

Administrator Kessel states Mr. Ingram has requested to use some of the funds that were remaining in the 2011 budget from a previous museum coordinator. These remaining funds of \$17,000 were part of Mr. Ingram's budget and are already spent.

President Johnson feels there is sufficient money in the Hospitality Tax to fund Mr. Ingram's request. Mr. Johnson requests that the groups that represent the museum get along as additional funding would benefit the museum in enhancing the quality of life in the community and what Dickinson would be getting back from the museum. Johnson requests to have a special meeting at the museum so that the Commissioners could have a tour and decide if additional funds will be added to the museum budget

5:30PM

LEWIS AND CLARK REGIONAL COUNCIL – BRENT EKSTROM

Brent Ekstrom from Lewis and Clark Regional Council presented to the Commission an opportunity to apply jointly for the Small Business Credit Initiative. The SBCI allows only three applicants to be funded. There could be a funding of up to \$13.1 million dollars. The City of Mandan and also Carrington are going to apply for these funds. These funds could be used for a loan participation program or a venture capital program for the City. The decision for a loan will be made by the loan committee only. Ekstrom is asking Dickinson review this application and asks for a motion to be a co-applicant. This is a grant program and no matching funds are necessary.

Ms. Johnson and Mr. Kessel will review the website and bring the information to the next meeting. At this time the City Commission will make a recommendation.

4. GENERAL ISSUES/FINANCE

A. 2012 ANNUAL APPROPRIATIONS

Financial Director Tina Johnson presented the 2012 budget proposal including highlights of the revenues, expenses, and capital items. Two funds were added this year, the Building Construction Fund and the Oil Impact Fund. Ms. Johnson explains the Property Tax revenue includes \$154,000 increase for new construction coming on the tax roll but no increase for existing properties. It should be noted that there is somewhat of a lag between construction and addition to the tax roll. Only properties that were finished with construction by Feb. 1st of 2011 are included as new revenue in 2012.

- A new revenue line item in 2012 for Crew Camp Permits for \$44,000.

- Administrative Fees which are charged to the Enterprise Funds to offset costs incurred by the General Fund that also benefit the utility funds are calculated as a percentage of projected revenue. While the State allows this transfer to be as much as 20%, our transfer in 2012 is 8% which is a decrease from 2011.
- There is a transfer of \$1.5 million from the new Oil Impact Fund for such things as City Hall remodel and additional staff.
- Sales tax funds, we are budgeting a 12% increase in 1%, ½%, and Hospitality Taxes and a 20% increase in Occupancy Tax for 2012. This budget assumes a major change in the way Occupancy Tax has been expended in the past. In 2012, Occupancy Tax will fund the CVB subsidy, the TR Symposium subsidy, and all payroll costs for the Museum complex.
- Enterprise Funds, the City is budgeting a 4% increase in revenues due to growth in both residential and commercial accounts. The rate increases include 4% increase in water consumption, wastewater base rate increase to \$5 for residential and \$10 for commercial, and a 3% increase to residential refuse. The commercial refuse scale was reformulated which translates to varying increases across the board from 3% to 13%. The utility funds have several large one-time capital costs in the near future.

Expenses:

- There is a 3% cost-of-living adjustment to the pay scale. Also moved the step adjustments that non-exempt employees receive from their anniversary date to January 1st. Exempt employees are on a performance based system with a 6% salary pool budgeted for 2012.
- The new staff positions include: HR Coordinator, 3 police officers and 1 part-time dispatcher, an Eng. Tech, an operator and a chief operator in the Street dept., an operator in the Water/Wastewater fund, and one in Solid Waste Fund.
- There is a planning consultant included in the Museum budget in 2012 to help determine the future of the complex.
- As the City grows there is more and more pressure on our sales tax funds. In 2012, we will transfer \$1 million from the ½% sales tax fund towards the construction of the Public Works Building and \$1 mil to the Development Impact Fee program.
- Transfers from the new Oil Impact Fund include \$1.5 mil to the General Fund which is money we receive from our mining-related employment exceeding 7.5% and \$5 mil to the Wastewater Treatment Plant from the Oil Hub Cities grant.
- The City is anticipating a 10 cent increase in water cost from Southwest Water Authority.
- We are also estimating a significant increase in the number of Solid Waste containers we will need to purchase due to the growth we are experiencing in both residential and commercial accounts.

