

Wahpeton City Council
June 18, 2012

Present: Bertsch, Hansey, Hartman, Mitskog, DeVries, Dale, and Bohn

Absent: Sturdevant and Bajumpaa

Also Present: Huwe, Lies, Nelson, Thorsteinson, Broadland, MacIver, Amos, and Gutzmer

Meeting called to order by City Council President Mitskog.

CONSENT AGENDA ITEMS (presented by the City Council President) City Council President Mitskog 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 4, 2012

Approval of minutes of special meeting held June 4, 2012

Games of Chance Licenses, Site Authorizations & Special Permits

Other Games of Chance and/or Special Permits

Presentation/Approval of Reports

Dilapidated Properties Report

May 2012 Bill Pay Report (\$628,117.20 – see below)

May 2012 Financials

Motion by Hartman, seconded by Hansey, to approve the Consent Agenda items as presented. Motion Carried.

ITEMS REQUESTED MOVED FROM THE CONSENT AGENDA None.

REPORTS

FINANCE DIRECTOR/AUDITOR

City Election Results Huwe explained that the City elections are contracted with the County, and the County Commission, acting as the canvassing board, met on June 15th to review the election results and the County Auditor provided the official abstract of the Wahpeton City election. Huwe then reviewed those results. She said the total ballots cast in the City election items was 1439. For Council Member in Ward 2 there were 264 ballots cast with 260 cast for incumbent Renelle Bertsch. For Council Member in Ward 4 there were 351 ballots cast and all were for incumbent Don Bajumpaa. For City Council Members At Large, there were 2 names on the ballot and for Chris DeVries there were 1005 ballots cast and for Alisa Mitskog 1063 ballots were cast. The Park Board had 2 openings which were both positions At Large, and for existing Park Board Commissioner Wayne Gripenrog 1096 votes were cast and for existing Park Board Commissioner Devry Klocke 930 votes were cast. Huwe stated that all the candidates named were re-elected and each candidate ran unopposed. She thanked those for continuing to serve in local government. Huwe said the last item was Publication of Minutes, which she explained is required by State law that it be put in front of the voters every 4 years, and of the 1439 ballots cast, 1145 voted for it to continue. Percentages of votes were also provided. **Motion by Bohn, seconded by Dale, acknowledging the receipt of the City Election ballot abstract as presented. Motion Carried.**

2011 Audited Financial Statements – Communications with the Board Huwe reviewed the information provided in the report. She explained that overall it was a good stable year for the City's finances. She noted that at the previous Council meeting a change in the fund balance

reserve policy was approved and the City is still exceeding the minimum requirements of that policy. Huwe felt the City has good reserves and was pleased with the resulting statements. She felt the next time the City issues debt they will be able to maintain a positive credit rating which helps the City to receive competitive rates and helps to control some of the costs in the special assessment spreads. Huwe said the information has been posted to the City's website as well as to the Municipal Securities Rule-Making Board website. Huwe said any questions could be directed to her. **Motion by Hartman, seconded by Bertsch, acknowledge the receipt of the 2011 Audited Financial Statements. Motion Carried.**

Request to waive special event liquor license fees for Welcome Home Street Dance for National Guard Soldiers Sept. 22nd Huwe said this request is similar to what has been done in the past. A Welcome Home Street Dance for the National Guard Soldiers is scheduled for September 22nd and the group coordinating the celebration, headed by Stacia Pauly Henningson, has requested the special event liquor fees be waived for this event as was done in their send off event. **Motion by Hartman, seconded by Hansey, to approve the request to waive special event liquor license fees for Welcome Home Street Dance for National Guard Soldiers Sept. 22nd. Motion Carried.**

Preparing an Effective Budget – NDLC Webinar Series – request referral to Finance Cmt. City Council President Mitskog will refer this item to Finance, Economic Development & Personnel Committee.

Special Council meeting on June 26th – oaths of office for newly re-elected & appointments to boards, committees and commissions

Huwe said fireworks season is approaching and information regarding such things as their purchase and display is available on the City of Wahpeton website. She said sales run from June 27th to July 5th from 9:00am to 11:00pm, and may be used until midnight on July 4th.

