

**APPROVED MINUTES
OF THE CITY COUNCIL
CITY OF EAST GRAND FORKS
TUESDAY, MARCH 3, 2015 - 5:00 P.M.**

CALL TO ORDER:

The Regular Meeting of the East Grand Forks City Council for March 3, 2015 was called to order by Council President Mark Olstad at 5:01 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 Mark Olstad, Council Vice-President Chad Grassel, Council Members Clarence Vetter, Mike Pokrzywinski, Craig Buckalew(5:25pm), and Marc DeMers.

Dave Aker, Parks & Recreation Superintendent; Brad Bail, City Engineer; Greg Boppre, City Engineer; Nancy Ellis, City Planner; Steve Emery, City Engineer; Ron Galstad, City Attorney; Paul Gorte, EDA Director; Mike Hedlund, Police Chief; Charlotte Helgeson, Library Director; Megan Nelson, Executive Assistant; and Jason Stordahl, Public Works Director.

DETERMINATION OF QUORUM:

The Council President Determined a Quorum was present

PLEDGE OF ALLEGIANCE:

SWEARING IN OF OFFICER NICK ANDERSON:

Chief Hedlund introduced Officer Nick Anderson who had been recently hired. He then administered the swearing in of the officer. A round of applause followed.

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.” If you would like to address the City Council, please come up to the podium to do so.”

Mr. Dale Helms, 613 2nd Ave NE, came forward and asked the Council for their support. He explained there was a committee that is trying to raise funds through donations for flowers so there will be flowers in the City. He stated how they had met with All Seasons and received a \$21,000 quote for hanging pots, pots on the sidewalk, and for some of the flower beds in town along with caring for the flowers. He said that the labor would be the most expensive part and they would be asking service groups to volunteer to help take care of the flowers to help cut back on that cost. He added that before the committee moves forward they would like to make sure they have the Council's support, that no donation was to small, and that Triangle Coach was going to start by donating \$1000 towards this project. Mayor Stauss commented how the flowers beautify the town and that he would pledge \$500 towards this project. Council member DeMers suggested the committee should work with the Chamber on this project because they may have resources the committee could utilize.

APPROVAL OF MINUTES:

1. Consider approving the minutes of the “Regular Meeting” for the East Grand Forks, Minnesota City Council of February 17, 2015.
2. Consider approving the minutes of the “Work Session” for the East Grand Forks, Minnesota City Council of February 23, 2015.
3. Consider approving the minutes of the “Special Meeting” for the East Grand Forks, Minnesota City Council of February 23, 2015.

A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE ITEMS ONE (1) THROUGH THREE (3).

Voting Aye: Pokrzywinski, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Buckalew and Tweten.

SCHEDULED BID LETTINGS: NONE

SCHEDULED PUBLIC HEARINGS:

4. Public Hearing on proposed 2015 Assessment Job No. 2 – Paving – Replat of Point of Woods 5th Addition.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO OPEN THE PUBLIC HEARING ON PROPOSED 2015 ASSESSMENT JOB NO. 2 – PAVING – REPLAT OF POINT OF WOODS 5TH ADDITION.

Voting Aye: Pokrzywinski, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Buckalew and Tweten.

Mr. Emery introduced himself and explained the project would consist of removing the gravel surface and replacing it with concrete. He added that nine lots would be affected, reviewed the costs, and asked if there were any questions. No questions were asked.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER VETTER, TO CLOSE THE PUBLIC HEARING ON PROPOSED 2015 ASSESSMENT JOB NO. 2 – PAVING – REPLAT OF POINT OF WOODS 5TH ADDITION.

Voting Aye: Pokrzywinski, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Buckalew and Tweten.

5. Public Hearing on proposed 2015 Assessment Job. No. 3 – Seal Coat and Mill and Overlay – North Sections of East Grand Forks.

A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER DEMERS, TO OPEN THE PUBLIC HEARING ON PROPOSED 2015 ASSESSMENT JOB. NO. 3 – SEAL COAT AND MILL AND OVERLAY – NORTH SECTIONS OF EAST GRAND FORKS.

Voting Aye: Pokrzywinski, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Buckalew and Tweten.

Mr. Emery explained that this hearing was for a proposed seal coat along with a mill and overlay which was last done in 2006, how this time the process would be split between three years instead of all at once, and then introduced Mr. Brad Bail to explain the special assessments. Mr. Bail reviewed the assessment roll, explained the procedure that was used to make sure that everything was done as fair and equitable as possible, as well as going over front and end benefits. Mr. Emery then reviewed the cost estimates for the seal coat project. Questions from the residents followed about who to speak with if they had a question about the dimensions of their property and why a property owner had to pay for Central Avenue when it is so highly traveled. Mr. Emery explained that the properties adjacent to the street receive the assessment and how other highly traveled streets are assessed the same way.

