

**APPROVED MINUTES  
OF THE CITY COUNCIL  
CITY OF EAST GRAND FORKS  
TUESDAY, DECEMBER 16, 2014 – 5:00 PM**

**CALL TO ORDER:**

*The Regular Meeting of the East Grand Forks City Council for December 16, 2014 was called to order by Council President Buckalew at 5:00 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; Brad Bail, City Engineer; Nancy Ellis, City Planner; Ron Galstad, City Attorney; 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*

**PLEDGE OF ALLEGIANCE:**

**PRESENTATION OF PLAQUES:**

Mayor Stauss called Ms. Nan Larson forward and said how Ms. Larson had served on the EDHA Board since 2003. He explained that people volunteer to serve on the boards and commissions, how this year things did get controversial, and that he really appreciates what Ms. Larson had done for the City of East Grand Forks. He added that hopefully she will again serve in some capacity. Ms. Larson said thank you.

Mayor Stauss then asked Council Vice-President Leigh to come forward. Mayor Stauss stated that Mr. Leigh had been an alderman from 2006 until 2014. He said that he appreciated Mr. Leigh being a part of the Council, always contributing, and trying to keep taxes down for the residents. He ended by saying that Mr. Leigh always came to the meetings prepared which is not the case with every council member and Mayor Stauss thanked him for that. Council Vice-President Leigh stated it was an honor to serve the citizens of East Grand Forks for the last eight years. He said thank you for the opportunity and he wished Mr. DeMers and Mr. Pokrzywinski best of luck.

Mayor Stauss said would also like to thank Dale Helms. He commented how he was appointed to the position to finish a term and had really gotten into being a part of the Council. Mayor Stauss said Mr. Helms was able to get a different perspective with being on the Council and thanked him for his service. Council member Helms said thank you.

**OPEN FORUM:**

*“An opportunity for members of the public to address the City Council on items not on the current Agenda. Items requiring Council action maybe deferred to staff or Boards and Commissions for research and future Council Agendas if appropriate.”*

There were not any questions or comments for the Council.

**APPROVAL OF MINUTES:**

1. Consider approving the minutes of the “Regular Meeting” for the East Grand Forks, Minnesota City Council of December 2, 2014.
2. Consider approving the minutes of the “Work Session” for the East Grand Forks, Minnesota City Council of December 9, 2014.

**A MOTION WAS MADE BY COUNCIL MEMBER LEIGH, SECONDED BY COUNCIL MEMBER HELMS, TO APPROVE ITEMS ONE (1) AND TWO (2).**

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

*Voting Nay: None.*

**SCHEDULED BID LETTINGS: NONE.**

**SCHEDULED PUBLIC HEARINGS: NONE.**

**CONSENT AGENDA:**

*Items under the “Consent Agenda” will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.*

3. Consider approving the extension to the Fire Service Agreement between the City of East Grand Forks and the neighboring townships which will take effect April 1, 2015.
4. Consider adopting Resolution No. 14-12-110 approving a 2% cost of living wage increase for non-union City Employees.
5. Consider approving the agreement between the City of East Grand Forks and Northland Community and Technical College for the use of a public parking lot for the truck.
6. Consider adopting Resolution No. 14-12-111 authorizing a counterproposal to the MNDOT proposed changes to the functional classification revisions to the road system in East Grand Forks.

**A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER TWETEN, TO APPROVE ITEMS THREE (3), FOUR (4), AND SIX (6).**

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

*Voting Nay: None.*

Council President Buckalew asked if item five was to be tabled. Council member Vetter stated they could vote on it if there was a first and second for the motion.

**A MOTION WAS MADE BY COUNCIL MEMBER LEIGH, TO APPROVE THE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND NORTHLAND COMMUNITY AND TECHNICAL COLLEGE FOR THE USE OF A PUBLIC PARKING LOT FOR THE TRUCK.**

Mr. Murphy asked to have that item tabled. He explained that Mr. Galstad was not able to make contact with Northland College regarding revisions to the agreement. Council Vice-President Leigh asked if the insurance issue was resolved. Mr. Galstad said that is what he was trying to do but hadn't been able to speak Mr. Huschle or have him review the changes to the agreement regarding the insurance.

