

**APPROVED MINUTES
OF THE CITY
COUNCIL WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, OCTOBER 13, 2015 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for October 13, 2015 was called to order by Council President Mark Olstad 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 Mark Olstad, Council Vice-President Chad Grassel, Council Members Clarence Vetter, Mike Pokrzywinski, Henry Tweten, and Marc DeMers.

Dave Aker, Parks & Recreation Superintendent; Brad Bail, City Engineer; Greg Boppre, City Engineer; Dan Boyce, Water & Light Manager; Nancy Ellis, City Planner; Steve Emery, City Engineer; Ron Galstad, City Attorney; Paul Gorte, EDA Director; 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.

1. Midcontinent Franchise Agreement – David Murphy

Mr. Murphy explained how this item had been on the agenda before and how the language of the agreement was still being finalized. He said how there was a conference call between the City and Midcontinent and stated that Mr. Mastel was present at the meeting to help answer questions the Council may have. Mr. Pat Mastel introduced himself, informed the Council that he works on the approximate 330 franchise agreements for Midcontinent. He said there were questions about the PEG channel which stands for public, educational, and government. He informed the Council there were already three channels being used by the City of Grand Forks, the Grand Forks School District, and the University of North Dakota. He explained that there could be a 4th channel but if the City started their own channel the City would also be in charge of the agenda of that channel. He said another choice maybe to utilize one of the current channels by a live feed or by using a tape delay. He added that a third option would be to broadcast on the web but the City would be limited to Midcontinent subscribers. He asked if there were any questions.

Council member Pokrzywinski said that he had been a part of the conference call and told the Council that a decision did not have to be made that night. He said this was to hear about the different options and that the City would have the ability to approach Midcontinent anytime after the franchise agreement was signed. Mr. Mastel informed the Council that the FCC allows only up to a 5% fee on franchise agreements but an additional 1% could be added if that 1% was spent

on equipment which could help with the purchase of necessary equipment needed for taping the council meetings. He added how the additional 1% could set as either a percentage or a specific amount. Discussion followed about how this could be added at a later date, how the current franchise fee brings in approximately \$12,000 per month, and how there isn't any limitations on what the funds the first 5% of the franchise fee could be spent on. Mr. Galstad stated the language can be added to the agreement for the possibility of adding an additional channel and Midcontinent will have to review the language also before the Council voting on the new agreement.

2. Pool Change Order – Mark Bohlman

Mr. Murphy explained how there were nine items that would be included in the proposed change order. He stated the diving boards needed to be replaced and the other items were outlined in the email from Mr. Bohlman which had been included with the packet. Mr. Bohlman stated the largest item was the diving boards. He explained how they were planning to reuse the diving boards but after closer inspection they were found to be in need of replacement. He reviewed the list of items that would either need to be replaced instead of being reused as well as having some reductions. He stated that with both the additions and reductions the amount of the change order was \$35,872.70 which would leave approximately \$64,000 left in contingency for this project. Mr. Murphy commented that after speaking with the project manager they do not foresee anything else that should be discovered or be a surprise.

Council member DeMers stated that the cost of the diving boards is the same as a new car. Mr. Bohlman commented that they went out for quotes; that the purchase of two one meter boards is expensive, but that is the market for this item.

This item will be referred to a City Council Meeting for action.

3. Northview Addition Discussion – Nancy Ellis

Ms. Ellis stated this item had come before the Council at the September 15th meeting and that there had been questions regarding the placement of the road as well as others items for the developer who was in attendance and would be able to answer those questions. Council President Olstad asked if it was possible to move the placement of the road. Mr. Craig Tweten explained what had been proposed and how they would be able to do this differently. Discussion followed about how 23rd Street NW is a collector, how the road that is put in will need to connect to other roads, and how there were other possible ways for the project and road to be completed. Ms. Ellis informed the Council that the road could not be a dead-end but a public street and that private drives were not allowed. She added how there is a master plan that could be followed but understands how this could be very costly to complete.

Mr. Boppre commented how this property would be developed using a developer's agreement so the road would need to be completed within three years of the development and wouldn't have to be completed right away. More discussion followed about moving the location of the proposed apartment building closer to the drainage ditch which would also change the location of the road. Ms. Ellis stated that she would work with the developer to see if there was a different way for this development to be completed.

