

**APPROVED MINUTES
OF THE WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, APRIL 23, 2024 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for Tuesday, April 23, 2024 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, Dale Helms, Brian Larson, and Karen Peterson.

Staff Present: Karla Anderson, Finance Director; 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, City Administrator; Jeremy King, Parks and Recreation Superintendent; Megan Nelson, City Clerk; and Jason Stordahl, Public Works Director.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present.

1. Consider Proposal to Replace Sherlock Park Billboard with Digital Billboard – Reid Huttunen

Mr. Huttunen reminded the Council the billboard in Sherlock Park was conforming which allowed it to be updated. He explained that Newman Signs would like to replace the current billboard with a digital board, they have a proposed lease agreement to allow the City to either be paid or utilize ad space and there were people from Newman Signs to answer questions. Mr. Jim Englund told the Council there was a proposed lease agreement, but they would also need to apply for the sign through the Minnesota Department of Transportation (MNDOT). He stated they would replace the current structure with a digital structure, there would be 8 ads per minute, they had 70 digital billboards in the region so the ads could be put in other markets in the region. He added there was a cash option for the City to receive \$2500 per year. Mayor Gander asked what the value of the ad was. Mr. Englund said the average rate received for one slot was \$14,040 per year. Discussion followed about using the advertising space was a better value, the City could have the option of making a change to taking money instead of using the ad space, how the brightness of the sign should not affect the homes across the road, and the backside of the sign would have a message included but would not be digital. Council member Vetter asked what the current size of the billboard was. Mr. Huttunen said it was 10 by 30 and their plan was to replace it with a sign the same size. He added that if there was interest, this request would be going through the planning and zoning process.

This item will be brought forward to a future meeting.

2. Informational Presentation of Red River State Recreation Area – Catherine Johnson

Mr. King stated this year was the 20th year the campground was open, Ms. Johnson would be giving an update on the campground, and she had been working there for 16 years and the manager for 13 years. Ms. Johnson told the Council she was very excited it was the 20th year the campground was open and that they were already open. She explained there was a delayed opening in 2023 due to flooding, there were over 100,000 visitors in 2023 which was the 3rd highest record, they sold an additional annual 119 permits, and sold 413 more daily permits in 2023 than the previous year. Mr. King said the three-year average attendance was over 77,000, the DNR completed a study that showed there was almost a \$2.3 million dollar impact to the area, and the Red River State Recreation Area had the largest profit out of all the parks in the region, including Itasca. Ms. Johnson stated they track where the visitors were from, they have visitors from almost every state, and other countries. She added people stayed there because of the music festivals, for the trail system, to be close to downtown, and some come to visit to see where family used to live, but the biggest reason was because of its location.

Ms. Johnson stated the Recreation Area was more than just the campground, it was 103 acres, the park shelter areas it included, shore fishing, and how they monitor bird houses, duck nesting boxes, bat boxes, and they also participate in the passport and hiking clubs. She told the Council they worked with Eagle Scouts and in 2023 they added a nature trail and replaced some of the bird boxes. She reviewed how they were working on adding more programs and events they had done from previous years and there was a book in the office where people read about others or wrote about their memories from living in that area. Mayor Gander thanked Ms. Johnson for her dedication and years of service.

3. Consider Upgrade to the SCADA System – Jason Stordahl

Mr. Stordahl told the Council the SCADA system was the system that ran all of the storm and wastewater lifts. He stated they had worked with IPS for many years and they had been very reliable. He requested to hire IPS to develop plans and specifications for an upgrade to the SCADA system and he would also be requesting they complete the programming. He said they would be moving the system into the water treatment plant or possibly to the Distribution Service Center. Council President Olstad asked what the consequences were if this did not happen. Mr. Stordahl stated it would not be good and this was a critical need. There were no other questions.

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

4. Review of Bid Results for 2023 City Project No. 5 for Sidewalk & Multi-Use Trail Extension – Steve Emery

Mr. Emery told the Council bids were opened on April 8th, two bids were received, and the lowest bidder was Q3 Contracting. He commented they were 31% below the engineering estimate, carbon reduction funds and State Aid funds would be used to cover the costs of the project, and MNDOT still had to approve some documents before the City would be able to award Q3 Contracting the project. Council President Olstad asked if they would approve contingent upon MNDOT approval. Mr. Emery said they would have the information before the next meeting.

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

5. Request of Lot Donation for Community Land Trust Homes/North Star Neighbors – Reid Huttunen

Mr. Huttunen said he followed up with Mr. Cory Boushee, they were interested in building four homes, and would like the information by next month. He stated the available lots were reviewed, they were focusing on lots at the east end of the Water's Edge additions, and it had been indicated a \$10,000 donation would go a long way. He explained these lots were discounted by \$8,700 for anyone from the downpayment assistance funds, the City would request to have the special assessments covered, and the City would be able to come close to even on the lots. He added the homes that would be built would be around \$400,000, families making around \$80,000 would qualify, they were still looking for a builder, and the homes would have a minimum of two bedrooms and two bathrooms. He told the Council there were covenants in the Water's Edge First Addition, they were shared, and Mr. Boushee was agreeable but asked if the minimum size for a split-level home could be 2200 square feet instead of 2500 square feet.