**COUNCIL MEMBER LEIGH WITHDREW HIS MOTION TO APPROVE THE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND NORTHLAND COMMUNITY AND TECHNICAL COLLEGE FOR THE USE OF A PUBLIC PARKING LOT FOR THE TRUCK.**

**A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER LEIGH, TO TABLE ITEM FIVE UNTIL THE NEXT MEETING.**

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

*Voting Nay: None.*

**ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS AND COMMISSIONS:**

7. Regular Meeting Minutes of the Water, Light, Power, and Building Commission from November 6, 2014.

**COMMUNICATIONS: NONE.**

**OLD BUSINESS:**

8. Reconsider adopting Resolution No. 14-12-107 approving the 2014 Tax Levy, Collectable in 2015.

Mr. Murphy wanted to address the council. He stated that he had read the veto, that he respected the mayor's opinion, but that staff had put a lot of time and work into the budget. He said one of the things that came out when he was hired was that he would not bring something before the Council that wasn't appropriate and it appears that the City had been running at an artificially low levy for the last several years and from his experience that is not sustainable long term. He explained the levy and budget before the Council did not include items like squad cars and he wanted to make sure the Council is aware the levy that is being proposed is what is needed to maintain the level of services for at least the near future.

**A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADOPT RESOLUTION NO. 14-12-107 APPROVING THE 2014 TAX LEVY, COLLECTABLE IN 2015.**

Council member Vetter said he wanted to make a few comments before voting on this. He said the easy part is to veto the levy and the easy part is to vote no on this. He stated the hard part if this doesn't pass is balancing the budget. He said the Mayor had talked about having a 5% increase instead of 10% which the Council would then have to come up with \$180,000. He added that Mr. Murphy already told them there was nothing in the budget for capital purchases, no repairs to buildings, or any other larger purchases. He then asked how the Council will be able to come up with the \$180,000 difference. Council member Vetter reviewed if personnel were let go from the different departments and how services would be affected negatively. He then reviewed other parts of the budget leaving salaries and payments to the central equipment fund which might not leave much to allow the Council to reach the \$180,000 that is needed to balance the budget. He said again voting no is the easy part and if this is vetoed it should be there responsibility to balance the budget.

Mayor Stauss stated that he disagrees and the easy part is to go to the tax payer and ask for more money along with the other entities. He commented how across the river they are looking at a 20% decrease in tax and asked how the City could attract people to the community when they are looking at a 10% increase in tax. He added that it won't be easy and how it is with more people and businesses that more taxes are brought in to pay for services. He stated again that the easy part is to tax people and the hard part is review the budget and take out what is absolutely not needed.

Council member Tweten told the Mayor that he could have his opinions but what was irritating to some of the Council was that he had never expressed his opinion on how to cut the budget. He asked what the Mayor's suggestions were to cut the budget and why he didn't make those suggestions months ago. He said there was three years with a minimal increase and how the Council just kept kicking the can down the road. He said if a levy isn't passed it will be put at the previous year's levy and the problem will be compounded. Council member Tweten commented how this is a management issue and residents will not be happy with the results when this is over. He ended by saying this is a first class city that likes first class service.

Council member Olstad said that the Council had asked Mr. Murphy and the Department Heads to go through the budget and bring back what could be cut many times. He said what was brought back was looking at 10% increase and it did not include any increases in expenses from the previous year. He stated that looking back at what the increases had been or in 2012 a 1% decrease, he said the City had been fortunate. Council member Olstad said how Mr. Murphy explained and expressed that next few years the Council will need to get back on track and he feels that this is a step in the right direction. He said to correct him if he is wrong but the increase would be approximately \$11.06 on a \$150,000 home and that isn't too much to asked of citizens so the level of service can be maintained and the City kept clean and going. Council member Olstad said they could talk about things coming down the road or look back at 2012 and look how money could have been saved at things coming up in 2016. He ended by saying he will support the increase because he thinks that it is the best thing to do.

