

BOARD OF CITY COMMISSIONERS
Fargo, North Dakota

Regular Meeting:

Monday:

September 8, 2008:

The Regular Meeting of the Board of City Commissioners of the City of Fargo, North Dakota, was held in the City Commission Room at City Hall at 5:00 o'clock p.m., Monday, September 8, 2008.

The Commissioners present or absent were as shown following:

Present: Mahoney, Piepkorn, Williams, Wimmer, Walaker.

Absent: None.

Mayor Walaker presiding.

Order of Agenda Approved:

Commissioner Wimmer moved the Order of the Agenda be approved.

Second by Piepkorn. All the Commissioners voted aye and the motion was declared carried.

Minutes Approved:

Commissioner Mahoney moved that the Minutes of the Regular Meeting of the Board held on August 25, 2008 be approved as read.

Second by Williams. All the Commissioners voted aye and the motion was declared carried.

Consent Agenda Approved:

Commissioner Wimmer moved the Consent Agenda be approved as follows:

- a. 1st reading of an Ordinance Annexing a Certain Parcel of Land Lying in the North Half of Section 3, Township 138 North, Range 49 West, in Cass County, North Dakota.
- b. 2nd reading, waive reading and final adoption of an Ordinance Amending Section 8-1606 of Article 8-16 of Chapter 8 of the Fargo Municipal Code Relating to Parking Tickets; 1st reading, 8/25/08.
- c. Position Evaluation Committee recommendation to reclassify the Communications Manager from a C41-1 to a C42-1.
- d. Applications for tax exemptions for improvements made to buildings:
 - (1) West 45th Development LLC, 400 45th Street South (3 year).
 - (2) Shawn and Karla Hanson, 1115 5th Street North (5 year).
 - (3) Kathy Onsum, 1117 10th Avenue South (5 year).

- e. Memorandum of Lease Agreement on the County Road No. 20 Lift Station located on property leased from the Airport Authority and revision to the legal description in the Lease Agreement.
- f. Purchase Agreement for property at 1202 49th Avenue South as part of the flood control project.
- g. Precinct inspectors for the November 4, 2008 election.
- h. Jail services contract with Cass County for an increase from \$60 to \$75 per day effective January 1, 2009.
- i. Amendment of a special assessments development agreement with Fay Land Partners, LLP.
- j. Agreement with Minn-Kota Chapter of the American Red Cross for use of the Fargo Civic Center as an emergency relocation site.
- k. Resolution regarding allocation of eligible costs funded by E911 fees in accordance with guidelines established by the Emergency Services Communications Coordinating Committee.
- l. General Security Services Corporation (GSSC) Midwest Patrol contract to provide parking enforcement services around the main campus of NDSU.
- m. Applications for Games of Chance:
 - (1) St. Mark's Lutheran Church for a raffle on 11/16/08.
 - (2) Friendship, Inc. for a raffle on 10/10/08.
 - (3) MeritCare Foundation for a raffle on 11/22/08.
 - (4) The Village Family Service Center for a raffle on 11/14/08.
 - (5) Fargo South High Dance Team for a raffle on 11/22/08.
- n. Plat of Hooters Fargo Addition.
- o. Updated North Dakota Clean Water State Revolving Fund (CWSRF) Loan Package for Project No. 5656.
- p. Bid advertisement for Project Nos. 5221, 5693, 5828 and 5846.
- q. Bid awards for Project Nos. 5790 to Dakota Underground in the amount of \$219,238 and 5813 to Earth Developers, Inc. in the amount of \$60,775.
- r. Contract and bond for Project No. 5849.
- s. Bills in the amount of \$4,135,787.78.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Sanitary Sewer, Water Main, Storm Sewer and Incidentals Improvement District No. 5843 (49th Street South Between 30th and 32nd Avenues):

Commissioner Wimmer moved the following action be taken in connection with Sanitary Sewer, Water Main, Storm Sewer and Incidentals Improvement District No. 5843:

Adopt Resolution Creating Improvement District No. 5843:

WHEREAS, The Board of City Commissioners of the City of Fargo, North Dakota, deems it expedient that Improvement District No. 5843, in the City of Fargo, North Dakota, be created

49th Street South between 30th Avenue South and 32nd Avenue South.

