

**Wahpeton City Council**  
**April 6, 2015**  
**5:00 p.m.**

**Present:** Schmidt, Mitskog (via skype), Lambrecht, Bertsch, Hansey, Dale, Bajumpaa, and Wateland

**Absent:** DeVries

**Also Present:** Huwe, Lies, Miranowski, Thorsteinson, Broadland, Priebe, Guck, Amos, and Cain

Meeting called to order by Mayor Hansey.

**PUBLIC HEARINGS/CITIZEN CONCERNS/ETC.**

**Yard Waste Disposal Sites Reconsideration of 3-24-15 Council Action** – Mayor ó Hansey said due to the need for more information this item would be referred to a Committee of the Whole meeting scheduled to be held Tuesday, April 14<sup>th</sup> following the Board of Equalization meeting at 5:00p.m. He then invited anyone in attendance wanting to present to the Council to do so. Jennifer Tischer who lives on 18<sup>th</sup> Avenue North said she had a very strong opinion regarding the yard waste disposal issue and noted that she and most of her neighbors take care of their own yard waste and did not want to have to pay for a service they did not utilize. She did say that she would be willing to pay extra for vector control as it benefits all residents.

**Vector Control Fee Increase Reconsideration of 3-16-15 Council Action** – Mayor ó Hansey also referred this item to a Committee of the Whole meeting scheduled to be held Tuesday, April 14<sup>th</sup> following the Board of Equalization meeting at 5:00p.m.

**BIDS/OFFERS/QUOTES**

**Leach Public Library Lift Replacement – recommend approval of the bid submitted by West Central Lift & Elevator for \$35,250** ó Rogahn said last Tuesday bids were received and opened for replacement of the lift at Leach Public Library. Two companies submitted bids: Access Elevator and West Central Lift & Elevator. West Central Lift & Elevator submitted the lower bid of \$35,250, which he asked approval for. **Motion by Bajumpaa, seconded by Wateland, to approve the bid from West Central Lift & Elevator in the amount of \$35,250 for the Leach Public Library Lift Replacement.** Discussion held regarding the amount. **Motion carried with a roll call vote of 7-0.**

**CONSENT AGENDA ITEMS (presented by the Mayor) ó**

**Approval of minutes of regular meeting held March 16, 2015**

**Approval of minutes of special meeting held March 24, 2015**

**Games of Chance Licenses, Site Authorizations & Special Permits:**

Michelle Eberhardt Benefit ó Raffle Permit

Wahpeton Aerie #2749 F.O.E./Eagles Club ó Gaming Site Authorization

Other Games of Chance and/or special permits:

Red River Human Services Foundation ó Gaming Site Authorization

**Presentation/Approval of Reports**

Consumer Confidence Report 2014

Dilapidated Property Report

Mayor Hansey asked if there were any items to be removed from the consent agenda and there were none. **Motion by Schmidt, seconded by Bajumpaa, to approve the Consent Agenda items as presented. Motion carried with all voting ‘aye’.**

## **REPORTS FROM CITY OFFICERS AND STAFF**

### **FINANCE DIRECTOR**

**Proposals for Old City Hall** ó Huwe said three proposals had been received as of today for redevelopment of the former City Hall building at 120 4<sup>th</sup> Street North and requested the Council review the proposals at a Committee of the Whole meeting following the Board of Equalization meeting on Tuesday, April 14<sup>th</sup> at 5:00p.m. Hansey referred the proposals for Old City Hall to the Committee of the Whole meeting scheduled for April 14<sup>th</sup> following the Board of Equalization meeting at 5:00p.m.

**2015 Retail Fire Works License Applications** ó Huwe said the City has received 5 applications for 2015 Retail Fire Works Licenses, which include Durlyn Herman, Carla Thiele, Terry & Jim Sturdevant, Wahpeton FFA Alumni (Rick Steckler), and Cory Unruh. She noted all applicants have previously been licensed, and the City ordinance allows up to 7 licenses. Huwe said the City may publish a notice by April 15<sup>th</sup> notifying the public that two retail fireworks licenses are available. The Council may also choose to only issue 5 retail fireworks licenses. Huwe asked if the Council would like to maintain the current retailers at 5 or advertise for applicants for the unused licenses. **Motion by Bertsch, seconded by Lambrecht, to approve the five 2015 Retail Fire Works License Applications as presented.** Discussion held. **Motion carried with all voting ‘aye’.**

**Legislative Session Update** ó Huwe said today is number 61 of the Legislative Session, which she noted it is limited to 80 days by State law but are anticipating concluding this year’s session on the 75<sup>th</sup> day so approximately 14 days remain. She said 107 House Bills and 103 Senate Bills have been signed by the Governor for a total of 210. In looking at bills that affect cities, Huwe said there are less than 10, and so far bills of substance to cities are still in the conference committees being evaluated with one of the biggest being property tax reform. She said they will continue to watch carefully and after the Legislative Session concludes will provide an update of the bills that were signed into law and have a direct effect on political subdivisions and cities in particular.