Council member Grassel said that he looked through the budget and going back to what Council member Olstad said the Council has put a band-aid on things and spent down a considerable amount of the reserves. He stated how discussions with the department heads included how the police department

had been fixed, the fire stations need to be fixed up, there are three rinks that will need attention in the next few years, and cutting this levy in half will not help at all. Council member Grassel stated he understands how residents could be concerned about a 10% but overall residents shouldn't be seeing a 10% increase on their property taxes.

Council President Buckalew commented about how 10% sounds like a big number but 10% is on the tax levy amount, not on property owners' individual taxes. He said that when residents receive the property tax statement the number will be far different than what is being discussed. He explained this happens with new homes being built, remodels, and a growing tax base which all help decrease the amount that each individual would have to pay. He said looking at the decreases residents have had in the last few years compared to the increase that is being proposed this year the increase is a reasonable amount. He mentioned that they have looked at what other communities are doing and when looking at the comparisons things that need to be considered like the needs our community has that others might not. He commented how the City has very good services and that is why people choose to live in this community. He said again the 10% sounds big but it really comes down to a 2% to 3% increase for individuals. He said it was for that reason that he will also be supporting the 10% increase.

Mayor Stauss stated again Crookston will have a 5% increase, Thief River Falls will have a 3% increase, Grand Forks is looking at a discount of 20%, and East Grand Forks is looking at a 10% increase. Council member Tweten commented that he wasn't trying to belittle anyone but the appearance of East Grand Forks on the standpoint of maintenance is much better. He said that he believes that should be continued and will vote to override the Mayor's veto.

Council member Helms stated he was concerned about what will happen down the road. He asked if the Council approved 10% today what would happen next year. He asked if it would be 10%, if it wouldn't go up at all, and if the increases would ever end. He stated that Council member Tweten said the last three years the Council got by with minimal changes, the City got by, and how services hadn't changed. He said again his big concern now is if there is a 10% increase now what will be done in the next few years. He added that it might not look like much now but give it a couple years with raises and see what it looks like.

Council member Tweten explained that one thing that has happened is taxable values are increasing rapidly. He stated how there was 29 million dollars worth of growth in Polk County in 2014, the City had increase between 7 and 9 million dollars in its taxable base and in three years the tax base will be substantially larger. He said the Industrial Park will be expanded and there are new people who would like to come locate there. He added this year had been a good year with 17 new homes being built, how there will be substantial new homes built next year and the tax base and growth will make a lot of difference.

Mayor Stauss stated once again the City is trying to attract people and businesses to East Grand Forks. He said they will not be coming here if taxes are substantially higher than other communities in the area or Grand Forks. He commented how Grand Forks has oil money that is helping them. He explained that Grand Forks wants to build a water treatment plant with approximated costs of 133 million dollars. He said that the State of North Dakota will be giving the City 100 million dollars for this project and they will be using the City's sales tax to cover the remaining portion of the project. He said that if East Grand Forks tried to get funds from the State the City might receive a couple hundred thousand to build a water treatment plant. He added that if we are going to be getting people to come

to our State and community the Council has to give them reasonable taxes.

Council President Buckalew asked the Ms. Karla Anderson, the finance director, to come forward to give a couple comments. Ms. Anderson informed the Council that she had checked with Crookston, Thief River Falls, and Grand Forks on what their levies had been from 2011 to 2015. She stated after adding up the increases for the City of Crookston totaled 14% for those years. She explained that adding up the East Grand Forks increases, including the 10% would total 14.6% only putting the City .6% higher than what Crookston has levied for the same time period.

Ms. Anderson continued by explaining Thief River Falls is having the same struggles that East Grand Forks is having. She said how they only have a 3% increase but are putting together a 5 year plan where they will have to increase the levy every year. Ms. Anderson added that Thief River Falls also runs a municipal liquor store so they have forms of revenue that East Grand Forks does not have. She then explained about how Grand Forks has a city sales tax in place which is an additional revenue stream for them, their mills went down, but they will be collecting more revenue because of an overall increase of 3.76% due to growth. She said how growth will help sustain the levy and collect more. She ended by saying if there are any questions to ask but she just wanted to bring that to the Council's attention.

