

# Wahpeton City Council

May 2, 2016

5:00 p.m.

**Present:** Schmidt, Lambrecht, Bertsch, Mitskog, Hansey, DeVries, Dale, Bajumpaa, and Wateland

**Absent:** None

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

Meeting called to order by Mayor Hansey.

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

**Approval of minutes of regular meeting held April 18, 2016**

**Approval of minutes of special meeting held April 25, 2016**

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

Circle of Nations Schools ó Raffle Permit

Red River Human Services Foundation ó Site Authorization

## **Presentation/Approval of Reports**

CVB Q1 2016 Report

150<sup>th</sup> Anniversary ó Save the Date

Zika Virus Information

Spring Clean-Up Week May 9 ó 13

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

## REPORTS FROM CITY OFFICERS AND STAFF

### FINANCE DIRECTOR

**Bond Sale Update R/I 11516** ó Huwe said Dougherty & Co. provided the certificate of Term and Pricing for the 2016 refunding improvement bonds on Thursday, April 28<sup>th</sup>. Dougherty and Co. LLC purchased the bonds in an aggregate principal amount of \$3,305,000, and the net effective interest rate is 1.64%. The city will receive the proceeds of the sale on May 10<sup>th</sup> and pay off the outstanding series 2010 bonds. The anticipated savings of the refinancing is approximately \$200,000 which is not realized until the final bond payment is made. If there are sufficient funds on hand to make the final payment the final certification of special assessments certified in 2024 for collection in 2025 may be discounted or eliminated. The projects included in the bond issue are Dakota Avenue Reconstruction, part of the Southside Storm Sewer Project and the North Central Streets Project.

**2015 Audit Update** ó Huwe said the ND State Auditor’s Office has completed the 2015 field audit, review of the preliminary financial statements, and recommendations to the Board. The final audit report is pending additional information for a new compliance issue from the Government Accounting Standard Board Statement No. 68 Financial Reporting of Pensions Provided by Other Entities. The information is expected in the next few weeks with the final audit report to follow within two weeks from that. There were no material issues identified in the audit process.

**Campaign Finance Report Due by Friday, May 13<sup>th</sup>** ó Huwe said the 2016 City Election Campaign Contribution Reports are due in the office of the City Auditor on Friday, May 13<sup>th</sup>. Reporting is required even if no contributions have been received. Questions can be directed to Huwe.

### **ECONOMIC DEVELOPMENT DIRECTOR**

**Economic Development Report** ó Priebe said the Renaissance Zone Authority reviewed an application from Madison Yaggie Schuler for a Business Lease Renaissance Zone Project at 1001 2<sup>nd</sup> Avenue North formerly the location of Prairie Spirits. This location is in Renaissance Zone Block 2 and is zoned B-2 Business. AAY Properties LLP is the owner and have already qualified as a zone project ó Purchase with Major Improvements. According to program guidelines, new business leases in an approved project qualify for 100% state income tax exemption. Dakota Coffee Co. is a taxpayer in good standing with the City and the State and has met all the required criteria. A Renaissance Zone Goal is to preserve and strengthen business opportunities in the zone with the objective of facilitating activity in the downtown area to maintain its identity as a center of all types of services. Priebe said the RZA recommends the City Council approve the RZ application from Dakota Coffee Co., LLC and forward to the State RZ office for approval of a 100% state income tax exemption as presented. It was noted it would be a 5 year exemption which should be part of the motion. **Motion by Dale, seconded by DeVries, to approve the Renaissance Zone application from Dakota Coffee Co., LLC and forward to the State Renaissance Zone office for approval of a 100% state income tax exemption for 5 years as presented. Motion carried with a roll call vote of 7-0, with Mitskog abstaining.**

Priebe reported Marketplace for Kids will be held Tuesday, May 17<sup>th</sup> from 8:30 a.m. to 3:00 p.m., and volunteers are needed as 1,400 students are expected to participate in this year's event. She noted NDSCS graduation will take place Friday, May 13<sup>th</sup> at 3:00 p.m. She announced a ribbon-cutting ceremony and open house tour is scheduled for the EDHA/NDSCS/City/Red River Human Services project at 207 4<sup>th</sup> Avenue South on Wednesday, May 11<sup>th</sup> at 1:00 p.m. Priebe said the CEO committee will meet Thursday, May 5<sup>th</sup> at 8:00 a.m. She reported May 1-7 is Small Business Week. She also announced that Blue Goose Days will be held June 3, 4 and 5.

