

**APPROVED MINUTES
OF THE WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, NOVEMBER 26, 2024 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for Tuesday, November 26, 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, Dale Helms, Brian Larson, and Karen Peterson.

Staff Present: Karla Anderson, Finance Director; Jeff Boushee, Fire Chief; Maggie Brockling, Economic Development Director; Nancy Ellis, City Planner; Ron Galstad, City Attorney; 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. MPCA Grant Award Community Input results and project recommendations – Reid Huttunen

Mr. Huttunen told the Council that Ms. Sarah Reese had joined the meeting to help answer any questions. He explained there was \$126,000 in funds available from an air quality violation, before spending funds community input was required, a survey was sent out and information was gathered at public events. He said based on the results from community input, there are four proposed projects that include adding playground equipment at the Griggs Park trailhead, add ADA improvements with the LaFave Park project, start a community tree planting program, and have a community art project. He added some ideas that were suggested would have used far exceeded the resources available so they could be discussed at a city visioning session. He informed the Council the community tree planting program would have the City purchase an additional 100 trees that would be available to residents to plant on their own property. He said the proposed art project would be at the library and Ms. Helgeson could elaborate. He added they had quotes for all four projects, the projects would need to be approved, and then submitted to the Norman-Polk-Mahnomen Public Health Board for final approval because they had been designated the funding. He asked for questions.

Council member Pokrzywinski asked if they could replace the PVC borders with concrete borders for the proposed playground at Griggs Park. Mr. King stated they would be transitioning away from PVC borders but they were trying to expand what was currently there so it would eventually be replaced with concrete borders. Council member Helms asked if there was fundraising being done for the playground.

Mr. King said there was, and those funds would be used on this project. Discussion followed about how there were two daycares close by that could use this space and with the additional playground equipment it could attract others because it was a popular stop for families because of the bathrooms. Mr. King said the projects were picked based on feedback from surveys and other community input. Mayor Gander commented on how most of the trailheads had some sort of equipment at them so those that did not could have some added in the future. Mr. Huttunen asked Ms. Helgeson to comment on the art project. Ms. Charlotte said they were still working on the details but were planning for a small, independent sensory park, they were working with locals on the plan, and this space could be used with anyone using wheels, canes, or walkers. Mayor Gander asked if she knew how many people might use the space. Ms. Charlotte said based on the sensory activities that were offered and due to the location, she estimated 150 to 200 people per month could go through the space. There were no further questions.

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

2. Contract with Nutrition Services, Inc. (NSI) for Senior Meal program at the Senior Center – Jeremy King

Mr. King informed the Council that Lutheran Social Services (LSS) lost of the contract for providing Senior meals, Nutrition Services Inc was awarded the contract, and they would like to utilize the kitchen at the Senior Center. He added they would retain the current workers and pay \$750 per month for rent which was \$9,000 for the year. He recommended accepting the agreement. There were no questions.

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

3. 2024 Residential Property Tax Abatements – Maggie Brockling

Ms. Brockling reminded the Council about the New Construction Housing program that allowed for a two-year tax abatement. She said there were 10 homes that were in the second year of the program and four homes that were in the first year of the program. Council member Larson said it was important to continue the program to help with development within the city. Ms. Brockling thanked him for his comments.

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

4. 2025 Budget Update & Discussion – Karla Anderson

Ms. Anderson stated the truth and taxation information had been received and reviewed the five properties that had been tracked for the last several years. She reviewed how one of the properties values had dropped, it was the County that assigned values to the homes, and usually there was a decrease in values when there was an increase in interest rates. She added how the sheet listed the proposed 7% increase and the 3% increase so it showed how the properties would be affected. She reviewed how 7% would set the levy at \$7,415,188 and put expenditures over revenues by \$294,441 and a 3% would set the levy at \$7,137,985 and put expenditures over revenues by \$571,644. She stated the difference would come from the fund balance to balance the budget. She reminded everyone the next part of the process was the Truth and Taxation hearing, it would include a presentation, the Council could consider adopting the levy and budget following the hearing, and asked for questions.

Mayor Gander said there were questions about health insurance and how that could change things. Mr. Huttunen said there were on-going negotiations on health insurance, there were three out of four agreements in place, so the number currently being used was the 2024 health insurance costs, because he was not sure how things would end up. He added if they were not expecting a levy higher than 3% they could consider approving the levy at the next meeting and wait to approve the budget until December 17th so there were concrete numbers. Council member Pokrzywinski asked if they knew how many homes had decreased in value. Ms. Anderson said no but the average home value was approximately \$271,200 and there were 2,607 homes in the city. Council member Pokrzywinski asked if they were increasing levy amount from 2024 by 3% or if they were using the County's numbers so the decreasing homes would reduce the levy amount. Ms. Anderson said the City gives the County a number for a levy, the amount of the levy was divided up among the properties within the City, if a value decreased then their tax amount would decrease, which was why they reviewed the truth and taxation statements so see how properties were affected. She added the information they were reviewing was only the City levy amount, not the other taxing entities, and told the Council the average of the levy increase for cities across the state was 8%. There were no further questions. Mr. Huttunen reminded everyone that the meeting the following week would be starting at 6pm.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER HELMS, SECONDED BY COUNCIL MEMBER POKRZYWINSKI, TO ADJOURN THE NOVEMBER 26, 2024 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:25 P.M.

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

Voting Nay: None.

Megan Nelson, City Clerk