City Council Meeting Minutes
Tuesday, September 16, 2025

CALL TO ORDER

This meeting is officially called to order at 5:30 pm on September 16, 2025. This meeting is being presided over by Mayor Mike Lorenson.

PLEDGE OF ALLEGIANCE

ROLL CALL

The following councilmembers were present: Aarestad, Pream, McCraw, Arlt, Lorenson, Narverud, Langness. Absent: Bolduc. Mayor Lorenson chaired the meeting.

PUBLIC FORUM

Reid Froiland, LHS teacher and Senior Class Advisor, noted his appreciation to the Council for approving the Homecoming parade on Friday, September 26 at 1pm.

PRESENTATIONS/PROCLAMATIONS/PUBLIC INFORMATION ANNOUNCEMENTS

APPROVE AGENDA

Councilmember Jason Aarestad motioned being seconded by Councilmember Michele McCraw to approve the agenda with the addition of addendum 8.10.

On vote being taken, the resolution was unanimously passed.

CONSENT AGENDA

RESOLUTION NO. 09.191.25: Approval of August 2, 2025 Council proceedings

> Presented as part of the Consent Agenda, Councilmember Scott Pream introduced RESOLUTION 09.191.25, being seconded by Councilmember Michele McCraw, that:
>
> THEREFORE BE IT RESOLVED: by the City Council, to approve the September 2, 2025 council proceedings.
>
> On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 09.192.25: City of Thief River Falls Bills and Disbursements

> Presented as part of the Consent Agenda, Councilmember Scott Pream introduced RESOLUTION 09.192.25, being seconded by Councilmember Michele McCraw, that:
>
> THEREFORE BE IT RESOLVED: by the City Council, to authorize payment of bills and disbursements in the total amount of $1,344,630.93. A printout of the approved payments and disbursements are attached hereto and made a part hereof.
>
> On vote being taken, the resolution passed unanimously.

NEW BUSINESS

RESOLUTION NO. 09.193.25: Approval of Proposed 2026 Budget

Following discussion, Councilmember Jason Aarestad introduced Resolution 09.193.25, being seconded by Councilmember Steve Narverud, that:

THEREFORE, BE IT RESOLVED approved to adopt the City of Thief River Falls preliminary 2026 budget.

	2026 REVENUE	2026 EXPENSE	FUND BALANCE RESERVES + OR -
General Fund	$ 11,871,827.00	$ 11,885,827.00	$ (14,000.00)
Liquor Dispensary	$ 5,011,100.00	$ 5,509,577.00	$ (498,477.00)
Electric Utility Fund	$ 17,893,000.00	$ 17,965,418.00	$ (72,418.00)
Storm Water Utility Fund	$ 422,000.00	$ 422,000.00	$ -
Water Utility Fund	$ 3,112,342.00	$ 3,255,968.00	$ (143,626.00)
Wastewater Utility Fund	$ 1,213,150.00	$ 1,227,961.00	$ (14,811.00)
Police Relief Pension Fund	$ 12,585.00	$ 14,197.00	$ (1,612.00)
Debt Service Fund	$ 1,873,816.00	$ 1,850,073.00	$ 23,743.00
TOTALS	**$ 41,409,820.00**	**$ 42,131,021.00**	**$ (721,201.00)**

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 09.194.25: Approval of Proposed 2026 Tax Levy

Following discussion, Councilmember Jason Aarestad introduced Resolution 09.194.25, being seconded by Councilmember Steve Narverud, that:

WHEREAS, The Truth-n-Taxation public meeting will be held on December 2, 2025 at 6:00 p.m. to discuss the 2026 budget & levy. Final budget and levy will be adopted at the December 16, 2025 council meeting.

THEREFORE, BE IT RESOLVED By the Thief River Falls City Council of Pennington County, Minnesota, that the following sums of money be levied for the current year, collectible in 2026, upon taxable property in the City of Thief River Falls, for a total proposed levy of $4,762,282.00. This represents $852,865.00 or approximately 21.82% increase over last year’s levy.

It should be noted that with the proposed tax capacity increase for 2026, a 21.82% tax levy increase results in an estimated 9.813% increase in the tax rate.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 09.195.25: Approval of Updates to Committee and Board Assignments

Following discussion, Councilmember Michele McCraw introduced Resolution 09.195.25, being seconded by Councilmember Kelly Langness , that:

THEREFORE, BE IT RESOLVED By the City Council, to appoint the replacements of the following City Council members to the following committees and boards for the remainder of 2025 calendar year:

Community Development Advisory Board - Michele McCraw (replacing Julie Bolduc)
TRF Area Community Fund's Advisory Committee - Mike Lorenson (replacing Megan Arlt)
TRF Chamber of Commerce - Ex-officio Scott Pream (replacing Megan Arlt)

On vote being taken, the resolution passed unanimously.

RESOLUTION NO. 09.196.25: Minnesota Forward Fund Application in Connection with Arctic Cat, Inc.

