

**APPROVED MINUTES
OF THE SPECIAL CITY COUNCIL MEETING
CITY OF EAST GRAND FORKS
TUESDAY, AUGUST 19, 2014 – 5:00 PM**

CALL TO ORDER:

The Special Meeting of the East Grand Forks City Council for August 19, 2014 was called to order by Council President Buckalew at 5:17 P.M.

CALL OF ROLL:

On a Call of Roll the following members of the East Grand Forks City Council were present: Mayor Lynn Stauss, Council President Craig Buckalew, Council Vice President Greg Leigh, Council Members Clarence Vetter, Dale Helms, Henry Tweten, Mark Olstad, and Chad Grassel.

Dave Aker, Parks & Recreation Superintendent; Karla Anderson, Finance Director; Nancy Ellis, City Planner; Mike Hedlund, Police Chief; Charlotte Helgeson, Library Director; Gary Larson, Fire Chief; David Murphy, City Administrator/Clerk-Treasurer; Megan Nelson, Executive Assistant; and Jason Stordahl, Public Works Director.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present

NEW BUSINESS:

1. Discussion of Preliminary 2015 Budget

Mr. Murphy stated this was the preliminary budget meeting, that staff had been working on putting estimates together for the budget, and how there was a long way to go. He said how he had asked the department heads to put estimates together for what they need to have their departments run at an optimal level. He added how there had been many discussions on projects but there are limited resources so they will be asking the council to set priorities. Council Vice-President Leigh stated that looking at the documents that were handed out it looks like the City is already overspending and how there is no intention of spending more than what the budget allows. Council member Tweten commented how there had been an increase in valuations in the community so even if the council decides on an increase it doesn't mean there was going to be a tax increase for the residents. Mr. Murphy reminded the council that once they set the preliminary budget they cannot go up from that with the final budget.

Ms. Anderson reviewed the handouts explaining how there 5% levy increase included. She explained other adjustments in salaries, how a portion of the EDHA budget would be coming out of the general fund, and how there was not any capital outlay projects included in the proposed budget except for street maintenance. Mr. Murphy stated that each department head would be making a brief presentation on their proposed budgets.

Chief Hedlund reviewed staffing changes, explained how the funding for the drug task force was changing, and where there were increases to the budget compared to the year before. He mentioned they

would like an impound building, carpet and paint in the police department, and an increases in overtime, small tools and equipment, repairs and maintenance, and there was a need to purchase new radios. Council member Olstad asked him to explain the expansion of the task force. Chief Hedlund stated how the task force had been only departments working together within Polk County and the task force was now expanding to include many of the counties to the north through partnering up by them either supplying a person, funding, or being a liaison. He added how they are working on the grant application to help cover some of the costs.

Chief Larson reviewed his budget and stated how there are proposed increases to travel expenses, how he is working on a grant for emergency management, and an increase in uniforms. He added how there were some capital items of furnace replacement, the replacement of the 1994 suburban and how there was someone interested in purchasing it, needing an overlay on the parking lot at Station #2, and in the future an engine will need to be replaced. He said his last item was radios. He explained how they are looking at the City as a whole and try to replace so all departments can communicate in the case of an emergency. Discussion followed about how many radios might be needed, how they are looking at how they can keep the costs down, how Polk County is already utilizing the 800 system, and how narrow banding has its limits. Chief Larson also mentioned they were trying to get defibrillators in all of the City buildings.

Mr. Stordahl reviewed his budget and stated that most of the increases were due to rise in the cost of materials like sand, salt, and fuel. He stated how the prices had not been changed for the capital projects. He added how the concrete door approaches are deteriorating and will need to be repaired along with spots in the Public Works yard. He stated that the street sweeper could be pushed back but the purchase of a slope mower is needed because of the many repairs the mower needed this year. Council Vice-President Leigh asked what the maintenance schedule was for the mowers. Mr. Stordahl explained there were things checked daily, weekly, and how everything is checked over before they are put away for the year. Mr. Stordahl also reviewed other capital improvement projects which included an increase to the street maintenance fund and the purchase of a new refuse truck. He said how the fund to repair the outfalls seems adequate as well as the \$60,000 set aside for waste water maintenance of the lifts and pumps.

