

Committee of the Whole Meeting
March 30, 2022

The Fergus Falls City Council met as a Committee of the Whole on Wednesday March 30, 2022 at 7:00 am in the City Council Chambers. Mayor Schierer called the meeting to order and the following council members were in attendance: Hagberg, Kvamme, Rufer, Thompson, Arneson, Hicks and Fish. Gustafson was absent.

Otter Tail County Historical Society Director Chris Schuelke reminded the council of the commemorative 150th anniversary council meeting taking place tonight at 5 pm.

Visit Fergus Falls Annual Report

Jean Bowman provided an update on Visit Fergus Falls. Bowman is the only staff member. There are 12 board members of this private, non-profit organization that was founded in 1990. Funding for Visit Fergus Falls comes from the city's hotel lodging tax. The city takes 3% to perform fiscal host and administrative responsibilities and the remaining funds are used to promote Fergus Falls as a travel destination. Their primary focus is attracting overnight travelers and getting "heads in beds". Their target audience is travelers coming over 100 miles to visit Fergus Falls. In 2020 when COVID-19 restricted traveling, the organization brought in \$91,001. In 2021, they received \$138,808 in lodging taxes. Visit Fergus Falls works closely with the hospitality industry and studies show that every \$1 invested in the community leads to \$180 in local spending and \$18 in state and local tax revenue. Last year's return on investment was \$25 million in local sales. Bowman commented on the organization's targeted advertising, involvement in the community and the tourism efforts offered by Explore Minnesota.

Commercial Solar Field Fees

Building Official Jason Schuetzle proposing adding a flat fee of \$4,500 for commercial solar fees to the city's fee schedule. This would replace the valuation estimate which is too cost prohibitive for many projects to move ahead. The fee would cover the city's time for inspections as well as the \$1.00 fee to the State of Minnesota. A motion and second were made by Hicks and Thompson to recommend the council add a commercial solar fee of \$4,500 to the city's 2022 fee schedule and the motion carried.

Board and Commission Updates

Community Development Manager Klara Beck presented three staff recommended changes to the city's boards and commissions. She suggested the Airport Advisory Board and Sister City Commission be removed from the City Code and the Natural Resources Advisory Board be incorporated into the City Code. All of the members of the Airport Advisory Board have resigned and are exploring other options to support the airport. The Sister City Commission could meet as needed. Adding the Natural Resources Committee to the City Code would provide more options for public meetings and a staff liaison for the group. A motion and second were made by Hicks and Arneson to recommend the council direct the City Attorney to make the proposed amendments to City 32.28 and 32.26 and the motion carried.

Taxicab Ordinance

Chief of Public Safety Kile Bergren brought forward a recommendation the city repeal City Code Chapter 113, Small Vehicle Passenger Service. The city's taxicab ordinance went into effect in 1915

and the changes in technology and commerce have evolved significantly. Without the city's regulation of this industry, it would provide opportunities for others, such as Uber, Lyft to offer transportation services. There are two businesses with taxicab licenses and these businesses would be encouraged to continue operations, as transportation is an important need in the community. Any passenger service would have to comply with safety and insurance specifications as outlined in state law. A motion and second were made by Fish and Hagberg to recommend the council direct the City Attorney to repeal City Code Chapter 113, small vehicle passenger service, and the motion carried.

City Code Amendments

Public Works Director Len Taylor asked the council for additional City Code amendments. Sections 151.001 and 35.57 would be changed to provide consistency in requiring snow and ice be removed from sidewalks within 24 hours. Section 51.42C dealing with refuse removal from the State Hospital is outdated and can be repealed. Section 53.05 was changed in 2015 and was recommended to be amended. The code currently put the responsibility of maintaining the portion of a private sewer line, lying within the city's right of way, on the city. The city has no control over what is introduced into to the pipe from within the building. Since the ordinance was changed in 2015, the city has spent over \$50,000 to maintain, excavate or report that portion of pipe in the right of way on services throughout the city. If it is determined, by a qualified individual, that the service pipe failed or was plugged due to misuse by the occupants of the house or building, all costs incurred by the city in maintaining or repairing the service pipe shall be the responsibility of the property owner. If a boulevard tree is responsible for the damage, the city could still be responsible for the maintenance and repair. After a number of questions and clarifications, a motion and second were made by Hagberg and Kvamme to recommend the council direct the City Attorney to make the amendments to the aforementioned sections of the City Code and the motion carried.

