

Ray City Commission Minutes

RAY CITY COMMISSION
SPECIAL MEETING
Ray City Hall
April 3, 2025
6 p.m.

A special meeting of the Ray City Commission was called to order by President Troy Kupper at 7:05 p.m., with the following Commissioners present: Eric Barman, Casey Brunner, and Andrew Nelson. Absent: Richard Liesener. Also in attendance: Dean Peterson (IEI); Joel McCutchin, Brock Viall, Lydia Viall, Jan Dancer, Deputy Auditor and Auditor, Ronda Rustad. Via Zoom: Brad Nygaard (Crosby Journal); Dave Wiosna (IEI).

Building permit 2025-01, Joel McCutchin. No pins have been found, commission emphasized the need to locate the correct pins before continuing, if unable to locate at least one pin and measure from for others; a survey will be needed. Concerns were raised about approving the permit without verifying pin locations, as one of the sign off is with City on the alley side. Approval is postponed until the April 14th meeting, with pins located.

Building permit 2025-02, Brock and Lydia Viall is for a fenced free-standing deck, fence is not near any property lines.

Barman moves to approve Building permit 2025-02. Seconded by Brunner, RCV MCU.

Pitt Group Lot Rearrangement. Upon review of the proposed plat and its water main extension easement, IEI determined that the easement for the water main would need to be adjusted. The adjustment would change the planned 267'x40' easement to a 160'x60' easement. This adjustment was deemed necessary to avoid the significant expense of moving MDU's utility poles (which require 15' of separation) while still allowing enough room for the water main. The Pitt Group agreed to the adjusted easement. Should the City Commission approve of the changes to the easement, IEI can work with the city attorney on the final development agreement and then move to recordation.

Barman moves to approve the revised plat as presented. Seconded by Nelson, RCV MCU.

Parks Planning. At the regular City Commission meeting on 3/12, IEI presented the proposed design for the pocket park in the Prairie Heights subdivision and solicited comment and feedback. Nelson moved to approve the park plans as presented and for IEI funding specialists to work with the city auditor to explore potential funding options. Seconded by Brunner, RCV MCU.

2025 Chip Seal Project. Bid opening was on March 13, 2025, with two bids received. Low bidder was Asphalt Surface Technologies Corporation (Astech), with a bid of \$149,881.90. The Engineer's estimate was \$264,149.60. IEI has reviewed the bid and is familiar with Astech's work on similar projects.

Brunner moved to award the project to Asphalt Surface Technologies Corporation in the amount of \$149,881.90 and for the President to sign the Notice of Award. Seconded Barman, RCV MCU.

Brunner moved for the President to sign Payment Application 3 in the amount of \$90,055.50. Seconded by Nelson, RCV MCU.

Considering game cams on north 7th Ave due to excessive litter. Commission decides to focus on community clean up vs. cameras. Hoping for a spring cleanup.

The Park Board is working on a splash pad project and asked the city about the possibility of financial assistance if grants don't provide enough. Commission is open and willing to looking into additional funding of project.

Barman presents CentralSquare law enforcement/court communication software overview, Barman and Kupper met with County dispatch personnel in January. This will benefit the Police Department and Municipal Court.

Brunner moves to approve the CentralSquare communication software in the amount of \$17,154.31,

with Pinski taking to County 1% for reimbursement. Seconded by Nelson, RCV MCU.

Nelson reviews options for Mall Parking lot refresh and striping. Barman moves to approve B's Crack Sealing to router cracks, sweep and clean, apply 2 coats of sealcoat and stripe the mall parking lot, for a total of \$31,742.25. Seconded by Nelson, RCV MCU.

Second reading of Ordinance 10-151 Business Incentive Program: Chapter 10 - BUSINESSES
ARTICLE VI. BUSINESS INCENTIVE PROGRAM

Sec. 10-151. Definitions.
(a) Benefit date is the date on which a Recipient receives a Business Incentive. If the Business Incentive involves the purchase, lease, or donation of physical equipment, the benefit date is the date when the Recipient puts the equipment into service. If the Business Incentive is for improvements to property, the benefit date is the earlier of the date the improvements are substantially completed or when a business occupies the property. If a business occupies the property and other businesses will also occupy the same property, the City Commission may assign a separate benefit date for each subsequent business when that subsequent business first occupies the property.

