

**APPROVED MINUTES  
OF THE CITY  
COUNCIL WORK SESSION  
CITY OF EAST GRAND FORKS  
TUESDAY, SEPTEMBER 27, 2022 – 5:00 PM**

**CALL TO ORDER:**

*The Work Session of the East Grand Forks City Council for Tuesday, September 27, 2022 was called to order by Council President Olstad at 5:00 P.M.*

**CALL OF ROLL:**

*On a Call of Roll the following members of the East Grand Forks City Council were present: Mayor Steve Gander, Council President Mark Olstad, Council Vice-President Tim Riopelle, Council Members Clarence Vetter, Dale Helms, Tim Johnson, Marc DeMers, and Brian Larson.*

*Staff Present: Karla Anderson, Finance Director; Jeff Boushee, Fire Chief; Steve Emery, City Engineer; Ron Galstad, City Attorney; Paul Gorte, Economic Development Director; Michael Hedlund, Police Chief, Charlotte Helgeson, Library Director; Reid Huttunen, Parks and Recreation Superintendent; David Murphy, City Administrator/Clerk-Treasurer; Megan Nelson, City Clerk; and Jason Stordahl, Public Works Director.*

**DETERMINATION OF A QUORUM:**

*The Council President Determined a Quorum was present.*

**1. Transit Development Plan Update – Teri Kouba**

Ms. Kouba informed the Council they were getting close to the end of the process to update the transit development plan, they were requesting public input, and the updated plan was available to review online. She explained there was interest in establishing microtransit areas and the entire city of East Grand Forks would be a microtransit area. She continued reviewing the various service improvements, the routes around the University of North Dakota would not be changing until after the construction was completed, and this process included reviewing transit hubs and determining what improvements were needed. She said there would be major improvements to the Grand Cities Mall transit hub.

Ms. Kouba stated part of this process included reviewing the financial information, looking into capital needs, replacement of vehicles, and the forecasted revenues and expenses. She added this process also included reviewing paratransit and senior rider services and how there were requests to further review microtransit, add bus service to the industrial park, and consider adding a shuttle service to the airport. She reminded everyone final draft of the plan was available online, a paper copy was available in their office, and again they were still requesting public input. She asked for questions. She added the comment period would be ending on October 7<sup>th</sup> and this plan was a part of the City's overall comprehensive plan. Mayor Gander commented about how they were trying to utilize the service as much as possible, how important it was to get input from users to help improvement system, and now was the time for input.

## **2. Consider Report of Feasibility for Street and Utility Improvements on 5<sup>th</sup> Ave NE – Steve Emery**

Mr. Emery informed the Council the report of feasibility had been completed for 5<sup>th</sup> Avenue NE between 15<sup>th</sup> Street NE and 20<sup>th</sup> Street NE for urban reconditioning. He explained the project included drainage improvements and the project lengthen the lifespan of the corridor. He added the utility improvements were replacing catch basins and manhole castings. He stated the project cost was \$686,469, 30% of the project would be assessed, so the total amount to be assessed was \$205,941. He said the assessment rate for front benefit was \$81.59 and the rate for end benefit was \$27.20. He added the information was included about the properties that would be assessed, the breakdown of costs, and the next step was to hold the improvement hearing so at the next meeting the Council could accept the report and set the hearing date. He asked for questions. There were none.

This item will be referred to a City Council Meeting for action.

## **3. Request to Approve Updated Conduct & Discipline Policy – Reid Huttunen**

Mr. Huttunen told the Council he had been working on this policy over the summer, the department did not have a specific policy, and up to this point they had dealt with issues on a case-by-case basis. He explained they wanted to be consistent and apply this policy to all activities, up to a certain infraction it would be up to him on what action should be taken, and after that it would be up to a committee. He stated it was based off the Minnesota Hockey bylaws, they had a very specific process and appeals process, and not all activities had national organizations that set up the process. He said he was open to comments and feedback.

