

April 20, 2020 Regular City Council Meeting

MINOT CITY COUNCIL – SCHEDULED MEETING – APRIL 20, 2020 AT 5:30 P.M.

ROLL CALL

Members Present:

Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky

Members Absent:

None

PLEDGE OF ALLEGIANCE

Mayor Sipma presiding and led the City Council in the Pledge of Allegiance.

AMEND THE AGENDA- COVID-19 FINANCIAL IMPACTS AND RECOMMENDED ADJUSTMENTS – APPROVED

Alderman Olson moved the City Council amend the agenda placing the presentation on COVID-19 Financial Impacts and Recommended Adjustments as the next item.

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

Finance Director Lakefield provided an update to the Council forecasting revenue projections which have been affected by the COVID-19 pandemic. He explained that an initial forecast was presented to the Council at the last meeting but the outlook is better than originally projected.

He presented a graph depicting four years of sales tax revenues which are typically variable depending on the month. The sales tax revenue reported has not yet seen the impact of COVID-19 decreases, however, the forecast includes a reduction of 25% from 2019 actuals. In a comparison of year-to-date collections, sales tax revenue is 6.03% over what was budgeted year-to-date. Mr. Lakefield then discussed Hub City funding and the economic impacts for WDEA members. He displayed a chart describing the 2019-2021 Biennium forecast formula and said that although collections are declining, Hub Cities are among the first to receive allocations from the revenue. He went into detail describing various funds impacted by different revenue sources and whether the decreases would affect the 2020 budget. He concluded that because most funds don't anticipate much change and funds have a bit of a cushion built into the budget, the projected difference between the 2020 budget and the forecast would not be as drastic as initially projected. He estimated the reduction to be about \$6 million. He then described the budget reductions that have already taken place through delayed equipment purchases and projects which amounts to \$7,622,030. He said, it appears there is still a \$1.3 million cushion in the current budget.

Upon questioning by the Mayor, Mr. Lakefield said, the Hub City funding is based on a July 1 through June 30 biennium, rather than a fiscal year.

Alderman Podrygula requested staff provide a regular update to the Council on sales tax collections.

Alderman Wolsky said that in an environment where forecasts are difficult to predict, he trends to be more conservative. He also raised concerns about public pension funds.

Mr. Lakefield responded by saying, the pension operates with a smoothing mechanism to help during a down market. The City had a good year in the previous year which will help level out the calculation.

Alderman Straight mentioned special assessments and said to be mindful of costs that burden businesses who have been affected by COVID-19 closures.

ORDINANCE NO. 5489- ANNEX LOT 4 OF HAWKS VIEW ADDITION – FIRST READING – APPROVED

Alderman Wolsky moved the City Council place ordinance no. 5489 on first reading to annex Lot 4 of Hawks View Addition into the corporate boundary of the City of Minot. Motion seconded by Alderman Pitner and carried unanimously.

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Alderman Wolsky moved the City Council pass ordinance no. 5489 on first reading. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

RESOLUTION NO. 3661 - AMEND THE FUTURE LAND USE MAP- HAWKS VIEW 3RD ADDITION, LOTS 1 & 2 – APPROVED

Alderman Wolsky moved the City Council adopt resolution no. 3661 to amend the Future Land Use Map of the Comprehensive Development Plan from “Low Density Residential” and “Very Low Density Residential” to “Very Low Density Residential” only on Hawks View 3rd Addition, Lots 1 & 2.

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

SUBDIVISION OF HAWKS VIEW 3RD ADDITION, LOTS 1 & 2 – APPROVED

Alderman Wolsky moved the City Council approve a subdivision plat to be known as Hawks View 3rd Addition, Lots 1 & 2.

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

PUBLIC HEARING: ESSENTIAL TOWNHOMES ADDITION

The City Council held a public hearing to consider an application by Andrew Thill, Applicant, and Essential Living, Inc., Owner, to change the zone on proposed Lot 1 from R4 (Planned Residential District) to RM (Medium Density Residential District) and to rezone proposed Lots 2 through 32 from R4 (Planned Residential District) to R3C (Townhouse Residential District).

At the recommendation of the CDC and by Executive Order of the Governor of North Dakota, Council meetings have been closed to the public. The City implemented a portal on the website for the public to submit comments. The Mayor asked the City Clerk to read the comments that were submitted:

Blake Nybakken, of 2940 Carriage Circle
“Mayor Sipma and Members of City Council,

Thank you for hearing this matter of re-platting and re-zoning the Park South by Essential Living property. Below are some bullet points of why we hope you will accept the recommendation of staff and approve as presented:

1. The zoning change is required because the R4 designation no longer exists in the City of Minot Zoning Ordinance, therefore we must bring the lots into current zoning standards.
2. The re-platting was required to separate the zoning designation between the newly created lots (RM and R3C).
3. Single-story patio or townhomes are widely recognized as an acceptable transition area between multi-family apartment properties and single-family lots. To site section 8-2 of Minot Zoning Ordinance for R3C designation – the district will be limited to areas guided Medium Density...and those Medium Density guided parcels that are IMMEDIATELY ABUTTING or across the street from existing single family residential where TOWNHOME versus MULT-STORY, multiple family is more compatible.
4. We are not only meeting the required rear-yard setback of 25’, but we are exceeding it by implementing a setback of over 35’ from property line shared with the single family residences to the west, we have agreed to install a 6’ privacy fence as recommended by the Planning Commission on 4/7, and we are going to have a landscape architect see what variety of additional landscaping could be incorporated in conjunction with the fencing to improve the desired buffer area.
5. As part of the Phase 1 renovation of the existing apartment building – we installed a regional storm water system that not only helped out this property with storage capacity for future expansion, but also benefited the surrounding area and Park District property that had flooding issues during large rain events. This was funded in part by a CDBG grant authorized by then Governor Dalrymple, in the amount of \$724,950.
6. We know that there is a waiting list of over 200 Minot residents seeking housing vouchers. The existing units at Park South are full and have been since the renovation was completed. While some market-rate properties may be offering rents in-line with current affordable rates, there is nothing to guarantee those stay in place. This project has a 20-year affordability period that will ensure that Minot residents have long-term affordable housing opportunities despite how the overall economy impacts market-rate unit pricing.

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7. We have seen a letter from a concerned neighbor that mentioned increased crime among other things, but that claim is unfounded and unfortunately represent a negative stereotype often associated with affordable housing residents. The residents that we have in our existing property and that we expect here include the following: Single-parent households, individuals with fixed-incomes, and essential service workers - individuals employed by a city, county, school district, medical or long-term care facility whose wages are low enough to qualify them for affordable housing. Prospective tenants go through an application and back ground check as well as income verification process to make sure they are eligible for the affordable housing based on AMI (area median income) for Ward County as determined by HUD.

8. We feel that zoning should not be used as a tool to restrict perceived competition, or to prohibit otherwise compliant developments from occurring on private property. The sub-recipient agreement for this project has been approved, NDR funding awarded, and staff has recommended approval for this to move forward as a properly zoned and designed project that meets city standards.

9. Essential Living, Inc. is a 501c3 non-profit organization with the sole purpose of providing affordable housing to the residents of Minot. We understand this will be a change, but we believe these units will be a benefit to the community as a whole and will provide quality, long-term affordable housing to the residents who need it.

Thank you for your time and consideration.

Essential Living, Inc.”

Bruce Walker, of 1415 10th St SW

“Regarding the zone change for Park South:

There was a question that came up about if there is going to be an easement for public to cross our property to get access to the South Hill Complex.

The answer is no. We feel the easement would create issues with people accessing private property and there is already access to the park property on 2nd St SE via sidewalks in the public right of way. Some neighbors have expressed concerns about maintaining access to our property, and others have expressed concerns about privacy and ensuring the new development does not allow for access onto adjacent private property. Unfortunately we can't make everyone happy and will follow the recommendation of Planning to incorporate a privacy fence and landscape buffers where appropriate.

Thank you.

Bruce Walker”

Dusty Lawson, of 216 14th Ave SE

“We are a property owner directly adjacent to the proposed new townhouse project proposed by Mr. Thill. We purchased this house last year and one of the main aspects we liked about was that there was no direct houses behind us. We enjoyed the privacy this provided. We aren't opposed to new housing, but would like to retain the privacy we had. Would Mr. Thill be open to installing a 6' privacy fence behind his property to not only provide privacy to us, but also to all the adjacent property owners. I'm sure this would go a long way towards easing the concerns that some people may have. Thank you.”

Thomas Woitaszewski, of 1510 2nd St SE

“I have some concerns on this project. 1). How will this affect our Property Values? 2) How will this affect our Property Taxes? 3) Will we be forced into any " Special Assessments? 4) Who will be paying for any and all the EXTRA special services before & after this project? 5) Will we be given another opportunity to respond to this Case or Subject?

I am totally against any increase in the financial burden I am already under and must deal with. The developer must be held accountable for any finances and costs acquired and attributed to his project. Thank You for your Time.”

Mary Frost, of 1439 2nd St SE

“I just want to say that I AM TOTALLY AGAINST THIS THIS PLAN!! Mainly It's going to totally drastically drop the value of my home plus everyone else that lives close by. Would you like this to happen to all of your homes? I bet ABSOLUTELY NOT! Think about that! I'm pretty sure that they could find somewhere else to build.

Building a 6ft fence is not going to be good enough! It would have to way higher. Also they would have to make an alley so that we would be allowed to access our back gates. People use the back all the time especially when they are having company because 2nd St gets too congested with parked cars. 2nd St. SE is a very busy street.

If this passes what day do they expect to start?

Thank you for your time.”

Brian Billingsley, Community and Economic Development Director, stated, the Planning Commission voted unanimously to include a 6' privacy fence as a condition of approval. The applicant also agreed to two additional conditions to incorporate

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landscaping in conjunction with the privacy fence and to increase the setback from 25' to 35'. He recommended the City Council include the additional conditions in their approval.

Alderman Podrygula asked for clarification regarding the current zoning allowing apartment buildings. Mr. Billingsley confirmed, the current R4 zoning on the property would allow three apartment buildings at 115 units. The application requests up to 71 units.