(b) Citizen Review Panel means a two-member panel responsible for reviewing business incentive applications and making recommendations to the City Commission. The members of the Citizen Review Panel will be appointed by the President of the City Commission. Panel members are subject to removal by the President of the City Commission.

(c) Business Incentive means a direct cash transfer, loan, or equity investment; contribution of property or infrastructure; reduction or deferral of any tax or any fee; guarantee of any payment under any loan, lease, or other obligation; or preferential use of government facilities given to a business. To be considered a Business Incentive, the total assistance in all forms must be valued at twenty-five thousand dollars or more committed within a year. Unless specifically provided otherwise, the term does not include:

(1) Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, or similar criteria.

(2) Public improvements to buildings or lands owned by the City which serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made.

(3) Assistance provided for the sole purpose of renovating old or decaying building stock or bringing such building stock up to code and assistance provided for designated historic preservation districts, provided that the assistance does not exceed seventy-five percent of the total cost.

A Business Incentive must meet a public purpose.

(d) Public purpose includes assisting community development, increasing the tax base, directly creating employment opportunities, or indirectly creating employment opportunities through increased economic activity. Job retention is only a public purpose in cases in which job loss is specific and demonstrable.

(e) Recipient is an individual or business entity that receives a Business Incentive. If a Recipient is a business entity, the provisions of this article also apply to the owner(s) of the business entity. If a Business Incentive benefits more than one Recipient, a proportion of the Business Incentive that reflects a reasonable estimate of the Recipient's share of the total benefit of the project shall be assigned to each Recipient that signs a Business Incentive Agreement.

Sec. 10-152. Business incentives authorized.

The City Commission is authorized to provide Business Incentives to eligible Recipients for public purposes. A Business Incentive may

be structured as a loan, a forgivable loan, or an equity investment in the form of preferred shares. Nothing in this article is intended to nor shall it be construed to create any right to receive a Business Incentive from the City.

Sec. 10-153. Eligibility.
No individual or business entity shall be eligible to receive a Business Incentive unless all of the following conditions are satisfied:

(f) The Business Incentive must meet a public purpose.

(g) The Recipient, if an individual, must own and operate a business the principal offices of which are located within the corporate limits or the extraterritorial jurisdiction of the City. If a Recipient is a business entity its principal business office must be located within the corporate limits or the extraterritorial jurisdiction of the City.

a) The Recipient, if a business entity, must be authorized to conduct business in the state of North Dakota and must be in good standing.

b) The Recipient may not be delinquent in payment of property taxes or special assessments levied against real property located in the corporate limits or the extraterritorial jurisdiction of the City, nor in payment of sales taxes imposed by the ordinances of the City nor in payment of connection fees, service charges or other fees imposed for water, sewer or any other public service provided by the City.

c) The Recipient may not be in default under the terms of any agreement with the City nor may the Recipient have defaulted under the terms of another Business Incentive Agreement with the City in the preceding five years.

d) The Recipient may not be an officer or employee of the City. If the Recipient is a business entity, no officer or employee of the City nor the spouse, child or parent of an officer or employee of the City may be an owner or officer of the Recipient.

Sec. 10-154. Applications.

(a) Eligible individuals or entities may request a Business Incentive from the City by submitting an application to the City Auditor using forms provided by the City. Applications for Business Incentives must be accompanied by a business plan that includes the following information:

(1) A detailed description of the business or project for which the Business Incentive will be utilized;

(2) A summary of the experience and business acumen of the business owner(s) and management;

(3) Historical financial information for the business for the preceding three (3) years (or for the period of existence of a company or business that has operated for less than three years) including balance sheets, income statements, cash flow statements;

(4) Whether the applicant, any owner of the applicant, or any member of the applicant's management has defaulted under the terms of a Business Incentive Agreement with the City, the State of North Dakota, or any of its political subdivisions or under a similar agreement with a state or local government in another jurisdiction;

(5) Projected financial information for the business with all assumptions clearly stated; and

(6) A list of all financial assistance provided for the project by the State of North Dakota and any of its political subdivisions and any other state or local government in another jurisdiction.