Mr. Murphy asked Mr. Huttunen to explain provisions for other sports. Mr. Huttunen stated there were different levels of infractions and the consequences would be based on the sport they were playing because the hockey season went from October to March but other activities were much shorter season, so the policy gave them some leeway when dealing with discipline. Discussion followed about how the proposed committee would be made up of 4 members and Mr. Huttunen so there was an odd number, it would be made up of Park and Recreation Commission members because the people on the committee had to be safe sport certified, and some changes would be made to make things clearer. Council member Larson asked about the appeals process and if the committee would be a sitting committee or appointed as needed. Mr. Huttunen said he was open to a recommendation but was thinking it would be appointed as needed because that group would also have to be certified. Mayor Gander thanked them for planning ahead and getting this in place because it would bring in fairness and people would need to be educated about the process. Council member DeMers asked if the information from the processes was confidential. Mr. Huttunen said the intent was to have it confidential and he would make that clear. More comments were made thanking Mr. Huttunen for being thorough and getting this policy put together.

This item will be referred to a City Council Meeting for action.

## **4. Request to Authorize the Preparation of Plans & Specifications for the LaFave Park Project – Reid Huttunen**

Mr. Huttunen told the Council the contracts had been signed with the Department of Natural Resources (DNR) and information about the scope, budget, and State contribution had been included in the packet. He explained the engineering fee was listed at 19% but would be 15%, they were hoping to start this fall,

bid the project over the winter months, and start next summer. He added the State funding had to be spent by June of 2025. Council member DeMers asked if there were going to be two separate ramps. Mr. Huttunen said there would be two separate ramps with a dock in between. There were no further questions.

This item will be referred to a City Council Meeting for action.

### **5. Consider the Proposals for Auditing Services – David Murphy**

Mr. Murphy reminded the Council that this item had been pulled off the council meeting agenda from the previous week. He reviewed how the City had sent out Request for Proposals for auditing services for the years of 2022 through 2024, 15 firms had been contacted, and only two responses were received from Brady Martz and Abdo. He stated the costs for the auditing for both the City and the Water and Light Department were listed and totaled \$140,000 for Brady Martz and \$146,000 for Abdo. He added there could be a need for a single audit because of the federal funding and those costs were included in the costs for 2023. He recommended moving forward with Abdo even though Brady Martz did cost less, the City had used that firm since at least 1992, and it was time to make a change.

Ms. Anderson said a committee reviewed the Request for Proposals, she was concerned about the higher costs for services with Abdo, there were concerns about the mistakes that were in the proposal, the City had been recognized for 15 years for the audit which was reviewed and should not have mistakes, and there was going to be additional charges for printing the audit with the Abdo proposal. She stated she understood the concern about having the same firm, but they did not have the same people working on the audit, different partners from Brady Martz were used over the years so they did get a new perspective. She added that Mr. Mykleseth said the Water and Light Department was going to stick with Brady Martz for auditing services so if the City chose a different firm there would be duplication in work because both are done under the same tax id and there were many due to and due from between the City and the Water and Light Department because they collected funds for the City and the City completed the payroll for the Water and Light Department. She said again there would be duplication for the auditors and for staff if two different firms were used.

Council member Helms asked if the new company would charge mileage since they were from out of town. Mr. Murphy said they had an office in Fargo and based on the information they provided they would not be charging mileage, but he could make sure. Discussion followed about how the City had Requests for Proposals so the City could make a choice based on what they thought would be best and not have to take the lowest costing service. Council member Vetter said they were working on budgets and struggling for a reasonable increase to the levy. He stated if the Water and Light Department was going to continue with Brady Martz it would create additional work if the City changed firms. He said he had been an advocate to make a change, but it was not the right time to change. Council member DeMers said he understood having new eyes look at the information but he was unaware of any performance issues, so he did not see a reason to change firms. Council President Olstad said this was not being considered because of issues, the same firm had been completing the work for at least 30 years, and there never was a good time to make a change. Mr. Murphy said the motion would leave a blank line and that can be filled in when the motion is made at the meeting.

This item will be referred to a City Council Meeting for action.

## **6. Review of Incentives for the Police Department – David Murphy**

Mr. Murphy reminded the Council that this item was also pulled from the previous agenda to allow for more discussion and clarification. He said explained not much had been changed but there were updated costs and changes to the retention bonus which reduced it from \$115,000 down to \$90,000. He added that there was still a \$5,000 hiring bonus and a \$2,500 relocation bonus.