4. 2015 Assessment Job No. 1, Point of Woods 6th Addition – Steve Emery

Mr. Emery reminded the Council that two projects were projected to be done at the same time but only one moved forward. He added how the aggregate from the one project was going to be reused but that was no longer an option. He explained that there were two options for the Council to consider moving forward so the street construction and curb and gutter could be completed in the Point of Woods 6th Addition. He stated how the construction company could furnish the materials and the cost would be added to the overall project and assessed or the City could purchase the material and when it is removed be able to reclaim the material. Mr. Murphy stated that he had spoken with the developer about both options and that he recommended moving forward with option 1 and having the costs assessed. Council member Vetter stated this would be consistent with other projects that have been assessed.

This item will be referred to a City Council Meeting for action.

5. Update on Engineering Contract – David Murphy

Mr. Murphy stated that this had previously come before the Council and additional information was asked for. He explained he brought forward information about Minnesota cities, their population, what their engineering practices were, and how many people they employed in their engineering department. He said that he had also included the expenses the City had paid to Widseth Smith Nolting since the beginning of 2014 to this point in 2015.

Council President Olstad stated that it is always good to look but his opinion was that he is very happy with the services provided by WSN. Council Vice-President Grassel stated that some of these cities are metro cities and circumstances are different between the metro area and greater Minnesota. He added that lots of items were based on fees and asked about other services such as staking. Mr. Murphy stated that these costs were their internal costs only and how some of the services were contracted out. Discussion followed about how there is a Metro Council that handles the sewer, water, billing, and where the cities are able to grow and how cities like East Grand Forks have to handle those projects themselves.

Council member Vetter review possible costs and stated even with the occasional need of hiring an outside engineer the costs would be minimal to the City's general fund since most of these projects are paid for by special assessments. He added how if the City wanted a GIS system there is a possibility of teaming up with UND or Northland to set up internships for that kind of work. Council member Tweten commented that he did not like a three year contract and that it should be changed to a two year contract so he would be voting against the three year contract. Mr. Boppre stated the last two contracts the City approved were three year contracts.

Council member Pokrzywinski stated he didn't have an issue with a three year contract because the term for a Council member is four years so every council would have a chance to vote on an engineering contract. He said after looking at the numbers the City is right in the middle, that the City continues to receive good services, and that the City is paying a fair price. Discussion followed about how the contract expires on December 31st of 2015, how the costs presented from other cities did not include their costs of hiring additional engineering services when needed, and how if the City hired their own staff they would be able to pay for the staff using special

assessments. Council member Vetter stated if the Council was considering to hire its own engineering staff there wasn't enough time before the end of the year and to only approve a one year contract and look into this further.

6. Property Tax Abatement Request – Paul Gorte

Mr. Gorte stated that he had been approached by Valley Golf who is requesting a tax abatement. He said that Mr. Dan Filipi and Mr. Larry Slown were present at the meeting to answer questions and that they have provided the City with both a budget and business plan. Mr. Filipi stated that the golf course board had worked on the budget while trying to make improvements. He commented how the downturn in the economy had decreased the amount of revenue of the golf course. He stated that they are behind in equipment maintenance and that the tax abatement was only one piece of the puzzle for them. He explained the way a golf course was taxed had changed under Governor Pawlenty and the taxes went from \$7,500 for the year to \$42,000 which included special assessments.

Council President Olstad commented how the City portion of taxes was approximately \$11,500 per year. Council member DeMers said that he appreciates them coming forward but that he would like to see a business plan in detail. Council President Olstad asked what the reasoning was for 10 years. Mr. Filipi explained that by 2023 the golf course would have some of its debts taken care of. He added that the City of Grand Forks sets \$30,000 aside for the Lincoln course and \$140,000 aside for the King's Walk golf course. Council member Pokrzywinski asked if that was the City or the park district. After review of paperwork Mr. Filipi stated it was the park district.

Council member Vetter asked what the City's policy is for a new business. Mr. Gorte stated he was unsure what that policy was but would look into it. Mayor Stauss commented how the City had helped the golf course before, that there are arenas and baseball fields but how the golf course was important to the community. Discussion followed about what possible options were, how the City was limited on what it is able to do, and how an abatement would be absorbed by the rest of the tax payers. Council member Pokrzywinski asked if the golf course board had approached the County yet. Mr. Filipi stated they hadn't. Council member Pokrzywinski then asked if they would also be asking for the loan they had with the City to be deferred. Mr. Filipi stated they were trying to stay current but had asked to have both the September and October payments of this year deferred. He added they were trying to avoid borrowing more money and that the abatement would help. Council member Tweten asked to have them indicate what amount was for taxes and what amount was for special assessments. Council President Olstad added more information was needed before moving forward.

