

**APPROVED MINUTES  
OF THE WORK SESSION  
CITY OF EAST GRAND FORKS  
TUESDAY, AUGUST 27, 2024 – 5:00 PM**

**CALL TO ORDER:**

*The Work Session of the East Grand Forks City Council for Tuesday, August 27, 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 (5:02pm), 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; 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. Polk County Public Health on MPCA Grant related to American Crystal Sugar Enforcement Action Payment – Sarah Reese, Polk County Public Health**

Mr. Huttunen introduced Ms. Sarah Reese and said there was a new statute so they would be asking for input to identify proposed project. Ms. Reese informed the Council she had been working closely with Mr. Huttunen since last year on this, Minnesota Statute 16A.151 changed and now allocated 40% of a penalty from Minnesota Pollution Control Agency (MPCA) violations that was more than \$250,000 to the local community through a community health board. She stated the funds would be coming through the Polk County Health Board, they would be requesting public input on what project should be completed with the one-time funds, and the Board would then report back to the Legislature on how the funds were used. She asked for the others participating in the meeting to introduce themselves.

Mr. Cory Boeck introduced himself as a part of the MPCA. Mr. Doug Emerson introduced himself the Environmental Affairs manager for American Crystal Sugar. Ms. Reese informed the group that Mr. David Jones was from the Minnesota Department of Health. Mr. Boeck explained the violations resulted from on-site inspections at American Crystal Sugar from 2021, he reviewed the testing that was conducted, what the violations were, and how many violations there were. He added in February 2024 American Crystal Sugar agreed to settle the violations and the amount of the settle was over \$250,000 so the City would receive 40% of the settlement. He asked if Mr. Emerson had anything to add. Mr. Emerson said the situation was explained well.

Mr. Jones stated there is a State and local partnership regarding the 40% funding, the State would help with the process. Ms. Reese told the Council the funds had been accepted and they would be requesting

input from the community about a possible project that could be done with the one-time funding. Mr. Huttunen said possible projects were discussed at a staff level, he reviewed how it included replacing funding for the LaFave Park project, adding playground equipment at the Griggs Trailhead area, or have a community wide tree planting effort in addition to what was already done yearly. Ms. Reese asked for questions. Council President Olstad thanked them for the information. Council member Vetter asked if there were specific things that the funds could be spent on. Ms. Reese stated the legislation was vague on what the funds could be spent on. Council member Vetter said this was counter-intuitive and the funding should be spent on correcting the issue. Discussion followed about how a report would have to be done on what the funds were spent on, and the company would have to correct the violations so they were not repeated. Council President Olstad said they would wait for feedback. Ms. Reese said a flyer would be sent out and there would be an online survey.

This item will be brought back to a future meeting.

## **2. Discussion on School Bus Route Safety and Stop Arm Violations – Cody Hlavka, East Grand Forks ISD 595**

Mr. Huttunen introduced Mr. Cody Hlavka. Mr. Hlavka informed the Council he was the transportation director for the school district, they were trying to improve busing, and last year there were many stop arm violations. He reviewed how there were over 40 violations, most happened in the afternoon, 73% of the violations were from oncoming traffic, the area of the highest violations took place at the Brentwood Apartment stop, so had made an adjustment to the stop. He added another area of higher violations was River Road so he was making adjustments to the stops in that area as well. He told the Council the State was starting a trial reporting program to that would help eliminate the guess work to which law enforcement agency the violation should be reported to, the drivers would receive an update on the reported violation, and he was going to request to be included in the trial run of the program. He added they would be posting information and getting information out on social media as reminders to drivers. He asked for questions.

Council President Olstad thanked Mr. Hlavka for the information and how they might be able to add additional signs along River Road to help notify drivers. Mr. Huttunen said the City would also be sharing the reminders on social media. Mayor Gander reminded drivers to plan ahead and how kids could be crossing the road. Council member Peterson thanked Mr. Hlavka for analyzing the routes, how he already made changes, so drivers needed to do their part. Council member Larson asked if there were cameras on the buses. Mr. Hlavka stated 24 of the 26 buses had cameras that were always recording. Discussion followed about how the video footage was very helpful in convicting violations, stops would be taking longer with kids scanning in and out of the bus, nothing was posted on the outside of the bus stating there was a camera recording, but there was a statement on the inside of the bus. Mr. Hlavka added he would try to attend the City Showcase event but they were short drivers so he might be driving that day and reminded everyone the first day of school was next Tuesday.

