

**APPROVED MINUTES
OF THE CITY
COUNCIL WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, MAY 12, 2020 – 5:00 PM**

CALL TO ORDER:

The Work Session of the East Grand Forks City Council for Tuesday, May 12, 2020 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.

DETERMINATION OF A QUORUM:

The Council President Determined a Quorum was present.

1. Outdoor Dining & Designated Parking – Paul Gorte

Mr. Gorte said he had been contacted by Mamma Maria's and Ms. Rebecca Driscoll who was looking into adding an outdoor dining space that allows for social distancing. He explained the space they were looking at using was mall property but they are requesting the use of street parking for those picking up take out since their original spots are being utilized for outdoor seating. He asked Ms. Driscoll to add any additional comments. Ms. Rebecca Driscoll told the Council her family has been in East Grand Forks since the 1870s, she was excited to be active again in the city, how they would like to add outdoor seating because COVID has made people nervous, and adding outdoor seating is a way for people to feel safe and comfortable. She talked about how they would like to have portable outdoor seating that could safely allow 27 people to sit, this could be a pilot program, and they want to turn this space into a bistro space.

Council President Olstad asked if the pickup spot request would be temporary since the outdoor seating was temporary. Discussion followed about how this outdoor seating was based on the parklets that were used in Grand Forks, this could be done on a trial basis, and if this is successful, city ordinances can be updated once the issues are worked out. Council President Olstad asked about the street designation, if other businesses were contacted to is if there are any issues, and how the property that was going to be used for outdoor seating was owned by the movie theater so he does not see any issues with that. Mayor Gander said he thought the same thing and how after a year they may want to move away from the curbside pickup reserved spots. Mr. Blue Weber suggested instead of having the pickup spots exclusive, they could be used by all restaurants in this area. Council President Olstad said that had not been suggested before. Mr. Weber said he could reach out and see if there was interest.

Council member Helms said this was a great idea and they need to make sure the seating area does not extend out into the driving lane. Ms. Driscoll said it would not. Discussion followed about the location of the temporary seating, how the seating area would be fenced off, and how the best location for this

seating is next to the building for the trial run. Council Vice-President Grassel suggested designating two spots in the parking lot instead of using street parking and those spots could be used for all restaurants. Discussion followed about how the parking lot spots were an acceptable alternative to the street parking, how a resolution was needed to approve the designation, and how in Grand Forks businesses pay \$100 initially for the parklet permit, and the yearly permit was \$20. Council President Olstad asked Mr. Gorte to put something together for the next meeting for the Council to take action on. More discussion followed about the time frame needed for the outdoor space to be built, how it will depend on actions taken by Governor Walz, and how Mamma Maria's will be in contact with the alcohol inspector on what the regulations were for allowing alcohol to be served in the outdoor space. Council President stated the outdoor seating and reserved parking are two separate issues since the outdoor seating was going to be on private property.

The reserved parking spot issue will be referred to a City Council Meeting for action.

2. Inter-municipal Agreement for Point Bridge Inspections – Jason Stordahl

Mr. Stordahl informed the Council the inspections for the Point Bridge will be changing because it is a locally owned bridge. He explained in previous years the North Dakota Department of Transportation inspected the Point Bridge and Grand Forks would pay a fee for that inspection. He stated the North Dakota Department of Transportation would no longer be inspecting local bridges and it will be up to the owners of the bridge to have these inspections completed. He said Grand Forks has drafted an agreement for bridge inspections with both cities splitting the costs for the inspection services. He added East Grand Forks would be in charge of hiring an inspector, the City has uses Widseth's bridge inspector, the proposal would have East Grand Forks complete the inspection, pay the fee, and then invoice Grand Forks to pay their portion for the services. He asked for questions, that Grand Forks staff was bringing this before their council, and he was bringing this forward for consideration. Council member Riopelle asked about the approach on the East Grand Forks side and what can be done to repair it or level it out. Mr. Stordahl said the approach has been overlayed every few years because a long-term repair is expensive so they will continue to patch this as it settles.

