

**APPROVED MINUTES  
OF THE WORK SESSION  
CITY OF EAST GRAND FORKS  
TUESDAY, OCTOBER 8, 2024 – FOLLOWING THE SPECIAL MEETING**

**CALL TO ORDER:**

*The Work Session of the East Grand Forks City Council for Tuesday, October 8, 2024 was called to order by Council President Olstad at 5:01 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: Maggie Brockling, Economic Development Director; 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; 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. Updated Assistance & Lending Policies – Paul Gorte**

Mr. Gorte told the Council he had been working with the loan committee and the Economic Development Authority (EDA) Board to update these policies and there was one significant change to the policies, which was to change the maximum loan amount from \$150,000 to \$300,000 because of the impact the primary businesses had on the local economy. He stated the EDA Board had requested three other changes, the first item was to create at least 1 full-time job, the Council did have the right to make a change, if necessary, but it would require a public hearing. He said the second change was having the party receiving the loan pay the mortgage registration tax, not the City or EDA. He added the third change was a removal of an item that required an investment along with the creation of a job and leaving a requirement of investment. He informed the Council the EDA Board had approved the changes, requested the Council also approve the changes, and there would be a public hearing about this at the next meeting. There were no questions.

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

**2. Consider Approving the Change Order from Equity Builders for Roof Project – Nancy Ellis**

Ms. Ellis explained she was submitting a change order from the roof project, it was for the initial replacement of the insulation under the old roofing, and it was a part of the contract. She stated the original bid included the flat roof, seamed metal roof, and the gutter and downspouts. She said it was unknown

how much insulation was going to be replaced and needed, they replaced all the wet and moldy insulation, and she reviewed how the cost of the insulation was determined. She added how there had been a lot of water damage due to the project along with concrete repairs that were needed, they came to an agreement on the amount which would reduce the overall amount of the change order bringing it down to \$46,866 that would be paid to the contractor. She said the water damage was already paid for and there was still retainage they could remove those costs from because the job still needed to be completed. She commented on how they could be completed this week so the concrete could be replaced the following week.

Council member Larson asked about the charges used for the change order and if they were a part of the original bid. Ms. Ellis said they were. Council member Larson commented there was not any price gouging on the change order. Ms. Ellis stated the project manager went over everything, documenting items, and how they knew there was going to be an additional cost for the insulation replacement from the leaks from before. She added she had included the list of prices from the contract in the packet. Council Vice-President Riopelle asked if there were also labor charges included with the water damages. Ms. Ellis said there were. Council member Helms said he understood the insulation needed to be replaced and asked how long the roof sat opened. Discussion followed about how the replaced insulation was calculated prior to the metal roof being removed and the first heavy rain, there was still retainage that was being held, and they need to look more closely when hiring for projects. Ms. Ellis said the contract met all requirements, all references that were called said the work was fine, and all references were checked because the bid had come in so much lower than the rest. More discussion followed about how things could have been done differently, things were not sealed properly, and materials did not arrive when expected. There were no other questions.

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

### **3. Review of Cannabis Plan – Reid Huttunen**

Mr. Huttunen explained meetings had continued with staff since this item had been discussed in July, he thanked Ms. Ellis and Mr. Galstad for their assistance with this and continued with the updates that were done with the proposed zoning. He stated in July the proposed buffer areas were 750 feet from a school, that was reduced down to 550 feet for a school, it opened up both sides of Demers Avenue for the downtown commercial district, and the 300 feet buffer from a childcare center, treatment facility, or public park or playground was kept. He told the Council there were updated maps provided and the buffer was added to the Riverside Christian School.

Mr. Huttunen informed the Council there were 16 different license types that the State would issue, zoning was reviewed for all license types, and a chart was put together of where the different license types could be located. He added the recommendation was being made for indoor cultivation or manufacturing in the industrial park area, not allowing outdoor cultivation, and currently there were no agricultural zones within city limits at this time. He continued saying the city would have to allow one retail location, so the suggestion was to set the number of retail locations at two and limit it to one location within the downtown commercial district and one within the highway commercial district. He stated the business registration fees were set by the State and those fees would be included in the ordinance. He said the hours of operation were somewhat restricted by the State, so staff was recommending starting the hours of operation on Monday through Saturday from 8am to 9pm and on Sunday from 10am to 9pm.

Mr. Huttunen told the Council there were five registered retailers that were selling low potency hemp edibles, currently there was no city code regarding low potency edibles, and recommended including this in the ordinance so the zoning was set allowing it within the commercial districts. He added the buffer zones that were proposed would not apply to the low potency edibles, but they could set up a registration for these businesses as well. He said these businesses did have to register with the Minnesota Department of Health, they would be moved so they were under Office of Cannabis Management, the registration would change to a license, so the City would be able to register these businesses. He stated there was also a temporary license for event organizers, it was a special license, someone that held a retail license from the State would be eligible to hold a temporary cannabis event in the community, by statute the City could regulate these events, require a special event permit, and the City could also limit if people would be allowed to smoke or vape at the event. He said they could also restrict those events from being held on public property. He reminded the Council there was already an ordinance in place that prohibits the consumption or use of cannabis on public property or public spaces so they would need to determine how a temporary event could be held. He asked for questions, comments, or direction.

Council President Olstad asked if there was any direction from the State about what could be charged for a special event. Mr. Huttunen said he would need to verify, he did believe so but needed to confirm. Mr. Galstad said if they were going to be registering these businesses, he would like to suggest again the City should have a business registration process in place for all local businesses. He stated it would help with economic development, it would help with notifications, and would inform the City on who was operating a business. He added it would give contact information and assist during inspections. There were no other questions or comments.

**ADJOURN:**

**A MOTION WAS MADE BY COUNCIL MEMBER HELMS, SECONDED BY COUNCIL MEMBER RIOPELLE, TO ADJOURN THE OCTOBER 8, 2024 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:22 P.M.**

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

*Voting Nay: None.*

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Megan Nelson, City Clerk