Downtown Riverfront Project

The council was asked to take action today on the request to accept the project plans and specifications and authorize the advertising of bids on PI 9767, the Downtown & Riverfront Project Phas-East Block Site Improvements. Grant Kuper from Bolton and Menk spoke about the proposed project cost of \$2,600,000 for the East Block improvements and said the actual costs will not be known until the project bids are received. There are five bid alternates in the bid package:

1. Re-route the sanitary sewer from the River Inn to the Downtown Riverfront Project, Phase II sewer system, eliminate the existing sewer crossing over the Otter Tail River, just west of the Mill Street bridge
2. Sewer, water and electric hookups in the new parking lot
3. Landscaping irrigation system
4. Picnic tables
5. Art installation foundations, the quantity would be adjusted to coordinate with the final location of art installation

Questions regarding the sewer pipe that serves only the River Inn would be buried, not above ground and the clarification this is not the larger sewer pipe that provides service to the south side of the city were addressed. Rufer offered **Resolution #71-2022** accepting the project plans and specifications and authorizing the advertising of bids for PI 9767, which was seconded by Hagberg and was adopted, with Hicks voting in opposition.

PI 9508, RTC Preservation Phase 3

At the February 22 City Council meeting, Fergus Falls School Superintendent Jeff Drake said the School Board is committed to building a new elementary school and they would like to explore the possibility of building the school on the RTC grounds. They would be interested in the possibility of incorporating the tower into the plans. On February 22, 2022 staff was directed to revise the work scope for Phase III to only include tower restoration. Yesterday the school responded their assessment showed the renovation of the tower and demolition of other structures would be too cost prohibitive to pursue. They are however, still interested in constructing a new elementary school on the site. The council was asked how they want staff to proceed in light of the school's decision. They could move forward with the original project scope of using the remaining \$1,714,895.75 in state grant funds to preserve portions of the tower building as well as addressing air quality issues, security and window projects in the E and W attached structures. The second option would be a continued focus on expending the remaining state grant funds to address the air quality, mechanical and electrical needs of the tower only. There were questions about the grant eligibility of the work items and the approval of SHPO for this work. It was suggested the conversation be tabled until Monday when the City Engineer and representative from Stantec could be available to answer the council's questions. City Administrator Andrew Bremseth reminded the council the funds must be expended by June 30, 2023 in order to be reimbursed. That would require the work to be completed during this upcoming building season. Kvamme expressed his opinion the council approve the original scope of work to address needs the water and mold issues for multiple buildings on the RTC campus.

PI 5353 and PI 5354, 2022 Projects

PI 5353 is the 2022 mill and overlay project improvements and PI 5354 is the 2022 seal coat improvement project. The city's budget for seal coat is \$142,560 and this year's project would address the streets behind the mall. The 2022 budget for mill and overlay projects is \$269,280 and this year's projects would focus on streets yet to be determined in Ward Two. Staff would prepare the project plans and specifications prior to requesting authorization to advertise for bids. A motion and second were made by Fish and Hicks to recommend the council initiate PI 5353 and 5354 and to order the plans and specifications for each project and the motion carried.

Letter of Intent, Fergus Falls Law, LLC

The owners of Fergus Falls Law, LLC are interested in purchasing lots near Adams Park, north of AMP Insurance to construct a new law office building. The lots are currently restricted to park and recreation purposes through a deed restriction from the State of Minnesota and an easement for Otter Tail Power Company. The law firm is willing to work towards the removal of these restrictions and cleaning up the easement concerns. Fergus Falls Law, LLC would like to hire Steve Schierer to appraise the property and propose a purchase price if they are successful in removing the restrictions and easement. They would be responsible for all due diligence costs associated with the project. A purchase agreement would be drafted after the appraised, approved by the council and contingent upon the successful negotiation of removing the restrictions. The land is being maintained by the city, but it is not serving as value to the city's park or recreation needs. A motion and second were made by Hicks and Fish to recommend the council to enter into a letter of intent with Fergus Falls Law, LLC to purchase the lots located on the edge of Adams (Grotto) Park with all efforts to save as many trees as possible in the proposed project area and the motion carried.

Mayor Schierer left the meeting at this time and Acting Mayor Justin Arneson took over the meeting.

2022 Project Updates

City Administrator Andrew Bremseth reviewed the city's 2022 and 2023 projects. Most of the projects address the city's street and infrastructure needs. There are over 30 projects the city staff have been working on and are in various stages of implementation. There was some discussion on how the city street projects are prioritized the factors that determine the most pressing needs.

The meeting adjourned at 8:12 am

Lynne Olson