### **PUBLIC WORKS DIRECTOR**

**PW Report** ó Miranowski said crack filling should be finished by the end of this week. He also reported there was a sewer force main break on Friday night by the zoo in the location of Lift Station #2. He said the repairs were made and completed by the next morning. He thanked Council member Lambrecht for his help engaging the Fire Department and CERT to assist with clean up. Miranowski then announced that 16<sup>th</sup> Avenue will be closed for the summer from 11<sup>th</sup> Street to the 210 Bypass starting Wednesday, May 4<sup>th</sup> for the street reconstruction project.

### **COMMUNICATIONS FROM THE MAYOR & COUNCIL**

**Request to Appoint Doug Hockert to the vacant At-Large Position on the CVB for a 4 yr. term ending June 2020** ó Motion by Mitskog, seconded by Schmidt, to approve appointing Doug Hockert to the vacant At-Large Position on the Convention and Visitors Bureau for a 4 year term ending June 2020. Motion carried with all voting 'aye'.

**Motion to recommend from the CVB approval of the contract with the Red Door Art Gallery for Visitors Center Services for the summer of 2016** ó Motion by Bertsch, seconded by Mitskog, to approve the Convention and Visitors Bureau contract with the Red Door Art Gallery for Visitors Center Services for the summer of 2016. Motion carried with a roll call vote of 8-0.

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

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

DeVries said the Finance, Personnel & Economic Development Committee met at noon on April 28<sup>th</sup>.

#### **West Briarwood Development Alternative - continued**

**Underwriting Revolving Loan Fund Loans – motion** to recommend approval of reactivation of 2 RLF Housing Rehab Loan Programs with \$150,000 designated from RLF. **Motion** to recommend approval of \$100,000 gap financing from RLF for a child care center project pending permanent financing with conditions ó **Motion by DeVries, seconded by Bertsch, to approve reactivating the Revolving Loan Fund Housing Rehabilitation LMI Single Family Ownership and also the Revolving Loan Fund Housing Rehabilitation Investor-Owned Properties with criteria as presented with \$150,000 designated from the Revolving Loan Fund. Motion carried with a roll call vote of 8-0.**

**Motion by DeVries, seconded by Mitskog, to approve \$100,000 temporary gap financing from the Revolving Loan Fund for a new childcare center project on the condition proof of permanent financing be provided. Motion carried with a roll call vote of 8-0.**

#### **Employee Policy Manual Updates – discussion**

**Cash Flow Planning/Revenue Projections – motion** to recommend approval of the budget amendments as presented - **Motion by DeVries, seconded by Schmidt, to approve the proposed budget amendments as follows:**

<b>BUDGET AMENDMENTS</b>		<b>REVISED 2016</b>	
<b>REVENUE</b>	<b>2016 BUDGET</b>	<b>PROJECTED REVENUE</b>	<b>CHANGES IN REVENUE</b>
101-3100-2194 NATURAL GAS FRANCHISE FEES	\$150,000.00	\$100,000.00	-\$50,000.00
101-3300-2111 ND HIGHWAY TAX DISTRIBUTION	\$509,600.00	\$435,372.00	-\$74,228.00
101-3300-2112 REVENUE SHARING/ND STATE AID	\$869,330.00	\$629,899.00	-\$239,431.00
101-3800-2125 FISCAL AGENT FEES/BOND ADMIN	\$0.00	\$155,643.00	\$155,643.00
101-3800-2447 TRANSFERS OTHER FUNDS	\$0.00	\$95,250.00	\$95,250.00
	\$1,528,930.00	\$1,416,164.00	-\$112,766.00

  

