

City Council Minutes
May 3, 2021

The Fergus Falls City Council held a regular meeting on May 3, 2021 at 5:30 pm in the City Council Chambers. Pastor Doug Dent of Federated Church gave the invocation and the Pledge of Allegiance was recited. Due to the COVID-19 pandemic, some members of the council participated via zoon. Mayor Schierer called the meeting to order at 5:31 pm. Council members in attendance were Thompson, Arneson, Gustafson, Fish, Kvamme and Rufer. Hagberg and Hicks were absent.

Approval of Agenda

A motion and second were made by Arneson and Thompson to approve tonight's agenda as presented and the motion carried.

Bid Awarded PI 9768

City Administrator Andrew Bremseth remarked we have reached a major milestone to bring the downtown riverfront improvement project bids to the council after years of work developing the plan. Revitalizing our downtown has been the council's number one goal and he thanked those involved in the process, including donors, community partners, downtown businesses, staff and the public for their support. City Engineer Brian Yavarow reviewed the bids and said the low base bid was from local contractor Comstock Construction in the amount of \$3,028,400. Seven alternates totaling \$185,000 were included in the proposal for a total project cost of \$3,213,600. Construction on the west block and parking lot could begin this summer and be substantially completed by fall. Access would remain open for businesses located in this area. City Finance Director Bill Sonmor reviewed the project's finance plan, noting the total estimated project cost is \$6,873,564. This includes costs incurred to date, the west block, the east block and a prefabricated bridge. Proposed funding sources include \$1,750,000 in state bonding, \$1,135,000 in fundraising (Veden Charitable Trust, private fundraising, two Rotary groups and West Central Initiative); \$600,000 LCCMR grant and \$3,388,564 in city funding for a total of \$6,873,564. He reviewed the costs, timeline and funding sources for Phase I (west block and parking lot) construction in 2021 and Phase II (east block and prefabricated bridge) construction in 2022. The city's portion of the project funding is \$3,058,564. \$400,000 would come from the liquor store proceeds, \$500,000 would be used from the American Rescue Funds to stimulate contractor work in the community and the city would bond for the remaining \$2,158,564. He shared three funding scenarios and said if the city considered a 15 year bond of \$2,225,000 (after issuance and underwriting cost), it would add approximately \$33 per year more in taxes for a homeowner of a \$250,000 valued home. He said he is comfortable with the funding plan and recommended the council proceed with awarding this bid. Mayor Schierer shared his support for the project and was pleased local contractors and subcontractors would be used in the project. He spoke about the city's investment in downtown infrastructure and the support this project will provide to local downtown businesses. The last time the city made a sizeable investment in the downtown was 1989. Arneson offered **Resolution #80-2021**, awarding a bid for PI 9768, the Downtown Riverfront Balcony Enhancement and Stabilization Project to Comstock Construction Inc. in the amount of \$3,213,600 (base bid plus seven alternates), which was seconded by Rufer and was adopted.

Proclamation: Nurse's Month

Mayor Schierer read a proclamation declaring May as Nurses Month.

Consent Agenda

The following items were approved under **Resolution #81-2021** by Thompson: Motion approving the following licenses: Excavator Cityside Improvements, Ben Wolden Landscaping LLC, Paul Haarstad Excavating; Paving/Sidewalk Robert Nordick Construction; Minnesota Lawful Gambling Permit Pheasants Forever-Otter Tail County Chapter for a raffle on September 11, 2021 at Fleet Farm. **Resolution #82-2021** adding a Vendor in Parks permit and fee to the fee schedule. **Resolution #83-2021** approving the purchase of a front end loader and authorizing the trade in of the current equipment. **Resolution #84-2021** approving a budget adjustment for the Planning Department. **Resolution #85-2021** approving a Conditional Use Permit for LRH Medical Properties LLC to expand the existing hospital at 712 S Cascade Street located in a R-2 zone. **Resolution #86-2021** approving a variance for a detached accessory garage within their front and side yard for the property located at 421 Friberg Avenue as requested by Terry and Rhonda Craft. **Resolution #87-2021** approving a variance to deviate from the minimum lot area and side/rear setbacks of the property located at 1901 and 2001 W Lincoln Avenue in a B-6 zone as requested by Martin Graff of the Westridge Mall Partnership LLC. **Resolution #88-2021** approving a preliminary plat to subdivide two parcels of property located at 1901 and 2001 W Lincoln Avenue as requested by Martin Graff of the Westridge Mall Partnership. **Resolution #89-2021** granting the city's consent to have Broken Down Dam designated as a local landmark site. The resolution was seconded by Arneson and was adopted.

Kvamme requested the minutes from the April 28 Committee of the Whole meeting be pulled from the consent agenda. At that meeting, staff stated the MPCA has proposed increasing the city's stormwater management permit from \$400 every five years to \$20,000 every five years (\$4,000 per year) and felt the city should voice their opposition to such a steep increase. Kvamme also suggested perhaps the MPCA should consider reducing their program costs. It was noted the fee has not yet been implemented, but the city's concerns would be passed along. A motion and second were made by Thompson and Gustafson approving the open and closed minutes from the April 19, 2021 City Council meeting and the minutes from the April 28, 2021 Committee of the Whole meeting.

Mayor Schierer requested the naming of the dog park be pulled off the consent agenda to bring additional attention to the park which is schedule to be open by June of this year. The land the park will be located was donated to the city by the Adams family. The park is being named in honor of the Adams' family dog, Higgins. Gustafson offered **Resolution #90-2021** approving the naming of the dog park as Higgins Dog Park, which was seconded by Kvamme and was adopted.

Ordinance 7

The Charter Commission has recommended City Code 31.08 be amended to reflect an interim emergency succession plan for the council if there is a catastrophic event and all of the members of the City Council are gone. Ordinance 7, Eighth Series, Amending City Code Chapter 31.08, Interim Emergency Succession, was introduced by Arneson and was declared to have its first reading.

Ordinance 12

Ordinance 12, Eighth Series, Ordering the vacation of the Highland Avenue right-of-way in the Guttenberg Addition and a part of Pioneer Road in the Village Cooperative Addition was adopted by a roll call vote.

Land Sale Introduction

Lonnie Ballweg, the property owner of 2306 Southview Drive requested the city to sell him a two acre parcel so they can construct a private shop. The property adjoins to land they already own and this would become one parcel. The city has no future plans for this undeveloped land. A local realtor has performed a market analysis that supports the proposed price of \$35,000 for this parcel. The Ballweg's have paid for a survey so a boundary and legal description have been established. All future use of this property must comply with all city zoning ordinances. The City Charter states the sale city property must be conducted over two meetings, with a minimum of ten days between meetings. Thompson offered **Resolution #91-2021** introducing a land sale of approximately 2.06 acres of city property to Lonnie and Danielle Ballweg on Southview Drive, which was seconded by Rufer and was adopted.

Resolution of Accounts

Fish offered a resolution authorizing the payments and claims in the amount of \$692,911.38, which was seconded by Gustafson and was adopted.

The meeting adjourned at 6:03 pm

Lynne Olson