Mayor Stauss commented he was surprised that staff was checking on his figures. He added that as far as Grand Forks goes they are getting more population because their taxes are lower. He said again that if East Grand Forks wants to have an increase in population the taxes have to stay reasonable. Ms. Anderson stated that she had checked on taxes between Grand Forks and East Grand Forks and East Grand Forks typically has lower taxes because of differences between North Dakotans paying more in property tax compared Minnesotans paying more income tax. She said that what it comes down to is where people want to live, what quality of life they want, and she believes East Grand Forks has that.

Mr. Murphy stated he had checked into the levy the last few years and one thing that has happened is that the City has dipped into its fund reserve balance. He said it is now to the point where he recommends it cannot remain because it is so low. He explained the State recommends cities should have at least six months worth of expenses on hand which has been spent down. He added the EDA had been funded using funds which are no longer an option to use so it will be funded using the general fund which is well in excess of \$100,000. He said that needed to be clarified.

*Voting Aye: Grassel, Vetter, Buckalew, Tweten, and Olstad.*

*Voting Nay: Helms and Leigh.*

Council President Buckalew stated the motion died.

## **NEW BUSINESS:**

9. Hearing for Hugo's Wine & Spirits for the Council to consider if the three day license suspension should be enforced.

Mr. Allen Dukart and Ms. Kristi Magnuson-Nelson came before the Council, explained the system and policies they have in place to try and prevent from selling to minors. Mr. Dukart stated they have a zero tolerance policy in place so if an employee is caught selling to a minor they are terminated

immediately. He stated that all employees sign a contract knowing that is the outcome if they are caught selling to a minor. He added they do everything in their power to make sure this doesn't happen. He explained how Mr. Vetter, Mr. Buckalew, and Mr. Murphy witnessed a demonstration on how the system they have in place works. Discussion followed about when the system had been implemented and how Hugo's Wine & Spirits are implementing their own checks to make sure policy is being followed.

Mayor Stauss stated that he has disliked for a long time because he feels that they try to entrap the business by sending in someone who looks like they are 21 or 22 and they don't check them. He said the owners or managers who run it always tell their employees to check and make sure they are the right age. He added how the person under 21 that enters should suffer consequences which would be a different way of doing it so the businesses would watch more closely and those trying to entrap would watch would they do also. Council member Olstad stated that he did not agree with Mayor Stauss's comments. He said local officials are doing a job, this is something they have to do, and they are not going out and purposely trying to fake someone out.

Council member Olstad asked Mr. Dukart and Ms. Magnuson-Nelson what they are asking for. Ms. Magnuson-Nelson stated they are asking for consideration regarding the suspension because she doesn't know what else they can do to prompt the employees to card customers and for the steps they have taken to try and prevent this from happening. She added if the individual that is working is that careless she would like to see more of the responsibility but on them. Mr. Dukart stated they are only as good as their weakest link and that is why they terminate people who are not doing their job properly. More discussion followed about what happened after the first offense, the policy that requires Hugo's Wine & Spirits employees to have training within 30 days of starting employment and how this is a City Ordinance that needs to be reviewed.

Chief Hedlund stated the City Ordinance requires that compliance checks be performed twice a year. He said there was no entrapment, they are not trying to get them to do anything illegal, they are send in an underage person to see if they will sell to them, and this practice was supported by state law. He said that unfortunately Hugo's Wine & Spirits have failed twice and according to the ordinance they are suppose to pay a \$500 fine and three day suspension of their license. He added that was passed by Council and however they proceed to move forward is fine with him. He ended by saying what they do is not entrapment because entrapment is illegal. Mayor Stauss asked what they do if they caught a 19 year old in the liquor store. Chief Hedlund stated that person would be arrested.