COMPRISING:

Lots 1 through 6, inclusive, Block 1.

All platted in Urban Plains Rec Facility Addition.

Lots 4 through 7, inclusive, Block 8.

All platted in Urban Plains by Brandt 1st Addition.

All of the foregoing is located in the City of Fargo, Cass County, North Dakota.

NOW, THEREFORE, BE IT RESOLVED, That Sanitary Sewer, Water Main, Storm Sewer and Incidentals Improvement District No. 5843, in the City of Fargo, North Dakota, be and the same is hereby created.

Request Report and Estimate of Cost From the City Engineer for Improvement District No. 5843:

Direct City Engineer to report as to the general nature, purpose and feasibility relative to the construction of Improvement District No. 5843, in the City of Fargo, North Dakota; as well as an estimate of the approximate cost of said construction. (The Engineer's estimate of cost is \$187,440.)

Order Plans and Specifications for Improvement District No. 5843:

Direct City Engineer to prepare Plans and Specifications for the construction of Improvement District No. 5843, in the City of Fargo, North Dakota.

Adopt Resolution Approving Plans and Specifications and Engineer's Report for Improvement District No. 5843:

WHEREAS, The Board of City Commissioners of the City of Fargo, North Dakota, has created Improvement District No. 5843, in the City of Fargo, North Dakota, as required by law; and

WHEREAS, Plans and Specifications and the Engineer's Report prepared by the City Engineer, have been considered.

NOW, THEREFORE, BE IT RESOLVED, That the Plans and Specifications and Engineer's Report for the construction of Improvement District No. 5843, in the City of Fargo, North Dakota, be and the same are hereby approved and ordered filed in the Office of the City Auditor.

Direct City Auditor's Office to Call for Bids for Improvement District No. 5843:

Direct City Auditor's Office to publish a Notice, as required by law, calling for bids for the construction of Improvement District No. 5843, in the City of Fargo, North Dakota.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845: Protests Received and Declared Insufficient:

The Statutory Resolution of Necessity for the construction of P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845 in the City of Fargo, North Dakota, was duly published in the official newspaper for the City of Fargo, North Dakota on August 4 and 11, 2008 and protests representing 13.27 percent of the legal protest area have been received and filed in the office of the City Auditor within the legal protest period.

Commissioner Wimmer moved the protests be received and filed and declared insufficient.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Bids Received for P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845:

The bids for P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845 in the City of Fargo, North Dakota were opened at 11:30 o'clock a.m., September 3, 2008 and the bids were found to be as follows:

Adelman Concrete and Excavating Bid:	Fargo, ND \$58,367.50
Specialized Contracting Bid:	Fargo, ND \$63,803.85
Paras Contracting, Inc. Bid:	Fargo, ND \$68,638.30
Key Contracting Bid:	Fargo, ND \$69,268.00

Northern Improvement Company Bid:	Fargo, ND \$73,647.00
Dakota Underground Bid:	Fargo, ND \$76,418.00
Opp Construction Company Bid:	Fargo, ND \$87,459.25

Contract for P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845 Awarded to Adelman Concrete and Excavating in the Amount of \$58,367.50:

Commissioner Wimmer offered the following Resolution and moved its adoption:

WHEREAS, The City Engineer has prepared and filed a detailed statement of the estimated costs of P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845; and

WHEREAS, The Board of City Commissioners of the City of Fargo has considered the bids received September 3, 2008 for P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845 in the City of Fargo, North Dakota; and

WHEREAS, The City Engineer's tabulation of the bids received for P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845 shows the bid of Adelman Concrete and Excavating of Fargo, North Dakota, in the sum of \$58,367.50 to be the lowest and best bid received.

NOW, THEREFORE, BE IT RESOLVED, That the Board of City Commissioners finds and declares the bid received from Adelman Concrete and Excavating in the sum of \$58,367.50 is the lowest and best bid received.