**Property Issue at 104 2<sup>nd</sup> Ave. N. – request referral to Finance Cmt.** ó Mayor Hansey will refer this item to Finance, Economic Development & Personnel Committee.

**Review of Major Topics City Finances – request referral to Finance Cmt.** ó Mayor Hansey will refer this item to Finance, Economic Development & Personnel Committee.

### **ASSESSOR/BUILDING CODES**

**Reminder of Equalization Meeting Tuesday, April 14<sup>th</sup>, 2015 at 5:00 p.m.** ó Broadland gave a reminder that a Board of Equalization meeting will be held Tuesday, April 14, 2015 at 5:00p.m., and asked that Council members let her know whether or not they will be able to attend to ensure there is a quorum present.

### **ECONOMIC DEVELOPMENT DIRECTOR**

**Economic Development Report** ó Priebe said at an Economic Development Commission (EDC) meeting held earlier that day 3 recommendations were made. She said the first request was for Hammer Realty Relocation for a Flex PACE for acquisition at 922 Dakota Avenue. Kathy Hammer/Hammer Realty has applied through her lead bank and the Bank of ND for a Flex PACE loan and interest buydown. Initially the Bank of ND commitment letter was for a higher local community share, however, the recommendation coming out of the EDC meeting and suggested by the Director is to provide a 5 year interest buydown in this case. Service businesses are very competitive and written in the EDC Policies and Procedures statement is the ability to identify competitors and adjust programs or financial support based on those considerations. The local Flex PACE policy reviews applications on a case by case basis. For this project, however, Priebe said lower payments on the front end of the loan help a business gradually grow. Hammer is expanding her real estate business and desires a

Dakota Avenue presence, and she does plan to add employees at some point. The total buydown on \$100,000 loan buying down the rate from 6% to 1% for a period of 5 years amounts to \$23,237.87. When the 70-30 split is applied, Bank of ND is in for \$16,067 and the community share would be \$6,886 (using Present Value amounts). This is a 20 year term, 5 year balloon for re-pricing purposes. Priebe said typically when buydown dollars are applied to the building, the buydown is not paid back but in this instance, the community's share will be paid back at a rate of 1% interest, with terms and conditions determined 60 months from loan closing date. She said the EDC voted unanimously to recommend approving the request as outlined. **Motion by Schmidt, seconded by Lambrecht, to approve the Flex PACE interest buydown for Kathy Hammer d/b/a Hammer Realty for an upfront present value amount of \$6,886 from the Sales Tax for Economic Development Fund with conditions as outlined.** Discussion held. **Motion carried with a roll call vote of 7-0.**

The second request Ron Rowland and Kathy Diekman presented on behalf of the Blue Goose Committee for Blue Goose Days Community Event. Diekman talked about the benefits of bringing in people to the two cities. Rowland reviewed last year's request and actual costs of \$22,278. Promotion and marketing seemed to be the key for last year's success. The committee had presented to the Wahpeton Convention and Visitors Bureau their second year request of \$8,000. This is \$2,000 less than what was awarded in 2014. For the EDC, the request is \$13,500. The Breckenridge Port Authority will be asked for \$5,500, which they approved \$2,000 last year. In 2014 the EDC approved \$10,000 from Sales Tax for Economic Development and Priebe recommended to keep the contribution the same as last year. After discussion the EDC decided to recommend approval of a \$10,000 grant toward this community event. **Motion by Dale, seconded by Mitskog, to approve \$10,000 in grant funds from Sales Tax for Economic Development for Blue Goose Days 2015 event.** **Motion carried with a roll call vote of 7-0.**

Priebe said the third request was for a Sales Tax Grant to the Bois de Sioux Golf Board. At the February 11, 2015 meeting of the EDC, the commission heard a presentation and reviewed a request from the Bois de Sioux Golf Club, Inc. Board of Directors regarding the 2014 Budget Shortfall caused by lost revenues. Two tournaments were cancelled that would have brought in between \$12,000 and \$14,000 and approximately \$5,000 in revenue was lost during the slurry trench work when the road to the clubhouse was closed. State audit findings also caused an unexpected expenditure. All totaled, a shortfall of \$16,714.72 resulted. With available funds and a balanced 2015 Budget that was submitted, the recommendation from the Director is to use Sales Tax for Recreation Funds to cover the 2014 gap. The EDC recommends approval of the Sales Tax Grant for the Golf Board 2014 budget shortfall as presented. **Motion by Dale, seconded by Bertsch, to approve a grant from the Sales Tax for Recreation Fund in the amount of \$16,714.12 for the shortfall in the 2014 Bois de Sioux Golf Board Budget.** **Motion carried with a roll call vote of 7-0.**

