's consideration.

Documents:

[MEMO TO APPT MARCH 2019.PDF](#)

5. CONSENT ITEMS

5.1. APPROVAL OF THE MINUTES

Approval of the minutes of the March 4, 2019 regular City Council minutes

Documents:

[190304.PDF](#)

5.2. ADMINISTRATIVE APPROVALS

It is recommended the City Council ratify the attached administratively approved requests.

Documents:

[ADMIN APPROVALS 3-18.PDF](#)

5.3. THE FOLLOWING ORDINANCES SHOULD BE CONSIDERED ON SECOND READING

1. **Ordinance No. 5356 - Change the Zone from MH to RA on Outlot 20, Section 34, TWP 155 North, Range 82 West**
2. **Ordinance No. 5358 - Change the Zone from C4 to C2 on Prairie Green Second Addition Lot 6, Block 22 less portion for highway (Parcel 6-3)**
3. **Ordinance No. 5360 - Amend the 2019 Annual Budget- Van Purchase (BUS037)**
4. **Ordinance No. 5361 - Amend Chapter 24 of the CMCO Parks & Recreation Merger**
5. **Ordinance No. 5362 - Adding a Stop Sign to Traffic Control 10th Avenue SE & 2nd Street Se**
6. **Ordinance No. 5363 - Amend the 2019 Annual Budget- Purchase of Property at 1004 3rd Ave NW (CAP036)**
7. **Ordinance No. 5364 - Amend the 2019 Annual Budget- Planning**

Consulting Services

Documents:

[ORDINANCE NO. 5356.PDF](#)
[ORDINANCE NO. 5358.PDF](#)
[ORDINANCE NO. 5360.PDF](#)
[ORDINANCE NO. 5361.PDF](#)
[ORDINANCE NO. 5362.PDF](#)
[ORDINANCE NO. 5363.PDF](#)
[ORDINANCE NO. 5364.PDF](#)

5.4. ENTERPRISE BACKUP APPLIANCE

The City of Minot currently has one enterprise backup server originally purchased in 2013. This server stores multiple, off-site backup copies of the data stored on the vast majority of City servers. Mission critical data is backed up on these servers. Hardware must be replaced in order to ensure proper protection of critical, invaluable City of Minot data. This project will provide a 5-7 year backup solution that includes necessary resources to meet the projected growth demands of the City data environment. This was a planned and budgeted project for 2019.

1. **Recommend the Council award to Dell EMC in the amount of \$45,049.97 for a Dell EMC IDPA DP4400 Backup Appliance and**
2. **Pass an ordinance to amend the 2019 annual budget to increase the information technology revenues and expenditures and decrease the capital equipment purchases revenues and expenditures for maintenance and warranty agreements for the Enterprise Backup Server Replacement.**

Documents:

[MEMO- BID AWARD BACKUP.PDF](#)
[2019 BA - ENTERPRISE BACKUP SERVER IT0017.PDF](#)

5.5. RETAIL BEER & WINE LICENSE – HOPS, INC. DBA EAST END

The City received a request from Hops, Inc. dba East End, for a Retail Beer & Wine License operating at 400 East Central Avenue, Suite 102. All documentation has been approved by the Police Chief, Building Official and Fire Marshal.

It is recommended the City Council approve the request from Hops, Inc, dba East End, for a Retail Beer & Wine License operating at 400 East Central Avenue, Suite 102.

Documents:

[MEMO- EAST END.PDF](#)

5.6. SBA MOU TO RECEIVE LIST OF ALL DISASTER LOAN ACTIVITY IN MINOT

The SBA has a policy with which it will share with CDBG-DR Grantees a list of all applications (approved and disapproved) for Disaster Loans within the Grantee jurisdiction. This is a critically important tool for a Grantee to assure that it is not in violation of the Duplication of Benefits rule covering all federal disaster recovery grants which essentially states that grantees must be sure that their funds are not given to a recipient that has already received funds for the same purpose. The city of Minot has not previously requested this list from the SBA. There is no reason to believe that any CDBG-DR or CDBG-NDR funds have been spent which can be construed as a

duplication. In our ongoing due diligence efforts between the Internal Auditor and the Compliance Coordinator, we continue to review projects and activities funded through Allocations #1 and #2 to demonstrate to HUD our commitment to ongoing compliance.

City Council approve execution of MOU with SBA which allow the city to receive a list of all SBA Disaster Loans approved and not approved within the city of Minot

Documents:

[SBA MOU COUNCIL MEMO 3-7-19A.DOCX](#)
[SBA DISASTER DATA SHARING MOU AND INSTRUCTIONS_0AB.DOCX](#)

5.7. MINOT AVIATION LEASE AGREEMENT

Minot Aviation has had a ground lease for its hangar at the Minot Airport for several years. The lease agreement currently in place expired in 2013. A new lease was approved by City Council in February 2016. At that time, the Lessee began legal proceedings against the Airport claiming that the terms of the lease were not fair. This legal challenge has gone through the court system and was recently decided in the Airport's favor. The Airport is proposing to offer the same lease again, with some updates to reflect the City's current insurance requirements, and to clarify the terms of reversion. The terms of the updated lease agreement are agreeable to both Airport Administration and Minot Aviation.

