

City Council Meeting
December 18, 2023

The Fergus Falls City Council held a regular meeting on December 18, 2023, at 5:30 pm in the City Council Chambers. Scott Kvamme gave the invocation, and the Pledge of Allegiance was recited. Council members in attendance were Rufer, Thompson, Hicks, Fish, Job, and Kvamme. Kremeier and Rachels were absent.

Approval of Agenda

A motion and second were made by Hicks and Rufer approving tonight's agenda with the addition of an update on the golf course contract and removing the Transportation Agreement from the consent agenda and the motion carried.

PI 5327 Bid Award

Bids were opened for PI 5327 the street resurfacing, base patching, and ADA improvements on Broadway: Fir to Lincoln and PI 5344 Randolph Avenue: Springen to Friberg Avenue. Ferguson Asphalt Paving Inc. submitted the low bid in the amount of \$1,158,807.60. This project will be 80% funded by federal funds and 20% by state funds and the estimated total project is \$1,625,017.28. Hicks offered **Resolution #212-2023** awarding the construction services contract to Ferguson Asphalt Paving Inc in the amount of \$1,158,807.60 contingent upon receiving the remaining state approvals, which was seconded by Thompson and was adopted.

Consent Agenda

The following items were approved under **Resolution #213-2023** by Thompson: Motion approving the minutes from the December 4, 2023, City Council meeting. Motion approving the following licenses: Tobacco Lincoln Vapors LLC; Minnesota Lawful Gambling Permit Someplace Safe for raffle at M-State on February 17, 2024 and Otter Tail County Chapter Pheasants Forever for raffle at Eagles Aerie #2339 on April 13, 2024; Mechanical E&H Enterprises of Alexandria/Ellingson Plumbing & Heating, Fire N Ice Heating & A/C, All Seasons Heating and A/C, Elite Heating and Air; 3.2% On Sale Malt Liquor & Wine I-94 Speedway; Full Liquor Bigwood Event Center; Excavator Diversified Foundations. The resolution was seconded by Rufer and was adopted.

Transportation Agreement

The city's transportation agreement with Transportation Alternatives is a five-year contract that automatically terminates if the city does not budget for these services. Hicks offered **Resolution #214-223** approving a transportation agreement with Transportation Alternatives, which was seconded by Fish and was adopted.

Donation to Fergus Falls Public Library

Fish offered **Resolution #215-2023** accepting a donation in the amount of \$20,000 from the Porter Family Fund, which was seconded by Thompson and was adopted.

Conditional Use Permit: 124 W. Oriole Drive

On December 5 the Planning Commission heard a request for a Conditional Use Permit (CUP) to allow a home-birth midwifery practice in an R-2 residential zone at 124 W Oriole Drive. The building is atypical for a residential area as it has never been a single-family home, but rather has been used for clinical purposes. The Planning Commission recommended granting the CUP with the condition the

applicant must abide by all applicable building codes and laws during the build-out and operation of the facility and to acquire and maintain any required licenses or permits. The business must also provide 5 off-street parking spaces and there was discussion about requiring screening for the adjoining property owner. The Mayor opened the floor to public discussion.

- Wendy Metcalf, 127 W Oriole Drive did not feel this building should have been allowed in a residential area. She was concerned with traffic, garbage and having a business across the street could affect her home's value.

Mayor Schierer agreed the original building process was flawed, but the 8-bedroom, 9-bath structure has been built and health care uses are permitted in both R-1 and R-2 zones.

- Ann Hintz spoke as the applicant for the Conditional Use Permit and founder of Embrace Birth Care. She empathized with the neighbors, but felt the traffic related to her business would be like the previous occupant which was an assisted living facility. She explained they are an independent out of hospital home birth midwifery practice that delivers low risk births. They would see patients for prenatal and post birth care from 9 am to 5 pm Monday through Thursday and deliver 4-6 babies per month. She also owns the property at 1505 W Lincoln which is where the clinical visits will be taking place after renovations are completed. Hintz shared photographs of five vehicles parked on the existing cement slab and was agreeable to put up a solid privacy fence and asked if the neighbor could financially participate 50/50 on the cost of the fence.
- Mary Ann Goese, 114 Oriole Drive spoke about the former uses of the building stating she was not opposed to the birth center but was concerned with the value of her home and having a view of multiple cars in the driveway.
- Riane Raths, 124 W Meadowlark felt the home birth center is a better use of the facility than other proposed uses or from being vacant. She spoke about the traffic coming into the neighborhood for a home-based daycare and two other businesses as well as delivery trucks and school buses and did not feel this center would adversely change the existing traffic patterns of the neighborhood.
- Alicia Trakas, 122 W Meadowlark Lane felt this business was good for the community and that it would be harmonious with the neighborhood. She also did not feel the traffic would negatively impact the area.

