



6:00 PM

**STARK DEVELOPMENT YEAR END REPORT – GAYLON BAKER**

Gaylon Baker Executive Vice President of Stark Development Corporation presents Stark Development's mission of quality of place and quality of economic opportunity in SW North Dakota. Stark Development has 18 board members and 60 business members. Baker states Stark Development answers to the entire community. Baker explains this year they have been fielding development inquiries and helping people make the appropriate contacts. Baker states the businesses that apply for financing are reviewed and are persuaded to grow here and they review them case by case. Stark Development looks to diversify the economy. In 2010, 9 pace loans were funded. In 2010 approximately \$140,000 more was spent than taken in. Baker projects in 2011 at least \$100,000 more will be spent than received. Baker would like to maintain the quality of the community throughout western North Dakota.

6:15 PM

**SPECIAL USE PERMIT – CHERRIE MAYER**

City Engineer Shawn Soehren received a special use permit application from Cherrie Mayer requesting to operate a group daycare in her home. This would allow Ms. Mayer to have childcare for 12 children. Group daycares are also State Licensed.

MOTION BY: Gene Jackson                      SECONDED BY: Rod Landblom

To approve the Special Use Permit for Cherrie Mayer to operate a group daycare in her home.

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

**NON-TIMETABLE AGENDA**

**4. GENERAL ISSUES/FINANCE**

**A. NOVEMBER FINANCIAL REPORT**

Finance Director Tina Johnson highlighted the November, 2010 financial report. Ms. Johnson did state the Future Fund will increase by at least \$1.2 million for the year 2010.

MOTION BY: Klayton Oltmanns                      SECONDED BY: Carson Steiner

To accept the November, 2010 Financial Report as presented.

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

**B. BOARD/COMMITTEE APPOINTMENTS AND REAPPOINTMENTS**

City Administrator Kessel presented the candidates for reappointments to the boards.

Commissioner Landblom feels that sometimes there is a perception where there might be a conflict of interest. In order to reduce this perception it would be wise to ask Mr. Tracy Tooz to remove himself from the Planning and Zoning Board.

Commissioner Steiner feels Mr. Tooz should abstain from voting when there is a conflict of interest. Steiner states it is difficult to fill this position and possibly Mr. Tooz could just abstain from voting. Another option Mr. Steiner states is that the other board members vote to have Mr. Tooz vote.





**6. PUBLIC WORKS – ENGINEERING**

**A. PAINTED CANYON ESTATES DEVELOPMENT IMPACT FEES**

City Engineer Shawn Soehren received a request for Development Impact Fees from Jody Arthaud and Cory Haller for Painted Canyon Estates. These are improvements on 22<sup>nd</sup> Avenue East from 6<sup>th</sup> Street East to approximately 10<sup>th</sup>. This development area improves 10 lots on the west side and two lots on the east side. The developer does own at least 75% of the area. There are two property owners on the east side of the street. The City has received opposition letters from both of the land owners. This request does fit within the residential program of the development impact fees which would make it eligible for 50% of the project up to \$300,000. The improvements to this area are estimated to cost \$369,000. Soehren states the cost of the improvements would be assessed not only to the lots the developer owns but to the two lots across the street that are owned by the other two individuals. The estimated cost that would be assessed is \$46,000 per owner.

Walt Smith from KLJ who represents the developer states the developer would like to develop the entire stretch of roadway and get the entire area developed.

Commissioner Jackson favors using hookup fees on the east side. He feels the project could be stopped east of the opposing lots.

City Attorney Matt Kolling states the City's ordinance does allow the City to define the impact area and define the area that will benefit from improvements. The current ordinance does allow for connection fees and he feels that if this is the way the Commission would like to go then these hookup fees would be assessed to the individuals who would hookup to services. The City is unable to put a lien on the property owners.

Mr. Smith questions why this development is any different than any other development. Smith feels the City is getting into some pretty muddy waters on putting special circumstances on the development impact fees.

President Johnson is concerned about the sum that will be assessed to the adjacent property owners. The specials that could be assessed could be in the middle 40's. Johnson states there will be some impact on the developers, City and the property owners.

Don Mayer who owns property in the area states he will never be able to recoup the cost as his property is narrow and he is unable to split the lots. Mayer states that nothing was discussed in the past two weeks. Mayer's recommendation would be to do the improvements up to the corner and stop there. He feels other options should be considered and this is quite unfair to the land owners and he has no intentions of selling his property at this time.

Administrator Kessel suggests assessing one half of the specials as this time and then assessing hookup fees later.

Attorney Kolling feels another option would be for the City Commission to approve a different percentage for development impact fees. Allowing the hookup fee would allow the Commission to change the percentage being assessed. The Commission would have to determine the percentage and the amount of connection fees.





Commissioner Jackson states Mr. Kessel is doing a great job for the City. Jackson does state there are issues with staff **affecting position** and this needs to get attention.

## **2. City Administrator Contract**

City Attorney Kolling reviews the City Administrator's Contract which allows the Commission to make annual adjustments to the stated compensation figure and this can be made possible by an addendum or cost of living adjustment at the Commissioners' discretion.

President Johnson states the biggest change in the contract is the length of time. Mr. Kessel's original contract was for two years and now it will continue for three years. Johnson discusses the compensation which would allow Mr. Kessel's salary to be \$100,000 in 2011. Johnson stated this salary increase is due to the work load which has increased with the energy production in Dickinson.

Commissioner Steiner concurs with President Johnson's recommendation. Steiner states Mr. Kessel has done well over the past two years as compared with the other communities and he feels the recommendation of \$100,000 for a salary is where it needs to be.

Commissioner Oltmanns states in reviewing the proposed increase that it would be a 13% increase for this calendar year and with that in mind he feels that it is a steep leap for one year. Oltmanns does like the idea of having a three year contract with Mr. Kessel and if the City's goal is to get in line with the City Administrators from other communities it would be fine but not to take quite a leap in pay in one year. Oltmanns would like to see a percentage of increase of what the other City employees will be receiving such as a 2-5%. Oltmanns suggest Mr. Kessel get a 5% increase over the next three years which would result in the compensation that is suggested.

Commissioner Jackson feels Commissioner Oltmanns concerns are very good for the City to hear. Jackson does not have a problem with the salary as with comparing with other communities and cities it is quite comparable. Jackson states the administrator position is a key position in the community and he feels this salary is quite justified when you look at the workload. Jackson states in three years this will be the same salary with possibly a cost of living raise and he has no problem with that.

Commissioner Oltmanns reviews the last administrator's wages and the increase that he had received. He is concerned that other employees will not be receiving a 13% increase such as Mr. Kessel's increase.

President Johnson believes the salary for the previous administrator was quite low and he feels the City needs to be competitive with the other communities and catch up to market. At the beginning Mr. Kessel was hired with less city experience, and Johnson felt his beginning wage was appropriate but now in two years the City has started the energy impact, dealt with a tornado, two severe winters and other events and Mr. Kessel has handled these events very well. Also the workload for Kessel has increased severely. Johnson is quite happy with Mr. Kessel's performance as it is more complex than prior years. Personally Mr. Johnson looked at this increase as fairly significant but this is where the market is and Mr. Kessel is performing well.

