

Wahpeton City Council
December 19, 2016
5:00 p.m.

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

Absent: None

Also Present: Huwe, Lies, Miranowski, Thorsteinson, Broadland, Priebe, Bakken, 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 December 5, 2016

Games of Chance Licenses, Site Authorizations & Special Permits

Wahpeton Buffalo Club ó Raffle Permit

Wahpeton All Sport Booster Club ó Raffle Permit

Other Games of Chance and/or special permits:

American Legion Baseball ó Raffle Permit

Presentation/Approval of Reports

November 2016 Financials

November 2016 Bill Pay Report \$888,602.54 ó see below

NDLC Legislative Topics

ND Dept. of Health Update on Disposal Services, Inc.

Wahpeton Fire Dept. Christmas Party tonight ó 6:30 PM

Mayor Hansey asked if there were any items to be removed from the consent agenda and Dale asked that the November 2016 Bill Pay Report be removed. **Motion by Schmidt, seconded by Bajumpaa, to approve the Consent Agenda items as presented with the exception of November 2016 Bill Pay Report. Motion carried with all voting ‘aye’.** Dale questioned some of the expenses on the bill pay report. The items will be researched and presented to the Council at the next meeting.

REPORTS FROM CITY OFFICERS AND STAFF

FINANCE DIRECTOR

2016 Grants & Donations Report ó Huwe said the City of Wahpeton has received \$476,972.84 in grants and donations in 2016, which is \$106,224 greater than the \$370,749 received in 2015. The most notable grants and donations for 2016 are the \$370,000 Community Development Grant for the new Tiny Tykes Child Care facility and the \$50,000 Polly Ben-Groneman Estate Donation to the Leach Public Library dedicated to renovations in the Children’s Area. Additional funding commitments were secured in 2016 but have not yet received, and include a \$25,000 grant from the ND State Library for building improvements and the additional funding commitments from the ND State Water Commission for the final phase of our flood mitigation project totaling approximately \$1,638,232. Huwe commended the departments that have pursued outside funding to enhance City services. She requested a motion acknowledging the receipt of the 2016 Grants and Donations Report. **Motion by Lambrecht, seconded by Wateland, to approve acknowledging the receipt of the 2016 Grants and Donations Report. Motion carried with all voting ‘aye’.**

2016 Municipal Indebtedness Report ó Huwe said the Statement of Municipal Indebtedness reflects the issuance of \$600,000 of new debt in 2016 for the permanent financing of the Westdale Phase I development. Additionally, the City refinanced 2010 series bonds totaling \$3,305,000. The City paid

down \$1,580,000 in principal on long term debt and an additional \$277,593 in interest and administrative fees in 2016. The balance of bonds and leases payable decreased \$1,211,948 from \$12,274,786 to \$11,062,838. At fiscal year-end 12/31/2015 the outstanding debt was \$12,274,786 and has decreased 10%. Huwe said rapid repayment of debt is a strong attribute in the overall credit rating of the City. She requested a motion acknowledging the receipt of the 2016 Statement of Municipal Indebtedness. **Motion by Bertsch, seconded by DeVries, to approve acknowledging the receipt of the 2016 Statement of Municipal Indebtedness. Motion carried with all voting 'aye'.**

City Hall Closed December 26th and January 2nd ó Huwe noted City Hall will be closed on Monday, December 26th and Monday, January 2nd in observation of the Christmas and New Year's Holidays.

ATTORNEY

Franchise Fee Resolutions No. 3623 and 3624 ó Lies explained he had two resolutions related to the City's franchise fees for both natural gas and electricity. Otter Tail Power Company and Great Plains Natural Gas have franchise fees with the City according to ordinance. Usually at the last Council meeting of the year on the odd number years an ordinance is adopted on the 3% franchise fee. There is no change in the 3% franchise fee not to exceed \$200.

Council member Bajumpaa offered the following and moved its adoption:

RESOLUTION NO. 3623
**RESOLUTION AMENDING RESOLUTION NO. 3560, EXTENDING
ACTIVATION OF GREAT PLAINS NATURAL GAS CO. FRANCHISE FEE
PURSUANT TO ORDINANCE NO. 905**

The motion for the adoption of the foregoing Resolution was duly seconded by Councilmember Bertsch. Motion carried with a roll call vote 8-0.

