

**APPROVED MINUTES
OF THE CITY
COUNCIL WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, DECEMBER 8, 2015 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for December 8, 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, Craig Buckalew, Henry Tweten, and Marc DeMers.

Dave Aker, Parks & Recreation Superintendent; Karla Anderson, Finance Director; Dan Boyce, Water & Light Manager; Nancy Ellis, City Planner; 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. East Grand Forks Girls Hockey Team – Jim Enright

Mr. Enright introduced himself as the coach of the East Grand Forks girls hockey team. He told the Council that only the captains were going to attend the meeting but the entire team ended up coming to say thank you and tell the Council how fantastic it is to have a home. Council member Tweten commented how he was told that East Grand Forks has the best behaved women's hockey team down at the state tournament, to keep up that type of conduct, and how hockey teaches teamwork and how important that will be later on in life. Mayor Stauss asked what the best thing was about the locker room. The girls said everything. Mayor Stauss commented how the Council is happy they were able to do this project and wished the girls good luck.

2. Lot Pricing Discussion – Paul Gorte

Mr. Gorte told the Council that he had reviewed the prices of the lots. He explained how \$12,000 was needed from each lot sale to cover the costs of the incentive programs. He stated how after deducting the special assessments some of the lot prices needed to be adjusted to cover these costs. He said the EDA Board had discussed this approved them so the programs are self sustaining as opposed to subsidizing the programs. The Council was being asked to approve these changes. Council President Olstad commented how he knew about the new housing incentive program asked what was going to be

paid for with these funds. Mr. Gorte explained it was also going to cover the tax rebate or abatement, the landscape incentive, and the special assessments. Council President Olstad commented he wanted to make sure there was nothing else added in. Mr. Gorte said this should be covering what will be taken out of the fund. Ms. Anderson added that the City has sold enough lots and collected specials to cover the payment for the specials on the north end from the special assessment fund instead of the 280 fund.

Council member Pokrzywinski stated that Mr. Gorte has put a lot of work into this and there had been lots of discussions at the EDA meetings. He said this does accomplish a sustainable program as long as the fund doesn't have anything new come out of it. He stated how this fund was originally suppose to be used for flood protection maintenance program, how the fee had to be raised to cover increasing costs, and once this neighborhood is developed the revenue collected will help with those costs. Council member Pokrzywinski commented that there is a bold new plan to jump start the development in this area and this is the responsible thing to do unless this fund is going to be used for flood protection maintenance. He added this is a rational way to price the lots. Council President Olstad said he just wanted it laid out on why this is being done and asked Mr. Gorte to explain the changes to one of the lots. Mr. Gorte explained how the price for Lot 9, Block 1 in Waters Edge 1st Addition was short of the \$12,000 needed so \$4,828 was added to the lot price.

Mayor Stauss said \$12,000 was a very reasonable price for a lot, commented how this area has not developed like the Council had anticipated, how there are building restrictions on these properties, and how the City can't keep paying for the special assessments. Mr. Gorte said the EDA was working on ways to sell these lots and hope to bring a program before the Council at the beginning of next year. Council member Vetter asked if these funds had been dedicated by resolution for flood maintenance and if that needed to be changed. Discussion followed about how this should be passed by resolution, how the EDA has plans for this area next year, and that the Council understands why the prices were being adjusted. Council member DeMers requested next time to include maps along with the information.

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

3. Request to Purchase Radios for Police Dept – Mike Hedlund

Chief Hedlund commented how radios had been discussed many times, explained how the State of Minnesota and Polk County has changed over to the 800 ARMER system but the City had not at this time and one reason would be the difficulty in communicating with Grand Forks. He stated the 800 ARMER system had phenomenal coverage, was more effective, and how the Fire Department had received a grant for helping pay for the radios needed for their department. He said the Police Department was offered an incentive to purchase radios at a cheaper rate than the current state bid contract but the radios had to be ordered by December 18th. He added he had been in contact with a consultant regarding how many radios were needed and at this time had not received the costs but it had been estimated around \$159,000. Council member DeMers asked what system Grand Forks was using. Chief Hedlund stated they were still on the VHF system. Discussion followed about how a tower was going to be placed to help the communication between East Grand Forks and Grand Forks, how there were funds available in the Capital Improvement Fund for this purchase, and how the console still needs to be replaced in the Police Department.

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

4. School Lease Addendum – David Murphy

Mr. Murphy stated this had been previously discussed, that the school did not want to have the lease changed, but add the addition of an addendum to set the terms of payments for the Civic Center Renovation project. He added that the language was finally approved and that the school had made their \$100,000 payment for 2015 in September.

