

Wahpeton City Council
February 6, 2017
5:00 p.m.

Present: Schmidt (via skype), Lambrecht, Bajumpaa, Hansey, DeVries, Dale, and Wateland

Absent: Bertsch and Miller

Also Present: Huwe, Lies, Miranowski, 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 January 17, 2017

Games of Chance Licenses, Site Authorizations & Special Permits:

Wahpeton Harmony Senior Center ó Bingo Permit

Wahpeton Wrestling Club ó Raffle Permit

Wahpeton Fire Dept. ó Raffle Permit

Richland Wilkin Relay for Life ó Raffle Permit

Richland Wilkin Relay for Life ó Bingo & Raffle Permit

NDSCS Diesel Club ó Raffle Permit

Other Games of Chance and/or special permits:

Kiwanis of Wahpeton-Breckenridge ó Raffle Permit

Presentation/Approval of Reports

Feb. 2017 Chamber Newsletter

2016 Economic Development Commission Snap Shot

Mayor Hansey asked if there were any items to be removed from the consent agenda and there were none. **Motion by Dale, 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

Proposals for Primary Depository – request referral to Finance Cmt. ó Huwe said a request for proposals for primary depository services was sent out on December 20th to all eligible depositories in Wahpeton. Five local banking institutions submitted proposals by the January 31st deadline. Selection criteria on the basis of service fees, earnings credit on deposits, fraud prevention services, customer education opportunities, financial strengths, quality of references and commitment to new technologies will be evaluated. Huwe requested review of proposals for depository services be referred to the Finance Committee. Mayor Hansey will refer this item to the Finance, Economic Development & Personnel Committee.

Tax Increment Financing District – request referral to Finance Cmt. ó Huwe said tax increment financing (TIF) is a municipal financing tool the city has utilized for multiple urban renewal/development projects. She said she would like to provide a status report on the infrastructure elements implemented using TIF, possible additional elements and the process for how and when TIF financing tools are applicable. She requested TIF Update be referred to both committees for review. Mayor Hansey will refer this item to the Finance, Economic Development & Personnel Committee, and also to the Public Works & Public Safety Committee.

Update on Fiscal Year End 2016 ó Huwe said the ND State Auditor's Office completed their field audit work last week on January 31st. She expressed her appreciation to all of the city staff for the part they play in financial management of public money. She especially wanted to acknowledge City Hall staffers Lynelle Amos, Jerri Cain, DeVy Johannessen and Cheryl O'Meara for their work in ensuring City financial information is timely and accurate. The City 12/31/16 Schedule of Fund Activity was printed in accordance with NDCC 40-16-05 on February 5th edition of the Daily News, and reflects the year end transfers approved at the January 17th Council meeting.

Capital Improvements Plan – Cmt. of the Whole March 6th ó Huwe said the current schedule for preliminary review of the City's 5 year Capital Improvements Plan includes a Committee of the Whole meeting following the March 6th City Council meeting. She asked Council members to please let her know if they have time constraints or would prefer a different meeting date.

Legislative Update ó Huwe reported today is the 23rd day of the 65th Legislative Session and the deadline for bills to be referred to the Appropriations Committees. If any proposed legislation needs budgeted monies to be effective it has most likely been introduced by today. Legislative tracking becomes a little easier and the stakes a little higher as the session proceeds, bills are culled from the 400+ and discussions continue on the very difficult topics of property taxes, essential service funding and state revenues. She noted the next Coffee with the Legislators is scheduled for February 18th at NDSCS.

City Hall Closed for President's Day Feb. 20th ó Huwe announced that due to the observation of President's Day on February 20th, the next Council meeting will be on Tuesday, February 21st.

ECONOMIC DEVELOPMENT DIRECTOR

Economic Development Report ó A printed Economic Development Department Activity Report was provided. In Priebe's absence, Dale provided the Economic Development report. He requested referral to the Finance Committee of BCBS/Noridian Incentive Agreement. Mayor Hansey will refer this item to the Finance, Economic Development & Personnel Committee. He requested referral to Planning Commission of Discussion on updating the 2010 Housing Study. Mayor Hansey will refer this item to the Planning Commission. Dale reported a request for a State Flex PACE interest buy down for the Boiler Room-Wahpeton restaurant project was heard again at a special EDC meeting January 25th. An adjustment in the community share of interest buy down was requested as there are more dollars from Bank of ND shared with Bell State Bank (lead lender) added to the total project cost. In June last year, up to \$9,000 in buy down money was requested and approved. That present value amount is now \$19,172 as the loan amount needed to increase from \$170,000 to \$385,000. Additional investment from 10 guarantors also increased, a private loan was added, a \$50,000 RLOC (revolving line of credit) and a \$50,000 Downtown Revitalization Loan are all included to cover total project costs of \$710,000. The business will be a tenant at 404 Dakota Avenue (space formerly occupied by the Frame Shop). The buy down will help reduce the current interest rate from 5.75% to 1%. Term is set at 6.67 years. Flex PACE buy downs are reviewed on a case by case basis and follow the EDC guidelines which are: FLEX P.A.C.E. (1) this feature provides interest buy downs to borrowers that do not fit into the traditional definition of PACE qualifying business. Under this program, the community determines eligibility and accountability standards. (2) Because of this flexibility, each FLEX PACE project will be reviewed on a case by case basis and payback term and conditions will be negotiated up front. Dale said the EDC recommends the City Council approve a Flex PACE interest buy down for DPKN, LLC d/b/a the Boiler Room-Wahpeton in the amount of \$19,172 with a payback at the end of 6.67 years (beginning November 2023) of \$19,172 at 1% interest rate and annual payments of \$3,950.20 over a five year term. **Motion by Dale, seconded by Lambrecht, to approve a Flex PACE interest buy down for DPKN, LLC d/b/a the Boiler Room-Wahpeton in the amount of \$19,172 with a payback at the end of 6.67 years (beginning November 2023) of \$19,172 at 1% interest rate and annual payments of \$3,950.20 over a five year term. Motion carried with a roll call vote of 6-0.**