BE IT FURTHER RESOLVED, That the contract for P.C. Concrete Alley Paving and Incidentals Improvement District No. 5845 in the City of Fargo, North Dakota, be and the same is hereby awarded to Adelman Concrete and Excavating for the sum of \$58,367.50, subject to the supervision, inspection and approval of the City Engineer, and in accordance with the Plans and Specifications filed in the office of the City Auditor.

Second by Mahoney. On the vote being taken on the question of the adoption of the Resolution Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the Resolution was adopted.

Bids Rejected for Concrete Curb and Gutter, Asphalt Pavement and Incidentals Improvement District No. 5831 and Project to be Rebid:

The bids for Concrete Curb and Gutter, Asphalt Pavement and Incidentals Improvement District No. 5831 in the City of Fargo, North Dakota, were opened at 11:30 a.m., August 20, 2008.

City Engineer Mark Bittner stated the low bid exceeded their estimate by 45% and, therefore he is recommending that the bids be rejected and the project be rebid in the spring.

Commissioner Wimmer moved the bids for Concrete Curb and Gutter, Asphalt Pavement and Incidentals Improvement District No. 5831 be rejected and the project be rebid in the spring.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Winter Decorating Improvements and Maintenance Improvement District No. 5851: Protests Received and Declared Insufficient:

The Statutory Resolution of Necessity for the construction of Winter Decorating Improvements and Maintenance Improvement District No. 5851 in the City of Fargo, North Dakota, was duly published in the official newspaper for the City of Fargo, North Dakota, on August 4, 11 and 18, 2008 and protests representing 2.1 percent of the legal protest area have been received and filed in the office of the City Auditor within the legal protest period.

Commissioner Wimmer moved the protests be received and filed and declared insufficient.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Recognition Plaque Given to the City of Fargo for Meeting the Workforce Safety and Insurance's 2007 Safety Outreach Program Goals:

Don Pfaff, Safety Consultant for Workforce Safety and Insurance (WSI), stated WSI is pleased to recognize the City of Fargo for meeting their 2007 Safety Outreach Program goals. He presented the recognition plaque to Safety Coordinator Willard Yellow Bird and Mayor Walaker and thanked the City of Fargo for their efforts in this regard.

Request for an Extension of the Class "FA" Alcoholic Beverage License Held by Hooter's Approved:

The Board received a communication from City Auditor Steve Sprague stating Hooter's has closed its location on 38th Street South and is in the process of transferring their Class "FA" Alcoholic Beverage License to a new location currently under construction on Fiechtner Drive. Mr. Sprague stated this process can take longer than the amount of time specified in the City's Ordinances and, therefore, he is requesting approval of an extension of the Class "FA" Alcoholic Beverage License until the new building is completed.

Commissioner Wimmer moved the request for an extension of the Class "FA" Alcoholic Beverage License held by Hooter's be approved until the building is completed or a maximum of 90 days.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Piepkorn, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Parcels of Land in Section 4, Township 138 North, Range 49 West Rezoned (5501 45th Street South):

At a Hearing held on August 13, 2008 the Fargo Planning Commission recommended approval of a change in zoning from AG, Agricultural to GC, General Commercial with a Conditional Overlay on the northeast quarter of the northeast quarter; LC, Limited Commercial with a Conditional Overlay on the northwest quarter of the northeast quarter and the east half of the southeast quarter of the northeast quarter all in Section 4, Township 138 North, Range 49 West.

The City Auditor's Office published a Notice of Hearing stating this is the time and date set for said Hearing at which time all interested persons could appear and would be heard.

Commissioner Wimmer offered the following Resolution and moved its adoption:

WHEREAS, All legal requirements in connection with the above-described request for rezoning have been complied with; and

WHEREAS, There have been no written or verbal protests to the request for rezoning and no one is present to protest thereto.

NOW, THEREFORE, BE IT RESOLVED, That the findings of staff and the Planning Commission be accepted and the rezoning be approved with the Conditional Overlay requirements listed in the Ordinance on the basis that it satisfactorily complies with the Comprehensive Plan, Growth Plan 2007, Section 20-0906.F (1-4) and all other applicable requirements of the LDC.

Second by Piepkorn. On the vote being taken on the question of the adoption of the Resolution Commissioners Wimmer, Piepkorn, Williams, Mahoney and Walaker voted aye.

