

Committee of the Whole Meeting
July 27, 2022

The Fergus Falls City Council met as a Committee of the Whole on Wednesday July 27, 2022, at 7:00 am in the City Council Chambers. Two items of action are needed today where the committee members will be acting in their capacity as members of the City Council. Acting Mayor Justin Arneson called the meeting to order, and the following council members were in attendance: Kvamme, Rufer, Thompson, Arneson, Gustafson, Hicks and Fish. Hagberg was absent.

GO Bond Sale for Campus View Development

The city sold the Series 2022A bonds in a competitive sale on July 19 to finance the infrastructure for the Campus View Development project. The lowest bidder was Northland Securities Inc. at a true interest cost of 3.8356%. The principal maturities offered for sale align with the estimated tax increment financing (TIF) revenue of the housing development. The result delays the principal until 2029 and the final payment in 2048. Information on the annual debt service and annual TIF revenue were reviewed. The city is expecting a surplus of TIF revenue, but there will likely be deficits in the early years prior to the housing development being fully built out. If necessary, the city could refinance the bonds in 2032. Fish offered **Resolution #152-2022** providing the issuance and sale of \$1,670,000 General Obligation Tax Increment Revenue Bonds, Series 2022A, which was seconded by Hicks and was adopted.

Greater Minnesota Regional Parks and Trails Grant

The city has the opportunity to apply for a Greater Minnesota Regional Parks and Trails grant for a trail through the dairy property. The application is due this week and requires council action today. There is a matching component to the grant and the city plans to use the acquisition and cleanup costs of the property for those funds. Rufer offered **Resolution #153-2022** authorizing the submission of a Greater Minnesota Regional Parks and Trails grant for trails on the dairy property, which was seconded by Kvamme and was adopted.

Otter Tail Power Easement

Otter Tail Power Company is requesting a 10' easement from the city near Mt. Faith Avenue and Sheridan Street at the intersection of Roosevelt Park so they can install a new underground electric line. The city has a watermain in this vicinity, but it appears adequate separation exists for the new line. A motion and second were made by Fish and Gustafson recommending the council authorizing the execution of Otter Tail Power's easement request and the motion carried.

Airport Management Agreement Amendment

SkyCrew Services, the city's airport management team is requesting an amendment to Article 1: Spaces Leased by FBO and Article 4: Compensation. Article 1 states the FBO will be charged monthly rent in the amount of \$2,000 for use of these areas, payment will be made to the city. Article 4 states the city will pay the FBO compensation a guaranteed \$90,000 annually for the term of the agreement. Monthly management fees of \$5,500 will be paid on or before the first day of each month. Monthly mowing and snow removal fee up to a maximum of \$24,000 which is invoiced separately. Sky Crew Services is proposing foregoing the \$2,000 monthly hangar rent and reducing the monthly management compensation by \$2,000 for a total of \$3,500. There is no net change, but simply a smoother financial transaction. The \$24,000 maximum payment for snow removal and mowing will remain as is and monthly reporting will still be required. A motion and second were made by Rufer

and Thompson to recommend the council authorize the execution of Amendment No. 1 and the motion carried.

ICON Pavement Management

In 2006 the city implemented the ICON pavement management system, which is administered by Good Pointe Technology Inc. A vehicle with specialized data collection equipment travels the city and records existing street deficiencies such as street patching, potholes, and cracks. Once all of the streets have been recorded, the data is analyzed, and each street segment is assigned a PCI number from 100 (excellent) to 1 (failed). The PCI is used as a part of the decision-making process to determine the most appropriate type of repair; preventative maintenance (seal coat), major rehabilitation (mill and overlay) and/or reconstruction. Good Pointe Technology's services will cost \$28,433 and this will be funded through the city's municipal state aid maintenance funds. Rufer commented on the city's opportunity to use the data collected to educate the community on how the technology works and street project process is determined. Fish asked if streets are prioritized by wards. City Engineer Brian Yavarow said the annual mill and overlay projects are done by ward, but the ICON system determines the surface of each city roadway and focuses on the streets with a 40-50 PCI. Hicks asked about the cost to analyze the data. Yavarow said staff input data with oversight by Braun Intertec. A motion and second were made by Thompson and Gustafson to recommend the council accept Good Pointe Technology Inc.'s services in the amount of \$28,433 for the ICON pavement management system and the motion carried.

Real Estate Policy

Community Development Manager Klara Beck reviewed a draft policy and procedures for the disposition of city owned real estate after consulting with other area communities. The purpose of the policy will provide a consistent approach for the sale, lease or disposition of real estate now owned or acquired by the city. She reviewed the RFP/RFQ process, letters of intent, and timeline as dictated by the City Charter. She asked the council to consider using an appraisal process or a market analysis provided by a realtor and to bring their thoughts for further discussion to the council meeting on August 1.

Contract For Clean Up Services with Matthew House

The city has been approached by the Matthew House for a \$10,000 donation. Minnesota cities do not have the statutory authority to donate to non-profits but can contract for services. The city has also been asked to clean up Broken Down Dam Park. If the city were to contract with the Matthew House to clean up the park, the \$10,000 contract would have to be earned and no part of the work would be considered a donation. This would be a one-time service and would not set a precedence for future contracts. The funds are available in the existing Park Department capital outlay funds. Broken Down Dam was an authorized dump site for automobile bodies in the 1930's and much of the debris is still there. The Matthew House will be responsible to line up the equipment for the work and the city will provide dumpsters. The city has liability insurance for volunteers. A motion and second were made by Fish and Kvamme to recommend the council enter into a contact with the Matthew House for services to clean up Broken Down Dam Park and the motion carried.

Library Update

Library Director Gail Hedstrom provided an overview of the 2021 statistics for the library. There were 13,139 registered borrowers, 86,847 library visits and 206,417 items checked out. Their program participation rates are much higher after the pandemic and they are seeing a large increase in people

applying for library cards online. The Summer Reading Program registered more than 700 participants on the first day and 76 children are getting extra reading help in the summer months. The library has seven paid employees plus adult and youth volunteers. They are hosting the We Are Water interactive traveling exhibit from mid-August through mid-October and other special events the remainder of the year.

The meeting adjourned at 7:31 am

Lynne Olson