

Wahpeton City Council
September 17, 2018
5:00 p.m.

Present: Miller, Bohn, McCann, Dale, Lambrecht, Bertsch, Wateland, and McNary

Absent: Bajumpaa

Also Present: Huwe, Lies, Miranowski, Thorsteinson, Broadland, DeVries, Bakken, and Cain

CALL TO ORDER

Meeting called to order by Mayor Dale.

PUBLIC HEARINGS/CITIZEN CONCERNS/ETC.

2019 Budget Hearing – Ordinance No. 994 ó Huwe welcomed everyone to the 2019 Budget Hearing. She explained the 2019 preliminary budget was presented to the Council on July 30th. The budget was posted to the City website the same day and has been viewed 148 times by 102 unique IP addresses. The budget has been included on each council committee meeting agenda and several amendments are proposed to reduce budgeted expenditures in the Street Department, Police Department, Public Works Department, and reallocation/suspension of expenditures in the Capital Improvements Fund. For the purpose of the public hearing, Huwe said she planned to review highlights in the preliminary 2019 budget, the implementation of legislative changes on the budget process, opportunity for council and public input and finally, proposed amendments and then a request for a motion to offer the adoption of the 2019 Budget in Ordinance No. 994.

Highlights were reviewed as follows: 1) The budget process is intended to encourage trust and public participation by providing easily accessible information about council activities, public meetings, and city finances. Council members and staff are dedicated to serving the residents and providing fiscally responsible, sustainable and resilient city services that will adapt to the changing needs of our community. 2) The 2019 projected mill levy for city services is estimated to decrease from the current rate of \$1,794,728 in the 2018 budget to \$1,761,503 in the 2019 budget. 3) Property taxes represent 16% of all city revenues (before transfers). The council continues to evaluate and strive to lessen the dependency on property tax revenue in the delivery of city services. Total mills levied have decreased 24.33 (-20%) over the past six years (2013-2018). Total dollars levied have decreased \$42,924 (-2%) while the city's property tax base true and full valuation has increased \$65,156,242 (+22%). 4) City services directly dependent upon property taxes include police, fire, and the Leach Public Library. The estimated 2019 property tax liability for city services on a \$200,000 home is \$849. The estimated cost of telephone/internet services to the same home for one year is \$1,500. The mills levied for city services have decreased each year since 2010. The dollars levied for city services have decreased each year since 2013. 5) The 2017 Legislature implemented changes in the budgeting process for political subdivisions resulting in a consolidated notice of estimated property tax and notice of budget hearing dates. Property owners received these notices by August 31st, and now have an opportunity to review their property value and the proposed property tax levies of all taxing entities. 6) The General Fund budget is projected to increase \$130,091 (+3%). 7) Total payroll costs are projected to increase \$211,348 (+6%) with an additional FTE in the Police Department and a projected 15% increase in health insurance rates effective July 1, 2019. 8) Permanent financing of capital projects influence the 2019 budget in excess of \$4,000,000 for 2019. The completion and sales tax funding of the 3rd Avenue North Project and the East Side Sanitary Sewer Project Phase A are significant financial milestones.

The Council met as a Committee of the Whole to discuss proposed amendments on September 11th. The Mayor, Council and staff have reviewed the proposed changes. The Mayor, Public Works

Director, Chief of Police and Huwe have followed up on the Committee of the Whole discussion and agreed the budget amendments proposed tonight are well aligned with the budget goals for the efficiency and integration of prioritized capital improvements into the adopted budget. The net effect of the changes will result in an additional \$23,625 of revenue being transferred from the General Fund to the Capital Improvements Fund and an increase in the Capital Improvements Fund of \$116,500 for the Council to prioritize capital improvement projects. Huwe then asked for any questions. Dale asked if there was anyone present to provide testimony and there was none. He then asked Huwe if there were any written or oral protests, which she answered there were no protests just inquiries. Discussion held regarding the proposed amendments. **Motion by Lambrecht, seconded by McCann, to approve the amendments to the proposed 2019 Preliminary Budget as presented. Motion carried with a roll call vote of 7-0.**

Council member Lambrecht offered the second reading of the following Ordinance:

ORDINANCE NO. 994
AN ORDINANCE MAKING AN APPROPRIATION FOR THE CITY OF
WAHPETON, NORTH DAKOTA FOR THE YEAR 2019

The motion for the adoption of the foregoing Ordinance was duly seconded by Councilmember McCann. Motion carried with a roll call vote 7-0. The Public Hearing was then concluded.

