

**APPROVED MINUTES
OF THE WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, JULY 25, 2023 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for Tuesday, July 25, 2023 was called to order by Council President 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 Steve Gander, Council President Mark Olstad, Council Vice-President Tim Riopelle, Council Members Clarence Vetter, Ben Pokrzywinski, Dale Helms, Brian Larson, and Karen Peterson.

Staff Present: Jeff Boushee, Fire Chief; Nancy Ellis, City Planner; Steve Emery, City Engineer; Ron Galstad, City Attorney; Paul Gorte, Economic Development Director; Michael Hedlund, Police Chief, Charlotte Helgeson, Library Director; Reid Huttunen, Parks and Recreation Superintendent; and Megan Nelson, City Clerk.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present.

1. Update on Legislative Session from the Coalition of Greater MN Cities – Marty Seifert

Mr. Seifert introduced himself to the Council, how the Coalition represented 109 cities, and East Grand Forks had been a long time member. He stated for a long time he had been told how the City did not like the local government aid formula (LGA) and they were finally able to make a change to where the City no longer lost funding or just remained the same but also able to get additional funding. He reviewed the different proposals that were discussed at the State level and how East Grand Forks was in the mid-sized city category. He moved on to environmental items they worked on which included getting funding to help cities replace lead lines for both city lines and private lines. He reviewed what had been asked for childcare needs, how they were trying to get the broadband project completed, and there was additional funding for housing and work force housing.

Mr. Seifert continued with transportation, how small cities would now be receiving dedicated funding for streets each year, and they worked on a formula change to make sure the corridors for commerce dollars because the one year none of it was used in greater Minnesota. He reminded everyone of the summer conference that would be taking place in Thief River Falls, they still had openings for people to attend, and he said there was additional safety aid that was available to the City. He added the new paid leave act would be discussed at the conference, it affected all employers, and the cost would need to be levied or the City could use LGA funding. He said the Coalition had requested not to dump unfunded mandates on cities but the leave act was an unfunded mandate. He asked for questions.

Mr. Emery asked if the lead line replacement funding would be done through PFA. Mr. Seifert said he thought so. Mayor Gander said they were happy with the Coalition's involvement with the session. Mr.

Seifert said the number was issue was LGA so they made sure it was updated because it had not been updated for 11 years. Council member Larson asked about cannabis legalization and if more guidance would be available. Mr. Seifert said it was being worked on, cities were talking about moratoriums, there was a mandate to have at least one license per 12,500 people, and there was still a lot that needed to be worked through so they would be requesting input from cities. He reminded everyone again there was still space available at the conference.

2. Request to Amend Memorandum of Understanding for School Resource Officer Services – Michael Hedlund

Chief Hedlund gave a history of the school resource officer position, how it was started with a grant, and the program was in place for eight years. He stated the cost of the position was split 50/50 between the City and school. He said during discussions from the finance committee it was brought up to see if the school would take on more of the costs for the position, he had a talk with the superintendent, and they were willing to take on 65% of the costs, leaving 35% for the City, and it would be brought before the school board in August. He added they did not want to have the officer pulled which did happen because of being short staffed, but the school resource officer would be back in the school in September. There were no questions.

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

3. Consider Approving the Safe Streets and Roads for All Program Memorandum of Understanding – Nancy Ellis

Ms. Ellis told the Council this was the same document they had previously seen, nothing had changed, the memorandum had been reviewed by the city attorneys, and it was being brought back because the cities had been awarded the grant. She said the Metropolitan Planning Organization would be conducting the study, the cities had a 20% share, and it would be paid for over two years. There were no questions.

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

4. Review of Pace Addition Plat – Nancy Ellis

Ms. Ellis informed the Council the plat was coming before them because she was not able to attend the next work session, an application had been received for property located just south of the railroad tracks, and they were trying to replat the properties to clean things up with the easements, only having four lots, and allow for cleaner titles and legal descriptions. She said this would be going before the Planning Commission on August 2nd for a public hearing and if approved it would be brought to a council meeting.

This item will be brought back to a future meeting.

5. Review of Residential Incentives – Paul Gorte

Mr. Gorte said there were four incentive programs, two for builders, and two for residential buyers. He explained the \$1000 down program and the \$100,000 program for construction materials for builders, and the tax abatement program that was very popular with residents long with the landscaping incentive program. He stated the 280 fund was not going to be able to fund these programs, they had to turn away a builder because there was not enough funding for the \$100,000 program, and he asked how the programs

would be funded going forward. He asked if the funds from the Town Square account could be used, it had \$183,000, and they could issue \$90,000 for construction materials allowing for two loans. He suggested using the general fund for the tax abatements to help promote home construction. Discussion followed about the 635 fund or Town Square account, how it was from when the City managed the facility, but the City was no longer a part of housing. Council President Olstad said in 2015 there was a resolution that moved those funds to Sunshine Terrace and they needed to know why the funds were not moved.

