

**APPROVED MINUTES  
OF THE CITY  
COUNCIL WORK SESSION  
CITY OF EAST GRAND FORKS  
TUESDAY, OCTOBER 22, 2019 – FOLLOWING THE SPECIAL MEETING**

**CALL TO ORDER:**

*The Work Session of the East Grand Forks City Council for October 22, 2019 was called to order by Council President Olstad at 5:14 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 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; Charlotte Helgeson, Library Director; Reid Huttunen, Parks and Recreation Superintendent; David Murphy, City Administrator/Clerk-Treasurer; Megan Nelson, City Clerk.*

**DETERMINATION OF A QUORUM:**

*The Council President Determined a Quorum was present.*

**1. Consider Authorizing the Preparation of Plans & Specifications for Sidewalk Project – Steve Emery**

Mr. Emery reminded the Council the City had been awarded a Safe Routes to Schools grant for a project in 2021. He explained they were looking at adding sidewalk on the south side of 13<sup>th</sup> Street SE by South Point Elementary school, for a block on the north side of 13<sup>th</sup> St SE in between 19<sup>th</sup> Avenue SE and 20<sup>th</sup> Avenue SE, and along the east side of 20<sup>th</sup> Avenue SE. He stated the sidewalk had been added in the Riverview 10<sup>th</sup> Addition but that sidewalk was not connected to anything so this will help connect that sidewalk to the school. He added the total project cost was estimated at \$231,187 with \$137,000 covered by grant funds and the additional \$94,187 needed could come out of State Aid funding. He said they would be asking to authorization to start the plans and specifications for this project, which will need approval from the Minnesota Department of Transportation. Discussion followed about how the RCA states northeast but this would be in the southeast area of town. Ms. Ellis said she was asked to remind the Council even though these are Safe Routes to School sidewalks and residents along with the school will need to move the snow off them.

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

**2. Consider the Repeal of Realtor Surcharge on City-Owned Lots – Paul Gorte**

Mr. Gorte stated the Economic Development Authority (EDA) is struggling to sell city-owned lots. He said the EDA Board has talked about different ways to try and sell lots, there are about 50 lots remaining,

and realtors have been reluctant to sell lots because of the surcharge that had been added to the sale when a realtor was involved so none of the lots are listed on the MLS. He explained after much discussion the EDA Board is asking to remove the surcharge because the City is no longer offering the \$5,000 incentive, the additional funds could be used to help cover the \$3,000 fee per lot, and they have starting talking with two realtors that can work with the City to sell lots.

Council member Vetter said if the goal is to sell the lots, they should have a land auction and just sell them all. Mr. Gorte said that could be an option. Council member Vetter asked if the specials on the lots have been deferred. Mr. Gorte stated yes and how the specials are paid in full when the lot is sold. Discussion followed about how specials have been deferred, specials could be added and paid over time if the properties are auctioned off but the infrastructure is older which is why it had been factored in to the lot price. More discussion followed on how they could re-evaluate how the specials are handled, how an auction could get the property off the City's hands and add the specials to the properties, how the specials for these lots are not on file at the County, and the life of the asset has depreciated over time. Council member Riopelle said if the specials are not paid in full there is a possibility the owners could be paying for additional specials due to another project. Council member Vetter suggested putting the lots up for sale at a \$1,000 per lot and have the purchaser pay the specials. Mayor Gander suggested giving the realtors a chance to sell the properties, how selling all of the lots at an auction may flood the market, and it may not be fair to other developers. He said they should try this with realtors for a year or two at the current prices.

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

### **3. Request to Set Public Meeting Regarding Jurisdictional Transfer – David Murphy**

Mr. Murphy reminded the Council during a previous discussion it was suggested to set a public meeting to gather input from property owners regarding the potential jurisdictional transfer of Business Highway 2. He said it would be best to have this held on a different day rather than on a regular meeting day and staff was suggesting to hold this on Monday, November 4<sup>th</sup> starting at 5:30pm. Council President Olstad asked if both commercial and residential properties would be invited. Mr. Murphy said yes. Council member Riopelle asked if this was going to be a mock assessment hearing. Ms. Nelson said the letter was to give some information but to entice people to attend the meeting so they are able to get the information first hand. Mayor Gander said the Council has not decided on a project moving forward or if the City would just take the lump sum. Council President Olstad stated the purpose of the meeting is to get everyone on the same page, the City would be upfront and transparent during this process, and the Council could explain what is being proposed. Mayor Gander stated he thought this would be a good idea but also be clear the Council is still working on ideas. Discussion followed about what might happen if the City takes a lump sum without completing the project, the change may allow some advantages, how holding an informational meeting can be beneficial, and how these properties may have special assessments in the future.

Mr. Emery told the Council the stretch of road would remain on the State Aid system, it would be good to get input from property owners, and giving out estimated special assessments amounts may not be a good idea in case the actually numbers are greatly different. Mayor Gander said they could speak in generalities. He added that he wanted to make known he is part owner of a storage facility along Business Highway 2 that does not have frontage on the street, his property would be specially assessed, so there is a potential for a conflict of interest. He explained he reached out to Mr. Galstad for an opinion and was told he can participate in the discussion but cannot try to influence any of the council members on how to

vote and he is not able to veto the decision made by the Council. He said he will stay away from any conflict of interest and again that he wanted to disclose this information. Council President Olstad said others may not understand how they could be affected so that is a good reason to hold the public meeting.

Mr. Emery said he would ask MNDOT to attend the meeting to help answer questions because they are the ones asking for the transfer. Council President Olstad asked if everyone was okay with the date. There were no objections to holding the meeting on Monday, November 4<sup>th</sup> at 5:30pm.

**ADJOURN:**

**A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER JOHNSON, TO ADJOURN THE OCTOBER 22, 2019 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 5:40 P.M.**

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

*Voting Nay: None.*

*Absent: Grassel.*

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David Murphy, City Administrator/Clerk-Treasurer