## **3. 2024-2025 Motor Grader Rental – Jason Stordahl**

Mr. Stordahl reminded the Council this was an annual request, a motor grader was leased every year for the snow removal season, and two quotes were received from two local vendors. He explained the quotes were higher than last year's quotes and recommended moving forward with the quote from RDO which was the lower quote received. There were no questions.

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

#### **4. Stormwater Lift Station Maintenance – Jason Stordahl**

Mr. Stordahl told the Council maintenance work was done on the stormwater lifts every few years, everything in the lift was examined, and in the past there had been issues with rods. He stated two quotes were received, the repairs were costly, NorMinn had worked on the lifts before, ICS built the lifts, the quotes were just estimates because they might find something else that would need to be repaired so the overall costs could increase, and recommended awarding the project to ICS. There were no questions.

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

#### **5. Consider dedicating City Council Chambers in honor of Mayor Lynn Stauss – Mayor Gander**

Mayor Gander asked if the Council Chambers could be dedicated to Mayor Lynn Stauss. He stated how he had served as mayor for 21 years, he made a great commitment to the City, and he was supposed to be a part time mayor but worked as a full time mayor. He said one of the walking bridges had been dedicated to Mayor Pat Owens and he would like to put Mayor Stauss' name on the Council Chambers. He added he had casual conversation with his family and they were supportive of this so if this went forward a spot would need to be found for the dedication and display. Council President Olstad commented how he had talked with Mayor Gander about this, it would be good, and asked the Mayor and staff to put information together and bring it forward for approval.

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

#### **6. 2025 Budget Presentation –Karla Anderson and Reid Huttunen**

Ms. Anderson told the Council the budget had been included in the packet so they were able to see each line item. She reviewed the budget summary, it showed actual numbers from previous years, what had been budgeted for 2024, and what was being proposed for 2025 which included a 3% levy increase. She explained how the proposed revenues for 2025 was \$13,693,363, expected expenditures were \$477,000 higher than revenues, most was for payroll, and health insurance was not included. She added insurance information had been received which included a 17% increase to the premium, other options were being looked into, so there was a potential for savings. She informed the Council the fund balance at the end of 2023 was 55% for both five months of revenues or for expenditures. She listed the items on the capital improvement plan, the parks truck was going to be pushed out, the City would be receiving \$400,000 for the Building Maintenance Fund each year, and the list of projects for the next couple years but there were projects planned through 2029.

Mr. Huttunen stated the insurance information was received, how the City could consider changing to an Individual Coverage Health Reimbursement Account or ICHRA for employees, and there could be a savings to the City if the change was made. He explained there would no longer be a group policy and each individual would have their own policy, it could be more consistent for increases in future years instead of the large premium increases for the group policy. He added there were still questions that needed to be answered and gave an overview of how an ICHRA would work.

Council President Olstad thanked staff for looking at alternatives. Mr. Huttunen asked for suggestions for the preliminary levy and if the reserves should be utilized. Discussion followed about the reserves, how the State recommended 35% to 50%, how hard the City had to work to build up the reserves, what the preliminary levy should be set at, and how the Council should set a percentage of where to keep the reserves at and possibly utilize the reserves above that percentage. Council President Olstad said he would not be going back to a -1% levy. Council member Vetter said they need to come to an agreement about the reserves and the levy would be based on if they were above or below that percentage. Mayor Gander suggested setting the preliminary levy at 3%. Council President Olstad said they would talk more about it at the next work session.

This item will be brought back to a future meeting.

**ADJOURN:**

**A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO ADJOURN THE AUGUST 27, 2024 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:24 P.M.**

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

*Voting Nay: None.*

*Absent: Helms.*

---

Megan Nelson, City Clerk