

AGENDA
CITY COUNCIL
WORK SESSION
CITY OF EAST GRAND FORKS
AUGUST 24, 2010
5:00 PM

CALL TO ORDER

CALL OF ROLL

DETERMINATION OF A QUORUM

1. FM Diversion - Red River Basin Commission
2. Safe Routes to School – Scott Huizenga
3. Rescue Unit Fee/Rural Fire Agreement – Scott Huizenga

ADJOURN

Upcoming Meetings

Work Session – August 31, 2010 – 5:00 PM – Training Room

Regular Meeting – September 7, 2010 – 5:00 PM – Council Chambers

Work Session – September 14, 2010 – 5:00 PM – Training Room

Regular Meeting – September 21, 2010 – 5:00 PM – Council Chambers

Request for Council Action

Date: 8-20-10

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc DeMers, Craig Buckalew, Wayne Gregoire Greg Leigh and Mike Pokrzywinski

Cc: File

From: Scott Huizenga, City Administrator

RE: Safe Routes to School

The City Engineer recently received bids for the Phase 2 of the Safe Routes to School project. This would extend the sidewalk on Bygland Road from 13th St SE to the middle school. The City received a construction grant from the Minnesota Department of Transportation in the amount of \$168,160 for construction. The City's cost was intended to be engineering and administration only. The lowest construction bid received for the project is \$220,772.40. Therefore, the City would have to fund approximately \$50,000 in additional construction costs to proceed with the project this fall.

The City Engineer and I believe that at least some of the cost-escalation is due to the timing of the bid letting. The City approved the plans and specifications in the spring. However, the City did not receive MnDOT approval of the plans and specifications until late July. This forced a late bid that may have led to a less-competitive environment. Also, the timing also delayed hampered the City's efforts to complete construction before the new school year began.

Therefore, the City has two options. The City can choose to proceed with the project at an additional cost of approximately \$50,000. The City's match would be generated from State Aid construction funds, as Bygland Road is on the city's state-aid system. Or, the City can reject all bids and rebid the project next year before spring. We believe that bid prices may be more competitive in the winter and early spring rather than in the fall of this year. Obviously, there is no guarantee that the price will fall. And there is always a possibility, albeit small, that prices could escalate based on unforeseen conditions.

Recommendation:

I recommend that the City reject all bids. We have already missed the timeline for completing the project before school begins. I believe that the City has relatively little to lose by rebidding the project in early 2011.

Request for Council Action

Date: 8-20-10

To: East Grand Forks City Council, Mayor Lynn Stauss, President Dick Grassel, Council Vice President Henry Tweten, Council Members: Marc DeMers, Craig Buckalew, Wayne Gregoire Greg Leigh and Mike Pokrzywinski

Cc: File

From: Scott Huizenga, City Administrator

RE: Rescue Unit Fee

Council approved Resolution No. 10-06-67 on June 1, 2010 to request that the Polk County Commission approve a rescue unit fee for East Grand Forks. Subsequently, City and township officials discussed implementing a fee without County involvement. We have tentatively agreed to implement a fee of \$5 per household per month for the rescue unit. In turn, the townships within the East Grand Forks fire service territory have agreed to increase its annual reimbursement to the City by \$10,000, which is roughly proportionate to the rescue call volume experience in the rural areas of the service territory.

The townships have requested that we approve the City rescue unit fee and the amended agreement with the townships in advance of the final FY 2011 budget adoption so that they can incorporate the new agreement into their budgets. As such, two resolutions are attached to amend the existing rural fire agreement and to implement a City-wide fire rescue fee of \$5. The rural fire agreement amendment is contingent upon the City approving additional revenues within the City.

The City fee would be effective January 1, 2011. The fee is conservatively estimated to raise approximately \$175,000 for the City, which will go a long way to balancing the City's budget without enduring painful cuts to the Fire Department or other city programs.

Recommendation: Approve the rescue unit fee of \$5 per household per month; and approve the contract amendment for rural fire services for an annual fee increase of \$10,000.

RESOLUTION NO. 10-06-67

A RESOLUTION REQUESTING THE IMPLEMENTATION AND ADMINISTRATION OF A RESCUE UNIT FEE TO THE POLK COUNTY BOARD OF COMMISSIONERS; AND DIRECTING ADMINISTRATION AND THE WATER AND LIGHT DEPARTMENT TO PROVIDE THE REQUISITE PARCEL DATA TO IMPLEMENT THE FEE.