		<b>REVISED 2016</b>	
<b>EXPENSE</b>	<b>2016 BUDGET</b>	<b>PROJECTED EXPENSE</b>	<b>CHANGES IN EXPENSE</b>
101-1012-XXX CITY HALL CUSTODIAN PAYROLL	\$24,307.25	\$0.00	-\$24,307.25
101-1012-210 CITY HALL BLDG MTC (SERVMSTR)	\$12,000.00	\$24,000.00	\$12,000.00
101-1027-XXX CITY HALL CUSTODIAN PAYROLL	\$8,378.59	\$0.00	-\$8,378.59
101-1018-322 LIABILITY & OTHER INSURANCE	\$62,000.00	\$57,000.00	-\$5,000.00
101-1020-260 FUEL EXPENSE PD	\$31,886.50	\$17,500.00	-\$14,386.50
101-1021-260 FUEL EXPENSE FD	\$4,000.00	\$3,000.00	-\$1,000.00
101-1024-260 FUEL EXPENSE STREET DEPT	\$45,000.00	\$30,000.00	-\$15,000.00
101-1031-226 TRANSFER TO PD SPEC EQ FUND	\$2,500.00	\$0.00	-\$2,500.00
101-1031-337 STATE AID TRSFR TO LIBRARY 2.5%	\$21,733.00	\$15,747.47	-\$5,985.53
101-1033-338 STATE AID TRSFR TO PARK 25%	\$217,333.00	\$157,475.00	-\$59,858.00
	\$429,138.34	\$304,722.47	-\$124,415.87

**Motion carried with a roll call vote of 8-0.**

**Westdale 2<sup>nd</sup> Addition Development Agreement – motion** to recommend request of 75% of project costs in a surety bond/letter of credit ó **Motion by DeVries, seconded by Lambrecht, to**

**approve the Westdale 2<sup>nd</sup> Addition Development Agreement with addition of a clause of a minimum of 75% of project costs in a surety bond/letter of credit. Motion carried with a roll call vote of 8-0.**

[DeVries exited the meeting at 5:25 p.m.]

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

Bajumpaa said the Public Works Public Safety Committee met at 5:00 p.m. on April 26<sup>th</sup>.

### **SEMCA Agreement**

**Request for Sidewalk Removal at 404 3<sup>rd</sup> St. S. – discussion**

**Consideration of Revisions to the Policy to Disconnect Water Service Lines in Demolition/Abandonment**

**Consideration of Revisions to the City Ordinances on Maintenance Responsibilities for Water & Sewer**

**Waste Water Pond 1 Diffuser Repairs – motion** to recommend proceeding with aeration and diffuser mtc. \$31,446.20 - **Motion by Bajumpaa, seconded by Lambrecht, approve proceeding with the aeration and diffuser maintenance for Waste Water Pond 1 in the amount of \$31,446.20.** Discussion held. **Motion carried with a roll call vote of 7-0.**

**NDSCS Street Vacation – Retaining Easements for City Utilities**

**Update on the Red River Valley Water Supply Project – Discussion held during the Council meeting.**

**Culvert Replacements – Natural Drain West of Town – motion** to recommend proceeding to replace not to exceed \$5,000 from the Flood Levy Mtc. Fund - **Motion by Bajumpaa, seconded by Dale, to approve proceeding to replace the culverts in the natural drain west of town not to exceed \$5,000 from the Flood Levy Maintenance Fund. Motion carried with a roll call vote of 7-0.**

### **NEW BUSINESS**

Perry Miller addressed the Council regarding the Red River Valley Water Supply Project, and also regarding the sewage lagoons which he felt apartment owners could work with the City to get information to tenants about not flushing trash down toilets.

### **SCHEDULING OF COMMITTEE MEETINGS**

The following Committee Meetings were then scheduled:

- a. Planning Commission May 2<sup>nd</sup>, 4:00 P.M.
- b. Finance Committee May 9<sup>th</sup>, 12:00 Noon
- c. Public Works Committee May 10<sup>th</sup>, 12:00 Noon

**Motion by Mitskog, seconded by Bertsch, to adjourn at 5:40 p.m.**

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Mayor Hansey

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Lynelle Amos, Finance Assistant