

**APPROVED MINUTES  
OF THE WORK SESSION  
CITY OF EAST GRAND FORKS  
TUESDAY, NOVEMBER 28, 2023 – 5:00 PM**

**CALL TO ORDER:**

*The Work Session of the East Grand Forks City Council for Tuesday, November 28, 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, Brian Larson, and Karen Peterson.*

*Staff Present: Karla Anderson, Finance Director; Jeff Boushee, Fire Chief; Nancy Ellis, City Planner; Ron Galstad, City Attorney; Michael Hedlund, Police Chief, Reid Huttunen, City Administrator; Jeremy King, Parks and Recreation Superintendent; Keith Mykleseth, Water and Light General Manager; Megan Nelson, City Clerk; and Jason Stordahl, Public Works Director.*

**DETERMINATION OF A QUORUM:**

*The Council President Determined a Quorum was present.*

**1. Presentation about Polk County Family Resource Center – Victoria Ramirez**

Ms. Victoria Ramirez introduced herself to the Council and informed them she has worked in Social Services for 21 years and it was her role to start the Family Resource Center. She explained Scott County had opened the first family resource center, the center helped identify needs of families and connected them to resources, Polk County had started the second family resource center in the State, and there were now 14 centers in the State. She said they had opened a space in Crookston and just recently opened a space in East Grand Forks that included a play area for children, a parent area, and intake offices where they connect people to resources. She added they were trying to build more connections to local resources, help people through processes, and engage in a positive way. She said they already had some community partners to help with child support, peer recovery, and would be looking to see what other partners were available to have more in-service providers. She ended by saying they wanted to let the Council about what was going on and how they were there to offer support to those in need.

Mayor Gander said he liked the idea of having all the services in one place, it was a place of fun, easy to access services, and thanked them for bringing this into the community. Ms. Ramirez said again they would be reaching out to other agencies to see what can be offered to families, they were there to offer support to families, build relationships, and streamline services. There were no other comments or questions.

**2. Discussion on Snow Removal Along West Side of Bygland Road – Jeremy King**

Mr. King stated the Council directed staff at the November 14<sup>th</sup> work session to go back and review any

ideas about the snow removal along Bygland Road. He explained that every idea had unintended consequences, so the only suggestion was to reconsider the decision already made by the Council. He said a cost analysis had been provided in the packet as well as the cost for contracted services. Council President Olstad said he had asked to bring this item back so they were able to discuss it further and either maintain their position or turn back snow removal to city staff. He said there was additional information on costs, what it would cost to hire a contractor, and how it could be moved on to the next week for the Council to vote on.

Ms. Kristi Swanson, 1034 Bygland Road SE, thanked the Council for reconsidering and asked Mr. Huttunen about how this was not an original budget issue. Mr. Huttunen said it was not a budget issue but rather a time savings because it would allow staff to get to other items and over time there would be a budget impact. He added no one applied for the seasonal position last year so they were short staffed, but they were able to hire someone for the seasonal position this winter. Ms. Swanson said she was not trying to get out of work, but the City should keep their promise, that many people could not be wrong about being promised the City would clear the snow, and there was an issue with the sidewalk being so close to the road. She added it would be disheartening if it was taken away and asked why it was changing now. Council President Olstad said again there were staffing issues which had affecting all departments in the city. Ms. Jennifer Boushee said she had talked to Mr. King because she watched the person clearing the sidewalks. Mr. King said it was the person's first day running the equipment. Ms. Boushee said she agreed with Ms. Swanson.

Ms. Deb Hearn, 1120 Bygland Road SE, asked about the dates listed in the packet. Mr. King said the dates were of snow events during the previous winter season and estimated the dates of when the sidewalks were cleared which was about 16 times. Ms. Hearn said she walked every day on the sidewalks and they needed to be cleaned better than they were. Discussion followed about how the previous winter there were snow events that were back-to-back, the sidewalks did not require clearing every day, and they were able to hire someone but they needed training. Ms. Boushee asked Ms. Ellis if it was her name on the letter and if she knew who made the promise. Ms. Ellis said it was her but there were no promises made at any of the meetings she attended. Council Vice-President Riopelle stated how things could not be based on just a promise and something would have needed to be approved by the whole Council. Council President Olstad said this item move on to the next meeting.

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

### **3. Consider Excess Liability Coverage for 2024 – Karla Anderson**

Ms. Anderson reminded the Council this was a yearly renewal, there were three options, the previous year the Council chose to move forward with Option 1, in previous years they had picked Option 2, and if they picked Option 3 there would need to be an increase to the budget for the purchase of additional liability coverage. She stated Option 1 would cap a claim at \$500,000, Option 2 would waive the statutory tort limit allowing up to \$2 million per claim, or Option 3 was waiving the tort limit and purchasing excess liability coverage.

Council President Olstad suggested Option 1 since there was nothing in the budget for excess liability. Ms. Anderson said there was no additional cost for Options 1 or 2. Council President Olstad asked why they changed to Option 1 the previous year. Ms. Anderson said she did not know. Council President Olstad asked for a recommendation. Mr. Galstad explained if there was an accident, if they chose Option 1, a claim would be capped at \$500,000, Option 2 would allow for up to \$2 million per claim, the

difference was the payout, and premiums would be affected going forward. Discussion followed about how there was an additional cost with Option 3, the person making the claim would have to prove the loss, how there was not a staff recommendation, and Mayor Gander asked for the information that was presented the previous year. Council member Pokrzywinski asked if there was recourse to cover the remaining losses if it was greater than \$500,000. Mr. Galstad said it would be capped at \$500,000. Council member Pokrzywinski commented there were risks with waiving the tort limit that could cause the premiums to increase and suggested moving forward with Option 1.