Upon further questioning by Alderman Podrygula, Mr. Billingsley said he was not aware of the construction timeline but confirmed, there is demand for such housing. He said, there are currently about 245 people on the waiting list for affordable housing.

Mr. Zakian then added, Essential Living is working with the City and through the use of NDR funding, are constructing 22 units. After completion of those units, there could be another nine added. He also explained that the City committed to this project in 2015 in the NDR action plan. All other projects have been based on proposals but Park South was included in the approved action plan with three phases. The first phase is completed and at 100% occupancy and this will be the second phase, which is capped at 31 units.

Alderman Straight then asked if they could address the concerns raised by the public comments.

Mr. Zakian said, special assessments are not allowed with CDBG funds.

Mr. Billingsley said, most of the concerns were discussed at the Planning Commission however, property values could be addressed by the Assessor's office.

Alderman Wolsky said, from a planning and zoning perspective, this is a perfect project for promoting infill and adding value. He mentioned however, he believes there could be improvements to pedestrian access through the property to the South Hill Softball Complex.

Mr. Billingsley responded by saying, there is a sidewalk adjacent to the property and he does not believe it is necessary to require an easement at this time.

Alderman Wolsky asked if the Council has the authority to require an easement, to which Mr. Billingsley said, yes but, the local street provides access without concern.

Alderman Straight moved the City Council close the public hearing and approve the item including the additional conditions provided by the Community and Economic Development Director. Motion seconded by Alderman Olson.

Alderman Wolsky moved to amend the motion to add a condition that a pedestrian access easement be required to the South Hill Softball Complex. Motion seconded by Alderman Podrygula.

Alderman Wolsky explained that pedestrians currently walk through the property to get to the softball complex and the pattern of human behavior would likely continue. He suggested the path could tie into the Park District paved paths program. He then said, if the amendment passes, he would offer a motion to table the item until the applicant could respond.

Alderman Jantzer said, although he appreciates the intent, he does not believe they should direct additional traffic through the area. Before a property is developed, the public may make their own paths but it does not need to continue after development takes place.

Alderman Pitner asked if it was possible to add a path where the additional setback would be located.

Mayor Sipma commented about complaints received for foot traffic on similar paths along the highway abutting residential properties.

Mr. Billingsley stated, they could put an easement along the property line but it would have to include easements through private property and they would have to ask the owners for consent.

Alderman Wolsky pointed out on a map the location of the proposed easement. He said he believes it could be done off 3rd Street SE to the existing Park South building without interfering with neighbors. He then shared an email he received stating the sidewalks in that area are in poor condition.

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Alderman Podrygula agreed, the sidewalks are not good in that area and a better solution might be to fix the sidewalks.

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

Alderman Podrygula said, he was not sure if he would support this request but has been convinced. He encouraged the developer to communicate more with the neighbors to work out their questions. He then addressed a concern that was brought up relating to increased crime but said, the former Police Chief assured him that higher density housing does not equate to more crime. He concluded that this is a good place to fulfill a need for the good of the community.

Alderman Pitner said he still has concerns about the need to subsidize low income housing but it is a worthwhile project and the appeasements have helped.

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

SUBDIVISION OF ESSENTIAL TOWNHOMES ADDITION – APPROVED

Alderman Straight moved the City Council approve a subdivision to replat the lot at 234 14th Avenue SE into 32 lots to be known as Essential Townhomes Addition, Lots 1-32.

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

RESOLUTION NO. 3662- AMEND THE FUTURE LAND USE MAP ESSENTIAL TOWNHOMES ADDITION, LOTS 1-32 – APPROVED

Alderman Straight moved the City Council adopt resolution no. 3662 to amend the Comprehensive Land Use Map from “Neighborhood Commercial” to “Medium Density Residential” on Essential Townhomes Addition, Lots 1-32.

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

ORDINANCE NO. 5490- REZONE ESSENTIAL TOWNHOMES ADDITION – FIRST READING – APPROVED

Alderman Straight moved the City Council place ordinance no. 5490 on first reading to change the zone on Lot 1, Essential Townhomes Addition from R4 (Planned Residential District) to RM (Medium Density Residential District) and to rezone Lots 2 through 32 from R4 (Planned Residential District) to R3C (Townhouse Residential District). Motion seconded by Alderman Olson and carried unanimously.

Alderman Straight moved the City Council pass ordinance no. 5490 on first reading. Motion seconded by Alderman Olson and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

APPROVAL OF THE MINUTES – APPROVED

Alderman Jantzer moved the City Council approve the minutes of the April 6, 2020 regular City Council meeting.

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

ORDINANCE NO. 5488 – AMEND THE 2020 ANNUAL BUDGET – 2020 WATERMAIN REPLACEMENT – SECOND READING – APPROVED

Alderman Jantzer moved the City Council place ordinance no. 5488 on second reading amending the 2020 annual budget to increase the Water Distribution and Sewage Collection watermain replacement expenditure for the award of the watermain replacement project. Motion seconded by Alderman Pitner and carried unanimously.