**CEO Committee Request for Budget Amendment** ó Priebe said a copy of the Community Enhancement Fund Budget was provided and noted this is the restaurant tax that is collected and administered by the CEO. She said in the CEO's discussions with regard to metal public art sculptures it wasn't felt that the line item budget of \$2,000 was going to be enough. She said the volunteer organizations can spend within their budgeted line item amount but cannot exceed that and they are finding that public art is more expensive than anticipated. The Capital Improvements for Town Centre Square Plaza was reviewed which has one more payment of \$47,980.83 and was budgeted for \$82,600, so will have a balance of over \$34,000. Priebe said the CEO is requesting the City Council consider amending the CEO Capital Improvements Budget for 2015 to move \$3,000 from that fund to the Art for Public Display account to make it a \$5,000 line item. **Motion by Bertsch, seconded by Bajumpaa, to approve amending the 2015 Community Wide Enhancement Fund Budget for Capital Improvements (TCS Plaza) by transferring \$3,000 from that line item to the Art For Public Display line item.** Discussion held regarding who the members of the CEO Committee were. **Motion carried with a roll call vote of 7-0.**

Regarding the Tour of Manufacturing, Priebe reported that Wahpeton would not be participating this year. She said several businesses were contacted with 3 companies willing to provide tours to the general public but it was decided to wait until there is more participation. The 5 companies in Fergus Falls will still be conducting their tours on April 24, 25 and 26, 2015.

### **LIBRARY DIRECTOR**

**Library Report** ó Guck reported that last week the library had their first ðas seen on pinterestö craft series with about 15 people learning how to arm knit. She said they had a lot of good response and positive feedback for the event. She said this monthðs craft will be origami to be held the last Monday (7:00p.m.) and Tuesday (2:00p.m.) of the month.

Guck thanked the Council for approving the bid for the lift replacement. She said she appreciated it and is excited to see that project move forward. She also reported that she had manned a booth last Thursday at Business After Hours trying to raise awareness to the business community and general public of all the different services the library has to offer. She felt it was a success as she signed up 10 new people for library cards, and was able to provide a lot of information regarding the programs available at the library.

Guck said the Childrenðs Librarian Rachel Kercher is attending the State Library workshops today and tomorrow. They are run by the State Library and are open to all librarians in the State. Tonight she will be attending an organizational meeting of the Library2go buyers and directors of a program which Kercher and Guck have recently taken on the childrenðs purchasing of all the e-books and e-audio books for the State collection.

Guck said a Friends of the Library meeting will be held on Wednesday at 10:00a.m. at the library and is open to all current or prospective Friends of the Library. She noted dues are \$5 for the year and their main mission is to purchase additional materials and equipment for the library.

Guck noted that next Tuesday she will be in Bismarck attending a ND Library Coordinating Council meeting in the morning, and in the afternoon will be at Legislative Day at the ND Library Association booth to hopefully speak with some legislators about libraries.

### **PUBLIC WORKS DIRECTOR**

**PW Report** ó Miranowski requested referral to Public Works Committee **of the potential sale of a piece of City-owned land adjacent to the Otter Tail Power Company sub-station located at the Southeast Corner of Center Street and 11<sup>th</sup> Avenue South.** Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee **of Consideration of the 2015 Contract with Airborne Custom Spraying.** Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski gave an update on the street sweeping saying the entire city has basically been covered except for the area north of 16<sup>th</sup> Avenue from the river over to Walmart. He also reported that the crack sealing is progressing nicely for the spring.

### **REPORTS FROM THE CITY COUNCIL COMMITTEES & BOARDS**

#### **Finance, Personnel & Economic Development Committee Report**

Dale said the Finance, Personnel & Economic Development Committee met at noon on March 23<sup>rd</sup>.