No Commissioner being absent and none voting nay, the Resolution was adopted.

First Reading of an Ordinance Rezoning Certain Parcels of Land Lying in Section 4, Township 138 North, Range 49 West, Cass County, North Dakota:

Commissioner Wimmer moved the requirement relating to receipt of the Ordinance by the Commission one week prior to first reading be waived and that the Ordinance Rezoning Certain Parcels of Land Lying in Section 4, Township 138 North, Range 49 West, Cass County, North Dakota.

Second by Piepkorn. On call of the roll Commissioners Wimmer, Piepkorn, Williams, Mahoney and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Parcels of Land in Prairie Grove First Addition Rezoned (2553-2685 54th Avenue South and 2554-2634 55th Avenue South):

At a Hearing held on August 13, 2008 the Fargo Planning Commission recommended approval of a change in zoning from SR-3, Single Dwelling to SR-4 Single Dwelling on Lots 1 through 16, and 18 through 29, Block 5, and Lots 1 through 24, Block 6, Prairie Grove First Addition.

The City Auditor's Office published a Notice of Hearing stating this is the time and date set for said Hearing at which time all interested persons could appear and would be heard.

Commissioner Wimmer offered the following Resolution and moved its adoption:

WHEREAS, All legal requirements in connection with the above-described request for rezoning have been complied with; and

WHEREAS, There have been no written or verbal protests to the request for rezoning and no one is present to protest thereto.

NOW, THEREFORE, BE IT RESOLVED, That the findings of staff and the Planning Commission be accepted and the rezoning be approved on the basis that it satisfactorily complies with the Comprehensive Plan, Standards of Section 20-0906.F (1-4) and all other applicable requirements of the LDC.

Second by Piepkorn. On the vote being taken on the question of the adoption of the Resolution Commissioners Wimmer, Piepkorn, Mahoney, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the Resolution was adopted.

First Reading of an Ordinance Rezoning Certain Parcels of Land Lying in Prairie Grove First Addition to the City of Fargo:

Commissioner Wimmer moved the requirement relating to receipt of the Ordinance by the Commission one week prior to first reading be waived and that the Ordinance Rezoning Certain Parcels of Land Lying in Prairie Grove First Addition to the City of Fargo be placed on first reading.

Second by Piepkorn. On call of the roll Commissioners Wimmer, Piepkorn, Mahoney, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Parcels of Land in Aldrich and Roberts Addition Rezoned (1221 and 1225 University Drive South):

At a Hearing held on August 13, 2008 the Fargo Planning Commission recommended approval of a change in zoning from SR-3, Single Dwelling to LC, Limited Commercial with a Conditional Overlay on Lot 6, less highway right-of-way, Block 8 and from LC, Limited Commercial to LC, Limited Commercial with a Conditional Overlay on Lot 7, less highway right-of-way, Block 8, all in Aldrich and Roberts Addition.

The City Auditor's Office published a Notice of Hearing stating this is the time and date set for said Hearing at which time all interested persons could appear and would be heard.

Commissioner Wimmer offered the following Resolution and moved its adoption:

WHEREAS, All legal requirements in connection with the above-described request for rezoning have been complied with; and

WHEREAS, There have been no written or verbal protests to the request for rezoning and no one is present to protest thereto.

NOW, THEREFORE, BE IT RESOLVED, That the findings of staff and the Planning Commission be accepted and the rezoning be approved with the Conditional Overlay requirements listed in the Ordinance on the basis that it satisfactorily

complies with the Comprehensive Plans, Standards of Section 20-0906.F (1-4) and all other applicable requirements of the LDC.

Second by Mahoney. On the vote being taken on the question of the adoption of the Resolution Commissioners Wimmer, Mahoney, Piepkorn, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the Resolution was adopted.

First Reading of an Ordinance Rezoning Certain Parcels of Land Lying in Aldrich and Roberts Addition to the City of Fargo:

Commissioner Wimmer moved the requirement relating to receipt of the Ordinance by the Commission one week prior to first reading be waived and that the Ordinance Rezoning Certain Parcels of Land Lying in Aldrich and Roberts Addition to the City of Fargo be placed on first reading.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Piepkorn, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Hearing on the Special Assessment List for Maintenance of the Broadway Mall Approved:

A Hearing had been set for this day and hour on the special assessment list for maintenance of the Broadway Mall in the City of Fargo, North Dakota.