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

#### **4. Request from American Crystal Sugar – Reid Huttunen**

Mr. Huttunen told the Council American Crystal was preparing a bill for the Minnesota Legislature to consider requesting a special permit allowing a redesigned truck and trailer to haul 122,000 pounds compared to the current 80,000 pounds. He explained the route would allow the trucks to come into the City using Highway 2 and follow a specific route to the plant. He stated this would be done on a trial basis, and if successful, it could be expanded across the State. He said they were only asking for support from the City.

Mayor Gander said information had been provided showing there was less weight per axel, it was a better turning radius, it would reduce the number of trips, so all his concerns were addressed. Council member Pokrzywinski asked if there was a video showing the longer trailers turning and who would be driving the longer trailers. Mr. Huttunen stated a diagram had been included in the packet showing the turning radius and it would be Transystems drivers that would be driving the longer truck and trailers. Council member Vetter said he would support this because years ago the City lost a business because the State did not allow double trailers.

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

#### **5. Request for Direction on Police Department Recruitment & Retention Bonuses – Reid Huttunen**

Mr. Huttunen reminded the Council this had been discussed at a previous meeting, it was requested to share the market analysis with the Council, and the information had been included in the packet. He reviewed the budget impact was approximately \$42,500 for the July 2024 payment. Council President Olstad stated it was requested to bring this back for review, the program worked, the Police Department was currently fully staffed until the School Resource Officer goes back into the school, and suggested approving this for another year. Mayor Gander said he agreed. Council member Larson stated he also agreed, they had momentum, so it was not the time to make a change, and it did like having the agreements separate from the labor contract. Mayor Gander commented that the Council appreciated all of the staff but this was still a unique time for police. Council Vice-President Riopelle stated there still needed to be accountability for behavior and staff would not qualify if they were written up. He added this should be an enticement and never be a part of wages.

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

## 6. Discussion on 2024 Budget – Reid Huttunen & Karla Anderson

Mr. Huttunen told the Council the budget summary had been updated because there were many moving parts. He said the deficit was at \$409,950 but now the deficit was at \$440,285 which included \$150,000 for wages and benefits because they were still negotiating with the unions. He explained the police patrol vehicle was removed from the budget, the SUV Investigation vehicle would now be purchased from the seizure funds instead of the general fund, there was an addition of \$8,500 in revenues for permit fees, and a few other miscellaneous. He continued with a list of items that could be considered for savings, the School Resource Officer (SRO) would hopefully be moving back into the school which would bring in additional revenue, the public works position would be discussed with the Council soon, and he was looking for direction from the Council on what steps should be taken such as reducing what was being requested in the Public Safety dollars so no additional funding would be coming from the general fund.

Mr. Huttunen stated the Council needed to discuss the Senior Center, if they wanted to sell the building, what steps would need to be taken, if the HVAC system was going to be replaced, consider how that might be paid for, or consider how to reorganize or utilize the space. He asked for direction on how to move forward. He said there had been discussion about the franchise fee at a previous meeting, the Water and Light Department had already set their budget for 2024, so if any changes were being proposed to either the franchise fee or the building maintenance fee could be discussed for 2025. He asked for direction from the Council.

Council member Larson stated would like to continue the conversation of the Senior Center, the timeline of the sale could be a challenge for the 2024 budget, and discuss staffing levels and responsibilities. He said that could help to determine what kind of HVAC unit would be needed and if it needed to support a commercial kitchen. Mayor Gander said he had similar thoughts, if there could be savings in operations at the Senior Center, and look to see if staff could be brought in from other departments to help run programming. He commented they would need to determine what was needed for the HVAC unit and he was glad the Water and Light Department was willing to work with the City and how they will wait because their budget was already set.

Council member Pokrzywinski asked if they raised franchise fees it would increase the charge on the Water and Light bill. Ms. Anderson said that was correct, it was not part of the 5% rate increase, but an increase to the franchise fee. Council member Pokrzywinski asked if they were taxing the poor. Mayor Gander stated they were also taxing the rich and everyone in between. Ms. Anderson said it was a user fee. Council member Pokrzywinski said the franchise fee was disproportionately taxing the poor as a \$10 fee so he would rather raise property taxes than increase the franchise fee. Ms. Anderson stated the franchise fee was based on usage and was not a flat rate. Mayor Gander said the franchise fee should rise with inflation and not have a radical increase. Council member Pokrzywinski said a wealthier individual could afford a more efficient heating unit and explained his first house had a low mortgage and his heating bill was more than the mortgage. Mayor Gander said it was easier to heat a smaller space and a smaller home could be very affordable. Council member Pokrzywinski said he would prefer to raise taxes instead of the franchise fee.

Ms. Anderson informed the Council the franchise fee rate was .0075% since 2010, it was increased in 2016 to .0085%, and if it was increased to .0095% the City would collect an additional \$155,000. Council President Olstad said they would continue to discuss the Senior Center, the Truth and Taxation meeting was the following week at 6pm, and they would still have time to get the budget following that meeting with December 19<sup>th</sup> being the last meeting of the year.

**ADJOURN:**

**A MOTION WAS MADE BY COUNCIL MEMBER LARSON, SECONDED BY COUNCIL MEMBER RIOPELLE, TO ADJOURN THE NOVEMBER 28, 2023 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:01 P.M.**

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

*Voting Nay: None.*

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Megan Nelson, City Clerk