CONSENT AGENDA ITEMS (presented by the Mayor) ó

Approval of minutes of regular meeting held September 4, 2018

Games of Chance Licenses, Site Authorizations & Special Permits:

VFW Raffle Permit

NDSCS Auto Tech Club Raffle Permit

Other Games of Chance and/or Special Permits:

Three Rivers Gymnastics Site Authorization at the Boiler Room

Three Rivers Crisis Center Raffle Permit

Presentation/Approval of Reports

August 2018 Financial Reports

August 2018 Bill Pay Report \$1,504,333.78 (\$521,097.50 payments to contractors) ó see below

Rosewood Shared Use Path Impact Letter

North Dakota Workforce Survey 2018 ó Summary of Findings

Mayor Dale asked if there were any items to be removed from the consent agenda and there were none.

Motion by Bohn, seconded by McCann, to approve the Consent Agenda items as presented.

Motion carried with all voting ‘aye’.

REPORTS FROM CITY OFFICERS AND STAFF

FINANCE DIRECTOR

Request Special Assessment Confirmation Hearing at 5:00 p.m. Oct. 15th, 2018 ó Huwe said the Special Assessment Commission has reviewed the proposed special assessments for the 2017 Evergreen West Project and the 2017 Alley Reconstruction Project. The total costs of the two projects is \$115,000, and there are 20 parcels and 14 property owners that have received letter notifications and been included in these special assessment proceedings. Huwe requested a motion for the Council to schedule a public hearing on October 15th at 5:00 p.m. to confirm and direct the assessment of these projects. **Motion by Bertsch, seconded by McCann, to approve Scheduling a Public Hearing on October 15th, 2018 at 5:00 p.m. to Confirm and Direct the Assessment of the 2017 Evergreen West Project and the 2017 Alley Reconstruction Project. Motion carried with all voting ‘aye’.**

Joint Powers Agreement Draft with Wahpeton Park Board – request referral to Finance Cmt. ó

Huwe said on September 4th the Council approved a \$400,000 grant to the Wahpeton Park Board for player and spectator safety improvements at John Randall Field, and the City Attorney suggested a joint powers agreement between the City and the Park Board to ensure all conditions of the grant are documented and agreed to by both political subdivisions. Huwe requested referral to the Finance Committee for review of the draft agreement. Mayor Dale will refer this item to the Finance, Economic Development & Personnel Committee.

2018 Capital Improvements Budget Reallocations – request referral to Finance Cmt. ó

Huwe said Fund 229 is referred to as the Capital Improvements Fund. Dollars are collected, reserved and expended from this fund for major equipment purchases, vehicle purchases and planned building maintenance, primarily for the General Fund related departments. At times items are purchased for less than budgeted or not acquired for other reasons. Huwe requested referral to the Finance Committee for review of possible re-allocations of the 2018 Capital Improvements Fund. Mayor Dale will refer this item to the Finance, Economic Development & Personnel Committee.

Pre-Legislative Session Discussion – request referral to Finance Cmt. ó Huwe said the 66th ND Legislative Assembly is scheduled to begin on December 3rd for its organizational session with the kick-off State of the State address on Thursday, January 3rd. Several important issues have been reviewed by interim committees with over 96 interim committee bill drafts submitted by September 6th. Huwe requested referral to the Finance Committee for discussion. Mayor Dale will refer this item to the Finance, Economic Development & Personnel Committee.

ND League of Cities Annual Conference Sept. 14th-15th ó Huwe reported the ND League of Cities Annual conference was held in Grand Forks September 14th-15th. Major topics reviewed include proposed infrastructure funding alternatives, the Governor's Main Street Initiative and awards, 5G cell service hardware siting issues, medical marijuana, drones and how cities may use them and regulate their use. Huwe said several of the topics presented will be discussed at the next Finance Committee meeting pre-legislative discussion. She then reported the highlight of the conference was noted during the Awards Luncheon on Saturday when our City Attorney Steve Lies received the 2018 Leadership Excellence Award for Outstanding City Appointed Official. Congratulations was shown to Lies through a round of applause.

ATTORNEY

Request Second Reading of Ordinances 995 & 996 regarding ownership and maintenance of water and sewer service lines ó Lies explained Ordinance 995 amends the water service lines whereby the owner of a property will be responsible for installing it and once it's installed the City's responsible for the line up to and through the maintenance of the curb stop which the City will own.

