

**APPROVED MINUTES
OF THE CITY COUNCIL MEETING
CITY OF EAST GRAND FORKS
TUESDAY, JULY 16, 2019 – 5:00 PM**

CALL TO ORDER:

The Council Meeting of the East Grand Forks City Council for July 16, 2019 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 Chad Grassel, Council Members Clarence Vetter, Dale Helms, Tim Riopelle, Tim Johnson, and Marc DeMers.

Karla Anderson, Finance Director; Nancy Ellis, City Planner; Steve Emery, City Engineer; Ron Galstad, City Attorney; Paul Gorte, Economic Development Director; Mike Hedlund, Police Chief; Charlotte Helgeson, Library Director; Reid Huttunen, Parks and Recreation Superintendent; Gary Larson, Fire Chief; David Murphy, City Administrator/Clerk-Treasurer; Keith Mykleseth, Water & Light Manager; Megan Nelson, City Clerk; and Jason Stordahl, Public Works Director.

DETERMINATION OF QUORUM:

The Council President Determined a Quorum was present.

PLEDGE OF ALLEGIANCE:

PRESENTATION OF COMPREHENSIVE ANNUAL FINANCIAL REPORT:

Ms. Anderson introduced Ms. Tracee Bruggeman from Brady Martz and commented how the audit was done by a joint effort between the Grand Forks and Thief River Falls offices. She added Ms. Bruggeman was also going to be reviewing the Water and Light Department audit the following morning during the Water and Light meeting. Ms. Bruggeman thanked the Council for hiring Brady Martz and thanked the city staff for their help during this process. She started by referring to page seven of the comprehensive annual financial report (CAFR) which stated the City received an unmodified opinion which is the same as prior years. She stated it is their opinion the financial statements present fairly. She continued with page 22 with the statement of revenue, expenditures, and changes in fund balances for the governmental funds. She explained the general fund balance increased \$588,067 and at the end of the year, the fund balance was \$6,019,000. She reviewed the capital, city project, assessment bond, sales tax, and the nonmajor governmental funds and what each balance was at the end of the year. She then reviewed the enterprise funds on page 27 and their totals at the end of the year.

Ms. Bruggeman said page 38 showed the cash, cash equivalents, and investments, which were approximately \$1,900,000 more than the prior year. She stated at the end of the year the cash and investments totaled \$32,436,356. She informed the Council page 124 is the report regarding internal controls and they found no instances of non-compliance. She added page 126 references the report regarding internal controls for major federal programs and they found no instances of non-compliance.

She explained the State Auditor's office recommends having a fund balance of 35% to 50% of operating revenue and currently the City's fund balance is at 54% of revenue. She asked if there were any questions. There were none. Ms. Anderson stated if they did have questions they could reach out to her as well.

OPEN FORUM:

Council President Olstad stated the open forum 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 may be deferred to staff or Boards and Commissions for research and future Council Agendas if appropriate. He asked if anyone who would like to address the City Council would step up to the podium. No one came forward.

APPROVAL OF MINUTES:

1. Consider approving the minutes of the "Council Meeting" for the East Grand Forks Minnesota City Council of July 2, 2019.
2. Consider approving the minutes of the "Special Meeting" for the East Grand Forks Minnesota City Council of July 9, 2019.
3. Consider approving the minutes of the "Work Session" for the East Grand Forks Minnesota City Council of July 9, 2019.