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Alderman Jantzer moved the City Council pass ordinance no. 5488 on second reading. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

ORDINANCE NO. 5491- AMEND THE 2020 ANNUAL BUDGET – DIRECT LINK CRISIS RESPONSE SYSTEM (PD0150) – FIRST READING – APPROVED

Alderman Jantzer moved the City Council place ordinance no. 5491 on first reading amending the 2020 annual budget to increase Police capital equipment purchases expenditures and revenues and decrease the general fund supplies expenditures and revenues for the purchase of a Crisis Response System funded by the 2018 JAG Grant. Motion seconded by Alderman Pitner and carried unanimously.

Alderman Jantzer moved the City Council pass ordinance no. 5491 on first reading. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

ORDINANCE NO. 5492- MODIFYING STOP CONTROL AT THE INTERSECTION OF MULBERRY LOOP AND 34TH AVENUE NE (WEST INTERSECTION) – FIRST READING – APPROVED

Alderman Jantzer moved the City Council place ordinance no. 5492 on first reading adding to the list of City Council created traffic restrictions provided for in Section 20-2 (a) (2-a) Stop Signs, the Mulberry Loop (West Intersection) at the intersection with 34th Avenue NE (West Intersection). Motion seconded by Alderman Pitner and carried unanimously.

Alderman Jantzer moved the City Council pass ordinance no. 5492 on first reading. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

CUSTOMS AND BORDER PROTECTION (CBP) LEASE AT MOT – APPROVED

Alderman Jantzer moved the City Council approve the Customs and Border Protection (CBP) lease at the Minot International Airport; and authorize the Airport Director to sign any applicable documentation.

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

RATIFICATION OF AMENDMENT TO AIRPORT CONCESSIONAIRE AGREEMENT – APPROVED

Alderman Jantzer moved the City Council ratify the Mayor's approval of an amendment to the agreement between the Airport and Oakwells allowing a temporary abatement of the Minimum Annual Guarantee (MAG).

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

30th AVE GRAVITY SEWER PHASE 2 (CITY PROJECT 3490.6) EASEMENT – APPROVED

Alderman Jantzer moved the City Council approve the easement for sewer utility crossing the airport property and authorize the transfer of funds from the project to the airport.

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

ROCK SOLID TECHNOLOGIES INC CONTRACT APPROVAL (4423) – APPROVED

Alderman Jantzer moved the City Council approve the contract with Rock Solid Technology Inc. as part of the citywide asset management and permitting software project and authorize the Mayor to sign the contract.

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

STORM SEWER DISTRICT 123 – 10TH STREET SW – AWARD BID (4393) – APPROVED

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Alderman Jantzer moved the City Council award the bid for Storm Sewer District 123 to the low bidder, Wagner Construction, Inc., in the amount of \$2,843,762.20 and authorize the Mayor to sign the Agreement.

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

ORDINANCE NO. 5493 – AMEND THE 2020 ANNUAL BUDGET- STORM SEWER DISTRICT 123 – FIRST READING – APPROVED

Alderman Jantzer moved the City Council place ordinance no. 5493 on first reading amending the 2020 annual budget to increase the Water Distribution and Sewage Collection watermain replacement expenditure and decrease the Storm Sewer capital purchases expenditure for the award of the Storm Sewer District #123 watermain replacement portion. Motion seconded by Alderman Pitner and carried unanimously.

Alderman Jantzer moved the City Council pass ordinance no. 5493 on first reading. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

APPROVE JOINT POWERS AGREEMENT WITH MINOT PARK DISTRICT FOR COMMUNITY OWNED ICE ARENA FUNDS – APPROVED

Alderman Jantzer moved the City Council approve the Joint Powers Agreement with Minot Park District for Community Owned Ice Arena Funds.

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

MAYORAL APPOINTMENTS – APPROVED

Alderman Jantzer moved the City Council affirm the following Mayoral Appointments:

Elisha Gates appointed to the Planning Commission with a term to expire April 2025.
Shane Lider appointed to the Planning Commission with a term to expire April 2025.

Motion seconded by Alderman Podrygula.

Alderman Podrygula said, at the Planning Commission meeting, they discussed reducing the size of Commission. He asked if that is still under consideration or if these appointments will maintain the current size.

Mr. Billingsley said, they discussed reducing the size but couldn't come to a decision. The conversation however, resulted in volunteers interested in appointment to fill some of the vacant positions. At this time, they are not considering a reduction but they may consider changing the Chairman to a non-voting member unless of a tie. He also said, there is one vacancy left and he encouraged anyone interested in an appointment to contact him.

The Mayor reminded, a reduction in size could be brought back at any time for consideration.

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

AUTOMATED BRINE PRODUCTION SYSTEM (PROJECT NUMBER 4409) – APPROVED

Alderman Olson moved the City Council award the bid to VariTech Industries Inc. in the amount of \$110,064.67 for the Brine Boss automated brine production system. Motion seconded by Alderman Jantzer.

Alderman Wolsky asked if the costs associated with the building remodel had already been completed, to which Mr. Jonasson responded by saying, yes, they converted a cold storage building into a heated facility.

Upon further questioning by Alderman Wolsky, Mr. Jonasson explained the use of brine. He said, Minot has not used it much in the past because it is difficult to get a hold of. Currently, the City obtains it only if the DOT has extra. Brining is beneficial for pre-treating to prevent roads from icing over and uses 25% less salt. It doesn't solve all issues since it is not effective in

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extremely cold temperatures without an additive, but would have been useful in seasons like we encountered this spring. He then explained that there is less environmental concern with brining since there is less concentration of the salt, sand mixture.

