

**SPECIAL MEETING      DICKINSON CITY COMMISSION**

**September 9, 2016**

**I.    CALL TO ORDER**

President Scott Decker called the meeting to order at 8:00 AM.

**II.    ROLL CALL**

Present were:                      President Scott Decker, Commissioners Klayton Oltmanns, Sarah Jennings, Carson Steiner and Mike Lefor

Absent:                              None

Others Present:                      Asst. City Administrator Linda Carlson, Accountant Robert Morey, Public Works Director Gary Zuroff, Fire Chief Bob Sivak, City Engineering Craig Kubas, Captain Joe Cianni and Asst. Admin. Deb Walworth

**III.    ORDER OF BUSINESS:**

Deputy City Administrator Linda Carlson along with Administrator Shawn Kessel and Accountant Robbie Morey present the 2017 budget revisions in regards to general fund, pension/retirement, transfers, oil impact, utility rates, and building construction fund.

**IV.    City Administrator Shawn Kessel presented historical data and trends on population gain and infrastructure investments over the past few years. Kessel stated Dickinson was pressed into these investments during the most expensive time in North Dakota history. During this time, Dickinson was approving building permits at the same rate as Reno, Nevada.**

City Administrator Shawn Kessel suggested the Commissioners consider moving away from dependence on oil impact funds with elimination of the city sales tax cap similar to West Fargo. Mr. Shawn Kessel also recommended an increase in the city sales tax which would require an ordinance change.

City Administrator Shawn Kessel presents a new proposal to Stark Development with dropping sales tax funding 5% which was agreed to by Stark Development.

City Administrator Shawn Kessel states negotiations are still taking place regarding the \$320,000 budgeted to Dickinson CVB's and their request for \$400,000. Lodging tax revenues are down 50% and this is due to reduced room rates.

Commissioner Mike Lefor suggested giving \$370,000 to the CVB and this amount could be adjusted September 1<sup>st</sup> providing growth is indicated by August, 2017. If growth is indicated, the CVB could receive an additional \$25,000 for the remainder of the 2017 year. This could also be done with the budget for the museum. Commissioner Mike Lefor stated this would challenge them to increase events to increase people's length of stay. Commissioner Mike Lefor feels this could be a two year contract with a conversation in

next year. Commissioner Mike Lefor suggests topics of discussion could include shared staff between the CVB and the museum and seeking more revenue opportunities. Funds for this would be \$50,000 from the Hospitality Cash Reserve. If the Lodging Tax increases by 5% over the planned 3% increase it will trigger the additional funds. If the Lodging Tax decreases by 5%, the two year contract will be renegotiated for the second year. City Administrator Shawn Kessel raised the idea of matching revenue generated by the CVB outside of Occupancy and Hospitality Tax.

City Administrator Shawn Kessel updates the Commission on eliminating new hire positions in 2017 and proposes pay schedule change from skilled pay to step pay; the elimination of one building inspector position by transferring the employee to another department and delaying pay increases to July. These changes are a quarter of a million dollar savings to the City.

Commissioner Mike Lefor voiced concern over changing to the step pay program for recruiting police officers.

Commissioner Carson Steiner joined the meeting with President Scott Decker providing a summary of the discussions so far.

Commissioner Mike Lefor inquired about longevity bonuses. City Administrator Shawn Kessel confirmed that there is a plan in place for longevity bonuses. Commissioner Carson Steiner inquired about the costs of retraining new police staff. City Engineer Craig Kubas offered the suggestion of letting the skilled pay disappear through natural attrition. Discussion was held on the reason skilled pay was initiated originally was to help recruit employees in the hard to hire/hard to fill positions.

President Scott Decker recommended no step increase in January, medical increase in July and do the step increase in July without touching the skill based pay reductions.

City Administrator Shawn Kessel stated that the 2018 budget will transition to no skilled pay but the wages will remain stable. With these changes, the Commission has been able to retain jobs without reducing wages to employees.

City Administrator Shawn Kessel moved onto staffing recommendations. City Administrator Shawn Kessel suggested hiring a second City Attorney instead of outsourcing legal matters. This would save the City \$40,000. This attorney would be hired at  $\frac{3}{4}$  time. Commissioner Mike Lefor recommended setting a special meeting to discuss a civil service position. The commission agreed to set a special meeting to discuss a civil service position on Wednesday, Sept. 14<sup>th</sup> at 4:00 PM in the Commission Chambers.

Jon Cameron Western ND Aid to Senator John Hoeven joined the meeting and introductions were held.

City Administrator Shawn Kessel reviewed the Public Works budget which has an increase in transfer of Enterprise Funds of 12% coming from Waste Water, Solid Waste and Sewer. Public Works Director Gary Zuroff indicates there will be some rate changes to offset the increase percent to go to General Fund Transfer.

Accountant Robbie Morey reviewed revenue changes pertaining to oil impact funds, General Funds and capital projects changes.

Commissioner Mike Lefor mentioned a request from Dickinson Catholic Schools in the near future. President Scott Decker reminded the Commission of a previous request that was denied. However, President Scott Decker added that the City did provide a great deal of infrastructure to the project which had value to the project.

Commissioner Sarah Jennings inquired about the progress of the recycling program. Commissioner Mike Lefor suggested a committee to put together Request for Proposals (RFPs) to gather more information on costs. Commissioner Sarah Jennings stated that with the City is looking at purchasing land for additional landfill and seeing 60% of material in the landfill that could be recycled, it causes consideration for recycling. The largest cost to the City, known at this time, would be staffing. Commissioner Sarah Jennings agreed to sit on a committee to consider writing RFPs with assistance as needed from Commissioner Oltmanns.

City Engineer Kubas reviewed the City's Capital Improvement program and budget. The Regional Landfill acquisition was deemed the #1 project which is still in progress.

City Administrator Shawn Kessel presented information on the National Guard Armory repairs and upcoming events.

Commission Mike Lefor requested a 2017-2019 Dickinson project expenses report.

City Administrator Shawn Kessel stated that the 2017 budget plans no property tax increases on the city side, but there will be a few service increases. City Administrator Shawn Kessel states there is a 50 cent fee on the utility billing for the waste water back up insurance progress and recommended a discussion on what to do with these funds.

MOTION BY: Mike Lefor

BY: Sarah Jennings

To end waste water back up program on December 31, 2016.

DISPOSITION: Roll call vote...Aye 3, Nay 2, Absent 0  
Motion declared duly passed.

Discussion was had in regards to the to the 6.5% sales tax. An increase to 7% would allow additional funds to go to Police and Fire Departments, downtown development and streets. This would need to go to the public for a vote.

The Commissioners use informed of a new Human Resources (HR) manual is being worked on. It will include a signature page for employees to sign after reading the manual.

V. ADJOURNMENT

MOTION BY: Sarah Jennings  
To adjourn the meeting at 11:45 AM.

SECOND BY: Klayton Oltmanns

DISPOSITION: Motion carried unanimously.

OFFICIAL MINUTES PREPARED BY:

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Deb Walworth, Administrative Assistant

APPROVED BY:

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Shawn Kessel, City Administrator

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Scott Decker, President  
Board of City Commissioners

Date: 09-19-2016