

JANUARY 5, 2009

President Johnson opened the public hearing at 5:30 PM to gather public input regarding a property tax exemption request from Kurt Martin d/b/a Martin Construction, Inc. City Assessor Jan Zent stated Mr. Martin has applied for a Commercial New and Expanding Business Exemption for five years. She stated based upon a letter from Mr. Martin, his business qualifies for the “primary sector business” which means the majority of the sales for Martin Construction, Inc. occurs at least 100 miles from Dickinson. Zent stated Mr. Martin’s request qualifies for the exemption based upon the criteria adopted with the approval of Resolution No. 20-2004. President Johnson questioned whether the Martin Construction typically has the majority of business occurring at least 100 miles from Dickinson or whether 2008 was unique. Kurt Martin stated Martin Construction is a heavy highway construction company doing excavation and grading work, therefore each year they perform approximately 80% of their business at least 100 miles from Dickinson. Martin stated he is excited to bring their fourth new building to Dickinson in the last 20 years. He stated with the new building they will be able to add additional needed mechanics to their business. Martin stated with a building expansion Martin Construction would be able to increase the City’s sales tax revenues more than the City would lose in granting the five year exemption. President Johnson asked Mr. Martin how many employees Martin Construction employs and how many live in the immediate Dickinson area. Martin stated depending upon the season, he employs between 30 to 90 employees with approximately 25-30 living in the immediate area. No further public comment was received. President Johnson closed the public hearing at 5:34 PM. Commissioner Jackson stated he felt Martin Construction qualified for the exemption. Jackson questioned whether the City granted any commercial exemptions in 2008. Zent

MOTION BY: Joe Frenzel SECONDED BY: Shirley Dukart
To approve a Commercial New and Expanding Business Exemption to Kurt Martin d/b/a
Martin Construction, Inc. according to Mrs. Zent recommendation and presentation.
DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.
Motion declared duly passed.

NON-TIMETABLE AGENDA

City Attorney Matthew Kolling stated the Agreement with Stark Development Corporation is a renewal agreement with the City and Stark Development Corporation in regard to disbursement of sales tax funds. Kolling stated the agreement is an extension onto the previous agreement which pays Stark Development Corporation 14% of the 20% of the 1% sales and use tax collected pursuant to Dickinson City Code 35.090(a). He stated the agreement is for five years with a 90 day cancellation provision.

MOTION BY: Shirley Dukart SECONDED BY: Joe Frenzel
To appoint Mary Lewton to the Human Relations Commission for a three year term.
DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.
Motion declared duly passed.

President Johnson asked staff to request a resume or biography be submitted with Citizen Interest forms to provide additional background.

5. PUBLIC SAFETY
N/A

6. PUBLIC WORKS – ENGINEERING

A. REPORT:

1. Planning and Zoning Commission Meeting minutes dated December 17, 2008:

City Engineer Shawn Soehren stated they held a special Planning and Zoning meeting this week to address a couple of Special Use Permit requests which will appear on the next City Commission agenda.

2. Board of Adjustment Meeting minutes dated December 8, 2008:

Minutes provided for informational purposes.

7. PUBLIC WORKS – MAINTENANCE AND UTILITIES

A. BID OPENING FOR A COMPOST SCREENING PLANT (2008 BUDGETED ITEM)

Public Works Manager Ken Kussy stated he received two proposals for the purchase of a new compost screening plant for the Street Department. He stated the item was a budgeted item in 2008. Kussy stated three bids were received with one being a used rental from Butler Machinery. He stated the bid price was \$57,562 and he recommended approval. He stated this piece of equipment will be capable of being used on gravel and recycled asphalt. Steiner questioned whether the piece of equipment will have a warranty. Kussy stated there will be a 60 day warranty and felt comfortable with the warranty as the machine had previously been demonstrated to the department.

MOTION BY: Joe Frenzel

SECONDED BY: Shirley Dukart

To approve the quote from Butler Equipment for a used model Nordberg CV-40 27.5 HP diesel Compost Screening Plant in the amount of \$57,562.

DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.

Motion declared duly passed.

B. BID OPENING FOR WATER TOWER

City Engineer Shawn Soehren stated bids were opened for a new water storage reservoir which will be located north of the interstate and west of State Avenue. He stated two bids were received. He stated low bid was received from American Structures, Inc. in the amount of \$511,273. Engineer's estimate was \$700,000 to \$775,000. Soehren stated the bid from American Structures was for a stainless steel tank while the other was from Maguire Iron, Inc. and was a welded iron tank. Soehren stated a stainless steel tank is preferred. Johnson questioned whether the City is familiar with the contractor, American Structures, Inc. Skip Rapp stated American Structures, Inc. has performed work with Southwest Water Authority. He stated the City and Kadrmas Lee and Jackson also considered them to be reputable. President Johnson stated he was pleased to see the bid being substantially lower than the engineer's estimate.

MOTION BY: Joe Frenzel

SECONDED BY: Carson Steiner

To accept low bid from American Structures, Inc. for the 525,000 Gallon Water Storage Reservoir in the amount of \$511,273.

DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.

Motion declared duly passed.

C. REPORT:

1. G & G Recycling:

Public Works Manager Ken Kussy stated the City attended a meeting with Gardner Polanchek from G & G Recycling Center stating that he would be closing his recycling center at the end of 2008. Mr. Polanchek indicated the price of recycled material has dropped dramatically over the past months therefore the business was no longer profitable. He stated Mr. Polanchek stated a large part of his business consisted of collection and handling of cardboard. Currently G & G receives cardboard from Beach, New England and Medora and has several collection points located throughout Dickinson. G & G collects approximately 1.4 million pounds per year. Kussy stated the City has assisted G & G in their recycling efforts as they bail at no cost to G & G approximately 340 tons of cardboard each year. He stated many businesses will be impacted if cardboard is not collected as most of the retailers in the shopping centers and grocery stores will end up with additional disposal costs if the cardboard is not recycled. Kussy stated if no cardboard recycling is done he anticipated using an additional 1,725 cubic yards of landfill space per year. He stated he has checked into costs for curbside recycling and costs vary across the country. He stated costs can vary from \$50 per ton to \$150 per ton. He stated the same is true for landfill disposal which can cost from \$20 per ton to \$200 per ton. He stated recycling in rural areas with small population bases needs to be subsidized if they are to sustain. Kussy stated the city currently recycles approximately 60% of the grass for compost; grinds wood which is used for mulch and compost; collects 10,000 gallons of oil and white goods per year and recycles asphalt and concrete. President Johnson questioned whether there is a recycling market for newspaper and glass. Kussy stated the market is limited. Johnson questioned whether there is a market for baled cardboard. Kussy stated there is a market in Minneapolis. Commissioner Frenzel stated he feels the first step in addressing the recycling issue is to educate the public and the City Commission. Johnson echoed Frenzel in regard to the need for education. Frenzel stated at this time the public is not familiar with the City's current recycling efforts. He asked staff to develop costs for recycling. He stated he did not feel it would be appropriate for residential customers to subsidize retail businesses for cardboard recycling. Gardner Polanchek stated he receives approximately \$50,000 per year to pick up cardboard from businesses. He stated due to the drop in commodity prices he has lost over \$100,000 over the past three months therefore has chosen to discontinue the service. Commissioner Jackson stated he too agrees there is need to become more informed on the recycling industry and stated he senses there may be a lot of interest in recycling in the community but was not sure if the interest would remain if there were costs. Ken Kussy stated people are welcome to contact him in regard to questions/concerns about recycling.