No appeals have been filed in writing against any item appearing on such special assessment list and no person is present at this Hearing to appeal or offer any objection thereto.

Commissioner Mahoney moved that the special assessment list for maintenance of the Broadway Mall be and the same is hereby approved and confirmed and ordered filed in the office of the City Auditor and that the City Auditor's Office be instructed to proceed to collect the assessments in the manner provided by law.

Second by Piepkorn. On call of the roll Commissioners Mahoney, Piepkorn, Wimmer, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Hearing on the Special Assessment List for Maintenance of the Skyway System Approved:

A Hearing had been set for this day and hour on the special assessment list for maintenance of the Skyway System in the City of Fargo, North Dakota.

No appeals have been filed in writing against any item appearing on such special assessment list and no person is present at this Hearing to appeal or offer any objection thereto.

Commissioner Mahoney moved that the special assessment list for maintenance of the Skyway System be and the same is hereby approved and confirmed and ordered filed in the office of the City Auditor and that the City Auditor's Office be instructed to proceed to collect the assessments in the manner provided by law.

Second by Wimmer. On call of the roll Commissioners Mahoney, Wimmer, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Hearing on Special Assessments for Sewer Repairs on Certain Properties in the City of Fargo:

A Hearing had been set for this day and hour on the special assessments for sewer repairs on the list of properties on file in the City Auditor's Office.

No appeals have been filed in writing against any item appearing on such special assessment list and no person is present at this Hearing to appeal or offer any objection thereto.

Commissioner Piepkorn moved the sewer repair special assessment list be approved.

Second by Mahoney. On call of the roll Commissioners Piepkorn, Mahoney, Wimmer, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Hearing on Special Assessments for Abatement of Nuisances on Certain Properties in the City of Fargo:

Hearings had been set for this day and hour on special assessments for abatement of nuisances on the list of properties on file in the City Auditor's Office.

No appeals have been filed in writing against any item appearing on such special assessment re-inspection list and no person is present at this Hearing to appeal or offer any objection thereto.

Commissioner Piepkorn moved the special assessments for abatement of nuisances on the above listed properties be approved.

Second by Mahoney. On call of the roll Commissioners Piepkorn, Mahoney, Wimmer, Williams and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Request from Cityscapes Development Regarding Preliminary Review of Proposed Downtown Development Approved:

The Board received a communication from Michael Bullinger, Cityscapes Development, regarding a new mixed-use retail and student housing project to be located in the former Lark Theatre property in Downtown Fargo which will be a joint partnership between NDSU and Cityscapes Development. Mr. Bullinger stated this prominent location, which is on the corner of Roberts Street and First Avenue North, is the heart of Downtown Fargo. He said the proposed project will link the very successful revitalization of the Hotel Donaldson and Straus buildings with the Plains Art Museum and NDSU's downtown campus and will provide much-needed housing for NDSU's rapidly expanding downtown campus. He said NDSU is expecting an influx of around 4,000 students to the downtown area and these students will help to further strengthen the downtown's revitalization with added retail and commercial customers and the opportunity for entry level workers in downtown. Mr. Bullinger stated a key to the success of the downtown campus is providing additional NDSU

housing and, in order to make this project a reality, Cityscapes Development is asking for preliminary approval of Renaissance Zone designation as well as Payment in Lieu of Tax or PILOT tax relief. He said the Pilot program would follow the Renaissance Zone designation with a 10 year term per the City guidelines of 5 years of 100% tax relief and 75% for the remaining 5 years. Mr. Bullinger said as the owner of the existing property during both the above mentioned terms, Cityscapes Development would still be responsible for taxes on the land. He said through a partnership with NDSU, the project will bring approximately 212 bedroom units to downtown that will be operated by NDSU and owned by Cityscapes Development. He said this relationship allows NDSU to provide much-needed student housing at no cost to the University and the project with vital tenants. He said through the agreement, NDSU will market and operate the housing units and the apartment units will be listed as a housing option for new and existing NDSU students. While the University will not guarantee an occupancy rate, he continued, they currently have over 400 students living in hotel rooms and enrollment is not expected to decline. Mr. Bullinger stated in addition to the 212 bedroom units, the project will also bring over 75 underground heated parking spaces and over 40,000 square feet of new retail space to downtown. He said occupancy of the first half of the housing units is tentatively scheduled for August 2009.

