

Wahpeton City Council
June 20, 2011

Present: Bertsch, Hansey, Mitskog, Sturdevant, DeVries, Dale, Bajumpaa, and Bohn

Absent: Hartman

Also Present: Huwe, Lies, Nelson, Priebe, MacIver, Amos, Gutzmer and Johannessen

Meeting called to order by Mayor Sturdevant.

PUBLIC HEARINGS

Resolution No. 3451 Refunding Improvement Bonds of 2011 – Mike Manstrom of Dougherty & Co. talked about negotiating the bond sale refunding bond of 2003 Series D Wahpeton outstanding special assessment bonds. He said the original issue started at 3.40% and went out to 4%, and with the new bond issue for Council review bond rates start at .065% and go out to 2.5%, giving a present value benefit of 4.94% with an actual savings for the City of about \$59,000 and will lower the payment made every 6 months. Lies explained this will be Resolution No. 3451, and will start the first year in 2012 paying an interest rate of 0.065% with the last year in 2019 at 2.5% and having an effective rate of 2.13% over the remaining years.

Council member Bohn offered the following and moved its adoption:

RESOLUTION NO. 3451
RESOLUTION AUTHORIZING THE ISSUANCE AND
ESTABLISHING THE TERMS AND CONDITIONS OF
\$1,120,000 REFUNDING IMPROVEMENT BONDS OF 2011

The motion for the adoption of the foregoing Resolution was duly seconded by Councilmember Mitskog. **Roll-call-vote with all members voting “Aye”. Motion Carried.**

BIDS / OFFERS / QUOTES

Request bid Award on City Property for Sale at 688 4th Ave. S. (former 4-H Building) – Mayor Sturdevant stated that 2 bids were received, the first from James Monroe in the amount of \$25,501 and the second from Jacobson Transport in the amount of \$45,000. **Motion by DeVries, second by Dale, to award the bid for City Property located at 688 4th Ave. S. (former 4-H Building) to the highest bidder, Jacobson Transport in the amount of \$45,000. Roll-call-vote with all members voting “Aye”. Motion Carried.**

CONSENT AGENDA ITEMS (presented by the Mayor) Mayor Sturdevant asked if there were any items to be removed from the consent agenda and there were none.

Approval of minutes of regular meeting held June 6, 2011

Games of Chance Licenses, Site Authorizations & Special Permits

Game of Chance Permit – Breckenridge Family Aquatic Center
Other Games of Chance and/or special permits

Presentation/Approval of Reports

May 2011 Bill Pay Report (\$930,412.59 – see below)
May Financial Reports
Letter of Thanks from Three Rivers Arts Council
ND Rural Water Training

Motion by Bertsch, second by Mitskog, to approve the Consent Agenda items as presented. Motion Carried.

ITEMS REQUESTED MOVED FROM THE CONSENT AGENDA None.

Mayor Sturdevant requested adding an agenda item “Committee Appointment” under G. Communications from the Mayor & Council to the current agenda. **Motion by Mitskog, second by Bertsch, to suspend the rules. Motion Carried. Motion by Hansey, second by Bertsch, to move “Committee Appointment” to agenda item G. Communications from the Mayor & Council. Motion Carried.**

ITEMS REQUESTED MOVED FROM THE CONSENT AGENDA None.

REPORTS

FINANCE DIRECTOR/AUDITOR

Request Council permission to waive the \$25 special event liquor license fee for the July 23rd National Guard Benefit Street Dance – Huwe explained that the current liquor license holders are collaborating for this event and don’t want to exclude anyone or put all the burden on one particular party. She said that offsite special event liquor licenses will still be required to be issued to ensure adequate insurance is in place to provide liquor offsite but the \$25 fee will be waived for this one-time event. **Motion by Mitskog, second by Hansey, to approve waiving the \$25 special event liquor license fee for the July 23rd National Guard Benefit Street Dance. Motion Carried.**

Request for Council approval of Silver Beagle Mgmt. (Firehouse Pub) Cabaret II License – Huwe explained that a Class II Cabaret License allows a liquor license holder to have live entertainment such as a band or d.j. and charge admission, and are typically done with the license renewals at the first Council meeting in December. She said the Silver Beagle Mgmt./Firehouse Pub had elected not to have a Cabaret II license this year but have reconsidered and are now requesting approval of their application. **Motion by Bohn, second by DeVries, to approve a Class II Cabaret License for Silver Beagle Management (Firehouse Pub). Motion Carried.**

Request for Permission for Street Closure for Crazy Daze July 20th – Huwe explained the street closure for this event would be located on Dakota Avenue from 3rd Street to 6th Street and maintain the intersection at 4th Street. **Motion by Bajumpaa, second by Dale, to approve the Street Closure for Crazy Daze July 20th. Motion Carried.**

Request for state-wide housing study funding from ND Housing Finance Agency – request referral to Finance Cmt. – Huwe explained the State of ND is engaging in a process of a statewide housing study and they are asking for participation from communities throughout the State. Mayor Sturdevant will refer this item to Finance & Personnel Committee.