Council member Bajumpaa offered the following and moved its adoption:

RESOLUTION NO. 3624
**RESOLUTION AMENDING RESOLUTION NO. 3561, EXTENDING
ACTIVATION OF OTTER TAIL POWER COMPANY FRANCHISE FEE
PURSUANT TO ORDINANCE NO. 923**

The motion for the adoption of the foregoing Resolution was duly seconded by Councilmember Bertsch. Motion carried with a roll call vote 8-0.

Lies then addressed the Request for Bids for Demolition and Removal of Building Within the Urban Renewal Area to the City of Wahpeton (Old Armory Building), a copy of which was provided. He talked about a timeline, saying it will need to be advertised then a bid opening is anticipated for January 20, 2017, to be reviewed by the Public Works Committee on January 24, 2017, and to be presented to Council on February 6, 2017 for award. **Motion by Bajumpaa, seconded by Schmidt, to approve advertising the Request for Bids for Demolition and Removal of Building Within the Urban Renewal Area to the City of Wahpeton (Old Armory Building). Motion carried with all voting 'aye'.**

Lies then requested referral to the Public Works Committee of Marsy's Law which he explained provides equal rights to crime victims. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

ECONOMIC DEVELOPMENT DIRECTOR

Economic Development Report & Recommendations from Economic Development Commission

ó A written Economic Development activity report was provided. Priebe said the Economic

Development Commission met on December 14th and presented recommendations from that meeting. She said a request for funding to help support the Red Door Art Gallery as a year-round Visitors Center and Headquarters for the 150th Anniversary celebration was heard again at the EDC meeting as the proposal was further defined by the Economic Development office. Included in the independent contractor agreement in effect from January 2017 through December 2019 are annual performance reviews, expanded visitors center hours, a mid-year update on number of visitors to the gallery, and a flexible schedule and job description. Priebe said Jolene Miller, representative, volunteer, and past president of the Red Door, was present to get clarification on the contract. A total of \$15,000 per year for 3 years from Sales Tax for Economic Development was discussed. The Convention & Visitors Bureau had also been approached to increase their annual \$2,000 commitment to \$3,000 to meet the proposed \$18,000 per year request. This dollar amount will help with a full-time Art Gallery director and expanded hours of operation. Another meeting with Miller is scheduled to finalize some of the details. Priebe said the EDC voted unanimously to recommend the City Council approve an annual grant of \$15,000 to the Red Door Art Gallery for the next three years beginning January 1, 2017 and ending December 31, 2019 contingent upon both parties agreeing to all terms and conditions; and further recommend authorizing the Mayor to sign the contract. **Motion by Bertsch, seconded by Miller, to approve an annual grant of \$15,000 from Sales Tax for Economic Development to the Red Door Art Gallery for the next three years beginning January 1, 2017 and ending December 31, 2019 contingent upon both parties agreeing to all terms and conditions; and further approve authorizing the Mayor to sign the contract for said agreement.** Discussion held regarding signage. **Motion carried with a roll call vote 8-0.**

Priebe said Jay Ovsak, President of the BDS Golf Board, appeared before the Commission to discuss the 2016 shortfall in operations. A total of \$26,748.33 in grant funds are needed to balance the budget. Even though golfers were able to start early in the year (March 11th) the weather interrupted play which slowed income while expenses added up. A couple of big tournaments did not materialize like the prior year either. Not all of the shortfall can be contributed to income side of the budget as expenses exceeded budgeted income in the Pro Shop and Greens line items. With better controls than last year, The Grille Room came out ahead but not enough to cover overages in other areas. Priebe said the Board is very appreciative of the assistance it receives and reported generating \$49,066 in Sales Tax with \$27,518 representing the State of ND 5%, \$9,787 in 2% local tax, \$1,548 in 1% restaurant tax, and \$10,213 in MN sales tax from greens fees and memberships. She said the EDC voted unanimously to recommend the City Council approve up to \$26,748.33 in grant funds from the Sales Tax for Economic Development Fund to balance the BDS 2016 budget shortfall. **Motion by DeVries, seconded by Bertsch, to approve up to \$26,748.33 in grant funds from the Sales Tax for Economic Development Fund to balance the Bois de Sioux Golf Course 2016 budget shortfall.** Discussion held. **Motion carried with a roll call vote of 8-0.**