Council member Vetter stated staff could lose sight of the retention bonus when they were paid out over the year and suggested they were paid out twice a year in a separate check. Mr. Murphy asked about tax implications. Council member Vetter said settings could be changed in payroll. Council Vice-President Riopelle asked how the retention bonus came up because there were steps and promotions. Chief Hedlund said he had requested a pay study be completed because he believed they were falling behind compared to other agencies and they needed to hold on to the current officers. Discussion followed about the retention bonus, the fairness of all officers receiving \$5,000, the issue of the cost of the incentive program, what the data was on why officers left, and how very few that had been with the department over 10 years left for anything other than retirement.

Council member DeMers said he wanted a good policy, a sunset was needed, he did not agree with the \$2,500 relocation bonus, and he could not see voting on something that did not have a sunset. He suggested if this could be reauthorized each year and they would need to look into pay equity. Mr. Murphy said the bonuses did not affect pay equity. Council member Larson said he had a concern about the cost, substantial cuts were needed from the budget, and he did not want to add this and then have to turn around and cut it out, so he asked to revisit this after the budget was set. Mr. Murphy stated if there was a sunset and the conditions changed it would be unlikely to have this rescinded without pushback. He commented how the City used to have longevity and that had been included into pay.

Council member DeMers commented a poor policy would hurt both parties. He said he wanted to do something, but this was not the instrument. Council member Johnson said he agreed the bonus should be paid out every six months, asked if the agreement was negotiable, and if they could do this yearly. Discussion followed about if the agreement was renegotiable, how a pay study would need to be done to and see if the pay was at an appropriate level, how the bonus would not throw off the pay study, but it would be accounted for in the study. Council member Helms said he supported the police department, they did a great job, and asked for clarification on who would be receiving bonuses. Sergeant Schrage stated the Police Department was already short staffed and if nothing was done, they would start losing people to other agencies. Council member Helms said the cost of this program was a problem, he was not sure if this program would help retain people, and more discussion was needed. Chief Hedlund said he couldn't guarantee that this would work but they would lose people if nothing was done and reminded the Council in the last five hiring processes, they only hired one person.

Mr. Murphy informed the Council that the bonuses would only apply to the licensed officers and did not include the administration staff or the Chief. Mr. Galstad said he supported the Police Department, they needed to be stable and viable and suggested a compromise of approving the program for one year and during that year complete a wage study so the Council would have all the information to make an informed decision. Discussion followed about getting a proposal for having a wage study completed, how this was not an adjustment for inflation, this would show support for the department at least for the short term, and it would still need to be determined where the \$90,000 would be coming from. More discussion followed about vacancies at other departments, how offering a head-hunting bonus would not be a good idea, and many of the regional agencies were offering incentives already. Council Vice-President Riopelle said the

hiring bonus was feasible, they should look at retention, and this should be in two separate Memorandum of Understanding (MOU) agreements. Council member Helms asked if the funding from the recent auction could be used to help with funding the bonuses. Sergeant Schrage said those funds could not be used for wages but could be used for equipment and supplies.

Mr. Murphy told the Council that he had been working with Chief Hedlund about where they could possibly find savings in the budget and look at restructuring the department after some retirements. Discussion followed about having two separate MOUs for one year, plan to complete a wage study, positions needed to be filled so they would consider approving the hiring bonus so it could be offered, and if needed the Council could consider using reserves as a funding source. Council President Olstad asked to have both MOUs brought to the next meeting and if needed they could table the retention MOU.

This item will be referred to a City Council Meeting for action.

**OTHER:**

Mr. Stordahl announced that fall clean up would be taking place the week of October 3<sup>rd</sup> through October 7<sup>th</sup> and the electronic and hazardous waste drop off would be on Saturday, October 8<sup>th</sup> from 9am to 3pm at the Public Works Department.

**ADJOURN:**

**A MOTION WAS MADE BY COUNCIL MEMBER JOHNSON, SECONDED BY COUNCIL MEMBER LARSON, TO ADJOURN THE SEPTEMBER 27, 2022 WORK SESSION OF THE EAST GRAND FORKS, MINNESOTA CITY COUNCIL AT 6:36 P.M.**

*Voting Aye: Johnson, Olstad, DeMers, Larson, Vetter, Helms, and Riopelle.*

*Voting Nay: None.*

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David Murphy, City Administrator/Clerk-Treasurer