Lake Agassiz Water Authority 2011 Membership Dues – request referral to PW Cmt. - Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

ATTORNEY

MuniCode Ordinance Amendments – Lies provided a point of information in regard to the changes in Municode to the City’s current ordinances as it relates to sales and use tax. He said the change of significance is that the Finance Committee, after reviewing the amendment, recommend putting a cap on the 3% paid to retailers to parallel the State’s cap, which would be \$37.50 monthly.

ECONOMIC DEVELOPMENT DIRECTOR

Economic Development Report – Priebe requested referral to Finance Committee for the sale of City in-fill lots. Mayor Sturdevant will refer this item to Finance & Personnel Committee.

Priebe requested review of Revolving Loan Fund fees, specifically for restructured loans, be referred to Finance Committee. Mayor Sturdevant will refer this item to Finance & Personnel Committee.

Priebe said two open houses were held at 86 Dakota Avenue on June 9th and June 12th, and 15 individuals visited the property. Proposals and documentation are due June 30th at noon. Information can be found on the Wahpeton website.

Priebe reported that the Home Improvement Partnership Program (HIPP) still has funds available to qualified homeowners for home improvements. Interested residents can contact Gate City Bank or Wahpeton Economic Development office for further information.

Priebe then reminded the group of the Community Review meeting for the City's Comprehensive Plan update to be held immediately following tonight's City Council meeting, which will be the last public input meeting before the final electronic draft is delivered in July. The Planning Commission Advisory Board will meet June 21st at noon.

Priebe informed the group that the Wahpeton CDC will meet June 22nd at noon at City Hall.

The EDND summer conference was held in Wahpeton last week and Priebe said many positive comments were received about the community and its amenities. Priebe then publicly thanked the local sponsors for the event, and ED Assistant Shari Hetland for coordinating the event.

EDC Recommendations

Priebe then presented 3 recommendations from the Economic Development Commission meeting held June 8, 2011. The first was regarding a request from Agco/Amity JV LLC (Wil-Rich) for participation in a PACE interest buydown for an equipment expansion project, which will entail a completely new paint system to be used in production of a new product line, the Amity Single Disc Drill. Construction is to begin in August and completed by December 31st of this year. The system is to be located inside the current facility with no building expansion necessary. The interest buydown is being requested for the entire maximum community share of \$161,538.45. It was noted the RCJDA is not able to participate in this project due to the recent gas line project. And according to EDC policy, buydowns used for equipment purchase are to be repaid at the end of the term of the PACE loan. Funding would be from Sales Tax for Economic Development Fund. **Motion by Mitskog, second by Bertsch, to approve an interest buydown not to exceed the community's maximum participation or \$161,538.45 to be used for equipment installation as outlined in the proposal and to be repaid at zero percent interest, 5 year term at the end of the term of the PACE loan, all contingent on receiving job creation documentation, to be distributed on an annual basis. Motion Carried. Roll call vote 7-0.**

The next project Priebe presented was regarding the Petro Serve Clock Tower. Priebe said Dirk Lenthe, project operator for the PetroServe renovation, approached the RZA and EDC inquiring about incentives for making significant improvements at the west gateway to Dakota Avenue. Priebe stated the RZ application for tax incentives was approved at Council level and is awaiting state approval. A grant was initiated when Lenthe offered to use similar materials for a clock tower project and exterior improvements that would complement the gateway markers being constructed. **Motion by Mitskog,**

second by Bohn, to approve a one-time \$10,000 grant toward the Petro Serve Project for incorporating stone, brick and color palette of the Dakota Avenue Reconstruction project as proposed (north elevation presented), with funds from the Sales Tax for Economic Development Fund. Motion Carried. Roll call vote 7-0.