Revolving Loan Fund Request Priebe explained from 2010 through December 31, 2012, RLF loans were made available for working capital needs of businesses who experienced interruptions due to the Dakota Avenue reconstruction project. She said in a recent meeting with local manufacturer Frontier Inc. consideration is being given to possible adjustments to RLF guidelines and waiving the restrictions on working capital loans for businesses on a case by case basis. Frontier Inc. has felt the slow-down in the ag economy and to combat that trend has decided to branch out into building roll off containers instead of solely grain boxes and end dump trailers. The profit margins aren't as high as their other product lines so selling in quantity is key. One of several action steps outlined in the City's comprehensive plan book is *Increase Economic Diversification and Employment*. Frontier Inc. has 6 employees that are currently laid off. This order and others they are working on would put the employees back to work. (Employees earn \$15-\$17/hour) Priebe said the Economic Development office recently assisted Rodney & Amy Church, owners of Frontier Inc., in a small RLF loan with a payback date of December 16th, and that loan has been satisfied. The ED office would like to turn around now and allow them to borrow \$23,000 to complete an order for 15 roll off containers.

Payback would be in two weeksøtime (the close of business January 4, 2017). The RLF was initially designed to work with higher risk projects and be nimble enough to respond quickly to business needs. Conventional financing is not readily available and currently, working capital loans are not an allowable RLF use. Given their recent history, Priebe felt comfortable that the Churchø will be able to fulfill the sales order and pay the loan back. She requested authority to use RLF funds in this instance as working capital in a loan to Frontier, Inc. and the Council approve the loan with the above described conditions. **Motion by Bajumpaa, seconded by Miller, to approve authorizing the use of the Revolving Loan Fund as working capital in a loan to Frontier, Inc. in the amount of \$23,000, and approve the loan with the above described conditions.** Discussion held. **Motion carried with a roll call vote of 8-0.**

Priebe announced there should be music on Dakota Avenue as the speakers, mic and music systems have been installed. OøMeara attended training to operate the CD changer equipment located at the Red Door.

LIBRARY REPORT

Library Report ó Bakken provided an update on the library renovations saying construction of the walls is at a standstill as the contractor ran out of trim board, and there is still a radiator that needs to be hung on the wall. She encouraged all to stop by to see the progress and the nice difference it has made in the libraryø appearance. She said Kercher continues to work on the childrenø programming, with events planned for this week and next. Bakken also reported the Library Board would be meeting Thursday, December 22nd at 4:00 p.m.

POLICE CHIEF

Medical Leave – Alternative Appointment ó Thorsteinson reported he has some anticipated medical leave in January, and requested, if necessary, to appoint an alternative who can handle the day to day business in his stead. He did not know at this time if it will be necessary but if get to the point where it is wanted to have it in place. He appointed Matthew Anderson who he felt would offer the least disruption in shift schedule and had more experience in dealing with the day to day responsibilities. **Motion by Lambrecht, seconded by Schmidt, to approve the Alternate Appointment of Sergeant Matthew Anderson to fill in for Police Chief Thorsteinson if necessary during his anticipated medical leave. Motion carried with all voting ‘aye’.**

Relocation Update ó Thorsteinson reported the renovations for the new Police Department are closer to fruition. He felt the new location will work out will and was excited for the transition. He requested approval of Change Order #1 in the amount of \$1,000 to repaint the investigatorø office and Chiefø office. **Motion by Schmidt, seconded by Dale, to approve Change Order #1 in the amount of \$1,000 for the Police Department Relocation Project. Motion carried with a roll call vote of 8-0.** Thorsteinson invited Council members to visit the new location and see the progress that has been made. He said they are anticipating moving into the new offices December 28th and 29th, and will try to advertise the move in the media so residents are aware of the new Police Department location.