Mr. Boppre explained that these improvements are done as preventative maintenance to extend the life of the streets. He stated how the three year plan was developed for a seal coat or mill and overlay. Mayor Stauss commented that hopefully the prices are lower with lower oil prices. Council President Olstad asked if anyone had comments to come forward and state their name and address for the record. Ms. Jeanette Kohns from 19th St NW asked if the curbs were going to be repaired in this process. Mr. Emery commented how some had been done in 2006 but not in the areas where seal coating had been done but it was something they could look into. Mr. Roger Swanberg, 520 Central Ave, asked why only three blocks of Central Avenue were getting charged both front and end benefits. Mr. Bail explained how there were some of the side streets that were going to be done and how the other side streets will be completed at some point during the three year cycle which would put end benefit on the other two blocks.

Mr. Mark Hangsleben stated property owned by his mother was going to be affected and asked why others in the neighborhood were not paying and if they would be getting assessed the following year. Mr. Emery explained they didn't know what the exact schedule would be at this time. Discussion followed about how there had been a seven year cycle for street maintenance projects, how new streets that are put in are concrete, and how it had been nine years since the last maintenance project. Two residents living on River Road had questions about charges for the neighborhood. Mr. Boppre explained how properties in that area were receiving benefit from a mill and overlay project and how other properties would be affected as the street maintenance cycle continues. Another resident asked if they would be able to pay off the special assessments in full. Mr. Emery stated they would have that option once the final assessment roll was calculated and adopted by the Council.

One resident asked what would happen if a property owner was not able to pay for their portion of the project at all. Mr. Boppre stated he thought there was deferment but that was something he hadn't been asked before so he wasn't completely sure. Council member DeMers stated how the City could pass an ordinance to address how they could consider deferment of special assessments for the elderly or disabled. He said the Council could look into doing this but currently there isn't anything in place.

Another resident asked if this cycle of paying special assessments was going to continue. Mr. Boppre stated that it would. He added that the Public Works Department has done a good job with sealing up cracks and joints which had made the overlay and seal coat last longer but the street maintenance would continue. A resident asked if the City had received funds from FEMA for street improvements. Mr. Boppre stated the funds the City had received for streets along with utilities were from the Army Corps of Engineers.

Mr. Emery continued on with an explanation of the mill and overlay project and reviewed the estimated costs. A resident asked how long the project would last. Mr. Emery stated the project should last between four and six weeks and that the streets affected by the projects would be able to be used most of the time. Discussion followed about how there would be less gravel used during the seal coat project because they will be using a different technique, how there was a mill and overlay to the cul-de-sac on 7th Avenue NW before so that will be changed to a seal coat, and how these projects will be done when there are favorable temperatures. A resident asked what the interest rate would be on the special assessments and how long they would be assessed for. Mr. Boppre said the last assessment job had an interest rate of 4.5% but that would also depend on what the City sold the bonds for and typically for seal coat and a mill and overlay the time assessed was seven years.

A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER DEMERS, TO CLOSE THE PUBLIC HEARING ON PROPOSED 2015 ASSESSMENT JOB. NO. 3 – SEAL COAT AND MILL AND OVERLAY – NORTH SECTIONS OF EAST GRAND FORKS.

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Tweten.

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.

6. Consider concurring with the lighting plan and direct engineering staff to work with appropriate entities to develop general guidelines for operating lighting for the Sorlie Bridge Project.
7. Consider approving a temporary liquor license application for Sacred Heart Church & School for their Spring Fling Event on April 18, 2015 and contracting with East Grand Lanes, LLC for liquor services.
8. Consider approving the Memorandum of Understanding between the City of East Grand Forks and Law Enforcement Labor Services Local 152 establishing the Drug Task Force Commander position for the Pine to Prairie Drug Task Force and placing Officer Schrage on Grade 18 while assigned to the Drug Task Force.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER DEMERS TO APPROVE ITEMS SIX (6) THROUGH EIGHT (8).

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Tweten.

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

- 9. Regular meeting minutes of the Water, Light, Power, and Building Commission for February 5, 2015.
- 10. Regular meeting minutes of the Economic Development Board from February 3, 2015.

COMMUNICATIONS: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

- 11. Consider adopting Resolution No. 15-03-24 ordering the improvements and the preparation of plans and specifications for 2015 Assessment Job No. 2 – Paving – Replat of Point of Woods 5th Addition.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER VETTER, TO ADOPT RESOLUTION NO. 15-03-24 ORDERING THE IMPROVEMENTS AND THE PREPARATION OF PLANS AND SPECIFICATIONS FOR 2015 ASSESSMENT JOB NO. 2 – PAVING – REPLAT OF POINT OF WOODS 5TH ADDITION.

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.
Voting Nay: None.
Absent: Tweten.

- 12. Consider adopting Resolution No. 15-03-25 ordering the improvements and the preparation of plans and specification for 2015 Assessment Job No. 3 – Seal Coat & Mill and Overlay – North Sections of East Grand Forks.

Council President Olstad stated this item needed to be tabled.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO TABLE THIS ITEM UNTIL THE NEXT COUNCIL MEETING ON MARCH 17, 2015.