1. Recommend approval of the lease agreement; and
2. Authorize the Mayor to sign any applicable documentation (three copies requested).

Documents:

[MEMO - LUCKE LEASE AGREEMENT \(003\).PDF](#)
[MINOT AVIATION LEASE AGREEMENT.PDF](#)
[EXHIBIT A BLOCK 1 LOT 1 - MINOT AVIATION \(LUCKE\).PDF](#)

5.8. FEDERAL AVIATION ASSOCIATION (FAA) LEASE AGREEMENT

The FAA Technical Operations group has had a lease for its office and garage spaces at the Minot Airport for several years. The lease agreement currently in place expired in 2017, and has been operating on a month-to-month basis since that time. Lease negotiations with the FAA and the General Service Administration have now concluded, and the updated lease is agreeable to all parties.

1. Recommend approval of the lease agreement; and
2. Authorize the Mayor to sign any applicable documentation (three copies requested).

Documents:

[MEMO - FAA LEASE AGREEMENT \(002\).PDF](#)
[SMALL SPACE \(SUCCEEDING\) LEASE TEMPLATE -EXTENDED DATE 2024.PDF](#)
[EXHIBIT A - FAA LEASED SPACE FLOOR PLAN.PDF](#)

5.9. APPLE AIR EXTENDED SUBLEASE AGREEMENT

Apple Air, LLC. is in the process of selling its hangar. In the interim, a sublease agreement is desirable for all parties involved in order to ensure a smooth transition and continuous revenue generation. The initial consent was approved by City Council on February 19th, 2019; an additional two months is being requested to finalize the

new lease negotiations.

RECOMMENDED ACTION

- 1. Recommend approval of the extended sublease agreement; and**
- 2. Authorize the Mayor to sign any applicable documentation.**

Documents:

[MEMO APPLE AIR SUBLEASE AGREEMENT EXTENSION 3.13.19-2.PDF](#)
[WRITTEN AGREEMENT TO SUBLET - APPLE AIR 3.13.19-2.PDF](#)

6. ACTION ITEMS

6.1. APPROVAL OF 2020 BUDGET SCHEDULE

Minot's budgeting process begins in March of the year prior to the budget to be adopted. The attached budget schedule is an estimated timeline that is developed to ensure the budget is completed in a timely manner to meet county and state guidelines.

Recommend adoption of the 2020 Budget Schedule.

Documents:

[2020 BUDGET SCHEDULE ADOPTION.PDF](#)
[BUDGET SCHEDULE 2020 UPDATED MARCH 13.PDF](#)

6.2. 911 BUDGET AMENDMENT

Revenue from collection of fees imposed on phones in Ward County have declined and revenue collected to be passed through to the SIRN project were omitted from the expense side of the budget. These two factors combined resulted in a significant shortfall in the amount budgeted to support the 911 activities in Ward County. This budget amendment will contribute the City's portion of the amount underfunded for 2019.

It is recommended the City Council pass an ordinance amending the 2019 annual budget to allocate funds from General Fund Reserves to make up the City portion of the 911 budget shortfall.

Documents:

[911 BUDGET AMENDMENT.PDF](#)
[2019 BA - 2019 E911.PDF](#)
[911 BUDGET 2020.XLSX](#)

6.3. SKY SKOPES UPGRADE TO EQUIPMENT COVERED BY PROMISSORY NOTE & SECURITY AGREEMENT

Sky Skopes seeks approval to upgrade one of the pieces of equipment purchased with funds from the Magic Fund. This equipment is covered under the Development Agreement and Promissory Note & Security Agreement. Council approval is required to trade this collateral.

Recommend the City Council approve the replacement of the Phoenix LIDAR AL3-32 with a Riegl Ranger LR model and authorize the Mayor to sign the Transfer Agreement.

Documents:

[MARCH182019 SKY SKOPES.PDF](#)

6.4. INFILL MIXED USE MULTI-FAMILY LMI RENTAL RFP

A core goal of the CDBG-NDR program is to promote use of the grant funds to leverage other funds for projects which promote new and/or resilient development in Minot and which include elements address unmet needs identified in the HUD approved CDBG-NDR Action Plan. Two of the key unmet needs are assuring long term quality affordable housing for low and moderate income residents and sustained economic growth. The RFP seeks proposals either for new construction or substantial rehabilitation which must be infill within an established neighborhood.