(7) Other information reasonably required by the City Commission.

(b) All applications will be reviewed and evaluated by the Citizen Review Panel, which will apply the following criteria:

(1) The public purpose(s) served by the Business Incentive;

(2) The availability of other sources of financing to the applicant and the sources of other financing already committed to the business or project;

(3) The feasibility and viability of the business or project;

(4) The number and types of jobs proposed to be created as a result of the Business Incentive;

(5) Any positive effects on other development in the City;

(6) The impact of the business or project on the City's tax base (e.g., property taxes, sales taxes, etc.);

(7) The impact of the business

on public services provided or to be provided by the City;

(8) The available resources of the city; and

(9) Other criteria reasonably deemed relevant by the City Commission.

The Citizen Review Panel will submit to the City Commission a written summary of the Panel's application of the above criteria to the application and recommending that: (i) the application be approved as submitted, (ii) the application be rejected as submitted, or (iii) the applicant be required to submit additional information for consideration before action on the application is taken. The Citizen Review Panel's recommendations are not binding on the City Commission which may accept or reject the recommendations, in whole or in part.

Sec. 10-155. Business Incentive Agreements.

(h) Required provisions. No Business Incentive may be provided to a Recipient unless and until the Recipient has duly executed an agreement (a "Business Incentive Agreement") that satisfies the requirements of this Article VI and it duly approved by the City Commission. Every Business Incentive Agreement must include the following provisions:

(1) The name and address of the Recipient and, if applicable, the name and address of the Recipient's parent company.

(2) A statement of the public purpose(s) of the Business Incentive.

(3) A description of the Business Incentive, including the value of the Business Incentive, which may be the amount of the incentive, the fair market value of the property conveyed to the Recipient, or the fair market value of other in-kind benefits provided to the Recipient; and the type of incentive.

(4) Goals for the Business Incentive, including the number of jobs to be created and the average compensation of the new jobs created. The information on average compensation must include identification of the average benefits and the average earnings to be provided by the employer on all jobs to be created or retained in association with the incentive. The job and average compensation goals may include separate goals for the number of part-time or full-time jobs to be created or; in cases in which potential job loss is specific and demonstrable goals for the number of jobs to be retained. In addition to other specific goal timeframes, the job and average compensation goals must contain short-term goals and long-term goals that are specific and objective.

(5) Conditions that will constitute an event of default must be identified. Such conditions must include, but are not limited to, failure to timely file a report with the City Auditor as required by this article, failure to meet goals or perform actions required by the Business Incentive Agreement, unapproved relocation of Recipient's business, closure of Recipient's business, etc. An exception for unmet goals that results from an act of God or terrorism may be included.

(6) Provisions for the Recipient's obligations if the Recipient fails to fulfill the Business Incentive Agreement. At a minimum, a Recipient that fails to meet Business Incentive Agreement goals must be required to repay the dollar value of the Business Incentive, prorated to reflect any partial fulfillment of goals.

(7) The Recipient must commit to continuing business operations in the City for at least five (5) years after the benefit date.

(8) Other provisions deemed reasonable and necessary by the City Commission.

Sec. 10-156. Goal modification.

(a) Goal modification.

1) The City Commission may extend the period for meeting identified goals for up to one (1) year if it determines that circumstances, neither caused by nor subject to the Recipient's control, have made it impossible for a Recipient to achieve the required goals.

2) The City Commission may extend the period for meeting identified goals for an additional one (1) year if it determines that good cause exists and the reason(s) supporting the extension are documented in writing and attached to the Recipient's annual report.

3) The City Commission may decrease the job goals in a Business Incentive Agreement and/or adjust the average compensation goals to reflect changed circumstances if it determines that a goal of creating or retaining jobs has changed. Justification for decreasing job goals may include that other public benefits adequately offset the failure to meet the initial job goals.

Sec. 10-157. Consequences of default.