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

BUS ADVERTISING AGREEMENT WITH FIRST INTERNATIONAL BANK AND TRUST (3687.1) – APPROVED

Alderman Straight moved the City Council renew the current advertising agreement with First International Bank and Trust to advertise on the sides and rear of one transit bus and authorize the Mayor to sign the contract. Motion seconded by Alderman Jantzer.

Upon questioning by Alderman Wolsky, Public Works Director Jonasson confirmed, First International Bank & Trust currently has advertising on a bus and this will extend their contract. Alderman Wolsky then commented that he does not like the wrapping on the windows of buses.

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

CITY HALL RETAINING WALL – ENGINEERING CONTRACT AMENDMENT 2 (4398) – APPROVED

Alderman Olson moved the City Council approve the contract Amendment with KLJ reflecting the change in contract timelines to a 2022 construction date for the City Hall Retaining Wall and authorize the Mayor to sign the amendment. Motion seconded by Alderman Jantzer.

Alderman Wolsky said he believes this issue should be paired with the overall discussion on City Hall expansion and would rather take this up together.

Alderman Wolsky moved the City Council table the item. Motion seconded by Alderman Podrygula and failed by the following roll call vote: ayes: Wolsky; nays: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight.

City Engineer, Lance Meyer, explained that Public Works projects use standard EJCDC contracts which requires that if the owner delays the project more than 90 days, it voids the contract. This amendment keeps KLJ at our disposal to continue the project in the future. If the project is modified or cancelled later, it wouldn't affect the contract.

Alderman Olson commented that she was opposed to the outcome regarding this project at the last meeting. She said, the project is important and she would love to see it move forward and would love to see it done prior to 2022.

Alderman Straight said, he trusts that moving forward, if future decisions on City Hall would impact the project, the appropriate changes would be made.

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

ONE MILLION GALLON TANK DEMO - ENGINEERING AGREEMENT (PROJECT NUMBER 4530) – APPROVED

Alderman Jantzer moved the City Council approve the contract in the amount of \$98,000 with Houston Engineering for design and construction services for the one-million-gallon tank demolition and watermain improvements project and authorize the Mayor to sign the contract. Motion seconded by Alderman Olson.

Alderman Wolsky asked about the engineering design costs included with the project. Mr. Jonasson explained that the existing piping is piped off and will need to be removed and reconnected to the valley zone and probably incorporate a pressure reducing valve on Third Street.

Upon further questioning by Alderman Wolsky about the cost of watermain work, Mr. Jonasson said, their best estimate includes about \$100,000-\$150,000 in piping as well as demolition of the tank. Due to the age of the tank, there is potentially lead based paint, which would require extra steps in analysis and demolition. The concrete base would need to be removed.

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He estimated the total cost of about \$650,000. He then mentioned, there was a similar tower that was removed for a bid of \$50,000, which was a very good bid.

Alderman Wolsky raised concerns about losing resiliency in a system when removing infrastructure like in this case. Mr. Jonasson responded by saying, the tank is beyond retrofitting. There have been a lot of improvements done in the north zone including a new 1.5-million-gallon tank and transmission lines connecting areas that weren't connected before. He said, they won't lose anything by removing this tank and they haven't been using it for the last three years.

Alderman Straight asked is the City recoups anything during the salvage of the tower, to which Mr. Jonasson said, the contractor would be responsible for it and reap any benefits to hopefully counteract demolition costs and the having to deal with the lead-based paint.

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

ORDINANCE NO. 5494- AMEND THE 2020 ANNUAL BUDGET- CHANGE ORDER TO INSTALL HEAT TAPES TO PREVENT FREEZING IN ROOF DRAINS ON PARKING RAMPS – FIRST READING – APPROVED

Alderman Straight moved the City Council place ordinance no. 5494 on first reading amending the 2020 annual budget to increase the Parking Ramps Capital Project expenditures for the parking ramps pipe insulation and heat trace. Motion seconded by Alderman Pitner and carried unanimously.

Alderman Straight asked if this needs to be done right away or if it could wait. Mr. Lakefield responded by saying, the contractor is finishing the work on the roof of the parking structures so if it is done as a change order it will be included under the warranty.

Alderman Straight moved the City Council pass ordinance no. 5494 on first reading. Motion seconded by Alderman Pitner and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

EXTENSION OF DAYCARE SERVICES AGREEMENT – APPROVED

Alderman Jantzer moved the City Council approve the Amendment to the Services Agreement with Reser LLC, d/b/a The Learning Tree to extend Daycare Services and authorize the Mayor to sign. Motion seconded by Alderman Olson.

Upon questioning by Alderman Olson about the date of the extension, Mayor Sipma stated, it was extended one month and also falls on the same day as a City Council meeting in case it needs to be extended again.