Council member Wateland offered the second reading of the following Ordinance:

ORDINANCE NO. 995
AN ORDINANCE AMENDING SECTION 44-95
MAINTENANCE OF WATER SERVICE LINES

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

Lies then explained Ordinance 996 which is similar to 995 but dealing with sewage whereby the City will be responsible from the main to the Y and the property owner is responsible from the Y into the property itself.

Council member Bohn offered the second reading of the following Ordinance:

ORDINANCE NO. 996
AN ORDINANCE AMENDING SECTION 44-141
MAINTENANCE OF SANITARY SEWER SERVICE LINES

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

COMMUNITY DEVELOPMENT DIRECTOR

DeVries requested referral to Finance Committee of the Gateway Enhancements. Mayor Dale will refer this item to the Finance, Economic Development & Personnel Committee.

DeVries then gave a reminder of the return of the Classy and Classic Car Show being held on Thursday, September 27th at 5:00-7:00 p.m. on the 400 and 500 Blocks of Dakota Avenue in conjunction with NDSCS Homecoming Week. Staging will begin at 4:30 p.m. and entrants should enter via 5th Street South and check in at the registration table. All are welcome to attend this event which will feature cars, trucks, food, music, awards, kidsøgames, and fun. The event is sponsored by the local dealerships ó Dakota Chrysler Center, Smith Motors, and Vision Ford.

LIBRARY DIRECTOR

Library Report ó Bakken reported Childrenø Librarian Kercher is on an extended vacation and some of the childrenø programming is being delayed until she returns. Patrons were asked to check the library website for the calendar of events. The Leach Reads Book Club will meet this Wednesday at 1:30 p.m. in the lower level of the library. Library Board meeting is scheduled for September 27th at 4:00 p.m. in the library lower level activity room.

PUBLIC WORKS DIRECTOR

PW Report

Lift Station No. 1 Wet Well Lining (CIP Proj. 196) ó Miranowski asked for approval of plans and specs and to authorize advertisement for the receipt of bids for the Master Lift Station No. 1 Wet Well Coating, Repairs and Upgrades to the PLCø and MCCø in the station. He said he is bringing it forward at this time due to wanting to get it started before winter. Miranowski had the plans and specs available. If authorized, there will be an October 18th bid opening. Substantial completion is expected by December 15th with final completion by March 1st. **Motion by Lambrecht, seconded by Bertsch, to approve the Plans and Specs and to Authorize Advertisement for Receipt of Bids for Lift Station No. 1 Wet Well Lining Project No. 18-240 (CIP Project 196).** Discussion held. **Motion carried with all voting ‘aye’.**

Miranowski reported ground spraying for mosquitoes would take place tomorrow evening due to counts being up over the weekend.

REPORTS FROM THE CITY COUNCIL COMMITTEES & BOARDS

Finance, Personnel & Economic Development Committee Report

McCann said the Finance, Personnel & Economic Development Committee met at noon on September 10th.

BND Flex PACE Interest rate buy down for Silver Beagle Management – motion to recommend approval up to \$21,010.84 ó **Motion by McCann, seconded by Bertsch, to approve the Community Share of a BND Flex PACE Interest Buy-down of up to \$21,010.84 as a loan with payback beginning in 5 years for Silver Beagle Management Services LLC DBA Firehouse Pub from the Sales Tax for Economic Development Fund.** Motion carried with a roll call vote of 7-0.

2019 Preliminary Budget

Demolition Permit Fees – motion to recommend Resolution No. 3705

Council member McCann offered the following and moved its adoption:

RESOLUTION NO. 3705
**RESOLUTION AMENDING RESOLUTION NO. 3687, ESTABLISHING BUILDING
AND DEMOLITION PERMIT FEE SCHEDULE**

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

400 Block Development Agreement Update – discussion

Art for Public Display – motion to recommend approval up to \$5,000 from the 1% Restaurant Tax Fund to acquire sculptures for the Chahinkapa Park Sculpture Garden contingent upon Park Board approval ó Motion by McCann, seconded by Bertsch, to approve up to \$5,000 from the 1% Restaurant Tax Line Item for Art for Public Display for the purchase of two metal sculptures for the Chahinkapa Park Sculpture Garden contingent upon Park Board approval. Motion carried with a roll call vote of 7-0.

