

City Council Meeting
July 17, 2023

The Fergus Falls City Council held a regular meeting on Monday July 17, 2023 at 5:30 pm in the City Council Chambers. Pastor Ali Haugerud gave the invocation and the Pledge of Allegiance was recited. Acting Mayor Scott Kvamme called the meeting to order at 5:32 pm and the following council members were in attendance: Job, Kvamme, Rufer, Kremer, Thompson, Rachels, Hicks and Fish. Mayor Schierer was absent.

Approval of the Agenda

A motion and second were made by Fish and Job to approve tonight's agenda with the amendment to hold the second reading of Ordinance 41 immediately following the public hearing and the motion carried. Hicks asked staff to develop a policy regarding proclamations as he felt items not related to non-city business should not be read at a council meeting.

THC Moratorium Public Hearing

The public hearing regarding an interim ordinance on the moratorium of operating a cannabis business was opened at 5:37 pm. Emily McCune asked the duration of the moratorium ordinance be amended to January 1, 2025 or until the state's Office of Cannabis Management is up and running. She feels the proposed date is arbitrary and would like to be ready to expand her business as soon as the state gives their blessing and asked for more clarification in the product's legal definitions. The hearing was closed. City Administrator Andrew Bremseth said the city needs time to prepare for these changes and is unable to proceed until the Office of Cannabis Management has been established, sharing guidance on best practices, licensing framework and enforcement. He clarified the moratorium will not have an adverse effect on the products that are now legal to sell and use.

Ordinance 41, Eighth Series

Ordinance 41, Eighth Series, An interim ordinance authorizing a study and imposing a moratorium on the operation of a cannabis business was adopted with a roll call vote.

PI 5364, Mill and Overlay Project

Bids for PI 5364, the 2023 mill and overlay project were opened and Mark Lee Asphalt & Paving submitted the low bid in the amount of \$253,442.50. Staff recommended the construction services contract is awarded along with authorization to add street segments to the base contract not to exceed 25% (\$63,360.60). Staff are proposing street crack-filling on the 2024 seal coat street candidates this fall and completing them in 2024 with a full seal coat surfacing. Rachels offered **Resolution #136-2023** awarding the construction services contract for PI 5364, the 2023 mill and overlay projects to Mark Lee Asphalt & Paving in the amount of \$253,442.50 and authorizing additional street segments to the base contract in an amount not to exceed 25%, which was seconded by Rufer and was adopted.

Fire Fighters Badge Ceremony

Adam Kramvik, Isaiah Gomez, Luke Schalekamp, Logan Schroeder, and Colby Palmersheim were sworn in as Fergus Falls fire fighters in their badge ceremony.

Proclamation: Daily Journal's 150th Anniversary

A proclamation was read declaring July 23-29 as a week of celebration of the Daily Journal Media and local rural journalism.

Consent Agenda

The following items were approved under **Resolution #137-2023** by Thompson: Motion approving the minutes from the July 3, 2023, City Council meeting and the July 12, 2023, Committee of the Whole meeting. Motion approving the following licenses: Paving/Sidewalk Lee Property Care; Mechanical License The Crew Facility Maintenance; Food Truck Permit Stony Brook Donut Company, Don Pablo's Mexican Restaurant, Mother Goose & Beans, Papa K Rescue BBQ, Blowin' Smoke LLC; Minnesota Lawful Gambling Permit I-94 BMX Inc for raffles on September 12-16, 2023, at the I-94 Speedway. Motion appointing Aaliyah Helland to the Bicycle and Pedestrian Advisory Committee. **Resolution #138-2023** accepting a \$10,000 grant from First Children's Finance Community childcare grant program to provide funding to develop plans for a scalable cohort of physical childcare locations for pod-model childcare. **Resolution #139-2023** accepting a grant for cross country ski groomers. The resolution was seconded by Fish and was adopted.

Ordinance 40

Ordinance 40, Eighth Series, Vacation of a portion of Oak Street was adopted by a roll call vote.

Ordinance 42

Ordinance 42, Eighth Series, Amending the chicken ordinance to include quail as allowed poultry was adopted by a roll call vote.