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

ORDINANCE NO. 5495- AMEND THE 2020 ANNUAL BUDGET- EXTENSION OF DAYCARE SERVICES – FIRST READING – APPROVED

Alderman Jantzer moved the City Council place ordinance no. 5495 on first reading amending the 2020 annual budget to increase the Emergency Fund Professional Service Contracts expenditures for the Emergency Personnel Childcare Services and approve the use of Emergency Fund cash reserves. Motion seconded by Alderman Olson and carried unanimously.

Alderman Jantzer moved the City Council pass ordinance no. 5495 on first reading. Motion seconded by Alderman Olson and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight, Wolsky; nays: none.

DISCUSS & DECIDE ON CDBG-NDR SUBSTANTIAL AMENDMENT

Mr. Zakian, NDR Program Director, presented information to the Council to recap the City's commitment to HUD and provide the status of those commitments. He also outlined problems discovered in attempting to deliver on the City's promises and corrective measures that have been taken. He elaborated on the HUD approved Action Plan which included \$460 million in leveraged funds in addition to the \$74 million award.

Mr. Zakian reminded the Council, he has said that HUD would not allow deletion of two projects. He explained that even though the Gathering Space and City Hall relocation scored lower on the application, they scored high as far as benefit

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because they provide a benefit the entire community. He does not believe the remaining projects would score a high enough in a benefit cost analysis. He continued by saying, Buyout Area 4 is LMI so it scored highly but other areas are Urgent Need and do not score as well. Future acquisitions do not have confirmed funding and therefore cannot exceed the budgeted amount without affecting the benefit cost analysis.

Mayor Sipma asked what would happen if HUD rejected a substantial amendment deleting two projects. Mr. Zakian explained the timeframe necessary and then said, if HUD rejected the new benefit cost analysis, he would come back to the Council for other action. Mr. Zakian also pointed out why a decision is needed tonight. He said, he has stretched the process as long as possible but they have received the release of funds for Site #3 for the Gathering Space. The property owner is waiting for an offer and the City needs to make a decision whether to move forward or not.

Alderman Wolsky asked if a pandemic factors into HUD's requirement that we act within a month of receiving the release of funds.

Mr. Zakian explained that the process is set up by the Uniform Relocation Act which says, they cannot intentionally delay an offer. They can delay 30 days for consultation but then must proceed diligently with offers so as not to pressure property owners into negotiations. The COVID-19 pandemic should not impact projects as long as we can adapt.

Alderman Wolsky responded by saying, he feels coerced into taking action and would offer a moratorium on purchasing property.

Alderman Podrygula asked what action they are required to make, to which Mr. Zakian stated, they are at a point where if no action is taken, they are obligated to make an offer for Site #3. If they decide not to move forward with the Gathering Space, it would trigger a substantial amendment. Mr. Zakian also reminded, they can submit substantial amendments by December and still stay on track. They are also not limited to only one substantial amendment.

Upon questioning by the Council, Mr. Zakian said, if they decide to delete the Gathering Space project, they must reallocate the funds from that project in the substantial amendment.

Alderman Wolsky asked if they could vote to delete the Gathering Space but develop the details of the amendment over the next couple weeks. Mr. Zakian said, he was not aware of that situation ever being done.

Alderman Straight said he is sympathetic to the application writers and the businesses impacted by these projects. He then questioned the space needs of City Hall.

Alderman Straight moved the City Council advance a substantial amendment combining the Gathering Space with the City Hall project and reallocate about \$9 million towards the Center for Technical Education. Motion seconded by Alderman Podrygula.

Mayor Sipma commented that the amount of funds would exceed the original amount included in the project for the CTE and would likely not meet the benefit cost analysis.

Alderman Straight said, Minot State University and Minot High might be affected by the COVID-19 pandemic so he suggested taking some action even if it gets rejected. They can revisit the discussion in a couple weeks.

Alderman Olson provided an update on the CTE. She said, they have discussed a timeline and in order for them to acquire the building, do the renovations and get the program running, they need a decision on the City Council's part. She then explained that the budget request is for \$3 million and the City is providing about \$2.7 million. Although no one wants to turn down additional money, they do not need \$9 million.

Mayor Sipma clarified, the University Presidents at Dakota College at Bottineau and Minot State University provided information as well as a letter of support from Trinity. They included a budget describing how the amount from NDR will allow them to roll out operations next fall.

Upon questioning by Alderman Podrygula, Alderman Olson said, the money from NDR would go towards renovations but the City of Minot will not run the program. The University Presidents put together a budget and white papers which identify about \$3 million would be sufficient for renovations.

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Mr. Zakian added, the memo provided to the Council suggested increasing the allocation to the CTE to \$2,720,000. Additionally, there is \$175,000 in leverage devoted to CTE. He stated, under HUD rules, the City cannot fund operation costs. MSU and Dakota College have provided an operational plan that they can handle within their current resources which also meets a need they have defined in key training areas. The most buildout they can use is about \$3 million. He also mentioned that they are a nonprofit and will act under a subrecipient agreement with the City.

Alderman Wolsky asked if the assumptions are still valid given the current circumstances, to which Alderman Olson stated, the budgets are only one week old and the information is still accurate.

Alderman Straight withdrew his motion. Alderman Podrygula withdrew his second.

