

**Special Wahpeton City Council Meeting**  
**Committee of the Whole**  
**July 8, 2024**  
**4:00 p.m. – Wahpeton City Hall**

**City Council Present:** Mayor Brett Lambrecht, Council Members: Shannon Schillinger, Chad Perdue (remotely), Dr. David Woods, Jason Goltz, Tiana Bohn, Renata Fobb, and Cory Unruh

**Absent:** Kelly McNary

**City Staff Present:** Darcie Huwe, Dennis Miranowski, Carla Broadland, Chris DeVries, Matthew Anderson, Tim Appell, Kyle Rogahn, Lynelle Amos, Cheryl O'Meara, and Assistant City Attorney Will Budke

**Others Present:** Duane DeKrey-General Manager for Garrison Diversion Conservancy District, Tami Norgard-Attorney for Red River Valley Water Supply Project, Shawn Gaddie-AE2S Nexus, and Steve Burian-Burian & Associates/Managing Engineer for RRVWSP, Jeff Becker-SE Water, Steve Hansen-SE Water Users, Jay Anderson-Vice Chair Garrison Diversion & SE Water, Perry Miller-Richland County Commissioner, Kelly Klosterman-Richland County Garrison Diversion Director, Zach Hatting-Interstate Engineering, Nathan Berseth-Richland County Commissioner, Sandy Fossum-Richland County Auditor, Neil Crocker-City of Breckenridge, Hope Karlgaard-City of Breckenridge, Steve Dale-Wahpeton Resident, Tom Seliski-Breckenridge Public Utilities Commissioner, Russ Wilson-Mayor City of Breckenridge, Evie Fox-Breckenridge City Council, Scott Wermerskirchen-Breckenridge City Council, Greg Bischoff-Garrison Diversion Director/Barnes County, Alisa Mitskog-ND Representative, Paul Boersma, Kip Kovar, and Merri Mooridian-via Teams, and Jerri Lynn-Wahpeton Resident (remotely)

**CALL TO ORDER**

Meeting called to order by Mayor Lambrecht at 4:00 p.m. The Pledge of Allegiance was then recited.

**Red River Valley Water Supply Project Memorandum of Commitment**

Public Works Director Miranowski introduced the presenters Duane DeKrey-General Manager for Garrison Diversion Conservancy District, Tami Norgard-Attorney for Red River Valley Water Supply Project (RRVWSP), Shawn Gaddie-AE2S Nexus, and Steve Burian-Burian & Associates/Managing Engineer for RRVWSP. Introductions were then made by other attendees present. A powerpoint presentation highlighting updates as a follow-up to a meeting recently held regarding the Red River Valley Water Supply Project (RRVWSP) 2024 Regional Users was reviewed. RRVWSP is an economic development initiative and a long-term emergency water supply. The city of Wahpeton has been part of this initiative since 2016 but decided to focus on data collection on the Wahpeton Buried Valley Aquifer instead. The City has received inquiries from large industrial projects that need water requiring additional allocation out of the aquifer which the State Water Commission will deny. The project is a supplemental water supply with a total cost of \$1.26 billion. Project benefits identified: supplement inadequate existing surface water supplies during drought, supplement limited groundwater supplies in central ND and Red River Valley, provide additional industrial water supply, mitigate fluctuations in water availability due to changing climate conditions, and provide additional economic benefits. This would direct water from the McClusky Canal intake of the Missouri River to the Sheyenne River at Cooperstown and exit at Fargo. It was noted the costs discussed are just for the primary transmission line, a branch line from the Sheyenne River low-head dam at Lisbon would be required before water would be available to Wahpeton. Past nominations for local domestic and industrial water were reviewed. The branch pipeline anticipated water use options were also reviewed. Funding received this biennium includes a \$240 million work plan that is in motion with major construction progress being made, \$180 million from the State Water Commission, and \$60 million borrowed from BND. The State also made an intent of \$953 million at 75% cost share. The commitment is based on a 10-year build utilizing ENDAWS. Costs include capital, core system operations, maintenance, administration, reserves, and debt service for the primary line to Cooperstown. User allocation is based on nomination total, type, and location, and all original PDA systems participating. Financing terms with BND WIRLF are for 40 years at 2% sculpted principal, 2-year repayment deferral, and interest only years 3 through 5. The projected user costs and billing impact were then reviewed.