PUBLIC WORKS DIRECTOR

PW Report ó Miranowski requested referral to Public Works Committee of **Consideration of Central Power Lines Hybrid Alternative Route.** Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee **of Supplemental Agreement #4 with Interstate Engineering Inc. for 3rd Avenue North Project**. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski reported 6th Street North on the west side of the new funeral home is being changed from a northbound one-way street to a two-way street from 2nd Avenue to 3rd Avenue North. The sign pole foundations are in and new signs received so will be releasing a PSA announcing the change which will take effect January 4, 2017. He also reported there was a project meeting for Phase II the Zoo and the contractor, Comstock Construction, is starting to do excavation for the footings and foundations and bringing in drawings for review so the project is progressing. Miranowski also answered some questions regarding the snow removal policy and possibly adding the new Police Department location to the snow emergency route.

COMMUNICATIONS FROM THE MAYOR AND COUNCIL

Dale asked for referral of the Capital Improvements Plan to the Public Works Committee. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Dale asked for referral of Eastside Sanitary Sewer Project to the Public Works Committee. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

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 December 12th.

Revolving Loan Fund – motion to recommend proceeding to market 32 acres with conditions ó DeVries said further discussion is needed on this item so it will stay on the Finance Committee agenda.

Request for Proposals for Primary Depository Services – motion to recommend approval ó **Motion by DeVries, seconded by Wateland, to approve the Request For Proposals for Primary Depository Services. Motion carried with all voting ‘aye’.**

Capital Improvement Policy Review - discussion

Public Works & Public Safety Committee Report

Bajumpaa said the Public Works & Public Safety Committee met at noon on December 13th.

Water/Sewer Shop Roof Replacement – motion to recommend approval to proceed ó **Motion by Bajumpaa, seconded by Schmidt, to approve proceeding with the Water/Sewer Shop Roof Replacement Project with Filbert Construction in the amount of \$18,000.** Discussion held regarding the specifications for the new roof. **Motion carried with a roll call vote of 8-0.**

PD Relocation Project – motion to recommend expending up to \$5,000 for additional insulation and to replace the carpeting in the squad room and hall areas for up to \$5,360 ó **Motion by Bajumpaa, seconded by Schmidt, to approve expending up to \$5,000 for additional insulation and to replace the carpeting in the squad room and hall areas for up to \$5,360 as part of the Police Department Relocation Project. Motion carried with a roll call vote of 7-1; with Bajumpaa, DeVries, Miller, Wateland, Schmidt, Lambrecht, and Bertsch voting ‘aye’; and Dale voting ‘nay’.**

Westdale Single Family Homes Outdoor Storage – discussion

Building Official Updates – motion to recommend approval of request for proposals for demolition & removal of dangerous building ó This item was discussed earlier in the meeting.

NEW BUSINESS (100% Approval required for VOTE consideration)

Richland County Contract Proposal for Communications, Remote Terminal Server and Courtroom

Use ó Lies said this item must be discussed in an executive session. The legal authority for closing this portion of the meeting is North Dakota Century code section 44-04-19.1. The topic or purpose of this executive session is for attorney consultation on contract negotiation NDCC 44-04-19.1. He said at this time we will convene in executive session. Lies said the executive session will be recorded and all members of the governing body are reminded to limit their discussion during the executive session to the announced topic. Any collective decision, collective commitment, or other final action by the governing body must occur after it reconvenes in an open meeting, unless final action is specifically required by law to be taken during the executive session. The prohibition on taking final action during the executive session does not apply to providing guidance or instructions to our attorney or negotiator. Hansey asked the members of the public who were attending the meeting to leave the room. **Motion was made by Bajumpaa, seconded by Miller, to close the meeting to go into executive session for attorney consultation on contract negotiation NDCC 44-04-19.1. Motion carried with all voting ‘aye’.** The next agenda item was confidential under NDCC §44-04-19.1 in that the reason for subject is for attorney consultation on contract negotiations. The minutes will show that the executive session began at 5:49 pm o’clock and will reflect who was present for this executive session: Mayor Meryl Hansey, Council Members Marty Schmidt, Brett Lambrecht, Renelle Bertsch, Don Bajumpaa, Chris DeVries, Steve Dale, Perry Miller, and Lane Wateland, Finance Director Darcie Huwe, Public Works Director Dennis Miranowski, Police Chief Scott Thorsteinson, City Assessor Carla Broadland, Economic Development Director Jane Priebe, Librarian Melissa Bakken, City Attorney Steve Lies, City Finance Assistant Lynelle Amos, and Auditor’s Assistant Jerrilyn Cain.