City Administrator Pat Zavoral said Mr. Bullinger's project is within a reasonable range for the anticipated tax exemptions. He said the project will help meet the need for increased student housing demands in the downtown area.

Commissioner Wimmer moved the preliminary review for the Cityscapes project be accepted in order for Mr. Bullinger to move ahead with Renaissance Zone and PILOT applications.

Second by Piepkorn.

In response to a question about the effect on the City's general revenue because of tax exemptions, Mayor Walaker said general revenue increases as tax exemptions expire.

Mr. Bullinger said the size of the location could provide possible space for a large retail company as well as meeting the needs for housing.

On call of the roll Commissioners Wimmer, Piepkorn, Williams, Mahoney and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

At 6:05 the Board took a five-minute recess.

After recess: All Commissioners present. Mayor Walaker presiding.

Recommendations Regarding an Addition to the Fargodome Approved:

The Board received a communication from Commissioner Wimmer stating the Fargodome Expansion Task Force, made up of representatives from the Fargodome, North Dakota State University (NDSU), City Commission and City staff, has been meeting for the past two years. He said the objective of this ad hoc committee was to analyze the feasibility of expanding the Fargodome to accommodate a second event facility near or attached to the present building. He said the Task Force employed an architectural team of T.L. Stroh (Fargo) and 360 Degree and Associates (Kansas City) to determine size and cost for a smaller scale arena and their estimate is in the

\$30 million dollar range for a 6500 seat building. In conjunction with this effort, he continued, the Fargodome Authority also contracted with CSL and Associates of Minneapolis to determine the marketability of an addition to the Fargodome and this study determined that a second facility would increase revenue to the Fargodome as well as events coming into Fargo. Mr. Wimmer stated the two remaining charges of the Task Force and/or the Fargodome Authority are to determine the financial feasibility of constructing an addition and development of an operational plan to operate and maintain the facility. He said the financial feasibility for a second facility hinges on the contribution of City funds and the development of a funding partnership with another public entity and discussions with NDSU representatives indicated that a partnership can be developed which will make financing of this event center possible. He said this partnership would lead to the development of an operational plan for the facility that would allow ownership to remain with the City, a management arrangement with the Fargodome Authority, and a favorable lease agreement with NDSU for use of the facility. Mr. Wimmer stated it is the Task Force's recommendation to allow for the naming rights to this addition to be granted to NDSU with some limitations to be worked out in a naming rights agreement between the Fargodome and NDSU which will be used to fund 50% of the cost of construction of the addition. He said it is also recommended that the City Commission authorize the use of Fargodome capital escrow funds (Fargodome sales tax surplus) not to exceed \$15 million for 50% of this project. He said a final recommendation is that none of the City funds would be released until the NDSU portion of the funds is secured and the operational and financing plans for the new facility is accepted by the Fargodome and NDSU representatives.

Fargo Dome Authority President Ryn Pitts said two of the studies have been thoroughly gone over by the committees and nothing has been found to curb enthusiasm for the addition. She said the City owns the Dome, not the Fargo Dome Authority, so the City Commission needs to approve this request in order to complete two more studies and to begin to address financing and a host of other details.

Commissioner Williams said money needs to be kept in escrow in order to subsidize Dome operations and it may be difficult to generate the necessary funds with the uncertainty of the market. He said this does not take into account the new addition.

Commissioner Wimmer said it is important to move forward because of the willing partnership of NDSU. He said the \$15 million along with ticket surcharges will keep both buildings viable.

Commissioner Wimmer moved limited naming rights to the Fargodome addition be given to NDSU, that 50% or a net \$15 million be dedicated towards construction of a building addition from the Fargodome capital escrow fund, and that the appropriate staff be directed to work with the Fargodome and NDSU in preparing an acceptable operational plan for the addition.