Capital Plan:

- Johnson explains two biggest items in our capital plan in both dollars and size are the Public Works Building and the Wastewater Treatment Plant. Both are expected to begin construction in 2012 but will not be completed in that year. This slide shows the funding sources to begin construction in 2012 and possible financing plans for both upon completion that include:
 - \$500,000 from the General Fund and \$1 mil from Sales Tax for the PW Bldg in 2012
 - \$5 mil from the Oil Impact Fund for the Wastewater Treatment Plant in 2012
- Other capital items include the city hall remodel, adding the Animal Shelter to the PW Bldg, patrol vehicles for the police dept., replacement of self-contained breathing apparatus equipment in the fire dept., the Comprehensive/Transportation plan, the Landfill master plan, and several trucks.

Ms. Johnson explains in total, our General Fund budget has increased 15% over the 2011 budget with 3% coming from the additional staff requests, 5.5% from payroll changes, and 7% for capital requests. The budget for 2012 shows a \$595,000 use of cash in the general fund due to a one-time transfer of \$500,000 to the Public Works building and the additional staff requests in several depts. The enterprise funds do not require a use of cash as they are building cash reserves for large one-time capital costs that include the wastewater treatment plant upgrade and anticipated landfill upgrades when the master plan is complete.

Commissioner Oltmanns explains a year ago we had \$18 million dollars worth of projects and that has increased substantially in one year's time. Oltmanns is pleased by hitting the main structures needed and the way the City can finance and if there is an economy failure the City is still in control. Oltmanns feels the City has a sound budget for 2012.

President Johnson feels the general fund could take a hit of ½ million dollars and use the funds towards a Public Works Building.

Commissioner Jackson did have several questions pertaining to the budget which Ms. Johnson answered. These included the animal shelter revenue sources, sales tax, and reforecasting. Jackson would like to visit about Stark Development and feels this can be discussed at the public hearing which will be held at the September 19, 2011 meeting.

Commissioner Frenzel would like also to discuss funding Stark Development and all that they have done for the City of Dickinson.

President Johnson does ask for public comment. There was no public comment at this time.

MOTION BY: Gene Jackson

SECONDED BY: Joe Frenzel

To approve the first reading of Ordinance No. 1424

ORDINANCE NO. 1424
ANNUAL APPROPRIATION AND TAX LEVY

AN ORDINANCE ENTITLED "THE ANNUAL APPROPRIATION AND TAX LEVY" APPROPRIATING THE SUM OF MONEY NECESSARY TO DEFRAY THE EXPENSES AND LIABILITIES OF THE CITY OF DICKINSON, NORTH DAKOTA, AND MAKING THE ANNUAL TAX LEVY FOR THE FISCAL YEAR BEGINNING JANUARY 01, 2012 AND ENDING DECEMBER 31, 2012, INCLUSIVE

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

Ms. Johnson did state there may be two possible changes which would include the budget figures from the airport and retirement health insurance transfer.

B. NDSU CONTRACT – POPULATION PROJECTIONS/ECONOMICS

City Planner Ed Courton states the presented proposal is a result of KLJ having NDSU as a subcontractor for the population proposal. This proposal would allow NDSU to work with KLJ in regards to the City's population. If the proposal is approved NDSU would return with a consulting agreement in the future.

MOTION BY: Carson Steiner

SECONDED BY: Klayton Oltmanns

To approve the NDSU Population/Economic Conditions Contract for \$65,204.00

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

Motion declared duly passed.