ATTORNEY

Resolution Amending Improvement District 10-02-04 (Cul-de-Sac Street Improvements, Projects ST10-161) Lies described the areas to be amended into the district, which included an area in Briarwood and also in Oakwood, that will also benefit from this project. He explained that this resolution would amend the resolution that created the district to include those areas.

Discussion held.

Council member Hartman offered the following and moved its adoption:

RESOLUTION NO. 3476
RESOLUTION AMENDING
RESOLUTION NO. 3400
RESOLUTION CREATING STREET IMPROVEMENTS DISTRICT 10-02-04
(Cul-de-Sac Streets Improvements, Project No. ST10-161)
(Enlarging the Boundaries Thereof)

The motion for the adoption of the foregoing Resolution was duly seconded by Councilmember Hansey. Motion carried with a roll call vote 7-0.

Economic Development Report Bohn gave this report in Economic Development Director Priebe's absence. She said the Economic Development Commission reviewed an in-house request from the Economic Development office to fund the construction of Oakwood Court for the

development of 11 additional residential lots at an estimated cost of \$339,000. Reviewing the history, Bohn said the development of buildable residential lots has been a goal of the City's for many years and more recently since the Rosewood and Elm Court Additions have filled. Oakwood Addition is already platted and essentially ready for further development. She noted one of the barriers to development is the risk of carrying costs to the developer or entity until substantial development can occur and expenses recouped, and this loan would be one way to address those costs by deferring special assessment payments until the lots are sold or up to 7 years. A Development Agreement reviewed by the Finance Committee includes a condition for the first 4 residential units to be completed within 24 months of completion of the street construction, and can be any combination of single family and twin home. Upon sale of a lot the full balance of special assessments shall be transferred to the new owner, to be paid upfront or over 10 years from date of acquisition. The interest rate, yet to be determined, will match that of the Oakwood Avenue bond. **Motion by Bohn, seconded by Dale, to approve a loan from the Sales Tax for Economic Development in the amount of \$339,000, amortized over up to 17 years, with an interest rate matching the Oakwood Avenue Bond Issue; contingent upon an approved Developers Agreement with Gast.** Discussion held. **Roll call vote 7-0. Motion Carried.**

Bohn said the EDC also discussed some recent policy changes to enhance the re-allocation of funds for two Economic Development programs. The Appearance Grant Program which is essentially a grant to improve storefronts along Dakota Avenue from 3rd St – 8th St will no longer include costs for signage. New signs for businesses will be fully covered under the new Mini-Match grant guidelines. The 3 main components to the Appearance Grants were listed as: Improvements to the face of the building (\$15,000); New awnings and/or special exterior lighting (\$5,000); and Technical assistance to design a new look for the storefront (\$1,500). A total of \$21,500 per 25' of frontage *may* be available per project. A minimum of two cost estimates from licensed contractors is needed. The question of how long to hold the funds aside for any given project was also discussed by the EDC. Grants will be committed to a qualified applicant's project when the building permit is taken out. To have a permit taken out will mean the applicant has: 1) applied for funding and meets eligibility; 2) received and submitted 2 cost estimates; and 3) the Economic Development Office has reviewed and approved the work to be done. The applicant will have 120 days to complete the project and hold an inspection. Funds will be disbursed upon satisfactory inspection, however, some projects do require the funds to be released in advance. It was noted there will be no preliminary funding set asides, and all applications are on a first come-first served basis. Bohn said the EDC understands there can be extenuating circumstances with any project accessing a program. Due to economic development conditions, there may be a need to modify the policy to fit the project. Those extreme cases will be handled at the discretion of the Economic Development Office. **Motion by Bohn, seconded by DeVries, to approve the new guideline changes as described above for the Appearance Grant and Mini-Match Grant Programs.** **Motion Carried.**

As a courtesy, Bohn reported that the EDC in its capacity as the Jobs Development Authority, received a matching grant request from the State Dept. of Commerce and approved \$56,000 from the JDA account to facilitate job creation at ComDel. ComDel's business opportunities with 3M Company have grown and developed into 30 additional quality jobs and the establishment of integration technologies over the next 5 years and possibly more depending on the sales level of the products at the time they are put in place.

Pictures of the current Driftwood and State Bank projects were then shared. Mitskog encouraged any business owners along Dakota Avenue from 3rd St – 8th St to contact the Economic Development office if they have any interest or questions regarding the Appearance Grant Program.