The third recommendation was regarding a 2011 Expansion Project for WCCO Belting. The project is being evaluated for Wahpeton and for their plant in Texas. The Wahpeton facility project consists of a plant expansion that would increase the footprint by 22,500 SF, relocating the 60x60 Rushco building, and improving the access road. After reviewing the request from WCCO Belting for an interest buydown of \$118,000 on a \$1,000,000 PACE loan with BND, the EDC recommends an interest buydown equal to half of the amount requested. Due to the number of commitments made out of Sales Tax for Economic Development, funding requests were prioritized based on number of jobs created, investment, and previous awards. **Motion by Bohn, second by Bajumpaa, to approve a PACE loan participation buydown for WCCO Belting for up to \$60,000 (approximately half of the original request) from the Sales Tax for Economic Development fund, contingent on job creation and other financing approved and in place, to be distributed on an annual basis, and will not need to be paid back as per EDC policy for building construction. Discussion held. Motion Carried. Roll call vote 7-0.**

PUBLIC WORKS DIRECTOR NELSON

PW Report

Change Order No. 10 with Duininck, Inc. for Dakota Avenue Reconstruction, Project NHU-SU-8-013(037)390 – refer to PW/PS Committee Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

On-Street Parking on 4th St S from Dakota Ave to Railroad – refer to PW/PS Committee Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

Nelson requested referral to PW for **Establishment of on-street parking restrictions on 19th Street North**. Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

Nelson requested referral to PW for **Permission to advertise for bids for an automatic meter reading system for water meters**. Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

Nelson requested referral to PW for **Cost participation for sewer service replacement at 1031 Richland Street**. Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

Nelson requested referral to PW for **Permit renewal with ND Pollutant Discharge Elimination System (NDPDES) with ND Dept. of Health**. Mayor Sturdevant will refer this item to Public Works & Public Safety Committee.

Nelson then gave a report on **Bid Opening for Safe Routes to School Project Phase II**. Nelson said the bid opening was held by the DOT in Bismarck on June 17th, and the Engineers estimate for the project was \$151,529. The first bid was received from Adleman Concrete & Excavating Inc. of West Fargo in the amount of \$141,374; the second bid was from Tyzak Concrete Inc. from LaCenter, MN in the amount of \$149,476. Nelson said this matter could either be referred to committee or suspending the rules to award contingent upon the NDDOT's review of the DBE program. Discussion held regarding the locations of this project. Mayor Sturdevant asked for Public Works Chairman Hansey's recommendation, to which Hansey asked for suspension of the rules to approve the award. **Motion by**

Hansey, second by Mitskog, to suspend the rules. Motion Carried. Motion by Hansey, second by DeVries, to award the bid for the Safe Routes to School Project Phase II to the lowest bidder, Adleman Concrete & Excavating Inc. of West Fargo in the amount of \$141,374, contingent upon NDDOT's approval of their DBE program. Motion Carried.

Nelson provided an update regarding vector control efforts.

COMMUNICATIONS FROM THE MAYOR & COUNCIL

Mayor made appointments to the Committees. **Motion by Hansey, second by DeVries to accept the mayoral appointments to the various committees as follows: Special Assessment Commission: Ted Pietron. Vector Control Board: Martin Schmidt. Planning Commission: Daryl Eberhardt. Zoning Adjustment Board: Steve Ackerman, Mike Bassingthwaite, and Gary Paul Retzer. Library Board: Dave Hedrick and Mary Kroshus. Motion Carried.**

Mayor made the following recommendations for appointment to the Visitors Committee: Kathy Diekman (re-appt. Zoo Director), Cory Morse (Restaurant Representative), Melissa Jaskowski (Restaurant Representative – Alternate), and Doug Hockert (Golf Board At-Large Representative). He then asked for any other nominations. **Motion by Bajumpaa, second by Bohn, for nominations to cease and cast a unanimous ballot to appoint the following to Visitors Committee: Kathy Diekman, Cory Morse, Melissa Jaskowski, and Doug Hockert. Motion Carried.**

Regarding the Economic Development Commission, Mayor recommended Alisa Mitskog (Council Representative) and Randy Pope. **Motion by Bajumpaa, second by DeVries, for nominations to cease and cast a unanimous ballot to appoint the following to the Economic Development Commission: Alisa Mitskog and Randy Pope. Motion Carried with Bertsch, Hansey, DeVries, Dale, Bumjppaa and Bohn voting 'aye'; and Mitskog abstaining.**

Mayor recommended Mike Jacklitch for the Airport Authority, and asked for any other nominations. **Motion by Bajumpaa, second by Dale, for nominations to cease and cast a unanimous ballot to appoint Michael Jacklitch to the Airport Authority. Motion Carried.**

REPORTS FROM THE CITY COUNCIL COMMITTEES

Finance Committee Report

Bohn said the Finance Committee met at noon on June 13th.