It is recommended the City Council approve the Infill Mixed Use Multi-Family LMI Rental RFP as part of the CDBG-NDR programs.

Documents:

[INFILL MIXED USE RFP COUNCIL MEMO 3-7-19A.PDF](#)
[INFILL MIXED-USE AFFORDABLE MULTI-FAMILY RENTAL HOUSING RFPAB.PDF](#)

6.5. SALE OF PROPERTY TO ND STATE FAIR ASSOCIATION

In 2014, the City purchased a lot located at 1901 Burdick Expressway East for \$48,800 (pre-flood assessed value). The property was purchased with state grant funds and there are no deed or grant restrictions relating to the property. The City demolished a blighted structure that existed on the property and the lot has been vacant since. Earlier this year, the North Dakota State Fair Association ("State Fair") contacted City staff about purchasing the lot. The City Manager communicated with Renae Korslien and negotiated the sale of this parcel, contingent on City Council approval. The State Fair has agreed to pay \$15,000.00 for the lot.

It is recommended the City Council approve the Purchase Agreement and authorize the Mayor to sign any applicable documents.

Documents:

[STATE FAIR PURCHASE_MEMO.PDF](#)
[STATE FAIR PROPERTY PURCHASE AGREEMENT.PDF](#)

6.6. DETERMINATION ON FINAL APPROVAL OF CYPRESS RENAISSANCE ZONE APPLICATION

Cypress Assets ND LLC submitted a Renaissance Zone Application for property tax benefits for what is known as the Y condominium project at 105 1st Street SE. The application was submitted in Spring, 2013. The preliminary application was considered by the City Council at its June 3, 2013 meeting with no one recorded as speaking and it was approved by the City Council for Cypress Assets ND LLC. May 22, 2018, the city was advised by the North Dakota Department of Commerce that the applicant was seeking final approval. It was discovered during this effort to secure information from the applicant that there had been changes in the ownership prior to the preliminary approvals granted by the City Council and North Dakota Department of Commerce.

The Renaissance Zone Board has recommended not giving final approval to a Renaissance Zone application originally filed with the city in 2013 with the City Council having authority to make final decision.

Documents:

6.7. NORTH HILL ELEVATED STORAGE TANK – CONTRACT AMENDMENT (PROJECT NUMBER 4155)

Plans and specifications for this project were approved by council in May of 2016. The project was subsequently bid and awarded to Landmark Structures on July 13, 2016. Since completing the foundation, the contractor has struggled with coordinating many aspects of the construction project. As a result, Houston Engineering has spent many hours coordinating this project that were not anticipated in the original scope. Houston is requesting an additional \$60,000 to oversee the tank construction to completion, which is anticipated to now be around June of 2019.

1. **Recommend council approve the contract amendment in the amount of \$60,000 to Houston Engineering**
2. **Authorize the Mayor to sign the amendment.**

Documents:

[MEMO - BUDGET AMENDMENT.PDF](#)
[BUDGET UPDATE.PDF](#)
[CONTRACT AMENDMENT.PDF](#)

6.8. SUB-RECIPIENT AGREEMENT WITH STRENGTHEN ND FOR GRANT SEARCH

The CDBG-NDR Action Plan allocates \$273,375 for Funding and Financing Strategy Development. The premise of this allocation based on the language in the Action Plan is that many of the unmet needs identified in the NDRC Application are not funded by the \$74.3 million grant, and also needing future funds are resiliency measures resulting from the NDR program activities and outcomes from related planning results such as the IEDC Report. Strengthen ND is a 501(c)(3) non-profit corporation which has as one of its primary purposes supporting efforts to build capacity and resources in a wide range of needs being sought to be address by non-profit corporations. The sub-recipient agreement with Strengthen ND allocates \$20,000 for a 3-month project which will have the non-profit undertake a comprehensive data search and identify a wide range of possible grant opportunities through the wide range of funding possibilities.

It is recommended the City Council approve a sub-recipient agreement with Strengthen ND to establish a portfolio list of grant opportunities that can be used in support of economic, housing, public service, and infrastructure projects not funded in the CDBG-NDR grant but identified as meeting unmet post disaster needs.

Documents:

[STRENGTHEN ND SUB-RECIPIENT AGREEMENT MEMO 3-7-19A.PDF](#)
[STRENGTHENND SUBRECIPIENT AGREEMENT ABC.PDF](#)

6.9. MINOT PARK DISTRICT/CITY OF MINOT AUDITORIUM & RECREATION MERGER

On July 2, 2018, the City Council appointed a committee to formally discuss the topic of consolidating the City's auditorium and recreation departments with the District and make a recommendation to the full City Council. After several meetings and a public hearing, the committee recommended that the City's recreation department merge with the District. The recommendation to merge the City's auditorium and recreation departments with the District was presented to the City Council and Board of Park Commissioners. Both governing bodies approved motions to move forward with merging the City's auditorium and recreation departments with the District.