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

5. Resolution to Support Increase in LGA – David Murphy

Mr. Murphy said there was a request from the Coalition of Greater Minnesota Cities. He explained Minnesota was projected to have a surplus of \$1.8 billion and one item the Coalition was lobbying for was an increase to Local Government Aid. He said LGA makes up approximately 25% of the City's budget and the Coalition was going to request an increase of \$45.5 million to LGA to get it back to the level before un-allotment took place. Council member Pokrzywinski said when the State had a deficit they asked the cities and schools for help and now they can support the cities by increasing LGA. Mayor Stauss asked what the City's last increase was. Ms. Anderson stated it was \$29,000. Mayor Stauss asked if any indication was given on how that would be divided up. Council President Olstad said no and explained a new formula is used when figuring out LGA. Council member Tweten commented how the Council should push for this, that the City has needs, and how the Council has done well with the shortage of funds up to this point. Council President Olstad reminded the Council that he does sit on the Board for the Coalition and this is something that they push for every year. Council member Pokrzywinski told the Council to contact Representative Deb Kiel and urge her to support the increase to LGA.

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

6. Voluntary Assessment to Fund Environmental Program – David Murphy

Mr. Murphy explained that this request was also coming from the Coalition because they were looking at pursuing a lawsuit against MPCA and the EPA challenging them over the standards used for mandates are suppose to be based on sound scientific rational and information. He said the Coalition is alleging is that currently the MPCA is basing standards on factors that are not scientific but that were arbitrary. He explained they were requesting each member city to voluntarily send in a \$1 assessment per waste water hookup. Council member Olstad commented how the City had been singled out since the interconnect project was moving forward. He said he did vote no along with Bemidji but said he would bring this back for the Council to consider. Discussion followed about how this would cost around \$2600, how the most of the Council felt something should be sent but not the \$1 per hookup, and that Bemidji had been contacted about why they did not want to support the assessment.

Council Vice-President Grassel commented the City may need support on something else down the road and asked to only make a two year commitment at \$1000 or half the assessment. More discussion

followed about the importance of clean water, keeping people safe, and that regulations should be based on sound science so the City does not have to spend more than necessary. Council member Tweten asked to have Thief River Falls and Crookston contacted to see if they were going to support the voluntary assessment.

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

7. Discussion on Special Election – David Murphy

Mr. Murphy told the Council in order to hold an election on February 29, 2016 the Council would need to adopt a resolution at the next meeting. He asked for the Council to discuss this and recommended a committee be formed to work on the question for the ballot. Council President Olstad said it had been suggested to have a half cent, one cent, and different sunsets. He reviewed what information had to be included on the resolution and added how the ballot question had to be specific. Mr. Galstad review research he had completed regarding this item and how some cities had many items included. Discussion followed about how some residents were not going to support a sales tax if the splash parks were included, how two questions could be proposed so the pool and splash parks could be voted on separately, and what Council members would like to be a part of the committee to help form the questions.

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

8. Other

Ms. Ellis informed the Council that the Housing Authority had offered another proposal for leasing space in City Hall and she asked for the Council's input. Council President Olstad explained the proposal was \$7 per square foot for 2016, \$8 per square foot for 2017, and \$10 per square foot for 2018. Discussion followed about other spaces rented for approximately \$10 per square foot in City Hall, what the length of the lease should be, and other suggestions of what the rent should be. The Council agreed to counter with a three year lease at \$8 for 2016, \$9 for 2017, and \$10 for 2018. Ms. Ellis stated she would bring that back to the Housing Authority.

Mr. Galstad told the Council that he had submitted the annexation for the Johnson property. He said it was his error that he had not included an agreement on how the City would be reimbursing the township for taxes. He explained the last couple annexations that were completed were for City property. He stated how the amount the township would have received on this property was \$407.30 per year. He said that the County Assessor, Rob Wagner, said it had to be paid for at least two years and no more than eight. He suggested making two payments and that Mr. Stocker wouldn't have a problem with the proposed agreement but they will be discussing the terms and that they can be negotiated. Mayor Stauss said he read the section on the utilities that are provided. Mr. Galstad said that was in the original, that negotiation had been going on, and that the installation of utilities would be paid for by the developer. Council President Olstad said this had been discussed and the numbers were workable for the developer.

Council President Olstad asked the Council if they would like to have the meeting on December 22nd or if it should be cancelled. Ms. Nelson explained that traditionally the Council does not hold the last

work session of the year because it is typically is close to the holidays and more than likely there will be very few items on the agenda. After a very short discussion the Council decided not to have the work session on December 22nd.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER BUCKALEW, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADJOURN THE DECEMBER 8, 2015 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:14 P.M.

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

Voting Nay: None.

David Murphy, City Administrator/Clerk-Treasurer