G. REPORTS

1. Legislative Briefing Review on August 16, 2011

City Administrator Kessel states several appointed and elected officials from the local and State came to review the big picture of Dickinson with its priorities such as energy impact and transportation funding. The City heard very positive feedback and it's the City's hope that they will receive support for the impact that will occur in the future.

2. NDDOT Dickinson City Tour letter by Francis Ziegler, PE, Director

Administrator Kessel explains a letter was received by Francis Ziegler from the NDDOT explaining Dickinson will be receiving \$1 million dollars of state funds to assist in completing the Environmental Assessment document. This study will be for a proposed truck bypass project.

3. City Hall renovation including phone system upgrade

Kessel presents proposed drawings of the city hall renovation project. This renovation will be taking place in the basement of city hall. Also included were the bids for the phone project which pertains to the renovation. The phone system is jointly owned by city hall, Stark County and LEC. The funding stream for this renovation would be the second installment of the ½ million dollars from the State. This will be presented at the next meeting for a vote.

4. Fire Department Substation Land

Kessel explains currently land has been identified for a new fire station. The property is currently owned by the park district. Kessel will engage in discussion with the park district to formualarize an agreement or long term lease. Ownership of this property is not available but a long term lease could be considered. The property is located on 21st Street, south of Century Apartments. The park district will be visiting with adjacent land owners in regards to a fire station.

5. KLJ Government Liaison Contract

Kessel presents a letter that will be sent to KLJ in regards to cancelling the contract for a government liaison.

6. Title VI Policy

City Attorney Kolling presents a Title VI Policy which states the City does not discriminate on the basis of race, creed, origin, etc. This is intended to apply to projects that receive federal funding only.

7. Texting while driving Ordinance

Attorney Kolling presents a texting while driving ordinance which prohibits the use of communication device while driving. This ordinance would be incorporated into the City code so it can be enforced by City officers. This also prohibits the use of a cell phone by a minor while driving.

5. PUBLIC SAFETY

A. Reports:

A. Fire Department

1. Risk Management Program – Summary of Incidents as of August 23, 2011

Fire Chief Robert Sivak presents the 2011 summary of incidents which was tallied through the end of August, 2011. This report shows the incidents are more than 2010. The type of weather condition during snow removal was a big contributor to incidents. Sivak explains not all incidents require medical services. This report indicates employees are very busy and also getting injured in this busy economy.

6. **PUBLIC WORKS/PLANNING**

A. FINAL PLAT – DIAMOND ACRES SUBDIVISION

City Planner Ed Courton has received a final plat application for Diamond Acres Subdivision. This subdivision is southerly of 21st Street East and 10th Avenue East. The developer has increased the lot size to the south of 21st Street East in order to accommodate commercial development.

MOTION BY: Gene Jackson

SECONDED BY: Carson Steiner

To authorize introduction Resolution 48-2011 for adoption.

RESOLUTION NO. 48 -2011

A RESOLUTION APPROVING FINAL PLAT ENTITLED DIAMOND ACRES SUBDIVISION, STARK COUNTY, NORTH DAKOTA.

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

B. FINAL PLAT – STATE SEVENTH ADDITION

City Planner Ed Courton has received a final plat application for State Seventh Addition. This addition is a continuation of Roers Development. It is a continuation to the North of the current development. It is located easterly of business loop and southerly of Fairway Street

MOTION BY: Joe Frenzel

SECONDED BY: Klayton Oltmanns

To authorize introduction Resolution 49-2011 for adoption.

RESOLUTION NO. 49 -2011

A RESOLUTION APPROVING FINAL PLAT ENTITLED STATE SEVENTH ADDITION, STARK COUNTY, NORTH DAKOTA.

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

C. FINAL PLAT – STATE EIGHTH ADDITION

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:

Rita Binstock, Assistant to City Administrator

APPROVED BY:

Shawn Kessel, City Administrator

Dennis W. Johnson, President
Board of City Commissioners

Date: _____