Council member Vetter asked if the 280 fund was funding all the programs. Mr. Gorte said just three programs because the one only required \$1000 down. Council member Vetter asked if there were any \$100,000 loans currently. Mr. Gorte said there was one so it would cover the tax abatements for the year. Ms. Ellis told the Council the funding that was supposed to be transferred was to cover the cost of the roof replacement on the Sunshine Terrace building which was completed in 2017. Mayor Gander said they needed to find a way to keep the programs going. Council member Larson said the tax abatement was a great incentive and they should find a way to fund it.

6. Request to Start Hiring Process for Accounting Technician – Megan Nelson

Ms. Nelson said the request was being brought forward to fill the vacant accounting technician position. Council President Olstad asked if the position was still included in the budget. Council member Vetter said the position was discussed in the finance committee meetings because it was a good time to look at accounting services and what could be done. He stated the Water and Light Department was moving forward to fill their position, so it was time to consider filling this position. Discussion followed about how this position was still included in the budget, staff had split the duties of the position, and how there was concern about filling the position before the budget was determined because they might need to cut positions. Council President Olstad asked to have this included on the council meeting agenda.

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

7. Request for Direction on Engineering Services – Megan Nelson

Ms. Nelson stated the finance committee determined it was not cost effective to start up an in-house engineering department and with the current contract expired it was being asked if request for proposals for engineering services should be requested. Council member Vetter said he was under the impression it was a harder request from the committee, proposals had not been requested for years, and it would make sure the City was getting the best rates. Council member Peterson said it would show if someone else could provide the service or the current engineers could showcase what they offer the City, especially since the contract was up for renewal. Discussion followed about whether the rates would greatly increase, how a firm could drop rates to be able to get the contract, and if the current rates were competitive. Council member Peterson said based on the costs for hiring in-house engineering, contracting services saved hundreds of thousands.

Mr. Emery told the Council he had been working with Council President Olstad and Mayor Gander, they had reviewed the fee schedule, and there might need to be some changes to the fees. He said they were looking at a two or three year contract and include the language they were only able to increase fees by a certain percentage each year. Mayor Gander stated they had also been working with Mr. Galstad on his contract, the meetings had gone well, they were still negotiating some of the terms, and they had been transparent on what was needed. He said he would be content to renew the contract with Widseth since he considered they were already through a half year into the contract. Council member Larson said the

RFQ process was very involved and requested to look at rates that other cities were charged first to compare which could provide the information they were looking for. He said it was concerning the contract was expired and he would be in favor of reviewing costs each year instead of locking in for three years.

Council member Vetter said they do this process with audits every three years and suggested doing the same with engineering. Discussion followed about requesting the engineering rate information from the City of Grand Forks. Council President Olstad commented that Widseth was located in the community and supported the community. He stated he felt comfortable moving forward with a renewal but the request for proposals could be voted on at the next meeting. More discussion followed about how action should be taken before contracts expire in the future and how cost-saving measures had been identified by the finance committee but it would be a few years out. Mr. Emery told the Council there were many benefits using them as a local consultant, they were available to staff and contractors, they could provide a variety of services, and there were seven families at their firm that lived in the city. He added they appreciated being able to work with the City and would like to continue working with the City.

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

8. Consider Proposed 2023 Winter Registration Rates – Reid Huttunen

Mr. Huttunen stated the request was being made for a 5% increase to fees for the winter programs and was not asking for approval for future years because they would like input from the clubs before moving forward with that request. He explained an analysis had been done which showed the true and real costs. Mayor Gander said he liked planning ahead and they did not want to stop people from participating but the City was not able to subsidize the program to the extent it had any more. Discussion followed about breaking even, if the process could be pushed out farther than three years, and how the City would still run at a deficit running the arenas.

Council Vice-President Riopelle explained there was no intent to keep people out, the Blue Line Club in Grand Forks accepted applications to help those that needed it, and this could also be done by the clubs in East Grand Forks. He added they were suggesting spreading the increase across three years. Council member Pokrzywinski suggested when talking to the clubs to include the information that each household paid to subsidize the programs. Mr. Huttunen stated that there was a lot more information available.

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

9. Request to Fundraise for Playground at Griggs Park Trailhead – Reid Huttunen

Mr. Huttunen told the Council a request had come forward about adding a playset to the Grigg Park area. He explained that Ms. Rebecca Walk had a daycare close by, there was nothing else within walking distance, so she was requesting to see if she could try to fundraise to help pay for equipment. He said a small playset could fit in the area, there was nothing currently in the budget, and he was looking for feedback about the fundraising to help come up with funds. He added he did not know how much was needed. Discussion followed about how this was outside of the DNR property and river corridor, to possibly check on daycare funding to see if something was available because there was a preschool that was also close by, and there were no issues with Ms. Walk trying to raise funds for a playset.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER PETERSON, TO ADJOURN THE JULY 25, 2023 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:05 P.M.

Voting Aye: Peterson, Vetter, Pokrzywinski, Riopelle, Helms, Olstad, and Larson.

Voting Nay: None.

Megan Nelson, City Clerk