LIBRARIAN

Donation Received from the Best Family MacIver shared good news that Jen Best and her brother, Lyle, donated \$10,000 to the library in honor of their mother and father, who was a former veterinarian in Wahpeton. She said it was not stipulated what the donation is to be used for but Jen would like a portion to go toward e-books and Lyle would like a portion to go toward the purchase of more books. MacIver said she also received a \$1,000 check in the mail today from a person who has donated to the library in the past and there was no stipulation on that either. MacIver then said she wanted to let the public know that the library is in the process of a renovation project for waterproofing and the trees that have been removed are diseased and will be replaced in the landscaping part of the project.

POLICE CHIEF

Request Street closure for Welcome Home for the National Guard Sept. 22nd Chief Thorsteinson said he received a request to close off the 300 Block of Dakota Avenue during this celebration event, from 4:00pm until 1:00am. He did not feel that it would present any problems. **Motion by Hartman, seconded by DeVries, to approve the requested street closure for Welcome Home for the National Guard September 22nd. Motion Carried.**

PUBLIC WORKS DIRECTOR NELSON

Engineer's Report for Improvement District 11-01-03 (Westside Natural Drain Improvements, Project No. DR10-177) – request referral to PW Cmt. City Council President Mitskog will refer this item to the Public Works & Public Safety Committee.

Professional Services Agreement with Interstate Engineering, Inc. for City Drain No. 1 Improvements, Project No. DR12-202 – request referral to PW Cmt. City Council President Mitskog will refer this item to the Public Works & Public Safety Committee.

Project Concept Report for 11th Street North Reconstruction, Avenue B to 16th Ave N, SU-8-991(031)028, Project No. ST12-187 – request referral to PW Cmt. City Council President Mitskog will refer this item to the Public Works & Public Safety Committee.

Professional Services Agreement with Interstate Engineering, Inc. for Southside Drainage Improvements, Part B – Center Street and 7th Avenue, Project No. DR12-20 – request referral to PW Cmt. City Council President Mitskog will refer this item to the Public Works & Public Safety Committee.

Nelson then gave updates regarding the alley project behind the library, the southside drainage project and vector control.

COMMUNICATIONS FROM THE MAYOR & COUNCIL

Hartman said that it is with regret he announced his resignation from his City Council position effective the end of July. Lies explained the procedure regarding such a resignation. Mitskog recognized Hartman's work serving the citizens, and Hartman thanked the people of the community of Wahpeton.

REPORTS FROM THE CITY COUNCIL COMMITTEES

Finance, Personnel & Economic Development Committee Report

Bohn said the Finance Committee met at noon on June 11th.

Upgrade to Public Access Channel 12 – demonstration

IT Managed Services Contract Renewal – motion to recommend approval of contract renewal – **Motion by Bohn, seconded by Bertsch, to approve the Renewal of the IT Managed Services Contract with NRG Technology Services. Roll call vote 7-0. Motion Carried.**

Consolidated Fee Schedule – topic tabled pending additional information

2013 Budget Preparation Calendar – motion to recommend approval – **Motion by Bohn, seconded by Bertsch, to approve the 2013 Budget Preparation Calendar as presented. Motion Carried.**

Draft Development Agreement – motion to recommend approval – **Motion by Bohn, seconded by DeVries, to approve the Draft Development Agreement as presented, with Attorney Lies to provide the missing variables.** Lies explained the interest rate was the primary missing variable and it had been decided that the interest rate would be whatever the rate is for the bonds that are issued, plus whatever percent the City adds on to the Oakwood A part of the project. **Motion Carried.**

Funding Dakota Ave. Care & Mtc. – public forum on proposed ordinance No. 944 to adopt a 1% Restaurant Tax scheduled for June 26th at 6:00p.m.