Hicks offered **Resolution #216-2023** approving the Conditional Use Permit allowing a home-birth midwifery practice in an R-2 residential zone at 124 W Oriole Drive with conditions, which was seconded by Thompson.

Thompson was concerned with parking issues and ensuring a fence will shield the driveway from the adjoining property owner and he would like to see more consideration given to the conditions imposed on the property. The City Attorney reminded the council a fence does not signify a property line and an appraiser must be employed to officially mark the property lines. The council was in consensus that the applicant should solely bear the cost of the fence. The council cannot deny a Conditional Use Permit without providing a written statement addressing the ordinance standards and explaining the

relevant facts and conclusions for denial. Kvamme felt the provision requiring the business to follow all city rules addresses signage concerns and the applicant can request an encroachment or variance if they have additional parking needs. Rufer was wary of setting a precedence and burdening a small business owner with additional requirements. Job asked Hintz to explain the services offered at each location and the long-term plan for the business. Hicks offered an **amendment to Resolution #216-2023** approving the Conditional Use Permit allowing a home-birth midwifery practice in an R-2 residential zone at 124 W Oriole Drive with conditions to also add a 6' high solid privacy fence from the corner of the property to the shed on the property, signage to be limited to 2' x 2' non-neon light signage and nine months to make provisions for five parking stalls and Thompson agreed to the amendment and the resolution was adopted.

Roadway Infrastructure Planning

On November 6 the City Council tabled action on franchise fees and directed staff to explore options and bring a recommendation for the council to consider. The Tax Levy Committee feels the city should engage the services of a third party to develop a comprehensive strategy for roadway improvements. Moore Engineering has provided a proposal for \$12,000 to develop a financial model that considers the impact of existing revenues, potential future revenues, utility rates, grants, and other sources of funding. Franchise fees will continue to be a part of the discussion, with the development of a strategic roadmap to align revenues and funding sources with the Capital Improvement Plan. This will result in a plan for the next 5-10 years and will include a utility rate analysis. Moving forward with this proposal does not commit the city to implementing franchise fees. Fish offered **Resolution #217-2023** accepting a roadway funding analysis proposal from Moore Engineering and authorizing the Mayor and City Administrator to execute the contract, which was seconded by Job and was adopted.

Aquatic Center

The contracts for the new outdoor aquatic center in Roosevelt Park approved by the voters in the 2022 General Election will soon be finalized. They need to know the name of the facility to order signage. Members of the aquatic center task force proposed five potential names and asked the public to vote on their favorite. 329 responses were submitted with Fergus Falls Aquatic Center receiving the most votes. Hicks offered **Resolution #218-2023** naming the facility as Fergus Falls Aquatic Center, which was seconded by Fish and was adopted.

Loan for Otterland LLC

Business Development for Fergus Falls (BDFE) reviewed and recommended a \$50,000 economic development loan to remodel the interior of 220 W Lincoln Avenue for Otterland LLC (dba Stella's) restaurant as requested by their owner Ryan Carlson. BDFE also recommends a \$10,000 façade loan for signage. Otterland LLC plans to sign a 5-year lease for the building, and they would operate this branch of their restaurant year-round with the Battle Lake location being operated seasonally. Fish offered **Resolution #219-2023** approving a \$50,000 economic development loan and a \$10,000 façade loan for Otterland LLC for the property located at 220 W Lincoln Avenue, which was seconded by Kvamme and was adopted.

Historic Tax Credit Growth and Opportunity Act

Historic Tax Credits have helped rehabilitate over 48,000 historic properties since 1978 across the country with incentives. The program has not been modernized since 1986 and the Heritage Preservation Commission voted to submit a letter of support for Congress to refresh this economic

development tool to preserve local history. They have requested the council adopt a resolution of support for the program and authorize sending this to Congresswoman Michelle Fischbach's office. Kvamme offered **Resolution #220-2023** authorizing a resolution of support for Historic Tax Credit Growth and Opportunity Act [HTC-GO (H.R. 1785/S.639)], which was seconded by Hicks and was adopted.

Resolution of Accounts

Fish offered a resolution authorizing the payments and claims in the amount of \$2,429,290.58, which was seconded by Job and was adopted.

Boards and Commissions

A motion and second were made by Job and Thompson approving the 2024 board and commission appointments and the motion carried.

Golf Course Negotiations Update

On December 4 the council extended the lease agreement with the Pebble Lake Golf Course for an additional year and requested a Request for Proposals process begin in July of 2024. Council members Kvamme and Hicks met with the City Administrator, Finance Director and golf course representatives Dusty Christensen and Wade Jyrkas to establish a working relationship. It was suggested the council hold a work session to determine their long-term vision for the golf course and give more clarity to the RFP process.

The meeting adjourned at 7:06 pm

Lynne Olson