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

3. Request to Fill Public Services Librarian Position – Charlotte Helgeson

Ms. Helgeson said the person in this position is currently taking care of the library's virtual presence so with the current circumstances, this is a crucial position and this person has submitted their notice to leave at the end of May. She stated the Library Board would like to see this position filled and asked the Council to have this position filled. Council member DeMers asked what would happen if this position was not filled. Ms. Helgeson said there would be a lot of change to the workflow; something things could not be done and other things would not be done as quickly. She explained because it is this position because organizes information and puts it out all of the information online right now which would affect the Library's Facebook page, website, blog, and they would need to figure out how the work load would need to be distributed among staff so reports are maintained and the newsletter is still sent out.

Council member DeMers asked to see statistics of use from before and after COVID. Ms. Helgeson said ebooks and eaudio are starting to increase with teenagers who are getting more library cards, it is being requested for children to be issued a yearlong library card, and there are more teens involved because of the virtual connection. She added she could get the statistics showing usage. Council member DeMers

commented on the median salary over \$70,000, they could cut the requirement of having a master's degree, and how any college graduate could be able to keep the virtual presence going. He said the City will be looking at big cuts moving forward from the State and added he would vote to not fill this position or change the salary down to \$40,000, which would be more appropriate. Ms. Helgeson informed the Council this position also supervises and trains the volunteers and part time employees that work at the front desk. She stated she understands the concern with the budget but this position helps the library function in the library and online, she is very aware of the funds being spent, how the Library's grant dollars may be cut, and how staff may be doing more in-house for programing so they need to be trained.

Council member Helms asked when this position was created. Ms. Helgeson said this position was filled three years ago. Council member Helms stated Ms. Helgeson has kept her budget under control, they have continued to build up clientele, and he recommended advertising to fill this position. Mayor Gander asked how many librarians are on staff. Ms. Helgeson commented how much the things have changed when it comes to the education, how she can manage them, an educated staff is needed, and that they have four full time staff. Council President Olstad said this will be moved on to next week and they will need to take care of the library.

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

4. City Attorney Retainer Agreement – David Murphy

Mr. Murphy informed the Council the retainer agreement had expired in December and a three-year extension had been prepared for criminal and civil services. He stated the fee for 2020 continued at the same rate of 2019 at \$125 per hour and that was set to increase to \$135 per hour for 2021 and 2022. He asked for questions. There were none.

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

5. Discussion on Seasonal Pay Scale – David Murphy

Mr. Murphy said this was coming forward because of the change to minimum wage, which has caused an adjustment to the seasonal pay scale. He explained this was different from the full time employee pay scale, grade 1 step 1 starts at \$10, which was minimum wage, and the steps increase by 2%. He stated he was looking for this to be adopted, it would be retroactive back to January 1st, and asked if this could be adjusted if there was a federal or state mandated change to minimum wage. He added any other changes would be brought before the Council. Council member DeMers asked to have the list of positions and the corresponding grades for those positions for the next meeting. Mr. Murphy said it would be included in the next packet. Mr. Galstad said he was asked about the mandated change, if that was legal, and it would be if the change was a mandatory change to minimum wage. He added that any other change would need to be brought before the Council.

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

6. Potential COVID Budget Impact Discussion – David Murphy

Council President Olstad said he asked to have this brought forward so residents and Council knew where the City was at with reserves, what the financial standing of the City was, and what impacts there might be down the road. He stated they are taking a proactive approach to see how the City could be affected

and what the plans are for the future. Mr. Murphy stated he understands why this is being brought forward, it will be a good exercise, and he hopes this might alleviate some of the crisis feel to this current situation. He explained the State has changed from projecting a surplus at the beginning of the year to now showing a deficit; how this was a forced shut down of the economy, there will be demand when businesses open back up, the \$2.4 billion was projected as a worst case scenario, and any action taken by the State because of the shortfall is currently an known.