Council Member DeMers, supported by Council Member Pokrzywinski, introduced the following resolution and moved its adoption:

WHEREAS, the City of East Grand Forks Fire Department provides emergency rescue unit coverage for the City and portions of unincorporated Polk County; and

WHEREAS, the provision of rescue unit services necessitates full-time staffing and equipment without adequate provision for reimbursement; and

WHEREAS, the current County Ambulance Subsidy covers just two percent of the Fire Department's total cost; and

WHEREAS, the Ambulance Subsidy is shared with Altru Hospital and has not increased since its inception; and

WHEREAS, dramatic cuts to Local Government Aid (LGA) from the State of Minnesota necessitate changes to the City's budgeting and finances;

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF EAST GRAND FORKS, that the City requests the implementation and administration of a monthly rescue unit fee to the Polk County Board of Commissioners.

BE IT FURTHER RESOLVED, that the City Council directs Administration and the water and light department to provide the requisite parcel data to implement the fee.

Voting Aye: Grassel, Buckalew, Tweten, Gregoire, Leigh, Pokrzywinski, and Demers.

Voting Nay: None.

Absent:

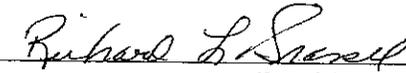
The President declared the resolution passed.

Passed: June 1, 2010

Attest:



City Administrator/Clerk-Treasurer



President of Council

I hereby approve the foregoing resolution this 1st of June, 2010.



Mayor

RESOLUTION NO. 10 – 09 - XX

Council Member ____, supported by Council Member ____, introduced the following resolution and moved its adoption:

WHEREAS, the City of East Grand Forks entered into an agreement for fire services on March 17, 2009 with the following Townships, all located in Polk County, Minnesota: Bygland, Grand Forks, Huntsville, Keystone, Nesbit, Rhinehart, and Sullivan.

WHEREAS, the City and the Townships desire to amend the agreement to reflect an increase in revenue from both the City and the Townships;

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of East Grand Forks hereby authorizes the Mayor and City Administrator/Clerk Treasurer to enter into an amended agreement attached hereto as "Exhibit A" with the aforementioned townships and to sign all appropriate documents.

Voting Aye:
Voting Nay: None.
Absent: None.

The President declared the resolution passed.

Passed: September 7, 2010

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 7th of September, 2010.

Mayor

AMENDMENT TO THE AGREEMENT FOR FIRE SERVICES

THIS AMENDMENT IS MADE TO THE ORIGINAL AGREEMENT FOR FIRE SERVICES dated March 17, 2009. It is made and entered into this 7th day of September, 2010, by and between the City of East Grand Forks, a Municipal Corporation, of Polk County, Minnesota, (hereafter referred to as “City”), and the following Townships, all located in Polk County, Minnesota: Bygland, Grand Forks, Huntsville, Keystone, Nesbit, Rhinehart and Sullivan, (hereafter referred to as “Townships”).

Background: The City has experienced a decrease in revenue as a result of loss of Local Government Aid from the State of Minnesota. It wishes to continue to provide fire and rescue services and seeks to increase revenue dedicated to the City’s Fire Department. The Townships are willing to increase their share of dedicated Fire Department revenue specifically with the understanding that fire and first responder rescue services will continue at levels provided by the City at the onset of the original Agreement.

Based on the foregoing, the undersigned parties hereby agree to amend the Agreement dated March 17, 2009, as follows:

Township Payments/Conditions:

1. Section 6 of the Agreement is deleted and a new Section 6 is added to read as follows:
 - a. The Townships agree to pay the City annual payments on April 1st each year as follows:

<u>Original Amounts</u>	<u>Amended Amounts</u>
i. April 1, 2010: 34,775	No Change
ii. April 1, 2011: 35,819	April 1, 2011: 45,819
iii. April 1, 2012: 36,893	April 1, 2012: 46,893
iv. April 1, 2013: 38,000	April 1, 2013: 48,000
v. April 1, 2014: 39,140	April 1, 2014: 49,140
 - b. The City shall apply for, obtain, process and spend all fire aid available from the State of Minnesota, (currently equal to 2%) in accordance with all applicable laws, rules and regulations during the term of this Agreement.
 - c. The City will not charge the Townships or their residents for fire or first responder services and response calls during the term of this Agreement.
 - d. The City will not seek or obtain any other type of revenue increase from the Townships or Township residents, whether direct or indirect, resulting from taxing authorities or other means of revenue enhancement during the term of this Agreement.
 - e. The above increase in payments by the Townships is conditioned upon:
 - The City implementing a monthly utility assessment of \$5.00 on its residents beginning January 1, 2011, and continuing during the term of this Agreement. This revenue would be ear marked and used as a “rescue unit fee.”
 - The City providing the same level of service to the Townships in fire, rescue and first responder services that existed at the beginning of this Agreement in March 2009.

IN TESTIMONY WHEREOF, the parties of this contract have hereunto set their hands and seals this on the date specified herein.

CITY:

The City of East Grand Forks, Minnesota
A Municipal Corporation.

By: _____ Date: _____
Lynn Stauss, Mayor

By: _____ Date: _____
Scott Huizenga, City Administrator