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

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

SCHEDULED BID LETTINGS: NONE**SCHEDULED PUBLIC HEARINGS:**

4. Public Hearing to consider the final plat approval of the Replat of Outlot 1 of Auditor's Plat of Outlots 1 through 23.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER GRASSEL, TO OPEN THE PUBLIC HEARING.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

Ms. Ellis informed the Council this was a simple subdivision of splitting one lot into two lots. She stated this property was located on the north end of town in a commercial zone. She explained both lots will have access, the buildings will remain the same, the uses will remain the same, and they will comply with the zoning ordinance. She told the Council the City will be requesting a 10 foot easement on the south side of each property for any future utilities, how there are currently high voltage lines going through this area, and when those lines need to be replaced it will be placed in the new easement. She said there will be an agreement to allow the City to maintain the lines until they are replaced. She added Mr. Schultz was at the meeting to answer any questions. There were no questions.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER HELMS, TO CLOSE THE PUBLIC HEARING.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

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 adopting Resolution No. 19-07-44 entering into an agreement between the City of East Grand Forks and the State of Minnesota for fixed route transportation services in East Grand Forks from January 1, 2020 until December 31, 2021.
6. Consider adopting Resolution No. 19-07-45 entering into an agreement between the City of East Grand Forks and the State of Minnesota for paratransit transportation services in East Grand Forks from January 1, 2020 until December 31, 2021.
7. Consider approving the Exempt Gambling Permit Application for the Grand Forks Red River Lions Club to hold a raffle on November 14, 2019 at the VFW Post 3817 located at 312 Demers Ave East Grand Forks, MN 56721 and waive the 30-day waiting period.
8. Consider approving the Parade Permit Application for the Heritage Days Parade to be held on Thursday, August 8, 2019 contingent upon MNDOT approval for crossing Highway 220.
9. Consider approving the Special Event Permit Application for the Iron Pigs Motorcycle Club for the motorcycle ride on the Kenneth Olson Memorial Trail in the greenway system on July 27, 2019 between 11am and 11:30am.
10. Consider approving the Special Event Application for the Downtown Development Association for the Blues on the Red Concert on Friday, August 16, 2019 from 4pm to 11pm in the city parking lots by 4th Street NW with alcohol services being provided by the Up North Pizza Pub liquor catering license.
11. Consider approving the Special Event Application for Rockin Up North Fest LLC for the Rockin Up North Fest on Saturday, August 17, 2019 from 3pm to 11pm, set up starting on Thursday, August 15, 2019, a partial closure of 3rd Avenue NW on August 17th, alcohol services being provided by the Up North Pizza Pub liquor catering license, and the closure of 4th Street NW for 1 block from 11am to 11pm on August 17th contingent upon approval from MNDOT.
12. Consider approving the Special Event Application for Altru & the Parks Department for the Jog Your Memory 5K Family Fun Run on Saturday, August 17, 2019 from 8am to 1pm in conjunction with the Rockin Up North Fest.

A MOTION WAS MADE BY COUNCIL MEMBER HELMS, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE ITEMS FIVE (5) THROUGH TWELVE (12).

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS, AND COMMISSIONS:

13. Regular meeting minutes and minute summary of the Water, Light, Power, and Building Commission for June 19, 2019.

COMMUNICATIONS: NONE

OLD BUSINESS: NONE

NEW BUSINESS:

14. Consider adopting Resolution No. 19-07-46 awarding the contract to Johnson Controls Inc for the HVAC system renovation at the Public Works Building for a total of \$178,690 and authorize staff to execute the contract.

A MOTION WAS MADE BY COUNCIL MEMBER JOHNSON, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADOPT RESOLUTION NO. 19-07-46 AWARDING THE CONTRACT TO JOHNSON CONTROLS INC FOR THE HVAC SYSTEM RENOVATION AT THE PUBLIC WORKS BUILDING FOR A TOTAL OF \$178,690 AND AUTHORIZE STAFF TO EXECUTE THE CONTRACT.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

15. Consider adopting Resolution No. 19-07-47 awarding the contract to Johnson Controls Inc for the replacement of the air condition unit at the Campbell Library for a total of \$75,690.00 and authorize staff to execute the contract.