Council member DeMers asked for a clarification on why this item was being tabled. Mr. Boppre stated that one parcel had not been notified so this will give the City time to send out a notice and allow that property owner time to respond to the City about the project.

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.
Voting Nay: None.
Absent: Tweten.

- 13. Consider adopting Resolution No. 15-03-26 taking no action to pursue foreclosure and civil action on the Boardwalk promissory note and real estate mortgage.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER VETTER, TO ADOPT RESOLUTION NO. 15-03-26 TAKING NO ACTION TO PURSUE FORECLOSURE AND CIVIL ACTION ON THE BOARDWALK PROMISSORY NOTE AND REAL ESTATE MORTGAGE.

Council member DeMers stated he wanted to make the public aware this will formalize the City's action to take the most reasonable approach and that the Council is working towards trying to bring resolution to this issue. He said this didn't mean the City was walking away from the matter. Mr. Dale Helms asked if this was being put on hold or on the back burner. Council member DeMers stated that the City will collect on this in the future since an impasse was reached during negotiations but the mortgage is still enforceable. Mr. Helms stated the City didn't have anything to go after, that it isn't right to set this aside, and how everyone has suffered enough in this situation. He added the City should sue or write it off so things in the city can go back to normal. Discussion followed about how there is a disagreement regarding how the City should move forward with this situation, a brief history was given about how this situation came to be, how recently there were loans that were written off because of bankruptcies, and how the process has changed so there is a personal guarantee is included with every loan.

Ms. Misty Goulet asked the Council to do something or lay this to rest and to stop putting things in the paper because every time something is put in the paper it affects business. Council President Olstad commented they have been going through a process, that this issue had never been laid to rest before, and it was not the intention of the City to put anyone out of business. Council Vice-President Grassel stated that the Council did not want to close a business in East Grand Forks, that it was her opinion if she thinks that, and she is wrong. He continued to say how there were the requests to make the meetings public and gave an explanation on why the Council was dealing with this today.

Ms. Diane Hilde asked why this hadn't been taken to court. Mr. Galstad explained that settlement negotiations had taken place; an impasse was reached, and based on attorney Mr. Brad Sinclair's advice the City would be in a better position to collect if the City waits. He stated that based on the appraisal of the property and the costs to sue would put the City upside down on the collection of the note. Discussion followed about the current situation, the passing of the resolution didn't mean the City couldn't bring this forward at some point, and if the building is sold the mortgage would have to be dealt with at that time.

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Tweten.

CLAIMS:

14. Consider adopting Resolution No. 15-03-27 authorizing the City of East Grand Forks to approve purchases from Hardware Hank the goods referenced in check numbers 20992 for a total of \$897.89 whereas Council Member Buckalew is personally interested financially in the contract.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADOPT RESOLUTION NO. 15-03-27 AUTHORIZING THE CITY OF EAST GRAND FORKS TO APPROVE PURCHASES FROM HARDWARE HANK THE

GOODS REFERENCED IN CHECK NUMBERS 20992 FOR A TOTAL OF \$897.89 WHEREAS COUNCIL MEMBER BUCKALEW IS PERSONALLY INTERESTED FINANCIALLY IN THE CONTRACT.

Voting Aye: Pokrzywinski, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Abstain: Buckalew.

Absent: Tweten.

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

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

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Tweten.

SUSPENSION OF RULES:

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO SUSPEND RULES TO CONSIDER ADOPTING RESOLUTION 15-03-28 AUTHORIZING THE UPDATE TO THE COSA AND PAYING UP TO \$2500 FOR THE UPDATE.

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, and DeMers.

Voting Nay: Vetter.

Absent: Tweten.

The Council did not proceed with the Suspension of Rules because it was not passed unanimously.

COUNCIL/STAFF REPORTS:

Council Member Vetter said to clarify why he voted no on the suspension of rules was because Council member Tweten was absent and a full Council should be present for the discussion.

Council Member Pokrzywinski stated the Good Samaritan Center was celebrating 50 years of being in the community and were going to hold a special celebration on July 14th which was a Tuesday and asked if there would be any objection to moving the meeting to Monday since the Council would be invited to the celebration. There were no objections.

Council Member DeMers thanked all staff involved dealing with phone calls and answering questions about the public hearing and project. He stated he was told about how the staff's professionalism has shown and he appreciated that. He also welcomed Mr. Nick Anderson to the East Grand Forks family.

Council Vice-President Grassel wished the boys hockey team good luck and safe travels to everyone traveling down to the state hockey tournament.

Mr. Galstad stated he commends Mr. Helms for bringing the Community Garden Flower project forward and that he would like to meet with Mr. Murphy and Ms. Anderson to make sure everything will be handled correctly.

Mr. Boppre thanked Council member DeMers for his comments.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER DEMERS, TO ADJOURN THE MARCH 3, 2015 COUNCIL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:31 P.M.

Voting Aye: Pokrzywinski, Buckalew, Olstad, Grassel, DeMers, and Vetter.

Voting Nay: None.

Absent: Tweten.

David Murphy, City Administrator/Clerk-Treasurer