

**APPROVED MINUTES
OF THE CITY COUNCIL
CITY OF EAST GRAND FORKS
TUESDAY, NOVEMBER 19, 2024 – 5:00 PM**

CALL TO ORDER:

The Council Meeting of the East Grand Forks City Council for Tuesday, November 19, 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, Ben Pokrzywinski, Brian Larson, and Karen Peterson.

Staff Present: Karla Anderson, Finance Director; Maggie Brockling, Economic Development Director; Nancy Ellis, City Planner; Steve Emery, City Engineer; Ron Galstad, City Attorney; Charlotte Helgeson, Library Director; Reid Huttunen, City Administrator; Jeremy King, Parks and Recreation Superintendent; and Jason Stordahl, Public Works Director.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present.

PLEDGE OF ALLEGIANCE:

OPEN FORUM:

Council President Olstad stated the open form was an opportunity for members of the public to address the City Council on items not on the current agenda and items requiring Council action maybe deferred to staff or Boards and Commissions for research and future Council Agendas if appropriate. He asked if anyone would like to address the City Council, please come up to the podium to do so. No one came forward.

APPROVAL OF MINUTES:

1. Consider approving the minutes of the “Work Session” for the East Grand Forks, Minnesota City Council of October 22, 2024.
2. Consider approving the minutes of the “Regular Meeting” for the East Grand Forks, Minnesota City Council of November 6, 2024.
3. Consider approving the minutes of the “Special Meeting” for the East Grand Forks, Minnesota City Council of November 12, 2024.

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER LARSON, TO APPROVE ITEMS ONE (1) THROUGH THREE (3).

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

Voting Nay: None.

Absent: Helms.

SCHEDULED BID LETTINGS: NONE.

SCHEDULED PUBLIC HEARINGS:

4. Public Hearing to consider amendments to the City Code for Land Usage adding in the new Cannabis Ordinance and amending zoning regulations.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER RIOPELLE, TO OPEN THE PUBLIC HEARING.

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

Voting Nay: None.

Absent: Helms.

Mr. Galstad said this was for the drafted cannabis ordinance and the business regulations. He asked if there was anyone that would like to make a comment and how the ordinance would limit the locations of retail stores to C-1 or C-2, the number of operations were limited to two, and there were cannabis operations that would be allowed in the industrial zones. He added only indoor cultivation would be allowed but that did not include what was allowed by statute for personal use. He reviewed how buffer zones were allowed to help protect youth but the ordinance did not use the maximum buffer zones which would not allow anything within the city, so the buffer zone was set at 550 feet. Ms. Ellis stated because of all the regulations and requirements for the business they were going to be moving forward with a permitted use and not a conditional use permit. Mr. Galstad said a lot of work had been done, he thanked his intern for all the work he had done on this item, and asked if there were any questions. There were no questions.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER RIOPELLE, TO CLOSE THE PUBLIC HEARING.

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

Voting Nay: None.

Absent: Helms.

CONSENT AGENDA:

Items under the "Consent Agenda" will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.

5. Consider approving the Exempt Gambling Permit application for the Northern Lights Figure Skating Club to hold a raffle on January 31, 2025 at the VFW Memorial Arena located at 711 3rd St SE East Grand Forks, MN 56721 and waive the 30-day waiting period.
6. Consider adopting Resolution No. 24-11-83 authorizing the City Administrator/Clerk-Treasurer to certify the listed accounts for delinquent utilities to the County Auditor for collection with the 2025 real estate taxes.

7. Consider adopting Resolution No. 24-11-84 authorizing the City Administrator/Clerk-Treasurer to certify the listed account for mowing to the County Auditor for collection with the 2025 real estate taxes.
8. Consider declaring the listed voting equipment as surplus property and dispose of the items.
9. Consider declaring tasers and associated equipment as surplus property and sell the items to another law enforcement agency.

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER LARSON, TO APPROVE ITEMS FIVE (5) THROUGH NINE (9).

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

Voting Nay: None.

Absent: Helms.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS AND COMMISSIONS:

10. Regular meeting minutes of the Water, Light, Power, and Building Commission for October 16, 2024.

COMMUNICATIONS: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

11. Consider approving Ordinance 43 4th Series amending City Code Title 11 by adding Chapter 120 an ordinance to regulate cannabis and lower-potency hemp edible businesses and authorizing Chapter 152 Zoning Districts to the Land Usage Title 15 to operate the businesses within the City of East Grand Forks and by adopting by reference City Code Chapter 10 and Section 10.99 which, among other things, contain penalty provisions (1st Reading).