A MOTION WAS MADE BY COUNCIL MEMBER GRASSEL, SECONDED BY COUNCIL MEMBER JOHNSON, TO ADOPT RESOLUTION NO. 19-07-47 AWARDING THE CONTRACT TO JOHNSON CONTROLS INC FOR THE REPLACEMENT OF THE AIR CONDITION UNIT AT THE CAMPBELL LIBRARY FOR A TOTAL OF \$75,690.00 AND AUTHORIZE STAFF TO EXECUTE THE CONTRACT.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

16. Consider adopting Resolution No. 19-07-48 awarding the contract to Johnson Controls Inc for the HVAC system renovation at the VFW Arena for a total of \$87,695.00 and authorize staff to execute the contract.

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER GRASSEL, TO ADOPT RESOLUTION NO. 19-07-48 AWARDING THE CONTRACT TO JOHNSON CONTROLS INC FOR THE HVAC SYSTEM RENOVATION AT THE VFW ARENA FOR A TOTAL OF \$87,695.00 AND AUTHORIZE STAFF TO EXECUTE THE

CONTRACT.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

17. Consider adopting Resolution No. 19-07-49 showing support for the LaFave Park Improvements Application for the Greater MN Parks & Trails grant funding and local match commitment of 25%.

A MOTION WAS MADE BY COUNCIL MEMBER DEMERS, SECONDED BY COUNCIL MEMBER JOHNSON, TO ADOPT RESOLUTION NO. 19-07-49 SHOWING SUPPORT FOR THE LAFAVE PARK IMPROVEMENTS APPLICATION FOR THE GREATER MN PARKS & TRAILS GRANT FUNDING AND LOCAL MATCH COMMITMENT OF 25%.

Mayor Gander reminded everyone how it had been suggested to pull the boat ramps out of this project and asking the DNR to pay for them. He asked Mr. Huttunen to reach out to see if they could have that completed before the rest of the project was done and he would help in the process if needed. He also asked for any other documents to show the commitment from the DNR for this project. Council member DeMers commented how there have been changes in personnel at the City and he still needed to look back through what he had. Discussion followed about the previous city engineer did not remember why the project was dropped, the title work is being worked on showing the City has a clear title to the property, and the proposed \$82,000 is manageable to budget over the next few years.

Council member Helms thanked everyone that has been working on this, he liked the concept, but what he is worried about is if this would be a waste of money. He stated that any given day the river could wipe things out in this area, again he likes the idea, but there might be other ways to improve this area without having to put all of this money into it. He added he did not think he could support this. Council member Vetter asked if they were applying for phase one or the whole project. Mr. Huttunen said they would be applying for phase 1b, this work is somewhat contingent of the boat ramp work being completed, and how they will need to find a funding source within the next few days for the boat ramp area. He added if they don't find a funding source for the boat ramp and parking lot it would not make sense to apply for the grant at this time. Council member Vetter asked if the boat ramp is not going to be done what the point would be. Mr. Huttunen said he had tried to bring forward an option for the Council to consider and the committee reviewing this application may have the same questions the Council has.

Mr. Murphy told the Council he would be happy to work with Mr. Huttunen to see if funding can be secured from the DNR. He added if the DNR does not have funding for the ramps and parking lot they may not want to apply but the Council would need to decide if they would still like to move forward with this or not. Mayor Gander asked Mr. Emery if the elements included in this plan would withstand a flood at any time of year. Mr. Emery said most things should, there might be some worry when it comes to the trees, but most everything else should sustain a flooding event. Mayor Gander commented how there is already a boat ramp in place so any improvements or upgrades will be beneficial to these efforts. He added nothing will be wasted, and it will enhance the area for recreational use.

Mr. Huttunen informed the Council he had met with members of the DNR last summer and talked about the boat ramp. He explained what they said was very similar, how funding was available for boat ramp improvements, the City was going to complete the plans and specs for the improvements, submit them to the DNR for approval, no plans and specs were ever sent, and the funding for this is no longer available. He added this is the reason why he has started looking for grant funding for this project. Ms. Anderson

asked if there is no funding available to have them pay for the local match so the whole project could be completed. Discussion followed about how the DNR more than likely would not pay the local match since these grant dollars are coming from the DNR's legacy grant fund and these dollars cannot be used on State property or projects.