Upon questioning by Alderman Jantzer, Mr. Zakian said, the recommendation in the memo would require a substantial amendment because they would be deleting planning activities. If there is a sense to move forward with the CTE he can do so but moving more than 10% of the grant award reduces the ability to move funds later. He then explained that project support services could be charged to administrative costs.

Alderman Pitner moved the City Council eliminate the Gathering Space project and reallocate \$1.5 million to the CTE and \$4.5 million to the relocation of City Hall. Motion seconded by Alderman Olson.

Mr. Zakian recommended allocating \$2 million to CTE and \$4 million to City Hall to better accommodate their respective project budgets. Alderman Pitner agreed, as did Alderman Olson as the second.

Alderman Pitner explained his motion by saying, as a result of all of the hurdles they have encountered, they have lost support for an effective and efficient Gathering Space. The CTE will serve a perpetual benefit to the city of Minot.

Alderman Podrygula shared his opinions on the Gathering Space, the CTE and the need to involve congressman to deal with the bureaucracy of utilizing grant funds.

Alderman Straight asked what would happen if the recommendation from the City Hall Technical Team fails.

Mr. Zakian responded by saying, if this motion passes, they do not need a decision right away about City Hall. If the only decision made for City Hall is not to proceed, then they can move forward with the substantial amendment.

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

CITY HALL TECHNICAL TEAM RECOMMENDATION (4466) – APPROVED

Alderman Olson moved the City Council enter into due diligence and purchase negotiations for the former Wells Fargo Building. Motion seconded by Alderman Jantzer.

City Engineer, Lance Meyer presented information on the potential options for City Hall. He explained the justification for relocation, describing the opportunity for resiliency in the NDR application, current space considerations and restoration of the Auditorium. He provided a brief overview of the approach to the project as well as the space utilization study. He then reminded the Council the options that have been explored, including purchasing and restoring a downtown building, constructing a new building, or expanding the current campus. Based on the original space study, the Council gave direction to pursue the purchase and restoration of a downtown building with space reductions. Mr. Meyer then explained the cost estimates for each option and provided advantages and disadvantages to consider.

Following the presentation, the Mayor reiterated, the project does not need to be completed by 2022, but NDR funds must be spent by the deadline and could be utilized before using any City funds.

Alderman Pitner asked if all of the items included in the spatial analysis are definitely included in the plans. Mr. Meyer responded by saying, the fitness center and congressional office space was removed.

Alderman Straight said, as has been witnessed by the operational changes due to COVID-19, he supports continuing the ability to work from home and does not believe City Hall needs this much space.

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Alderman Podrygula said, the alternatives have not been pursued thoroughly and he would not be able to make a decision tonight. He spoke about uncertainty of the current situation regarding oil prices and the recession. He questioned the ability for the City to afford City Hall when it cannot afford a new Fire Station. He suggested a compromise to wait 3-6 months.

Mayor Sipma stated, they will never find a cheaper way to build or expand. He mentioned the potential to become an entitlement city, in which case, they would likely add a CDBG department to handle grants. He reminded the Council of the growth that has taken place and how the City will likely continue to grow. He also said, they can utilize the vacant space to offset costs until it is needed. It is not a competition between a Fire Station or City Hall but they are not committing City dollars until after NDR funding is used. Any other option requires taxpayer dollars be used at a higher cost per square foot. This option provides an investment in a much needed expansion. The Auditorium is tied up with City offices that could be better utilized for other functions. The Police Department has also outgrown the space. He brought up the hardships in downtown that were identified in the NDR application. This would be a way to infuse people into downtown when the hospital relocates. He concluded by saying, a new City Hall is never a popular idea but given the cost comparisons, in the long run is impossible to match.

Alderman Pitner agreed with the Mayor's statements and pointed out that if the substantial amendment is approved, the cost to the City would be even lower. He said, they should be proactive while they have the funding.

Alderman Wolsky said he questions the space assumptions and believes the public engagement plan should be utilized. He understands the temptation to spend federal dollars but said that he does not support spending additional funding.

Alderman Pitner emphasized the need to find space with room to grow. He said, the additional space can be utilized by the private sector and current leases can continue. He was in favor of tabling the item to gather more information, but now they have the information and can move forward.

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

ORDINANCE NO. 5496 - CITY HALL TECHNICAL TEAM RECOMMENDATION (4466) – FIRST READING – APPROVED

Alderman Olson moved the City Council place ordinance no. 5496 on first reading to increase the engineer professional service contracts expenditure and revenue for the City Hall building analysis which will be funded with budgeted Capital Purchases for the new City Hall. Motion seconded by Alderman Jantzer and carried.

Alderman Olson moved the City Council pass ordinance no. 5496 on first reading. Motion seconded by Alderman Jantzer and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Sipma; nays: Podrygula, Straight, Wolsky.

MATCHING FUNDS FOR FEDERAL CRISI GRANT – APPROVED

Alderman Jantzer moved the City Council authorize City Staff to negotiate the agreement with NDDOT and authorize the Mayor to sign the agreement contingent on approval of the budget amendment on second reading. Motion seconded by Alderman Olson.