A MOTION WAS MADE BY COUNCIL MEMBER LARSON, SECONDED BY COUNCIL MEMBER PETERSON, TO APPROVE ORDINANCE 43 4TH SERIES AMENDING CITY CODE TITLE 11 BY ADDING CHAPTER 120 AN ORDINANCE TO REGULATE CANNABIS AND LOWER-POTENCY HEMP EDIBLE BUSINESSES AND AUTHORIZING CHAPTER 152 ZONING DISTRICTS TO THE LAND USAGE TITLE 15 TO OPERATE THE BUSINESSES WITHIN THE CITY OF EAST GRAND FORKS AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 10 AND SECTION 10.99 WHICH, AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS (1ST READING).

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

Voting Nay: None.

Absent: Helms.

12. Consider approving the agreement between the City of East Grand Forks and LiveBarn to continue streaming services for events at the Civic Center, VFW Memorial Arena, and the Blue Line Club Arena for a three-year term.

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO APPROVE THE AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND LIVEBARN TO CONTINUE STREAMING SERVICES FOR EVENTS AT THE CIVIC CENTER, VFW MEMORIAL ARENA, AND THE BLUE LINE CLUB ARENA FOR A THREE-YEAR TERM.

Voting Aye: Larson, Peterson, Vetter, Pokrzywinski, Riopelle, and Olstad.
Voting Nay: None.
Absent: Helms.

13. Consider approving the Ambulance Service Territory Subsidy Agreement between the City of East Grand Forks and Altru Health System for splitting the Polk County levy for ambulance services 50/50 for both the amounts levied for the city and townships.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER PETERSON, TO APPROVE THE AMBULANCE SERVICE TERRITORY SUBSIDY AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND ALTRU HEALTH SYSTEM FOR SPLITTING THE POLK COUNTY LEVY FOR AMBULANCE SERVICES 50/50 FOR BOTH THE AMOUNTS LEVIED FOR THE CITY AND TOWNSHIPS.

Voting Aye: Larson, Peterson, Vetter, Pokrzywinski, Riopelle, and Olstad.
Voting Nay: None.
Absent: Helms.

14. Consider adopting Resolution No. 24-11-85 approving the amended agency agreement between the City of East Grand Forks and the Minnesota Municipal Power Agency changing how the weighted votes are calculated.

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER LARSON, TO ADOPT RESOLUTION NO. 24-11-85 APPROVING THE AMENDED AGENCY AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND THE MINNESOTA MUNICIPAL POWER AGENCY CHANGING HOW THE WEIGHTED VOTES ARE CALCULATED.

Voting Aye: Larson, Peterson, Vetter, Pokrzywinski, Riopelle, and Olstad.
Voting Nay: None.
Absent: Helms.

15. Consider granting final approval of the replat of Outlot 49 of Auditor's Plat of Outlots 17 through 64, Section 36, Township 152 North, Range 50 West and require a digital file of the plat be submitted to the Planning Department.

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER LARSON, TO GRANT FINAL APPROVAL OF THE REPLAT OF OUTLOT 49 OF AUDITOR'S PLAT OF OUTLOTS 17 THROUGH 64, SECTION 36, TOWNSHIP 152 NORTH, RANGE 50 WEST AND REQUIRE A DIGITAL FILE OF THE PLAT BE SUBMITTED TO THE PLANNING DEPARTMENT.

Ms. Ellis stated this was the old Ryan Potato storage property, how the area was being split, they would be selling the new parcel, and 14 feet of right-of-way was taken to match 5th Ave right-of-way and it would continue if the Simplot property would be developed. She said it was a simple split and nothing new was being added so final approval was being requested. There were no questions.

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

Voting Nay: None.

Absent: Helms.

16. Consider approving the Administrative Services Agreement between the City of East Grand Forks and Gravie for the administration of the ICHRA Health Insurance plan and authorize the City Administrator to execute the agreement.

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER LARSON, TO APPROVE THE ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE CITY OF EAST GRAND FORKS AND GRAVIE FOR THE ADMINISTRATION OF THE ICHRA HEALTH INSURANCE PLAN AND AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE THE AGREEMENT.

Council member Vetter said he had looked through the contract and asked if this company was reimbursing employees for their health insurance costs. Mr. Huttunen said no, staff would handle the premiums which would be paid to Gravie and Gravie would be responsible to pay the different insurance companies along with providing customer service to employees. Council member Vetter asked if they had to pick a plan from Gravie or if they could pick a plan from another carrier. Mr. Huttunen explained Gravie would help employees pick a plan from a variety of insurance carriers. Council member Vetter asked if they could allow employees to choose their own insurance which could then be reimbursed. Ms. Anderson said for tax purposes it would be better if the City was able to offer this. Council member Vetter said that it did not benefit the City and paying \$60,000 to \$70,000 for a service seemed like a lot. Ms. Anderson said the fee was also to pay Gallagher as well. Council member Vetter asked about the HSA and if the City was still able to contribute to an employee's HSA. Mr. Huttunen said yes as long as the employee was on an HSA eligible plan which would be monitored by Gravie. Discussion followed about how employees were able to view plans that were available and the City still needed to provide its contributions so Gravie could put the information together and the discussion about the City contributions were ongoing that week with the Personnel Committee.