The City Council approve the following items and authorize the Mayor to sign all documents relating to the Minot Park District/City of Minot Auditorium & Recreation Merger:

1. **Joint Resolution relating to the transfer of City of Minot employees to the Minot Park District;**
2. **Joint Powers Agreement relating to financing for 2019;**
3. **Lease Agreement relating to the Auditorium Real Property;**
4. **Purchase Agreement and any Bill of Sale relating to the Auditorium Personal Property;**
5. **Lease Agreement relating to the South Hill Complex Real Property;**
6. **Purchase Agreement and any Bill of Sale relating to the South Hill Complex Personal Property;**
7. **Lease Agreement relating to the North Hill Complex Real Property;**
8. **Purchase Agreement and any Bill of Sale relating to the North Hill Complex Personal Property;**
9. **Lease Agreement relating to the Tennis Center Real Property;**
10. **Purchase Agreement and any Bill of Sale relating to the Tennis Center Personal Property;**
11. **Assignment and/or Transfer Paperwork relating to Rec Trac Software/System to Minot Park District;**
12. **Assignment and/or Transfer Credit Card Agreements (CardConnect – Rec Trac) to Minot Park District;**
13. **Termination of Credit Card Agreement (TransFirst – Tennis Center); and**
14. **Termination of Lease between City of Minot and Minot Park District relating to South Hill Complex.**

Documents:

MEMO_PARK REC MERGER DOCUMENTS.PDF
RESOLUTION_EMPLOYEE PARK REC MERGER_FINAL.PDF
JPA PARK AND REC MERGER_FINAL.PDF
AUDITORIUM LEASE_FINAL.PDF
AUDITORIUM LEASE_EX B.PDF
AUDITORIUM LEASE_EX C.PDF
AUDITORIUM LEASE_EX A.PDF
SALE OF PERSONAL PROPERTY_AUDITORIUM_FINAL.PDF
AUDITORIUM PURCHASE AGREEMENT_EX A.PDF
SOUTH HILL LEASE_FINAL.PDF
SOUTH HILL LEASE_EX A.PDF
SOUTH HILL LEASE_EX B.PDF
SALE OF PERSONAL PROPERTY_SOUTH HILL_FINAL.PDF
SOUTH HILL PURCHASE AGREEMENT_EX A.PDF
NORTH HILL LEASE_FINAL.PDF
NORTH HILL LEASE_EX B.PDF
SALE OF PERSONAL PROPERTY_NORTH HILL_FINAL.PDF
NORTH HILL PURCHASE AGREEMENT_EX A.PDF
TENNIS CENTER LEASE_FINAL.PDF
TENNIS LEASE_EX A-1.PDF
TENNIS LEASE_EX B.PDF
SALE OF PERSONAL PROPERTY_TENNIS CENTER_FINAL.PDF
TENNIS CENTER PURCHASE AGREEMENT_EX A.PDF

7. DEPARTMENT REPORTS: PUBLIC WORKS

8. LIAISON REPORTS

9. MISCELLANEOUS AND DISCUSSION ITEMS

9.1. RAINBOW GARDENS EXCLUSION FENCING

Rainbow Gardens is a small organization that leases about eight acres of land from the City of Minot for small garden plots. The area is cemetery land that will eventually be used for burial plots. During the nuisance animal discussions, the previous president of the gardens suggested exclusion fencing to prevent deer and other nuisance animals from damaging the gardens. Staff was directed by council to investigate costs associated with this type of fencing and whether the gardens would be interested in paying for it or a portion of it.

Documents:

[RAINBOW GARDENS MEMO DANS COMMENTS.PDF](#)

9.2. LANDFILL TIPPING FEE COMPARISONS

As budget time approaches, the annual review of utility rates is a very important process. Public Works and the Finance Department work together to project waste amounts that will come to the landfill for the next year and compare those subsequent revenues to our preliminary budget of costs to operate the sanitation utility. Rates are set to ensure that the landfill and sanitation utilities are covering the costs of service.

At the request of the Council, landfill tipping fees were surveyed from the 13 permitted MSW landfills in ND.

Documents:

[MEMO - LANDFILL TIPPING FEE COMPARISON.PDF](#)
[TIPPING FEE RATE COMPARISON.PDF](#)

9.3. SISTER CITY AGREEMENT & SUMMIT

9.4. CLIMATE CHANGE DISCUSSION

Alderman Podrygula provided the attached article for discussion.

Documents:

[WHAT CLIMATE CHANGE MEANS FOR NORTH DAKOTA.PDF](#)

10. ADJOURNMENT