Motion by DeVries, seconded by Lambrecht, to come out of closed session and re-open the meeting. Motion carried. The minutes will show that the executive session was adjourned and the meeting re-opened at 5:58 p.m. Hansey said the meeting was now back in open session.

The motion made in executive session was then restated. **Motion by Lambrecht, seconded by Miller, to approve the Richland County – City of Wahpeton Contract Proposal for Communications Services, Remote Terminal Server Provider and Courtroom Use Service Agreement with amendments as proposed. Motion carried with all voting ‘aye’.**

November 2016 Bill Pay Report

DISBURSEMENTS FUND	ACCOUNTS PAYABLE	PAYROLL & GL	TOTAL
101 GENERAL FUND	\$201,813.14	\$31,201.65	\$233,014.79
201 WATER OPERATING FUND	\$33,647.01	\$36,065.55	\$69,712.56
202 SANITARY SEWER OPERATING FUND	\$61,596.49	\$23,050.61	\$84,647.10
203 WASTE REMOVAL OPERATING FUND	\$22,612.00	\$845.04	\$23,457.04
204 WASTE REDUCTION FUND	\$903.92		\$903.92
205 VECTOR CONTROL FUND	\$68.89	\$1,292.58	\$1,361.47
206 STREET LIGHTING	\$10,579.15		\$10,579.15
209 LIBRARY LEVY FUND	\$6,178.59	\$11,548.31	\$17,726.90
216 AIRPORT 4-MILL LEVY FUND		\$494.96	\$494.96
226 EMPLOYEE SAFETY COMMITTEE	\$84.98		\$84.98
227 ANNUAL RESERVE WH FUND	\$34,694.30	-\$3,279.00	\$31,415.30
233 REAL ESTATE LEVY FUND	\$241.50		\$241.50
234 SPECIAL STREET MAINT FUND	\$79,157.93		\$79,157.93
235 SNOW/FLOOD EMERG LEVY FUND	\$7,587.30		\$7,587.30
236 LEEVE MAINTENANCE	\$763.22	\$7,800.09	\$8,563.31
240 SPECIAL TRANSPORTATION FUNDING	\$9,529.50		\$9,529.50
253 METER DEPOSITS TRUST FUND	\$66.77		\$66.77
271 ECONOMIC DEVEL DEPT FUND	\$3,144.54	\$13,653.72	\$16,798.26
303 MISCELLANEOUS FUND	\$33.00		\$33.00
318 WEED MAINT LEVY FUND	\$843.34		\$843.34
319 LODGING TAX FUND	\$221.96		\$221.96
320 SALES TAX OPERATING FUND	\$16,516.59		\$16,516.59
321 SALES TAX RESERVE FUND	\$12,000.00		\$12,000.00
324 SALES TAX MINI MATCH RSRV FUND	\$1,924.35		\$1,924.35
325 SALES TAX H.E.L.P. HOUSING FUND	\$130.00		\$130.00
326 REVOLVING LOAN FUND	\$10,000.00		\$10,000.00
393 DOWNTOWN CARE & MTC FUND	\$12,394.46		\$12,394.46

395 CERT	\$4.14		\$4.14
574 5-2-97 (FLOOD PHASE II)	\$6,482.70		\$6,482.70
622 3RD AVE N. RECON PROJ	\$18,461.04		\$18,461.04
636 16TH AVE. 11TH ST TO HWY 210	\$155,469.39		\$155,469.39
643 LIBRARY ROOF, WALLS & DOOR	\$654.64		\$654.64
647 WESTDALE PROJECT	\$1,073.29		\$1,073.29
649 WTP LIME SILO & SLAKER	\$10,549.00		\$10,549.00
650 PD RELOCATION	\$46,501.90		\$46,501.90
TOTAL	\$765,929.03	\$122,673.51	\$888,602.54

SCHEDULING OF COMMITTEE MEETINGS

The following Committee Meetings were then scheduled:

- a. Finance Cmt. December 27th, *NO REFERRALS . CANCELLED*
- b. Public Works Cmt. December 28th, 12:00 Noon
- c. Planning Commission January 3rd, 4:00 PM

Motion by Bertsch, seconded by Lambrecht, to adjourn at 6:01 p.m. Motion carried with all voting ‘aye’.

Mayor Hansey

Lynelle Amos, Finance Assistant