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

Voting Nay: None.

Absent: Helms.

CLAIMS:

17. Consider authorizing the City Administrator/Clerk-Treasurer to issue payment of recommended bills and payroll.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER RIOPELLE, TO AUTHORIZE THE CITY ADMINISTRATOR/CLERK-TREASURER TO ISSUE PAYMENT OF RECOMMENDED BILLS AND PAYROLL.

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

Voting Nay: None.

Absent: Helms.

COUNCIL/STAFF REPORTS:

Mayor Gander thanked in advance to Public Works for being ready to move snow.

Mr. Huttunen reminded everyone of the budget discussion would follow in the Training Room.

Mr. Emery said construction was wrapped up for the year, the LaFave Park project was about 99% complete, and some minimal items would need to be addressed in the spring.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER LARSON, TO ADJOURN THE NOVEMBER 19, 2024 COUNCIL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:18 P.M.

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

Voting Nay: None.

Absent: Helms.

Megan Nelson, City Clerk

**APPROVED MINUTES
OF THE SPECIAL MEETING
CITY OF EAST GRAND FORKS
TUESDAY, NOVEMBER 19, 2024 – FOLLOWING THE COUNCIL MEETING**

CALL TO ORDER:

The Special Meeting of the East Grand Forks City Council for Tuesday, November 19, 2024 was called to order by Council President Olstad at 5:22 P.M.

CALL OF ROLL:

On a Call of Roll the following members of the East Grand Forks City Council were present: 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; Maggie Brockling, Economic Development Director; Nancy Ellis, City Planner; Ron Galstad, City Attorney; Reid Huttunen, City Administrator; Jeremy King, Parks and Recreation Superintendent; and Jason Stordahl, Public Works Director.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present.

1. 2025 Budget Discussion and Update

Mr. Huttunen stated the Truth and Taxation statements had been mailed out, he reminded them how Ms. Anderson had kept track of how a tax increase would affect certain properties over the years, and that information should be ready for the next work session. He reminded everyone that information would be based on the 7% preliminary levy. He continued saying the budget summary was provided, there were some increases based on recent decisions made, so the 7% preliminary levy shows a total property tax levy of \$7,415,188, and at that levy expenditures were over revenues by \$299,389. He said if all planned expenditures were not changed, the fund balance would be at 52% at the end of 2025. He stated with a 3% levy and with the assumption that all proposed revenues and expenditures stayed the same, the levy would be at \$7,137,983, expenditures over revenues would be \$576,594, and the general fund balance would be at approximately 50%.

Mr. Huttunen said health insurance was still being worked on, the number included in the budget was the 2024 health insurance cost, and he expected the cost to stay level with the 2024 amount while transitioning to ICHRA. He stated how there could be some savings, there were discussions happening with the union groups throughout the week, and it was safest to keep that number until more was determined in the next couple weeks. He added the police bonuses were now included in the budget and asked for direction from the council.

Council President Olstad said he appreciated the work being done and where things were headed. He stated if they could keep 50% in reserves, then the 3% levy was the goal, and things would be determined in the coming weeks in regard to insurance so they could feel comfortable at 3%. Council member Vetter

asked about the original budget submitted earlier in the year and if department heads were asked if any of their expenses could be cut from that original submission. Mr. Huttunen said there was a lot of discussion with department heads in June and July about areas that could be cut along with potential areas where revenues could be increased. He commented how each department has had minor changes since their initial requests but there was nothing substantial that had been removed. He added to continue providing services as in previous years, the expenditures were where they should be, so they would be looking for direction from the Council on what changes would need to be made. Ms. Anderson told the Council the only real changes from year to year was personnel and the other line items had remained stagnant over the last few years unless there was a known change. She said there was a savings with the ambulance service so that added \$5,000 and the work of the finance committee worked many things down to get them to where they currently were.

Council member Vetter asked if they should challenge the department heads to see if they could find any additional savings because something always seems to come up when they were given that challenge so they could maintain a 50% or 52% fund balance. There were no other questions. Mr. Huttunen said there was a work session the following week so the budget discussion would continue, he hoped to have the truth and taxation comparable information available, and reminded everyone of the truth and taxation hearing was scheduled for December 3rd where citizens could come and comment. He added the levy resolution could be included on the agenda for potential approval, or it would be at the December 17th meeting to be considered for approval. There were no other questions.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER POKRZYWINSKI, SECONDED BY COUNCIL MEMBER VETTER, TO ADJOURN THE NOVEMBER 19, 2024 COUNCIL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:32 P.M.

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

Voting Nay: None.

Megan Nelson, City Clerk