Downtown Riverfront Bonds

Doug Green from Baker Tilly reported the Port Authority took bids for bonds to be sold to finance the Downtown Riverfront project (Phase II). The Port approved the sale of the bonds at their meeting earlier tonight and the council must also consent to the sale for a principal of \$2,015,000 of bonds. The bonds were sold to Robert W. Baird & Co. Inc at a true interest cost of 3.5134%. Hicks offered **Resolution #140-2023** providing for the issuance and sale of \$2,015,000 General Obligation Bonds, Series 2023A and levying taxes for the payments thereof, which was seconded by Thompson and was adopted.

Capital Planning Services

In conjunction with the city's strategic plan, staff have been looking at services to share information about public improvement projects, equipment purchases, financial planning and capital improvements in an interactive fashion with the public. A demonstration of the software and capabilities of the AE2S capital planning services was shared. The AE2S proposal is \$30,000 for the initial development and importing the current capital improvement plan. There would be a \$1,500 annual hosting fee and the city would have the ability to maintain the application. Funding would come from the city's enterprise funds, equipment internal service fund and Permanent Improvement Revolving Fund. Hicks and Kremeier commented the city should look at their comprehensive technology needs before moving forward on a stand-alone software that may not be compatible with the city's future needs. Rachels thought this would be a good tool as the public wants more communication from the city regarding projects but felt ensuring the compatibility of systems needs to be a priority. Job and Rufer agreed this is the right track to pursue the need to balance transparency and working with existing systems, but more research is needed. It was the consensus of the council to not move forward on this software at this time and asked staff to invite the Information Technology Manager to address the council about the city's technology needs at a future meeting.

PI 9767 Phase II

Grant Kuper of Bolton & Menk presented an updated schedule and budget on the Downtown Riverfront Phase II project. Comstock Construction confirmed all work other than the top layer of bituminous pavement, permanent striping, splash pad operations and landscape plantings will be completed by October 20, 2023. By May 20, 2024, the splash pad will be filled, tested and operational, landscaping completed, and the top layer of pavement and striping completed. The final completion date is August 2, 2024. The total construction budget is \$4,011,221.46 which includes a 10% construction contingency. The change order is necessary as the Department of Health changed their code rules regarding the use of accepted materials between the submission of the application and the review process. ADA accessibility, additional safety features and more signage recognizing the generous donations funding the project are also included in the change order. Kremeier asked if the city is stuck with materials they cannot use, felt the error should not have happened, asked if additional options had been explored and suggested the funds needed for a change order could have been put towards street projects. Kuper assured the council the material has not yet been ordered and reviewed the additional safety features that will be incorporated into the project with changing the layout to include a second staircase accessing the water features. He answered questions about the materials and confirmed there is adequate funding for these four changes totaling \$71,994.11 within the construction contingency budget. Kvamme and Rufer commented on the city's inability to overturn the decision of the Department of Health, the purpose of the contingency funds and thanked staff and the engineers for their work. Fish offered **Resolution #141-2023** authorizing the execution of Change Order No. 2 for PI 9767, the Downtown Riverfront Project, Phase II, which was seconded by Rufer and was adopted on a 5-3 vote. Voting in favor were Kvamme, Rufer, Thompson, Rachels and Fish. Voting in opposition were Job, Kremeier and Hicks.

Downtown Riverfront Fundraising Update

Tasha Rohlfs provided an update on the private fundraising efforts for the splashpad project. She and co-chair Peggy Underwood have been seeking \$1,000,000 in private funding to match the \$1 million donation from the Veden Trust. She spoke about the community's enthusiasm for the project and the benefits it will provide for young families. Since kicking off the fundraising efforts in January they have secured \$80,421, have strong commitments for an additional \$709,621 and an estimated \$80,000-\$122,000 is expected from several donors indicated they plan to give, but have not locked in their pledge yet. Fundraising efforts will go on through the end of the year and she complimented Mayor Schierer's efforts to secure donations and encouraged the council to continue their support for the project as their positive message makes their fundraising efforts more successful. Rohlfs was commended for her efforts to bring this project to fruition.

Resolution of Accounts

Fish offered a resolution authorizing the payments and claims in the amount of \$2,269,368.17, which was seconded by Rufer and was adopted.

The council adjourned to closed meeting at 6:44 pm to discuss threatened litigation per Minnesota Statutes Section 13D.05, subd 9(b)

Lynne Olson