Memorandum of Understanding with Bois de Sioux Golf Club for proceeds of MN Easement – motion to recommend approval – Motion by Bohn, second by Mitskog, to approve the Memorandum of Understanding with Bois de Sioux Golf Club for proceeds of MN Easement in the amount of \$66,929.60. Motion Carried. Roll call vote 7-0.

Health Insurance Increase July 1 – motion to recommend approval of additional City payment of \$65 per mo. Per family policy – Motion by Bohn, second by Bajumpaa, to approve an additional City payment of \$65 per month for the family health insurance policy from July 1, 2011 through December 31, 2011. Motion Carried. Roll call vote 7-0.

PILOT Application for Belt Building Partnership – motion to recommend approval of 5 year exemption worth a total of \$61,298.82 – As a point of order, Lies said there was need for a motion determining that there is no competitor of Belting in order to dispense of the hearing process. Motion by Mitskog, second by Hansey, determining that there is no competitor of Belt Building Partnership and waiving the hearing process. Motion Carried. Motion by Bohn, second by

DeVries, to approve the Belt Building Partnership PILOT application as listed in the schedule provided. Motion Carried. Roll call vote 7-0.

WCCO Expansion Example of PILOT							
Year of Exemption	Est. Value	Est. Mill	PILOT Payment	PILOT Calculation	Est. Exemption	Total Amt.	Year
1	\$906,000.00	0.43917	\$ -	\$ -	\$19,894.40	\$19,894.40	2012
2	\$906,000.00	0.44795	\$ 4,100.00	\$ 4,058.46	\$16,233.83	\$20,292.29	2013
3	\$906,000.00	0.45691	\$ 8,300.00	\$ 8,279.25	\$12,418.88	\$20,698.13	2014
4	\$906,000.00	0.46605	\$ 12,700.00	\$ 12,667.26	\$8,444.84	\$21,112.10	2015
5	\$906,000.00	0.47537	\$ 17,200.00	\$ 17,227.47	\$4,306.87	\$21,534.34	2016
			\$ 42,300.00	\$ 42,232.44	\$61,298.82	\$103,531.26	

Budget 2012 Calendar and Goals – ongoing discussion

MuniCode Ordinance Amendments – motion to recommend amendment of the sales tax ordinances – Lies reviewed this item earlier in the meeting. **Motion by Bohn, second by Bajumpaa, to approve the MuniCode Ordinance Amendments as discussed. Motion Carried.**

Land Acquisition Inquiry (Executive Session) – motion to recommend proceeding to negotiations – Bohn explained that this land north of Building 10 owned by Imation is for sale and the City has an opportunity to purchase. Lies explained that it is very prime industrial land. He said the land had been priced at \$10,000/acre and have negotiated to \$7,000/acre. Mayor felt it would be a good investment for the City. It was noted funding would be from the Revolving Loan Fund. **Motion by Mitskog, second by Hansey, to approve Attorney Lies proceeding with negotiations for the City to purchase the 32.11 acres of land north of Building 10 from Imation for up to \$224,770. Motion Carried. Roll call vote 7-0.**

Workforce Safety Recommended Policies – motion to recommend approval of the Return to Work Policy (at the May 23rd mtg.) – **Motion by Bohn, second by Bertsch, to approve the Return to Work Policy for City employees. Motion Carried, with Bertsch, Mitskog, DeVries, Dale, Bajumpaa, and Bohn voting ‘aye’; and Hansey voting ‘nay’.**

Town Centre Square Update - postponed

Public Works Public Safety Committee Report

Hansey said the Publics Works Public Safety Committee met at noon on June 14th.

Contract with Richland County for Radio Dispatch Services – Mayor to appoint ad hoc cmt.

Acceptance of Transportation Enhancement Grant in Amount of \$191,158 a commitment of local match (approx. \$98,500) for 6th St. S. shared use path – motion to recommend approval of agreement and funding from the Rec Set-A-Side Fund – **Motion by Hansey, second by DeVries, to approve accepting the Transportation Enhancement Grant in the amount of \$191,158 and commitment of local match (approximately \$98,500) for 6th Street South Shared Use Path from Railroad to 11th Avenue South. Motion Carried. Roll call vote 7-0.**

Request to Advertise for Proposals for Preliminary Engineering Services for Reconstruction of 11th St. N. – motion to recommend approval of request – **Motion by Hansey, second by Mitskog, to approve advertising for proposals for Preliminary Engineering Services for Reconstruction of 11th Street North from Avenue B to 16th Avenue North. Discussion held regarding costs. Motion Carried.**

Contract with ND Dept. of Health Dept. of Laboratory Services for Bacteriological Analysis of Drinking Water – motion to recommend approval of contract – Motion by Hansey, second by Dale, to accept the Contract with ND Health Department for Laboratory Services for Bacteriological Analysis of Drinking Water. Motion Carried.