Public Works & Public Safety Committee Report

Set Appeal Hearing Date for Failure to Comply with Stop Work Order/Permit Required – motion to recommend Hearing on July 2nd at 6:00 p.m – **Motion by Hansey, seconded by Hartman, to approve setting an Appeal Hearing on July 2nd at 6:00 p.m. for Failure to Comply with Stop Work Order/Permit Required. Motion Carried.**

Engineer’s Report for Cul-de-sac Street Improvements Proj. No. ST10 – motion to recommend public meetings as follows: (all in Council Chambers at City Hall)

- Area D Red River Ct. 5:30 p.m. June 20th
- Area F 3rd St. S. 6:30 p.m. June 20th
- Area E Cottonwood Ct. 5:30 p.m. June 21st

Review of Request for Quotes for City Hall Flag Pole – discussion

Pigeon issues in Dakota Ave. corridor – discussion

May 2012 Bill Pay Report

DISBURSEMENTS FUND	ACCOUNTS PAYABLE	PAYROLL & GL	TOTAL
101 GENERAL FUND	\$182,823.80	\$33,380.37	\$216,204.17
201 WATER OPERATING FUND	\$41,250.17	\$31,830.04	\$73,080.21
202 SANITARY SEWER OPERATING FUND	\$60,530.03	\$19,829.33	\$80,359.36
203 WASTE REMOVAL OPERATING FUND	\$19,229.05	\$692.52	\$19,921.57
204 WASTE REDUCTION FUND		\$93.47	\$93.47
205 VECTOR CONTROL FUND	\$19.50	\$1,278.24	\$1,297.74
206 STREET LIGHTING	\$8,885.47		\$8,885.47
209 LIBRARY LEVY FUND	\$9,035.29	\$12,983.53	\$22,018.82
213 ADVERTISING LEVY FUND	\$697.41		\$697.41
216 AIRPORT 4-MILL LEVY FUND	\$50,279.08	\$449.96	\$50,729.04
217 PLANN COMMISSION LEVY FUND	\$587.50	\$992.76	\$1,580.26

227 ANNUAL RESERVE WH FUND		-\$3,159.00	-\$3,159.00
229 CAPITAL IMPROVEMENTS FUND	\$21,868.06		\$21,868.06
231 FD BLDG & EQUIP LEVY FUND	\$4,466.00		\$4,466.00
236 LEVEE MAINTENANCE	\$1,581.64	\$5,937.27	\$7,518.91
271 ECONOMIC DEVEL DEPT FUND	\$997.61	\$10,880.42	\$11,878.03
319 LODGING TAX FUND	\$13,338.81		\$13,338.81
320 SALES TAX OPERATING FUND	\$68,363.76		\$68,363.76
325 SALES TAX H.E.L.P. HOUSING FUND	\$65.25		\$65.25
326 REVOLVING LOAN FUND	\$2,669.00		\$2,669.00
340 HANDICAPPED PARKING FINES	\$210.00		\$210.00
361 GASOLINE,OIL,ETC	\$17,300.00	-\$4,510.11	\$12,789.89
363 SAFE COMMUNITIES COALITION	\$110.58		\$110.58
393 DOWNTOWN CARE & MTC FUND	\$41.17		\$41.17
458 R/I #11212 SERIES A 2012	\$6,788.00		\$6,788.00
574 5-2-97 (FLOOD PHASE II)	\$69.00		\$69.00
608 08-02-03 SSIDE STORM SEWER	\$2,084.12		\$2,084.12
631 11TH ST. N. AVE B TO 16TH AVE	\$80.50		\$80.50
632 AERIAL DIGITAL TOPO MAPPING	\$4,067.60		\$4,067.60
TOTAL	\$517,438.40	\$110,678.80	\$628,117.20

SCHEDULING OF COMMITTEE MEETINGS

The following Committee Meetings were then scheduled:

- a. Informational Meetings Cul-de-sac Improvements June 20th & 21st, 5:30 & 6:00 P.M.
- b. Planning Commission June 21st, 4:00 P.M.
- c. Finance Committee June 25th, 12:00 Noon
- d. City Council Reorganization Meeting June 26th 5:00 P.M.
- e. PW/PS Committee June 26th, 5:15 P.M.
- f. Informational Meeting Dakota Ave. Care & Mtc./1% Restaurant Tax June 26th, 6:00 P.M.

Due to the number of meetings to be held on June 26th after 5:00pm the PW/PS Committee meeting will be held at noon instead of 5:15pm.

Motion by Hartman, seconded by Bertsch, to adjourn.

City Council President Mitskog

Lynelle Amos, Finance Assistant