The cost share for Wahpeton for this part of the project is \$1,215,413.89 with payments starting in 2027 and ending in 2064. The debt service amounts range from \$26,118 to \$59,749 over the 40-year amortization. The proposed branch pipeline from Lisbon to Wahpeton is estimated to have a maximum cost of \$93,654,143 with debt service on the construction attributed to Wahpeton cfs nomination of 15 at \$855,899. Next steps include a signed memorandum of commitment by July/August 2024 and a signed project participation agreement by December 2024. A Series D Small Systems Amendment would also need to be done and is not refundable. (Cory Unruh entered at 4:56pm) Questions were then fielded regarding whether consideration has been given for industrial user cost participation, the costs for the branch pipeline/what the lateral line will cost, and what would happen during a dry year. Lambrecht then thanked those present for attending. This portion of the meeting was ended at 5:23 p.m. and non-City of Wahpeton attendees exited the meeting. A five minute recess was then taken. (Chad Perdue exited the meeting)

**2025 Preliminary Budget – Proposed Tax Levy** – A preliminary certification of levy was provided, which should be provided to the Richland County Auditor by August 1<sup>st</sup>. First reading of budget ordinance will be at the first council meeting in September with adoption at the second meeting. It is being proposed to hold level in dollars at \$2,119,856 which would decrease the mill rate to 78.01 from 84.09 the previous year, a 7.23% decrease. It was noted for the average homeowner their value is going to increase 4% as was approved at a recent Equalization meeting, which allows for this proposed hold level levy. If we held level in mills at 84.09 there would be a 4% increase in resident's taxes for city services which would produce another \$163,042 in revenues to the city. A copy of the 2025 preliminary expense budget was provided. Council members were asked to review the document prior to the next council meeting. Any questions or suggestions can be directed to Huwe. Discussion held.

**2024 Concrete Repair Quote – Request to Award** – Rogahn said two quotes were received for the 2024 Concrete Repair Project, one from Heitkamp Construction Co., Inc. at \$57,750.00 and one from Comstock Construction at \$49,751.05. It was noted other local contractors who were solicited for quotes were not interested in providing a quote. With Comstock Construction being the low quote, Rogahn requested approval of the quote and reviewed the proposed funding sources for the project which were \$30,901.70 from Special Street Maintenance, \$10,708.40 from Restaurant Tax, and \$8,140.95 from Storm Water Utility. **Motion by Unruh, seconded by Schillinger, to approve the quote from Comstock Construction, Inc. for the 2024 Concrete Repairs Project in the amount of \$49,751.05, with \$30,901.70 from Special Street Maintenance, \$10,708.40 from Restaurant Tax, and \$8,140.95 from Storm Water Utility. Motion carried with a roll call vote of 6-0.**

**BND Flex PACE Loan Personality Properties – Request to Approve** – DeVries explained a BND Flex PACE interest buydown application was received from Personality Properties, LLC, to assist with moving their business, Total Personality, across the street to the former JCPenny buildings. The Community buydown amount was approximately \$27,700, but the City was able to use In-Kind funds to cover its portion as funding of over \$40,000 has already been provided for this project through low interest loans and a Mini-Match+ grant. This is the first time the city has utilized this option. **Motion by Bohn, seconded by Fobb, to approve the City's participation in the BND Flex PACE Loan interest buydown for Personality Properties, LLC in an amount up to \$27,700 using In-Kind Funds. Motion carried with a roll call vote of 6-0.**

**Motion by Goltz, seconded by Schillinger, to adjourn the meeting at 5:47 p.m.**

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Mayor Brett Lambrecht

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Lynelle Amos, Finance Assistant