Dale reported the Wahpeton Community Development Corporation annual meeting was held Monday, January 30th. Five directors with terms expiring were re-elected unanimously to another 3 year term. There were 7 Board members present (out of 15) and a simple majority of the 48 WCDC membership attended. Guest Speaker Tim Rogelstad, President of OtterTail Power Company, reviewed “*Trends Transforming the Electric Power Industry.*” WCDC Officers are elected at the February Board meeting which will be held February 15, 2017.

Dale said a special City Council meeting was held Tuesday, January 10th, to reconfirm action taken February 1, 2016 regarding the Renaissance Zone Purchase with Major Improvements application from Brew 2, Inc. An updated Taxpayer in Good Standing Certificate, approved again by the City Council, is required if the certification is more than 6 months old. Brew 2, Inc. has received their pre-approval for this program.

Reviewing other Economic Development office activity, Dale said a press release regarding new Department of Commerce Commissioner appointment to local entrepreneur Jay Schuler. Schuler will begin his new role on February 27th. A native of Wahpeton and neighboring Breckenridge, MN, is a founding investor in both GIANT Sunflower Seeds and Richland IFC. He also is an original investor in Ag America Network, carried by more than 30 radio stations in the Dakotas. One of Schuler’s priorities will be to advance Governor Burgum’s Main Street Initiative, focusing on developing a skilled workforce, efficient infrastructure and vibrant communities. Dale also reported Boiler Room-Wahpeton is expected to finalize loan documents mid-February. A JSEC (Job Service Employer Committee) meeting was held at the Chamber office, where it was reported there are 235 job openings in a 25 mile radius of Wahpeton & all manufacturers are hiring. Brew Ales & Eats and Events Center has received final SBA approval for financing and have already launched their *city brew hall* Facebook page. He also reported former SD Governor’s Office of Economic Development Alex Smith is now the new EDA representative for our region.

Dale then reported the Community Enhancement Organization met February 2nd and reviewed the 2017 budget, priority list, and funds available for projects (just over \$116,000). The group discussed Dakota Avenue Flag protocol, increased the budget for tree project along Briarwood and also discussed Music on Dakota Avenue. While not a 2017 priority item, the anniversary of the Flood of 1877 was briefly discussed. A bronze plaque for the overlook near the Volunteer Park will hopefully be installed by April 2017. The next meeting is scheduled for March 2nd at 8:00 am at City Hall.

Dale said there was also an update on the Tractor Supply (the former Pamida building), and if everything proceeds as planned they are hoping for an opening in late April or May.

PUBLIC WORKS DIRECTOR

PW Report & Miranowski requested referral to Public Works Committee **of consideration of an Easement to OtterTail Power Company for the Installation of an Overhead Electric Line on the West Side of Pond #1.** Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee **of consideration of some Potential Snow Plow Policy Revisions.** Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee **of Change Order #2 for the 16th Avenue North Reconstruction Project.** Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee of **Replacement of Three Culverts under 16th Avenue North West of Walmart**. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee of **CEO Recommendation for Protocol for Large Flag on Dakota Avenue**. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski requested referral to Public Works Committee of **2017 Budget Dollars to Replace Vector Control Pickup**. Mayor Hansey will refer this item to the Public Works & Public Safety Committee.

Miranowski reported that all the ashes have been screened at the tree dump site. He said several trees have been hauled to the site due to a project just west of the site so may consider doing another burn sometime in March. Miranowski said the sewer shop roof is close to completion. The meter replacement program currently has 28 meters left to change out. Lime slakers are being checked out for the Water Treatment Plant. DO ∞ on Pond #1 are holding around the 4 range so are doing well. They are pouring footings for the zebra building. Meetings have been held regarding the 3rd Avenue North project to discuss solutions for funding. A Committee of Whole meeting will be held in the next few weeks to discuss options. Lambrecht said he has been approached by residents who would like to donate money for a replacement flag for the large one on Dakota Avenue. Dale felt this could be discussed at the next Public Works meeting as he had some suggestions on how it should be handled.

COMMUNICATIONS FROM THE MAYOR & COUNCIL

Dale requested some items be referred to the Public Works Committee, which were: Parking Regulations near the Museum; a Flood Related Project ó the Demolition of a Building; and the Review of some Public Works Operations. Mayor Hansey will refer these items to the Public Works & Public Safety Committee.

REPORTS FROM THE CITY COUNCIL COMMITTEES & BOARDS

Finance, Personnel & Economic Development Committee Report (No meeting held 1/23/17)

Public Works Public Safety Committee Report (No meeting held 1/24/17)

UNFINISHED BUSINESS

Lambrecht said he received a packet of flood plain information and wondered if it should be reviewed by committee or if it will affect Wahpeton. Miranowski did not feel the City should be alarmed at this time but would be addressed at Flood Committee if need be.

SCHEDULING OF COMMITTEE MEETINGS

The following Committee Meetings were then scheduled:

- a. Finance Committee February 13th, 12:00 Noon
- b. Public Works Committee February 14th, 12:00 Noon
- c. Planning Commission February 16th, 4:00 P.M.

Motion by Lambrecht, seconded by DeVries, to adjourn at 5:25 p.m. Motion carried.

Mayor Hansey

Lynelle Amos, Finance Assistant