2. Street Maintenance Report:

Public Works Manager Ken Kussy reported on the recent snow storm and highlighted costs incurred as a result of the storm. He thanked city crews for their efforts and overtime spent on cleaning and sanding streets. He stated at times the city had seven plows working at one time. He stated the City had two contractor machines that assisted the City. He stated costs associated with the snow storm consisted of: overtime \$10,000; equipment cutting edge \$5,100; contract labor \$7,000; fuel \$4,500; sand \$6,400 and salt \$8,500 for a total cost of approximately \$42,000. President Johnson asked how many full time street department employees the City has on staff. Kussy stated the Street Department has six employees, one mechanic and one supervisor. He stated he is also able to call upon additional staff from various city departments. Johnson questioned how many miles of streets are in the city. Kussy stated there is approximately 130+ miles. Johnson stated City staff are to be complimented on the job they did during and after the snow storm as he received numerous citizen comments. He also reminded the public the city is not staffed to handle these types of events, therefore contract labor is expected.

8. ADMINISTRATION:

A. Acting City Administrator Report:

1. Census 2010:

Acting City Administrator Chuck Rummel stated he received a call from a representative from the U.S. Census Bureau making the City aware of the early planning phase for the 2010 census. She stated they are beginning to recruit people to conduct the census. Rummel stated they stressed the importance of the local community getting involved early to ensure a complete and accurate count. Commissioners stressed the importance of accurate counts as it affects community funding.

2. List of 2008 City owned Lot Sales:

Chuck Rummel referenced the list of 2008 city owned lot sales. He stated the city sold \$438,569 in city land in 2008.

3. City Commissioner Board/Committees:

Commissioners referenced a list of City Commissioner committee assignments due to the resignation of Bill Reitmeier. After discussion, Commissioner Dukart volunteered to be the City representative on those boards in which Bill Reitmeier was a representative.

MOTION BY: Joe Frenzel

SECONDED BY: Gene Jackson

To appoint Commissioner Shirley Dukart as City representative on the Roosevelt Custer Regional Council, Dickinson Public Transportation Board and Regional Transit Service Committee.

DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.

Motion declared duly passed.

4. 2009 City Commission Meeting schedule:

Chuck Rummel referenced a listing of the scheduled City Commission meetings for 2009. Johnson stated the next City Commission meeting will be on Tuesday, January 20th.

5. Other:

President Johnson stated he has asked Acting City Administrator Chuck Rummel to stay on board for the last two weeks of January to assist in orientating new City Administrator Shawn Kessel. He stated Rummel will assume Police Chief duties around the beginning of February. Johnson asked that compensation consideration for Chuck Rummel and Stewart Stenberg be on the February 2nd meeting agenda. He stated Rummel and Stenberg have done a good job and the city has moved along without missing a beat. Johnson stated should a City Commissioner have compensation suggestions to contact him prior to the next meeting.

9. ACCOUNTS PAYABLE AND PAYROLL:

MOTION BY: Carson Steiner

SECONDED BY: Joe Frenzel

To approve the payroll and accounts payable as presented along with the additional list as presented accounts payable numbers 67,734 to 67,800. Said list is available in the Accounting Office.

DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.

Motion declared duly passed.

10. CITY COMMISSION:

Commissioner Jackson stated over the past months he has been reading the Planning and Zoning minutes and briefed on related activities and feels there is the need for more land use planning in the community. He stated he's not sure if City staff is equipped with sufficient tools. Johnson questioned what direction Commissioner Jackson was

suggesting. Jackson stated it's been quite some time since a formal land use study has been completed and suggested the option be analyzed. Jackson suggested a committee be established to address the issue. Johnson suggested Gaylon Baker be included in the discussions along with any others who may have urban planning background.

11. PUBLIC ISSUES OF CITY CONCERN NOT ON THE AGENDA:
N/A

ADJOURNMENT

MOTION BY: Shirley Dukart SECONDED BY: Joe Frenzel
For adjournment of the meeting at approximately 6:35 PM.

DISPOSITION: Roll call vote...Aye 5, Nay 0, Absent 0.
Motion declared duly passed.

OFFICIAL MINUTES PREPARED BY:

Cindy Selinger, Assistant to City Administrator

APPROVED BY:

Chuck Rummel, Acting City Administrator

Dennis W. Johnson, President
Board of City Commissioners

Date: _____