Council Vice-President Riopelle asked if they would build all four homes in 2025. Mr. Huttunen said they would like to. Council member Larson commented how others had purchased four lots and received a 10% discount and he was very interested in moving forward with this program. Mayor Gander commented how that would be four less lots the City would own. Council President Olstad said this was a great program and supported moving forward. Mr. Huttunen said the next step would be bringing a resolution at the next meeting for the approval of the sale price for the application. There were no other questions.

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

6. Review of the \$100,000 Builder Incentive Program – Paul Gorte

Mr. Gorte told the Council the program had been suspended and builders had been asking about this program again. Council President Olstad asked if the Council wanted to tie up 7% of reserves for this because if it was used the funding would not be available. Mr. Gorte said it was a policy decision. Council member Vetter asked how the fund ran out of money. Ms. Anderson said the tax abatements came out of the fund along with the housing incentives, but the housing incentive program had ended. Discussion followed about programs, how the Council should decide how the funds should be spent, the EDA Board had come up with the \$100,000 amount for the builder incentive program, and if it was reduced down to \$75,000 they could offer four loans.

Council President Olstad said they would need to look at the construction season and asked how the City subsidized the Economic Development Authority (EDA). Mr. Gorte said all the funding for the EDA came from the City. Ms. Anderson stated she had talked to Mr. Huttunen about considering the Sunshine Terrace fund because there was \$1.6 million so the additional funding being requested would not come from the General Fund. Mayor Gander asked how many contractors they would be working with. Mr. Gorte said it could range from one up to eight. Mayor Gander stated the City was not in first position with this program and did not think it right to only work with one contractor. He added he did not like that the funds were being depleted and they should discuss the programs before ending them. More discussion followed about most homes were completed and sold within 10 to 13 months, in the agreement if it took longer that 18 months interest could be added, and how staff was not aware of any restrictions on the Sunshine Terrace funding.

Council President Olstad asked what would be coming from reserves. Ms. Anderson said the cost to repair the Volvo Motorgrader but there were significant savings from 2023 and the report would be ready by June 1st. Mr. Huttunen stated the EDA Board approved up to three loans, there were no current applications to consider at this time, and there was time to review if another funding source was needed. He said additional information would be brought forward at the next work session.

This item will be brought back to a future meeting.

7. Consider Special Archery Hunt – Administration/Parks/Police

Ms. Nelson said there was interest in moving forward with a hunt, there had been a bit of a disconnect with the Minnesota Department of Natural Resources (DNR), maps were handed out and would be included as exhibits in the management plan, and at this time the only thing required was the application for the special hunt. She stated the management plan was not required but could be used as a tool and educational piece for the City. She explained there would be more than one department involved, the Police Department would be the ones to issue permits, staff was proposing a lottery system for city residents that would want to participate in the hunt, and a mandatory orientation would be held where the hunters would be required to show their proficiency. She stated there would be two hunters allowed per area, they were suggesting a \$20 fee, if allowed there would be 10-day hunt, and to help reduce the population the permits would be for antlerless deer with one hunter given the opportunity to get either a buck or a doe. She asked if there were questions, how there was time to change ordinances, and if the application was submitted, they would still have an option not to have a hunt by not issuing any permits.

Council President Olstad thanked staff for the work done on this, he would be interested in turning in the application, and asked how long Red Lake Falls had a hunt. Ms. Nelson said around 10 years because the management plan was from 2014. Council member Larson said he was also in favor of submitting the application, they would need to work on public safety, and they were heading in the right direction. Council Vice-President Riopelle asked if the DNR would be handling any issues. Ms. Nelson said the Police Department would be issuing the permit, they could be involved with issues, but people would still need to get their tags through the DNR. Mayor Gander asked if there would be one person in a zone at a time. Ms. Nelson said staff talked about it and they could connect the two people and let them determine how the 10 days would be used between the two of them. Council member Larson asked if it was common to use pushers in archery hunting. Mr. King said no, the guidelines would be set at the orientation, and all State rules would apply so it would count against their bag limit. He added the City would be requiring items that the State did not for archery such as wearing an article of blaze orange while hunting. There were no other questions.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER HELMS, SECONDED BY COUNCIL MEMBER RIOPELLE, TO ADJOURN THE APRIL 23, 2024 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:13 P.M.

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

Voting Nay: None.

Absent: Pokrzywinski.

Megan Nelson, City Clerk