Mr. Murphy stated the City is scheduled to receive property tax in July and there could be a delay in the payment the City receives. Mr. Murphy told the Council delays in receiving these payments is a reason to have and use reserves. He commented the City was in good shape for the short term and the big unknown is what will be happening to local government aid (LGA), if that will be cut, but currently there is no indication that LGA will be cut. Mr. Murphy explained he did not expect changes to the 2020 budget, the Council and staff will need to look closer at the 2021 budget, they will need to prioritize what is most vital, and make cuts if needed based on priorities. He added how across the board cuts or large cuts will be hard to do without cutting staff so they can look at prioritizing services and work back from there.

Council President Olstad asked where reserves were at and what the City has done over the last few years to get things where they are at. Ms. Anderson said based on expenses the fund balance was at 58% and based on revenues the fund balance was at 54%. She informed the Council it looks like there was going to be another \$500,000 from the 2019 budget that will be added to the reserve and reminded the Council the State's recommendation was to have 35% to 50% of a yearly budget in reserves so the fund balance was sufficient. She informed the Council the City receives around \$2.3 million in LGA each year, it is received in two payments, one comes in July and the other in December, and that accounted for about 24% of the City's budget. She added they would still be collecting property taxes this year so the City was in good shape. Mr. Murphy said in 2018 the fund balance was increased by \$588,000, they are anticipating another increase from 2019, and they have looked at using of some the reserve to offset a rise in property taxes. He stated he does take pride in the department heads because most of them spend less than what was budgeted each year and staff is conservative when trying to budget revenues. He commented again how they can determine what to do with additional funds, reduce a property tax increase or it could be used for capital improvements like putting this towards ice making equipment.

Mayor Gander asked if there are any cost saving measures that can be put in place between now through December to help with what might be coming in the future, the City's reserves are solid, but there are questions about LGA. He said they need to look at what can be done in the near term to set things up for next year. He stated the recommendation is good to continue and finish out this year while watching to see what the State does. Mr. Murphy said there are things that might sort themselves out, if there were no park programs the City would not be collecting the revenue but there would not be the expenses either. He added depending on if there can be a pool season or not could make a difference but currently all potential park activities are on hold right now. He added how there are some things that need to be done such as mowing and maintenance so there will need to be some seasonal workers hired. He said they would take any suggestions.

Council member DeMers said he appreciated the optimism, hopefully the economy will be resilient and adaptive, but the State is in trouble, there is high unemployment, and there is a cost of changing business models. He suggested being as conservative as possible. He asked if there was a fix to the LGA formula. Mr. Murphy said not that he was aware of a fix that was done to the LGA formula because the State has been focusing on other things. Council member DeMers asked what accelerator was used for wages and benefits for the 2021 budget. Ms. Anderson said nothing other than steps because this was the last year

of the contracts and negotiations will need to take place. Council member DeMers asked if the additional reserve projection accounts for the typical 5% to 7% for wages. Mr. Murphy said the additional funds were from 2019, it had not been accounted for, this could be used for an increase for salaries, but this had not been accounted for in the 2020 budget.

Council member Vetter asked if any employee has been furloughed with the Senior Center and library being closed but the library was online. Mr. Murphy said no full time employees had been furloughed, part time employees had their hours cut back, and they are still waiting to see how many seasonal employees would need to be hired. He added there was not that much of a cost savings with furloughed employees because the City would then be paying unemployment.

OTHER:

Mayor Gander said he had received an email reminding him this week was Peace Officers Week. He explained there is usually a ceremony held each year in May, it is well attended by many from around the region including Canada, and they are looking at holding this ceremony later on in the year. He read the proclamation and reminded everyone to thank a police officer for their service.

ADJOURN:

A MOTION WAS MADE BY COUNCIL MEMBER RIOPELLE, SECONDED BY COUNCIL MEMBER HELMS, TO ADJOURN THE MAY 12, 2020 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:22 P.M.

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

Voting Nay: None.

David Murphy, City Administrator/Clerk-Treasurer