(a) Consequences of default. If a Recipient fails to satisfy the terms of a Business Incentive Agreement, the following apply:

(1) The Recipient may be required, at minimum, to repay the dollar value of the Business Incentive, prorated to reflect any partial fulfillment of goals.

(2) The Recipient will be ineligible to receive any other Business Incentives from the City for a period of five (5) years from the date of default or until the Recipient repays the Business Incentive, prorated to reflect any partial fulfillment of goals, whichever occurs first. If the Recipient is a business entity, the disqualification attaches to the business and to each owner of 20 percent or more of the business entity.

(3) The City may avail itself of those remedies available to it under the Business Incentive Agreement and/or North Dakota law.

Sec. 10-158. Reporting.

(a) Reporting by Recipients. Every Recipient must file an annual report with the City Auditor until the terms of the Business Incentive have been satisfied or; if the goals of the Business Incentive Agreement are not met, until the Business Incentive has been fully repaid. The report must be filed with the City Auditor no later than February 1st. The report must include the following information:

(1) the Recipient's name and address;

(2) the name and address of the parent corporation of the Recipient, if any;

(3) the type, public purpose, and value of the Business Incentive;

(4) a list of Business Incentives received in connection with the project from the State of North Dakota and any of its political subdivisions and any other state or local government in another jurisdiction;

(5) a statement of goals identified in the Business Incentive Agreement and an update on achievement of each of these goals, including:

(i) the actual number of jobs created or retained

(ii) the average compensation of jobs created or retained

(iii) the average benefits actually provided

(iv) the average earnings actually provided

(6) the date the job and average compensation goals are expected to be reached; and

(7) other information the City Commission may request.

(b) Failure to report. If a Recipient fails to file a report required by paragraph (a), the City Auditor will mail the Recipient a warning letter: If the Recipient fails to file the required report within ten (10) days of the postmark of the warning letter, the Recipient may be required to pay the City a penalty of one hundred dollars (\$100.00) for each subsequent day until the report is filed. The maximum penalty may not exceed one thousand dollars (\$1,000.00).

(c) Reporting by City Auditor. On or before April 1 of each year, the City Auditor shall prepare and submit to the Citizen Review Panel and the City Commission a report that includes the following information:

(1) The names of all Recipients who received Business Incentives during the previous calendar year;

(2) The number of jobs expected to be created and/or retained by each Recipient;

(3) The number of jobs actually created and/or retained by each Recipient;

(4) The average compensation expected to be provided by the employer for the jobs expected to be created and/or retained, including identification of the average benefits and average earnings to be provided by the employer for the jobs;

(5) The average compensation actually provided by the employer for the jobs created and/or retained, including identification of the average benefits and average earnings pro-

vided by the employer for the jobs;

(6) The dollar value of the Business Incentive provided by the City to each Recipient; and

(7) The total dollar value of all Business Incentives provided by the city during the previous calendar year.

Sec. 10-159. Citizen Review Panel.

(a) The Citizen Review Panel shall review Business Incentive applications received by the City, apply the criteria set forth at section 10-154(b) and submit a written recommendation that the Commission: (i) approve the application as submitted, (ii) reject the application as submitted or (iii) request additional information before acting on the application. The recommendation shall set forth the reasons for the recommendation. The Citizen Review Panel's recommendation shall not bind the City Commission.

(b) The Citizen Review Panel shall consist of at least two (2) members, who shall be appointed by the President of the City Commission. Members must be individuals, at least eighteen (18) years of age, who have resided in the City for at least six (6) consecutive months prior to appointment. Members shall serve a term of two (2) years and are subject to removal by the City Commission for cause. A vacancy on the Citizen Review Panel shall be filled by appointment by the President of the City Commission.

(c) The Citizen Review Panel shall meet quarterly unless no Business Incentive applications have been filed with the City. Meetings of the Citizen Review Panel shall be open to the public and the minutes of the meetings shall be filed with the City Auditor.