The Finance Director explained that the application was originally envisioned for the use of MAGIC Fund dollars but there are issues with limitations under the guidelines. He then read from the ordinance pertaining to sales tax revenue of the first penny. He said, 15% shall be expended (1) on permanent flood control projects; (2) for creation of jobs through retaining and expanding commercial, industrial, agricultural, recreational and educational activities in the Minot area with said expenditures to be governed by the applicable criteria imposed by the MAGIC Fund Committee and Minot City Council; (3) for City of Minot economic development activities to be approved by the Minot City Council; or (4) for any combination of (1), (2), and/or (3). He explained that option three applies in this case as an economic development project. This project will be managed and run by the NDDOT and the City is providing the necessary matching funds. He said, this is a different approach than using the MAGIC Fund but it is a cleaner method and the use of funds applies under the ordinance.

Alderman Jantzer asked John MacMartin, who was available via teleconference, to describe what the grant will do.

Mr. MacMartin said, the CRISI Grant originated in 2018. The negotiated scope of work affects land north of AGT Foods and not the area where the current intermodal facility is located. The study will do the environmental work and a preliminary engineering survey of the land to extend the four tracks that exist on the west side of AGT foods. It will set the community up

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to be able to apply for a BUILD grant in the future to continue the extension of those tracks. He said, they are working to reopen the Port but it lacks additional trackage which makes it difficult to attract businesses.

Alderman Podrygula asked if the money has already been collected or if it is anticipated. Mr. Lakefield responded by saying, it is anticipated collections. The original projection is \$800,000 to the MAGIC Fund so even with estimated reductions, they expect to meet the \$400,000.

Alderman Podrygula then asked about any recent activity of the MAGIC Fund, to which Mr. Lakefield said, the OneBrand campaign and the Revolving Loan Fund were the last projects approved. Prior to that was Skyskopes and AGT Foods.

Alderman Wolsky asked if the funds would be deposited into the MAGIC Fund if they weren't used in this way. Mr. Lakefield said, yes, the ordinance limits 15% of revenue collected from the first penny to either economic development, flood control, or the MAGIC Fund.

Alderman Wolsky continued by asking if the constraints on this funding would be looser than those on MAGIC Fund dollars. Mr. Lakefield explained that this is a different type of project than is approved by the MAGIC Fund. It is in very early stages so they are unable to relate the project to job creation.

Alderman Wolsky then commented on his criticism of economic development and said they could look at revising MAGIC Fund guidelines.

Alderman Podrygula commented that the Port needs to show results. He emphasized the importance of food stability and a facility that will enable shipping of food, is critical.

Mayor Sipma pointed out that the North Dakota Legislature allocated money in a different form to get the intermodal up and running. The North Dakota State Commerce Department, BNSF, and other partners that didn't exist before. This will be a step beyond shipping commodities and will include processing so they can ship higher valued finished products. Minot will not see AGT Foods grow without this and for the first time, there is a coalition of support.

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

ORDINANCE NO. 5497- AMEND THE 2020 ANNUAL BUDGET- MATCHING FUNDS FOR FEDERAL CRISI GRANT – FIRST READING – APPROVED

Alderman Jantzer moved the City Council place ordinance no. 5497 on first reading to move \$400,000 from Sales Tax Economic Development to Contract Services line item in Engineering's budget to be used as matching funds to conduct an engineering study for the Minot Intermodal Facility. Motion seconded by Alderman Olson and carried.

Alderman Jantzer moved the City Council pass ordinance no. 5497 on first reading. Motion seconded by Alderman Olson and carried by the following roll call vote: ayes: Jantzer, Olson, Pitner, Podrygula, Sipma, Straight; nays: Wolsky.

PERSONAL APPEARANCES

Due to the COVID-19 public health emergency, City Hall is currently closed to the public and in-person attendance is not allowed. An online submission form was created to collect public comments but none were submitted.

MISCELLANEOUS & DISCUSSION

Alderman Pitner asked that an update be provided on the OneBrand Campaign and the Revolving Loan Fund.

Alderman Olson shared communication she received on the OneBrand campaign which said, they have made adjustments to their launch because of COVID-19. They expect to have more to report in mid-May.

Alderman Straight said he would provide an update on the Revolving Loan fund after his meeting with Souris Basin Planning Council.

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Alderman Podrygula brought up the action that was taken earlier that day to terminate the City Manager. He expressed his regret and to City staff and offered his sympathies. He then said, they need to discuss after action analysis of the situation and he requested a special Council meeting be scheduled in the next few weeks.

Alderman Straight suggested officially requesting Finance Director, David Lakefield serve as Acting City Manger for a few weeks until a solution is discussed.

Alderman Wolsky said, considering this challenging time there could be an opportunity during this interim period. He continued by saying, maybe they should not begin the search for a new City Manager right away and instead encourage collaboration and improve the structure. He said, he would develop some concepts to bring forward.

Mr. Lakefield responded to the Council's request. He said, he was acceptable to fill in as Acting City Manager and added, there is capable staff to carry the burden as well.

ADJOURNMENT

There being no further business, Alderman Pitner moved the City Council meeting be adjourned. Motion seconded by Alderman Jantzer and carried unanimously. Meeting adjourned at 9:20 pm.

ATTEST: _____
Kelly Matalka, City Clerk

APPROVED: _____
Shaun Sipma, Mayor