7. Update on Mutual Aid Agreement – Gary Larson

Chief Gary Larson told the Council they had see this agreement before but changes had been made. He stated the amount of hours required to be on the scene was changed from 48 hours down to 12 hours. He explained how this was a five year agreement and the City would be able to withdraw from it with a 30 day notice. He added that he had discussed the liability portion with others and that the City would be liable if something happened to another department if they were assisting under the mutual aid agreement. Council member DeMers asked if Chief Larson

was happy with the changes. Chief Larson stated he was and how they would be assigned to duties when they arrived upon a scene.

This item will be referred to a City Council Meeting for action.

8. Civic Center Roof Repairs – Dave Aker

Mr. Aker informed the Council that he had contacted five people to give a quote on the roof project at the Civic Center. He stated that he only received one and asked if the Council would like to consider the quote. Mayor Stauss asked when there were issues. Mr. Aker stated there were issues when it snowed. Council member DeMers asked if there would be a warranty on the work. Mr. Aker said there would be. Council member Tweten asked if any drawings were prepared. Mr. Aker stated there wasn't at this time. Discussion followed about if the contractor would still honor the bid and how others may not have bid because they were too busy or it was too late in the year. Council member Pokrzywinski stated that he would like to see a plan or drawing on this project. Council Vice-President Grassel asked if a drawing could be prepared or if the contractor would be able to come to the next meeting and informed the Council about what the plan was for this project. Council President Olstad asked if there was enough time still this year to complete the project. Mr. Aker stated it depended on the weather.

Council member Pokrzywinski asked how this was going to be paid for. Ms. Nelson stated that funds had been set aside specifically for this project. Council member DeMers commented he only asked about warranty because of all of the issues the City has had with the library's roof.

This item will be referred to a City Council Meeting for action.

9. Special Election Discussion – Mark Olstad

Council President Olstad explained there were questions that needed to be addressed regarding the sales tax special election. He stated the suggestion was to have the election in February so if it passed the City would be able to approach the State Legislature with the results from the election. Ms. Nelson stated that if the Council picked an election date of February 9th the latest the County could be notified would be November 27th. Council President Olstad said one of the questions that needed to be addressed is what was all going to be included to be paid for by the sales tax because that information needs to be included in the resolution that is sent to the County. Council member Tweten commented how there is a sunset provision on the sales tax and how some cities use sales tax to help fund their EDAs. Council Vice-President Grassel asked if a list could be compiled and then the Council could go through the list and discuss what should be included. Council President Olstad commented how that was a good idea and how there should be enough time to compile the list before the next work session.

Mr. Galstad commented how Ms. Anderson had received information from Bemidji who had implemented a sales tax and the City may be able to use similar language. Council member DeMers stated that this is a policy decision, the items should be limited or narrow in scope, and if something else is needed the Council should go through the process again. Council President Olstad asked about language and to have samples brought forward to help with the layout of the ballot question. Mr. Murphy stated the League of Minnesota Cities should have many examples that he will bring forward at the next work session.

10. Other

Ms. Nelson stated she missed including an item for discussion on the agenda and reminded the Council how the vote had been postponed for adopting the assessment roll for the reconstruction of 17th Street NE. Mr. Galstad stated he had tried contacting the attorney representing East Forks Partnership and would continue to try to contact them and see if there was a possible resolution to the objection. Council member DeMers asked if this should be discussed in a closed session. Mr. Galstad stated he was just asking to see if a resolution could be reached and how this was an initial discussion.

Council President Olstad stated that the League of Minnesota Cities was holding a regional meeting in Crookston on Tuesday, October 20th and that it had been requested to move the Council meeting so the entire Council could attend. He added that he would not be able to attend the regional meeting and asked who would like to attend. Council member Tweten commented that it was important to attend this meeting and the City should be represented. Discussion followed about how both Council member Tweten and Mr. Murphy were going to attend the regional meeting.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER DEMERS, TO ADJOURN THE OCTOBER 13, 2015 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:45 P.M.

David Murphy, City Administrator/Clerk-Treasurer