Ms. Sue Thompson, 4 Forrest Court NW, stated she trained the confidential informants that went out on the compliance checks. She explained that this was not entrapment, a comment she had taken some offense to, because if the clerk asks their age they have to tell their true age. She added that they do not carry a fake id and they don't dress differently than they normally would. She said some of the best ways to prevent underage drinking is to have alcohol compliance checks combined with alcohol server training. She stated that Polk County provides free responsible alcohol training and added the bigger picture is trying to prevent underage drinking and have a community that is healthy and safe for children. She ended by saying not complying with requirements and enforcing what was previously voted on by the Council as far as consequences would not be supporting underage drinking prevention and asked the Council to go along with what was recommended.

Council President Buckalew stated that as an employer he knows that a business can have the best

plans or system in place but it doesn't always work. He then asked Mr. Galstad for guidance regarding this situation. Mr. Galstad stated the employee had to override the system to sell the alcohol so this would be a policy decision. He said that if the Council chooses to do something different than the three day suspension that it would just be deferred and if there is another violation then the suspension for both events would be enforced. He added this ordinance doesn't really give the Council much discretion. Council member Olstad asked what would happen if there was a third violation within a 12 month period. Mr. Galstad stated it would be a \$750 fine and 18 day license suspension and how the 12 month starts when an event occurs.

**A MOTION WAS MADE BY COUNCIL MEMBER HELMS, SECONDED BY COUNCIL MEMBER TWETEN, TO DISMISS THE THREE DAY SUSPENSION.**

Council President Buckalew asked if they would like to defer the suspension rather than dismiss the suspension. Council member Helms stated to have it dismissed.

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

*Voting Nay: Vetter.*

10. Consider adopting Resolution No. 14-12-114 authorizing Safe Kids to apply for Safe Routes to School Funds for new infrastructure by New Heights and South Point Elementary Schools with the City paying the 20% local match and the engineering costs.

Mr. Murphy asked to have this item pulled because staff made aware of an issue today regarding this item.

**A MOTION WAS MADE BY COUNCIL MEMBER OLSTAD, SECONDED BY COUNCIL MEMBER LEIGH, TO TABLE THIS ITEM UNTIL THE NEXT MEETING.**

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

*Voting Nay: None.*

11. Consider adopting Resolution No. 14-12-112 authorizing the City Engineers to submit the application to the MNDOT 2014-2015 Local Road Improvement Program for funds to remove the tracks and lower 5<sup>th</sup> Avenue NE.

**A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER OLSTAD, TO ADOPT RESOLUTION NO. 14-12-112 AUTHORIZING THE CITY ENGINEERS TO SUBMIT THE APPLICATION TO THE MNDOT 2014-2015 LOCAL ROAD IMPROVEMENT PROGRAM FOR FUNDS TO REMOVE THE TRACKS AND LOWER 5<sup>TH</sup> AVENUE NE.**

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

*Voting Nay: None.*

12. Consider approving Change Order No. 1 for an increase of \$12,924 and for the addition of 14 days to complete City Project 2014 No. 4 – SCADA System Upgrades.

**A MOTION WAS MADE BY COUNCIL MEMBER TWETEN, SECONDED BY COUNCIL MEMBER VETTER, TO APPROVE CHANGE ORDER NO. 1 FOR AN INCREASE OF \$12,924 AND FOR THE ADDITION OF 14 DAYS TO COMPLETE CITY PROJECT 2014 NO. 4 – SCADA SYSTEM UPGRADES.**

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

*Voting Nay: None.*

13. Consider approving the “On-sale Weekday & Sunday” Liquor License for Little Bangkok located at 415 2<sup>nd</sup> St NW, East Grand Forks, MN 56721.

**A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER LEIGH, TO APPROVE THE “ON-SALE WEEKDAY & SUNDAY” LIQUOR LICENSE FOR LITTLE BANGKOK LOCATED AT 415 2<sup>ND</sup> ST NW, EAST GRAND FORKS, MN 56721.**

Council Vice-President Leigh asked if this would be an additional license or a transfer. Ms. Nelson stated they were changing ownership and that it was a transfer.

