

City Council Meeting
June 20, 2023

The Fergus Falls City Council held a regular meeting on Tuesday June 20, 2023 at 5:30 pm in the City Council Chambers. Bill Sonmor gave the invocation, and the Pledge of Allegiance was recited. Acting Mayor Scott Kvamme called the meeting to order at 5:32 pm. Council members in attendance were Hicks, Fish, Job, Kvamme, Rufer, Kremeier and Rachels. Thompson and Mayor Schierer were absent.

Approval of the Agenda

A motion and second were made by Rachels and Hicks to approve the agenda with the addition of a request to discuss the Capital Improvement Plan under new business and the motion carried.

Retirement of Tony Neville

Fish offered **Resolution #120-2023** acknowledging the retirement and 43 years of service of Tony Neville, which was seconded by Hicks and was adopted.

Consent Agenda

The following items were approved under **Resolution #121-2023** by Rufer: Motion approving the minutes from the June 5, 2023, City Council meeting and the June 14, 2023, Committee of the Whole meeting. Motion approving the following licenses: Demo/Hauler of Building Waste TNA Junk Removal LLC; Chicken Permit Livvy Ness, 2140 Northwood Ln; Food Truck Permit Up From the Ashes (dba Bossy Babes BBQ), Miller Concessions Inc (mini donuts trailer), Miller Concessions Inc (cheese curds trailer), Miller Concessions Inc (corndog trailer), Minnesota Lawful Gambling Permit Fergus Falls Fish & Game Club for raffle on August 24, 2023, at the West Otter Tail County Fairgrounds. **Resolution #122-2023** accepting the project plans and specifications and authorizing the advertising of bids for City Project 5959, the Stanton Avenue reconstruction project. **Resolution #123-2023** accepting the project plans and specifications and authorizing the advertising of bids for PI 5364, the 2023 mill and overlay improvement project. **Resolution #124-2023** authorizing the Mayor and City Administrator to sign a contract with TrailSource to expand the Ferber Park trail system and construct a skills area within the park. The resolution was seconded by Job and was adopted.

Ordinance 38

Ordinance 38, Eighth Series, Amending Chapter 36.01, Local Lodging Tax was adopted by a roll call vote.

Ordinance 39

Ordinance 39, Eighth Series, An Ordinance of the City of Fergus Falls Imposing a Local Sales and Use Tax was adopted by a roll call vote.

Donation to Library

The Fergus Falls Library was the recipient of a financial gift exceeding \$200,000 from the Warren and Jannette Lowe Estate. The gift will be used for a named materials collection. Kremeier offered **Resolution #125-2023** authorizing the Fergus Falls Public Library to officially name a collection of materials as “The Warren and Janette Lowe Arts, Cultural & Travel Collection”, which was seconded by Job and was adopted.

Resolution of Accounts

Fish offered a resolution authorizing the payments and claims in the amount of \$2,026,651.83, which was seconded by Rufer and was adopted.

Downtown Riverfront Bonds

Bill Sonmor reviewed the upcoming pre-sale summary for the issuance of General Obligation Port Authority Bonds, Series 2023A. Baker Tilly will be taking bids on behalf of the city for the \$2,170,000 issuance with a 15-year term. The competitive proposals will be received and considered on July 17 by both the Port Authority and City Council. The par amount of the bonds (\$2,170,000) planned issuer equity contributions (1,888,500) and fundraising equity (\$1,385,800) will total \$5,444,300 and the funds will be used for the project construction, costs of bond issuance and underwriting cost.

THC Moratorium

The Minnesota State Legislature adopted legislation allowing for the sale of recreational THC or marijuana and the law will go into effect on August 1, 2023. Police Chief Bergren is recommending the city place a moratorium in effect until January 1, 2025, as permissible by state law, to allow the state to put in place a Cannabis Control Board for the oversight of licensing and regulation of THC. There are questions regarding the regulation and requirements of the new law that still are unclear, and the Chief feels it is prudent to allow the state time to establish the control board, and set policies, standards, and procedures in place prior to issuing licenses as the board will not be in place by August 1. It would also allow the city more time to evaluate its obligations and plan for implementation, as the new law states a municipality must provide at least one registration per 12,500 people and conduct the compliance checks. No legal sales of THC would be allowed until the new Cannabis Control Board office is established. The moratorium will not affect the four businesses in the community selling the hemp derived THC products. Their current licenses are valid for one year and they could reapply for these sales in 2024 to the city. In 2025 when the new state offices have been established, they would take over the licensing process for these products as well. The Planning Commission will be asked to review the zoning for the sales as the Cannabis Control Board will consult with local municipalities to ensure the applicant follows local zoning and code issues. A motion and second were made by Hicks and Rachels directing the City Attorney to draft a moratorium until January 1, 2025, on the sale of THC and THC products as defined and regulated by Minnesota Rules Chapter 342 and setting a public hearing for July 17, 2023, City Council meeting at 5:30 pm and the motion carried with no opposition.

Capital Improvement Plan

A motion and second were made by Hicks and Fish directing staff to schedule a council work session to discuss the city's infrastructure, street projects, funding sources and Capital Improvement Plans and the motion carried. Staff will find a date within the next three council meetings to allow the Tax Levy Committee more time to finalize the budget.

The meeting adjourned at 6:03 pm

Lynne Olson