Council member DeMers said the discussion is close to what he recalls. He asked if the list was gone, if the funding is gone, or if both were gone. Mr. Huttunen stated his impression was the list was gone because the funding is no longer available for these projects. There were no more questions.

Voting Aye: Olstad, Grassel, DeMers, and Riopelle.

Voting Nay: Johnson, Vetter, and Helms.

18. Consider approving the final plat of the Replat of Outlot 1 of Auditor's Plat of Outlots 1 through 23 with the following conditions of including an access control line on north property lines bordering 23rd Street NW, add easements where necessary, submit a digital file to the planning office, and pay fee to Polk County for recording.

A MOTION WAS MADE BY COUNCIL MEMBER VETTER, SECONDED BY COUNCIL MEMBER DEMERS, TO APPROVE THE FINAL PLAT OF THE REPLAT OF OUTLOT 1 OF AUDITOR'S PLAT OF OUTLOTS 1 THROUGH 23 WITH THE FOLLOWING CONDITIONS OF INCLUDING AN ACCESS CONTROL LINE ON NORTH PROPERTY LINES BORDERING 23RD STREET NW, ADD EASEMENTS WHERE NECESSARY, SUBMIT A DIGITAL FILE TO THE PLANNING OFFICE, AND PAY FEE TO POLK COUNTY FOR RECORDING.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

CLAIMS:

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

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

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

COUNCIL/STAFF REPORTS:

Mayor Gander reminded everyone that he is still taking nominations for grinder awards. He explained he had received an email about Ms. Gabby Tack who decided to have a lemonade stand and donate the proceeds to cancer research because her grandfather had passed away after a two-year battle with cancer. He read through the email sent by Mr. Dave Tack about his daughter Gabby, her kindness, and how she was able to raise over \$500 that afternoon for cancer research. He commented how Ms. Whicker might also be up for a grinder award coming up as well.

Council Member Riopelle thanked Chief Larson for having a fire truck brought out for a kid's birthday party and how they explained to the children that firefighters are their friends and there to help. He commented how the adults at the party were in awe at the new firetruck, shocked at the price, and happy the City was able to get this truck. He thanked Chief Larson, stated it was a good idea from Mr. King, and asked to have this done again. He also informed the Council the two Polk County senior citizens of the year were Marv Magnuson and Gaye Wick who were both from Crookston. He added that Ms. Wick was his sister and he was very proud of her. He told the Council the Senior Citizen Center will be nominating East Grand Forks residents next year, there are many seniors in the city that donate their time for many different things, and he thanked them for all they do.

Council Member Johnson thanked all of the departments for the good work they have been doing. He commented how the docks have been pulled out and will need to be put back in for Catfish Days, they have been cleaning up trees because of storms, and how the mosquitoes will be coming. He thanked all of the departments again for the work they have done.

Council Member DeMers said budget discussions will be starting soon, more was taken in than expected at the end of 2018, and it would be good to see how things are trending at the half way point of the year so they are able to anticipate what it will be at the end of the year.

Council President Olstad explained his work place held an event thanking first responders from Grand Forks, East Grand Forks, Polk County, and Grand Forks County. He thanked Chief Larson and Chief Hedlund and staff for coming so they could be shown appreciation for serving the community.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER JOHNSON, SECONDED BY COUNCIL MEMBER DEMERS, TO ADJOURN THE JULY 16, 2019 REGULAR COUNCIL MEETING OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:38 P.M.

Voting Aye: Johnson, Olstad, Grassel, DeMers, Vetter, Helms, and Riopelle.

Voting Nay: None.

David Murphy, City Administrator/Clerk-Treasurer