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

*Voting Nay: None.*

14. Consider approving the amended Joint Powers Agreement to expand the Pine to Prairie Drug Task Force.

**A MOTION WAS MADE BY COUNCIL MEMBER OLSTAD, SECONDED BY COUNCIL MEMBER TWETEN, TO APPROVE THE AMENDED JOINT POWERS AGREEMENT TO EXPAND THE PINE TO PRAIRIE DRUG TASK FORCE.**

Chief Hedlund stated this was an updated version of the joint powers agreement that recognizes additional members to the drug task force.

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

*Voting Nay: None.*

**CLAIMS:**

15. Consider adopting Resolution No. 14-12-113 a Resolution authorizing the City of East Grand Forks to approve purchases from Hardware Hank the goods referenced in check numbers 20466 for a total of \$823.50 whereas Council Member Buckalew is personally interested financially in the contract.

**A MOTION WAS MADE BY COUNCIL MEMBER LEIGH, SECONDED BY COUNCIL MEMBER TWETEN, TO ADOPT RESOLUTION NO. 14-12-113 A RESOLUTION AUTHORIZING THE CITY OF EAST GRAND FORKS TO APPROVE PURCHASES FROM HARDWARE HANK THE GOODS REFERENCED IN CHECK NUMBERS 20466 FOR A TOTAL OF \$823.50 WHEREAS COUNCIL MEMBER BUCKALEW IS PERSONALLY**

**INTERESTED FINANCIALLY IN THE CONTRACT.**

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

*Voting Nay: None.*

*Abstain: Buckalew.*

16. Consider authorizing the City Administrator/Clerk-Treasurer to issue payment of recommended bills and payroll.

**A MOTION WAS MADE BY COUNCIL MEMBER LEIGH, SECONDED BY COUNCIL MEMBER VETTER, TO AUTHORIZE THE CITY ADMINISTRATOR/CLERK-TREASURER TO ISSUE PAYMENT OF RECOMMENDED BILLS AND PAYROLL.**

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

*Voting Nay: None.*

Council President Buckalew stated they still have the matter of the levy to resolve and said they would entertain a motion.

**A MOTION WAS MADE BY COUNCIL MEMBER LEIGH, SECONDED BY COUNCIL MEMBER HELMS, TO APPROVE A 5% INCREASE TO THE 2014 TAX LEVY, COLLECTABLE IN 2015.**

Council President Buckalew asked Ms. Anderson how much that would increase the levy by. Ms. Anderson stated the levy would increase to \$3,072,287. Council member Vetter asked what the levy was last year. Ms. Anderson stated it was \$2,925,988. Council member Vetter asked what the difference was with raising the levy 5%. Ms. Anderson stated it went up about \$150,000. She added that the Riverwalk Sale has not gone through and how the budget was going to be reduced by \$109,000 using those funds but can't at this time. Mayor Stauss stated that if they don't go with a 5% levy and he keeps vetoing they will end up with zero percent and that is not needed. Council member Vetter asked to have a budget meeting before December 29<sup>th</sup>.

*Voting Aye: Vetter, Helms, Tweten, and Leigh.*

*Voting Nay: Grassel, Buckalew, and Olstad.*

**COUNCIL/STAFF REPORTS:**

Mr. Murphy informed the Council that the City finally received the official notice from HUD that the transfer of the housing authority was approved and will take place on January 1, 2015.

Council member Helms asked if the Riverwalk Sale was going to be completed by the end of the year. Mr. Galstad stated it was possible but the closing date still hadn't been set. He explained there would be a minimum of two weeks before the bank would have everything ready. He ended by saying it the closing would take place close to the end of the year or early in the beginning of the new year.

**A MOTION WAS MADE BY COUNCIL MEMBER HELMS, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADJOURN THE DECEMBER 16, 2014 COUNCIL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:00 P.M.**

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

*Voting Nay: None.*

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David Murphy, City Administrator/Clerk-Treasurer