

Committee of the Whole Meeting  
March 31, 2021

The Fergus Falls City Council met as a Committee of the Whole on March 31, 2021 at 7:00 am in the City Council Chambers. Mayor Schierer called the meeting to order and the following council members were in attendance: Thompson, Arneson, Gustafson, Fish, Hagberg and Kvamme. Hicks and Rufer were absent.

**Heritage Preservation Commission**

The city established the Heritage Preservation Commission in 1974 with the goal of safeguarding the heritage of the city. RC Drews and Chris Schuelke represented the commission in reviewing the nine priorities they have established for themselves this year. They wish to improve communication with the city and plan to annually designate two local historic landmarks. They would like to work with a historic consultant to create a historic downtown district and work on repairs to WPA stonework sites, the preservation of the George Wright statues and historic registration of the home located at 212 E Alcott Avenue. Another goal is the establishment of design criteria for new construction and development projects in the downtown area. The commission would also like to work on the restoration and improvement of the Broken Down Dam site. They requested the area be cleaned of garbage and graffiti and would like to install hand railings on the trail. They suggested a partnership with the city and Otter Tail Power to make this historic attraction safer, more accessible and attractive to visitors. The council acknowledged their support of the commission and their proposed work.

**YMCA Lifeguard Services**

Since 2008, the city and the YMCA have been partnering to provide lifeguard services at Pebble Lake Beach. The Y has again agreed to provide this service in 2021 for a cost of \$25,000 for the season, which would run June 13- August 21. A motion and second were made by Fish and Thompson recommending the council enter into the 2021 lifeguard services contract with the Fergus Falls YMCA and the motion carried.

**Otter Tail Watershed Restoration and Protection Strategies**

Ben Underhill of the East Otter Tail Soil and Water Conservation District shared a presentation about the Otter Tail River Watershed Restoration and Protection Strategies (WRAPS). The report focuses on the water quality in a single watershed and shows how it rates against state standards and it helps prioritize projects. Only 30 of the 1,300 lakes in the watershed as well as 13 of 231 streams have been deemed impaired. Most of the impairments were due to high phosphorus, E-coli and bacteria in the water. Coordination and prioritization is difficult due to the size of the watershed and water quality issues are linked to economic conditions as these issues affect property values. The water quality of Lake Alice is something that will need to be addressed in the near future. The next steps in the process are to provide public notice of the finished report, decide on the priorities and seek funding. The city was asked to have staff participate in their meetings.

**Inter Fund Loan**

The skidsteer used by the golf course is in need of repair, which exceeds its value. The golf course staff have identified a Bobcat "Toolcat" as an appropriate equipment replacement for the operation/maintenance of the golf course. The cost of the equipment is \$71,488.10 and they would like to amortize the cost over 6 years at 3% with one annual payment per year. A motion and second were made by Fish and Hagberg recommending the council approve an inter fund loan from the

Equipment Fund to the Park and Recreation (golf course) budget in the General Fund to purchase a Toolcat for the Pebble Lake Golf Course and the motion carried.

### **Historic Property Designations**

The Heritage Preservation Commission and Planning Commission have each considered and recommended the council designate the Victor Lundeen Building located at 126 W Lincoln Avenue (built in 1919) and the Northern Pacific Depot, located at 423 S Cascade Street (built in 1920) for local designation. A motion and second were made by Thompson and Gustafson to recommend the council hold a public hearing on April 19, 2021 and adopt resolutions designating these two buildings as locally designated landmarks and the motion carried.

### **Fee Schedule Amendment**

City staff have recommend two changes to the 2021 fee schedule: The \$1,500 Tax Increment Financing administrative fee should be increased to \$2,000 while the \$10,000 Tax Increment Plan escrow fee should be increased to \$15,000. The current fees being charged to the developer are not covering the city's costs. If the expenses are lower than the fees, the city would have the ability to reimburse the developer. A motion and second were made by Gustafson and Thompson to recommend the council amend the tax increment financing fees within the 2021 fee schedule and the motion carried.