Mr. Aker stated the park and recreation budget was close to what it has been the previous year. He reviewed his budget which included an increase to the flower and tree line item since more trees need to come down next year. He stated how a mower will need to be replaced in the cemetery, new sprinkler heads are needed as well as new slabs. He went over items needed at the Civic Center, upgrades needed at the VFW Arena, and the Park Shop. Discussion followed about how park shelters are included in the budget starting in 2017 and the suggestion of upgrading the parks using funds from lot sales. Mr. Aker said other items that were being considered included a patio for the Senior Center and a pickup for the park shop. Ms. Anderson added that the girls locker room is being scheduled for 2015 and how the City is looking into bonding for this project. She also added how staff has been looking into grant dollars for park and ride since Digi-Key employees are parking at the Civic Center and explained how R22 is going away, how the City has enough at this time, but will be looking into a possible change over for the future. More discussion followed about a mower for the cemetery and possible attachments that would allow for it to be used year round.

Ms. Ellis stated that there are no capital improvements for inspections. She stated how this budget includes the salaries for a code enforcement officer and administrative assistant who will be helping

with a variety of office duties. She explained how there was an increase in professional services to pay for IT assistance from Water and Light to help with a GIS system. She reviewed the rest of the budget for the Community Development Office and the budget for the City Hall building which had increases in repairs and utilities and possible capital project of window caulking in 2016. Council member Helms asked who did the snow removal for City Hall. Discussion followed about how the park and recreation department did the snow removal and if the City should have it hired done. Ms. Ellis said she would call around about snow removal. She then continued by reviewing the planning and zoning budget and the transit budget. She explained how there was an increase in costs for transit due to an increase in maintenance costs, fuel, and a salary increase. She stated how she is trying to get more funding from the State and Federal governments.

Ms. Ellis told the council that she was working on a budget for the EDHA department as well. Mr. Murphy said how prior to four years ago the EDHA had received subsidy funding from the City and with a cut in LGA the City cut that funding. He said how this department is not able to sustain itself so it will have to be supported by the general fund.

Council member Vetter asked if there was ever a reconciliation done on transit. Ms. Ellis stated that there was a report done every month. She then explained the City's share of costs that went towards bus shelters, signs, and Dial-A-Ride services.

Ms. Ellis informed the council that at this time Sunshine Terrace has a cash flow and that she is working on a capital improvement plan and setting money aside for the replacement of boilers, fridges, air conditioner units, and property betterment. She added that this year due to elevator repairs and depreciation the Infill building will be in a deficit. Discussion followed about how there were substantial repairs that were needed to the elevator in the Infill building.

Ms. Helgeson reviewed her budget which only had one major change. She explained how the last computer tech they had only worked 20 hours per week and they are unable to find anyone to work part time since the person in this position moved away. She stated that they are looking at making this a full time position so they will either need an increase to the budget or they will need to cut the amount of hours the library is open. She added the other big item was replacing the boilers. Council member Tweten commented on how the Library Board has a good working relationship with the staff and how the library has kept up with modernization. Mayor Stauss asked if the roof was fixed. Mr. Helgeson stated that it will hopefully be done this year and cost approximately \$40,000 to \$60,000 to fix and how they are moving forward to try and regain what was lost on the roof. Discussion followed about the window replacement at the library proposed for 2016 and when the carpet could be replaced. More discussion followed about how \$50,000 had been set aside for energy savings by the Water and Light Department and how the City has committed 1.5 million for a pool project in 2016.

Mr. Murphy asked the council if they would like to discuss the budget at another work session and reminded them that once the preliminary budget is set the final budget could go down from that but not up. Council Vice-President Leigh stated that he did not want to set the budget tonight and he would like to see more realistic requests and to set priorities. He added how the council could set the preliminary budget with a 10% increase with the idea that it will be coming down. Mr. Murphy pointed out to the council that the levy only makes up 35% of the overall City budget and that staff will be working on a list so the council can set the priorities to focus on.

Council President Buckalew commented how the council was going to visit the City facilities and use the park and recreation bus to get around. He asked if the council should go on the tour after the next meeting or if it should happen on a different evening. Discussion followed about when the council should go on this tour and if the council would get anything out of the tour. Mr. Murphy was directed by the council to set up the tour.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER TWETEN, SECONDED BY COUNCIL MEMBER LEIGH, TO ADJOURN THE AUGUST 19, 2014 SPECIAL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 7:26 P.M.

Voting Aye: Tweten, Olstad, Leigh, Grassel, Vetter, Helms, and Buckalew.

Voting Nay: None.