Public Works & Public Safety Committee Report – No Meeting Held (Items below are ongoing discussions) **Chickens Within City Limits**

Revisions to Ordinance Regarding Off-Street Parking/Front Yard Parking

Dakota Ave. Traffic Signal Timing

Revisions to Ordinance Regarding Parking/Licensing of Recreational Vehicles

Yard/Clutter Updates

Building Official Updates

August 2018 Bill Pay Report

DISBURSEMENTS FUND	ACCOUNTS PAYABLE	PAYROLL & GL	TOTAL
101 GENERAL FUND	\$239,789.44	\$30,874.91	\$270,664.35
201 WATER OPERATING FUND	\$197,437.72	\$46,741.21	\$244,178.93
202 SANITARY SEWER OPERATING FUND	\$68,557.75	\$27,085.38	\$95,643.13
203 WASTE REMOVAL OPERATING FUND	\$31,047.86	\$989.44	\$32,037.30
204 WASTE REDUCTION FUND	\$869.52		\$869.52
205 VECTOR CONTROL FUND	\$1,236.31	\$4,255.90	\$5,492.21
206 STREET LIGHTING	\$11,369.25		\$11,369.25
209 LIBRARY LEVY FUND	\$12,739.90	\$12,925.47	\$25,665.37
216 AIRPORT 4-MILL LEVY FUND		\$494.96	\$494.96
226 EMPLOYEE SAFETY COMMITTEE	\$139.99		\$139.99
227 ANNUAL RESERVE WH FUND		-\$3,328.34	-\$3,328.34
229 CAPITAL IMPROVEMENTS FUND	\$553.57		\$553.57
234 SPECIAL STREET MAINT FUND	\$23,365.25		\$23,365.25
236 LEVEE MAINTENANCE	\$3,703.90	\$10,096.82	\$13,800.72
253 METER DEPOSITS TRUST FUND	\$149.38		\$149.38
271 ECONOMIC DEVEL DEPT FUND	\$6,593.91	\$13,920.88	\$20,514.79
315 TAX INCREMENT FUND	\$1,250.00		\$1,250.00
317 JOB DEVELOPMENT LEVY FUND	\$12,920.00		\$12,920.00
318 WEED MAINT LEVY FUND	\$2,001.00		\$2,001.00
319 LODGING TAX FUND	\$1,193.04		\$1,193.04
320 SALES TAX OPERATING FUND	\$110,323.43		\$110,323.43
324 SALES TAX MINI MATCH RSRV FUND	\$187.30		\$187.30
325 SALES TAX H.E.L.P. HOUSING FUND	\$160.00		\$160.00
326 REVOLVING LOAN FUND	\$8,629.07		\$8,629.07
328 150TH ANNIVERSARYRESERVE	\$51.77		\$51.77

365 PD SPEC EQUIP SINKING FUND	\$359.18		\$359.18
390 CLUBHOUSE MAINTENANCE	\$9,300.00		\$9,300.00
393 1% RESTAURANT TAX FUND	\$3,969.63		\$3,969.63
401 BDSGC CART SUBLEASE	\$3,499.00		\$3,499.00
463 R/I #11716 BND LOAN 2016	\$46,686.65		\$46,686.65
465 R/I #11918 SERIES 2018A DWSRF	\$3,475.32		\$3,475.32
466 R/I #12018 SERIES 2018B CWSRF	\$36,457.51		\$36,457.51
574 5-2-97 (FLOOD PHASE II)	\$1,163.00		\$1,163.00
622 3RD AVE N. RECON PROJ	\$481,553.58		\$481,553.58
639 E. SANITARY SEWER 13-02-02	\$35,565.42		\$35,565.42
649 WTP LIME SILO & SLAKER	\$1,384.00		\$1,384.00
655 WESTSIDE MASTER PLAN 2017	\$161.00		\$161.00
656 16TH AVE. N. MILL OVERLAY TIF	\$2,226.50		\$2,226.50
660 WESTGATE COMMONS ST18-238	\$207.00		\$207.00
TOTAL	\$1,360,277.15	\$144,056.63	\$1,504,333.78

SCHEDULING OF COMMITTEE MEETINGS

The following Committee Meetings were then scheduled:

- a. Finance Cmt. September 24th, 12:00 Noon
- b. Public Works Cmt. September 25th, 12:00 Noon

ADJOURNMENT

Motion by Lambrecht, seconded by McCann, to adjourn at 5:35 p.m. Motion carried with all voting ‘aye’.

Mayor Dale

Lynelle Amos, Finance Assistant