Second by Piepkorn.

Commissioner Williams suggested NDSU become a true partner with the City in regard to financial responsibilities for the Fargodome addition. He said he is concerned about the future liability of the Fargodome and does not want to see future expenses come back on the taxpayer.

NDSU Vice President of Finance and Administration John Adams said the University is very excited about this project and wants to ensure its success. He said

NDSU cannot be involved as a private owner but details can be worked out in the operational agreement.

On call of the roll Commissioners Wimmer, Piepkorn, Mahoney and Walaker voted aye.

Commissioner Williams voted nay.

The motion was declared carried.

2009 Preliminary Budget Adopted: Public Hearing Set for September 22, 2008:

The Board received a communication from Finance Director Kent Costin stating the 2009 Mayor's preliminary budget was received and filed on August 25, 2008 and the next step in the budget process is to approve the preliminary budget and set the public hearing date. Mr. Costin said Mayor Walaker is recommending approval of the preliminary budget and setting the public hearing for September 22, 2008.

Mr. Costin said the primary message of the preliminary budget is no property tax increases and no utility increases. The three expense increases, he said, are with salaries, energy costs and medical. He said the sales tax approved by voters will start next year which will provide relief.

City Administrator Pat Zavoral said medical insurance has increased so employees will be paying more but the City will continue with the 70/30 split.

Commissioner Wimmer moved the 2009 Preliminary budget be adopted and the public hearing on the Preliminary Budget be set for September 22, 2008 at 5:15 p.m.

Second by Mahoney. On call of the roll Commissioners Wimmer, Mahoney, Williams, Piepkorn and Walaker voted aye.

No Commissioner being absent and none voting nay, the motion was declared carried.

Communication Received from Commissioner Williams Regarding the Proposed New High School:

The Board received a communication from Commissioner Williams stating as Fargo continues to develop its growth strategies and efficient land use and as road construction and energy costs are high, he would like the City Commission to express some concerns regarding a bid letting this fall for the start of the proposed new high school. Commissioner Williams said some identified issues are:

- What are some of the long term ramifications and impacts on future City of Fargo budgets?
- What fiscal effect could prematurely stretching city boundaries and services along with adding to already high energy costs have long term for the citizens of Fargo?

He said he would like to consider and evaluate some of the many factors that may have some impact on current funding sources. He said some of the main issues that are unknown at this time, but will be known by spring of 2009, which was the original start date of the new high school, are:

- Outcome of state initiated measures concerning property tax and income tax

structure

- Outcome of new legislative session and potential property tax relief
- Unknown impact of less driving and less gas tax revenue to transportation funding structures
- Unknown response of residents for assessments for comprehensive flood plan
- Effects on stretching city services of Fire, Police, Garbage, Street Dept, Forestry on future Fargo budgets
- Effect on developing a more efficient, and effective transit system
- Is this site conducive to helping students choose to walk, bike or ride a bus or does it encourage more driving and more roads to get there in a currently undeveloped area?

Commissioner Williams said he will be making a presentation to the School Board at their September 9th meeting. He said he would like to have the School Board hold off on the bidding of the contracts and wait until next spring to start work on the new high school site.

Commissioner Wimmer said he is not in favor of attempting to block the School Board's decisions.

City Administrator Pat Zavoral said the School Board Planning Committee is meeting September 23rd and anyone can attend.

Planning Director Jim Gilmour said the City approved public institutional zoning in 2006 for the high school location. He said there will be more requests coming in this fall for annexation, street upgrades, subdivision requests and other work.

Commissioner Mahoney said City staff meets quarterly with the School Board and discussion can continue at those meetings.

Commissioner Williams said he will attend the upcoming School Board meetings and he will not represent the City of Fargo but will speak as a concerned citizen.

Commissioner Mahoney moved that the Board adjourn to 5:00 o'clock p.m., Monday, September 22, 2008.

Second by Piepkorn. All the Commissioners voted aye and the motion was declared carried.

The time at adjournment was 7:16 o'clock p.m.