**2015 Capital Improvements Budget (revised) – motion to recommend approval ó Motion by Dale, seconded by Wateland, to approve the Revised 2015 Capital Improvements Budget. Motion carried with a roll call vote of 7-0.**

**Cooperative Housing – motion to recommend approval of expending up to \$25,000 from the Housing Set Aside Fund for site preparation ó Motion by Dale, seconded by Bertsch, to approve expending up to \$25,000 from the Housing Set Aside Fund 323 for site preparation (clearing, platting and drainage) at the West Briarwood property. Motion carried with a roll call vote of 7-0.**

### **Public Works Public Safety Committee Report**

Bajumpaa said the Public Works & Public Safety Committee met at noon on March 24<sup>th</sup>.

**Yard Waste Disposal Services – motion to recommend approval of discontinuation of yard waste disposal sites <acted upon at Special Council mtg. 3-24-15>**

### **Dilapidated Properties Update**

**Golf Course Club House Furnace Repairs – motion to recommend payment for furnace repairs of \$1,175.60 ó Motion by Bajumpaa, seconded by Schmidt, to approve payment to Schmitt’s Plumbing & Heating in the amount of \$1,175.60 for furnace repairs at the Golf Course Club House. Motion carried with a roll call vote of 7-0.**

**Dakota Ave. Concrete Repairs – motion to recommend advertisement for bids <suspension of rules> ó Motion by Bajumpaa, seconded by Schmidt, to approve authorizing advertisement for bids for the Dakota Avenue Concrete Road Repair Project. Motion carried with all voting ‘aye’.**

**S. Side Storm Sewer Project DR12-203 H & S Contract Change Order No. 1 – motion to recommend approval of CCO #1 (final) for a deduct of (\$3,165) ó Motion by Bajumpaa, seconded by Schmidt, to approve the South Side Storm Sewer Project DR12-203 Contract Change Order #1 (Final) Deduct of (-\$3,165) with H & S Contracting, Inc. Motion carried with a roll call vote of 7-0.**

### **NEW BUSINESS**

**Committee Appointments** ó Hansey said there were some changes in committee assignments and appointments. For the CEO Committee, Hansey said Chris DeVries would be replaced by Renelle Bertsch, and Jim Selken would be removed. In an effort to place Council members in positions they show interest, Hansey made some committee changes. Regarding the Finance, Economic Development & Personnel Committee, Hansey said Steve Dale (chair) would be replaced by Chris DeVries (chair). For Public Works & Public Safety Committee, Hansey said Don Bujumpaa was appointed (chair), Brett Lambrecht was appointed (vice chair), and Steve Dale would replace Chris DeVries. Discussion was then held. Mitskog questioned the timing of the change as it is April and is an unprecedented time to make committee changes which are usually made in June, and serving on the Finance Committee she felt the taxpayers were very well represented and questioned the motivations/reasoning behind this change. Hansey said he would be happy to visit with her about it at their convenience and thanked her for her comments. On behalf of the public, Mitskog felt it would be fair that everyone be made aware of the reasoning for the unprecedented timing during the year for making committee changes. Hansey said her point was received. Bertsch added her consensus with Mitskog, saying it is an unprecedented move and rather than speculating asked for some kind of comment for this abrupt change as it was a surprise to many. Hansey said he would be happy to discuss any concerns one-on-one, but as of now the appointments just made are effective immediately. Bertsch then said she wanted to publicly say she has so appreciated Mr. Dale as chair of the Finance Committee and all of his insight and his expertise and his willingness to study the facts and figures. She said she appreciates Dale’s efforts, time and consideration and his ability to listen and for the knowledge he brought to each Finance Committee meeting that she could not have made decisions without, and thanked Dale as this has come as a huge surprise. Wateland said he would almost make a demand on behalf of the Council, for the 3 that have spoken up so far, and for the citizens of Wahpeton as there has to be some reason why these changes are being made this time of the year, and echoed Ms. Bertsch as he felt they need

to answer to the citizens of Wahpeton and they are being left in the dark as to why these changes are being made. He felt the whole Council was being blind-sided with these changes. Dale commented he felt it was best not to move forward with this any further at this point. Mitskog then said she wanted to publicly comment that Dale's work as chair of the Finance Committee was exemplary, and also on the Economic Development Commission, as he always came to meetings very well prepared, scrutinized budgets, and did an excellent job.

### **SCHEDULING OF COMMITTEE MEETINGS**

The following Committee Meetings were then scheduled:

- a. Finance Committee April 13<sup>th</sup>, 12:00 Noon
- b. Public Works Committee April 14<sup>th</sup>, 12:00 Noon
- c. Board of Equalization (Council) April 14<sup>th</sup>, 5:00 P.M.
- d. Planning Commission April 16<sup>th</sup>, 4:00 P.M.

**Motion by Schmidt, seconded by Lambrecht, to adjourn at 5:50 p.m.**

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Mayor Hansey

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Lynelle Amos, Finance Assistant