Workforce Safety Recommended Policies – discussion

Joint Powers Agreement with Center & Dwight Townships for Cleaning and Maintaining the Westside Natural Drain – continued to 6-28 meeting

DISBURSEMENTS FUND	ACCOUNTS PAYABLE	PAYROLL & GL	TOTAL
101 GENERAL FUND	\$156,154.60	-\$1,336.45	\$154,818.15
201 WATER OPERATING FUND	\$26,461.15	\$32,855.12	\$59,316.27
202 SANITARY SEWER OPERATING FUND	\$21,841.61	\$16,975.48	\$38,817.09
203 WASTE REMOVAL OPERATING FUND	\$18,358.10	\$707.76	\$19,065.86
205 VECTOR CONTROL FUND	\$28.19	\$1,226.61	\$1,254.80
206 STREET LIGHTING	\$11,292.34		\$11,292.34
209 LIBRARY LEVY FUND	\$12,309.26	\$11,696.03	\$24,005.29
213 ADVERTISING LEVY FUND	\$402.13		\$402.13
216 AIRPORT 4-MILL LEVY FUND	\$56,675.89	\$449.96	\$57,125.85
217 PLANN COMMISSION LEVY FUND	\$1,369.18	\$1,644.24	\$3,013.42
227 ANNUAL RESERVE WH FUND		-\$2,058.84	-\$2,058.84
229 CAPITAL IMPROVEMENTS FUND	\$3,265.17		\$3,265.17
231 FD BLDG & EQUIP LEVY FUND	\$4,466.00		\$4,466.00
233 REAL ESTATE LEVY FUND	\$7,571.72		\$7,571.72
234 SPECIAL STREET MAINT FUND	\$300.00		\$300.00
235 SNOW/FLOOD EMERG LEVY FUND		\$33,809.10	\$33,809.10
236 LEVEE MAINTENANCE	\$2,751.96	\$5,402.44	\$8,154.40
271 ECONOMIC DEVEL DEPT FUND	\$1,059.31	\$10,285.98	\$11,345.29
273 EDND SUMMER CONF.	\$995.00		\$995.00
319 LODGING TAX FUND	\$2,064.68		\$2,064.68
320 SALES TAX OPERATING FUND	\$117,764.31		\$117,764.31
321 SALES TAX RESERVE FUND	\$200,000.00		\$200,000.00
323 SALES TAX DEVELOPERS AGMNT RES	\$54,000.00		\$54,000.00
326 REVOLVING LOAN FUND	\$42,420.12		\$42,420.12
361 GASOLINE,OIL,ETC		-\$4,688.09	-\$4,688.09
363 SAFE COMMUNITIES COALITION	\$60.00		\$60.00
364 WATER RESCUE TEAM	\$483.63		\$483.63
390 CLUBHOUSE MAINTENANCE	\$5,348.02		\$5,348.02
391 SIDEWALK MAINT FUND		\$20,000.00	\$20,000.00
574 5-2-97 (FLOOD PHASE II)	\$71,772.42		\$71,772.42
577 SPRING RIVER CREST 2011	\$1,767.61		\$1,767.61
605 8-1-06 DAKOTA AVE	\$11.50		\$11.50
610 SAFE ROUTES TO SCHOOL	\$126.50	-\$20,000.00	-\$19,873.50
614 NSP GRANT PROJECT	\$162.71		\$162.71
620 TOWN CENTRE SQUARE	\$184.00		\$184.00
624 WTP ENERGY EFF IMP.	\$1,773.14		\$1,773.14
626 HYDANT REPLACEMENTS 2011	\$203.00		\$203.00
TOTAL	\$823,443.25	\$106,969.34	\$930,412.59

SCHEDULING OF COMMITTEE MEETINGS

The following Committee Meetings were then scheduled:

- a. Capital Improvements Committee June 23rd, 12:00 Noon
- b. Finance Committee June 27th, 12:00 Noon (Request to move to June 29th if possible)
- c. PW/PS Committee June 28th, 5:00 P.M.

Motion by Mitskog, seconded by Hansey, to adjourn.

Mayor Sturdevant

Lynelle Amos, Finance Assistant