(d) Panel members shall avoid situations that create the appearance of a conflict of interest. Neither the members of the Citizen Review Panel nor a member's Relatives shall have a financial or other interest in a Business Incentive or the applicant. Any member of the Citizen Review Panel shall promptly disclose any financial or other interest, in writing, to the City Auditor. If a member of the Citizen Review Panel makes a written disclosure, the City Commission shall determine whether the member has a financial or other interest in the applicant or the Business Incentive that creates a conflict of interest. If the City Commission determines that a conflict of interest does not exist, the member of the Citizen Review Panel is not required to recuse himself or herself. If the City Commission determines that a conflict of interest does exist, the President of the City Commission shall appoint an alternate member to serve in place of the disqualified member with respect to the affected application and the member of the Citizen Review Panel is prohibited from participating in the review of the affected application and the recommendation to the City Commission. For purposes of this Article, "Relative" means a member's parent, child, grandchild, spouse, sibling, father-in-law, mother-in-law, son-in-law, or daughter-in-law.

Members of the Citizen Review Panel shall not disclose or disseminate any financial or proprietary information to which they have access without the written consent of the applicant or the City Commission. Should a member receive a request for records, he or she must promptly refer the request to the City Auditor for appropriate action.

Nelson approved the second reading of Ordinance 10-151 Business Incentive Program. Seconded by Brunner, RCV MCU.

The ND Forest Service will be in Ray, April 4th, for advisement on north tree row cleanup- and on a new tree row for Prairie Heights subdivision.

Brunner moved to adjourn, seconded by Nelson, RCV MCU. Meeting adjourned at 6:50 p.m.

Tax Equalization Meeting, Monday, April 14th, 2025, at 6:00 p.m.

Next Regular meeting, Monday, April 14th, 2025, at 7:00 p.m.

RCV MCU = roll call vote motion carries unanimously
Ronda Rustad
Auditor, City of Ray
Troy Kupper, President
Ray City Commission

MISSOURI RIVER ROYALTY
CORPORATION (MRRC)

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or at skopseng@unitedenergycorp.com

Noonan City Commission Minutes

Unapproved
Noonan City Commission
Abatement Meeting Minutes

Meeting called to order at 6:12 p.m. with Doug Clemens with Debbie Svenningson as secretary. Voting members in attendance included Billy Espeseth, Tim Grindland and Dallas Lund.

Motion made by Billy Espeseth and seconded by Dallas Lund to deny the application for Property ID number 36-0000-67480-000, at the current request with a recommendation that the property evaluation stay the same and a lowered improvements amount. Motion carried.

Motion to adjourn made by Billy Espeseth and seconded by Dallas Lund.

Unapproved
Noonan City Commission
Meeting Minutes

The Noonan City Commission Meeting was called to order on April 8th at 6:30 p.m. by Doug Clemens with Debbie Svenningson as secretary. Voting members in attendance included Billy Espeseth, Tim Grindland and Dallas Lund. Visitors included Reese Monson, Daniel Billingsley, Monte Glasoe and Ralph Baker.

Motion by Billy Espeseth and seconded by Dallas Lund to approve

the March 2025 minutes.

Motion Billy Espeseth seconded by Dallas Lund to approve the liquor license for Bootleggers. The license will be issued when the notarized application is returned with payment in full.

Motion made by Billy Espeseth and seconded by Dallas Lund.
Billy Espeseth 145.45
Circle Sanitation Inc 1,687.75
Dallas Lund..... 145.45
Debbie Svenningson 1,172.73
Divide County
States Attorney 16.10
Doug Clemens..... 242.42
Journal Publishing..... 42.34
Montana Dakota Utilities.. 1,634.26

Monte Glasoe 2,772.03
NCC -12.00
Northwest Septic
& Oilfield Service, Inc. 612.50
NW Rural Water District... 3,064.09
Ralph Baker 1,145.14
Sorum's Westland 1,118.75
Tim Grindland 145.45
TOTAL..... \$ 13,932.46
Tim Grindland moved to adjourn the meeting at 7:06 p.m. seconded by Billy Espeseth.
Next meeting May 13th, 2025 at 6:00 p.m.
Debbie Svenningson (Kuryn)
City Auditor