### **Highland Avenue Vacation Request**

The city received a vacation petition for the platted right of way on the North/South Highland Avenue Right of Way Highland Avenue from Main Street to North Terminus from Otter Tail Power, the owner of the platted Lots 10-23. This property has not yet been developed. A vacation request requires a public hearing and an ordinance would need to be enacted to make the request effective. A motion and second were made by Arneson and Hagberg to recommend the council accept the Highland Avenue vacation petition and to set a public hearing for April 19, 2021 and the motion carried.

### **Pioneer Road Land Acquisition**

The city has been approached about potential development of privately held agricultural land adjacent to Pioneer Road. The city would be asked to extend Pioneer Road to the east and provide utilities for this new development. A 1.3 acre strip of land lies to the east terminus of the existing road and was identified as a need to facilitate future street and utility construction and drainage in this right of way. The city has contacted the owner of the property and they are willing to sell the property to the city for \$30,000 which staff believes is fair and reasonable. The right of way and stormwater area is essential for the future easterly extension of Pioneer Road. PIR funds would be the recommended funding source for the purchase. A motion and second were made by Arneson and Fish to recommend the council authorize the City Attorney and City Engineer to execute the necessary documents to acquire Parcel No. 71003500195007 in the amount of \$30,000 and the motion carried.

### **Aurdal Township**

Aurdal Township has agreed to an orderly annexation for 79.06 acres with zero population. The land is owned by Otter Tail Power Company and they plan to build their solar farm on this property. The township is requesting a lump sum lost tax reimbursement of \$10,000, which Otter Tail Power would repay to the city. The city would also agree to assume responsibility for the repair and maintenance of Main Street from the city limits to Birchwood Estates Road and Broken Down Dam Road. The city would also agree to implement a solar farm ordinance for this area. Once the annexation is

approved the council, the agreement would be sent to the state and would be expected to be official within 30 days after the submission. A motion and second were made by Fish and Arneson to recommend the council adopt the joint resolution for immediate annexation of land in Aurdal Township owned by Otter Tail Power for the Hoot Lake Solar Project and the motion carried.

**PI 6077: 2021 Sidewalk/Driveway Program**

The city's sidewalk/driveway program is enacted by 100% voluntary petition of the property owner. Each individual petition is provided the exact cost of the improvement by utilizing the assessment rates. The City Engineer shared the 2021 proposed rates and reasons for increases in some of the pricing. A motion and second were made by Gustafson and Hagberg to recommend the council initiate PI 6077, the 2021 sidewalk/driveway program and to approve the 2021 assessment rates and the motion carried.

**CP 5955 Whitford/Bancroft Improvement Project**

A Preliminary Engineering Report was developed for CP 5955, the Whitford/Bancroft improvement project as required under MN Statute Chapter 429 requirements. The project scope is Whitford: Channing to Alcott and Bancroft: Cascade to Whitford. The appraisers provided a special benefit appraisal report and feel the city should proceed to a preliminary project hearing, which has been proposed for April 19, 2021. The estimated project cost is \$578,000 and the funding sources are PIR Bonds (special assessment-active); PIR Bonds (city share-tax levy/state aid); City Sanitary Sewer Fund; City Water Fund; City Storm Sewer Fund. A final cost hearing would be held prior to project construction. A motion and second were made by Arneson and Gustafson to recommend the council accept the Preliminary Engineering Report for CP 5955 and to set the preliminary improvement project hearing date for April 19, 2021 and the motion carried.

**United Prairie Request for Property**

United Prairie Foundation has asked the city to provide land so they can establish a native prairie center in Fergus Falls. They presently have a site in Enderlin, ND where a private land owner donated a 30 year lease and unmetered water for their operations and they would like to acquire 1-10 acres of land for another site in Fergus Falls. The city has identified publicly owned land on Western Avenue that would work for their native prairie planting/retail site. The native prairie center would employ two full-time employees and up to 5 seasonal positions. A lease would be negotiated for the land and it has been requested United Prairie pay property taxes on the site and the council would discuss utility use on site. A motion and second were made by Fish and Thompson to recommend the council authorize staff and the City Attorney to negotiate a lease with United Prairie Foundation for city owned property on Western Avenue and the motion carried.

The meeting adjourned at 7:56 am

*Lynne Olson*