Following discussion, Councilmember Scott Pream introduced Resolution 09.196.25, being seconded by Councilmember Kelly Langness , that:

WHEREAS, The City of Thief River Falls, MN (the "City") desires to assist Arctic Cat, Inc. (the "Company), a global leader in the production of power sports equipment, which, at the Company's Thief River Falls global headquarters and manufacturing facility, is proposing to expand its production capacity and hire new, full-time employees by renovating and modernizing the existing facilities in Thief River Falls, expanding its research and development capabilities, and purchasing new equipment related to and necessary for the expansion of production of snowmobiles, side-by-sides, all-terrain vehicles, and other power sports equipment in Thief River Falls (the "Project);

and the City understand that the Company, through and with the support of the City, intends to submit to the Minnesota Department of Employment and Economic Development (DEED) an application for an award from the Minnesota Forward Fund program:

and the City affirms that support for this project and the application for the award from the Minnesota Forward Fund Program does not impact the ability of the City to exercise its legislative judgment in making land use approvals.

WHEREAS, After due consideration, the City Council of the City of Thief River Falls, Minnesota, hereby adopts the following findings of fact related to the Project proposed by the Company and its application for an award from the Minnesota Forward Fund Program and express their approval.

The City Council hereby finds and adopts the reasons and facts supporting the following findings of fact for the approval of the Minnesota Forward Fund Program application:

1. The Project is in the public interest because it will encourage the growth of commerce and industry, prevent the movement of current or future operations to locations outside Minnesota, increase full-time employment in Thief River Falls, and Minnesota, and preserve and enhance the state, county and local tax base.

a). The Company has been located in Thief River Falls since its founding in 1962, and was purchased by a new ownership group in 2025. Support from the Forward Fund will enable the Company to restore jobs and expand capacity that has been lost under the previous ownership.

2. The Project, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonable foreseeable future.

a). The City desires the Company to bring production from other locations outside of Minnesota to its facility in Thief River Falls and, therefore, the City finds that the assistance to be provided by DEED is appropriate and necessary to expand an existing business in Minnesota.

b). The up-front capital expenditures needed to prepare the facility for expanded operations and to hire new employees require support from the State of Minnesota to ensure that they will occur at the highest level possible and as quickly as possible.

3. The Project conforms to the general plan for the development and redevelopment of the City as a whole, as outlined in the 2040 Comprehensive Plan.

a). Goal 1 of the Industrial Land Use component of the Comprehensive Plan is to "retain and expand Thief River falls' industrial land uses to ensure a diverse tax base and local employment opportunities."

b). The Company intends to renovate the existing building in Thief River Falls. The existing parcel on which the Arctic Cat facility is located is already designated for industrial use in the 2040 Comprehensive Plan (see, Existing Land Use Map, dated September 20, 2019).

c). The intended building is already served by appropriate public infrastructure (see, Thief River Falls- Future Annexation/Utility Extension Planning Area Map, dated September 2019).

4. The Project will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment or development of the Project by a private enterprise.

a). The Project is consistent with the City's economic development goals.

b). The Project will add to the City's tax base and increase economic benefits for other businesses in the City.

c). The Company will contribute to the overall vitality of the City by rehiring employees furloughed by the previous ownership group, hiring additional employees who currently reside in Thief River Falls, and by recruiting employees and their families to relocate to Thief River falls for employment at Arctic Cat.

The State of Minnesota requires the City to pass a resolution of approval for local businesses apply for Minnesota Forward Funds. The proposed resolution documents the City's support and related authorizations specifically noted in the resolution.

THEREFORE, BE IT RESOLVED adopt a resolution entitled Support of a Minnesota Forward Fund Application in Connection with Arctic Cat, Inc.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 09.197.25: TZD Grant 2025-2026

Following discussion, Councilmember Jason Aarestad introduced Resolution 09.197.25, being seconded by Councilmember Megan Arlt, that:

WHEREAS, Thief River Falls Police Officer Kjell Johnsrud oversees our TZD program. Officer Johnsrud and Pennington County Deputy Alex Thibert drafted a grant for TZD funds. The state awarded $18,700.00 to the Thief River Falls Police Department, the Pennington County Sheriff's office and the Marshall County Sheriff's office. These funds will be split equally between departments and will go towards TZD enforcement, which includes distracted driving, seatbelt and move over enforcement. The funds will go towards overtime related to this enforcement and any other assistance with this special enforcement. This grant will start on October 1st, 2025 and will end September 30th, 2026. Officer Johnsrud will handle scheduling and other tasks related to this program.

WHEREAS, Council approval is required before the funds can be used towards this enforcement.

THEREFORE, BE IT RESOLVED To approve 2025-2026 TZD Grant to the Thief River Falls Police Department to share with the Pennington County Sheriff's office and Marshall County Sheriff's office.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 09.198.25 : City of Thief River Falls Ordinance - First Reading, Passage and Adoption - City Code Chapter 91 adding Section 91.80 Other Public Nuisances and 91.81 Inoperable Motor Vehicles

Following discussion, Councilmember Jason Aarestad introduced Resolution 09.198.25, being seconded by Councilmember Steve Narverud, that:

WHEREAS, 91.80 OTHER PUBLIC NUISANCES: It is hereby determined that the storage or
accumulation of dilapidated fences, trash, rubbish, junk, building materials, and demolition
materials, upon any private property within the city tends to result in blighted and deteriorated
neighborhoods, the spread of vermin and disease, and is contrary to the public peace, health,
safety, and general welfare of the community.
(A) DEFINITIONS. For the purposes of this Chapter, the following definitions shall

apply
unless the context clearly indicates or requires a different meaning
(1) BUILDING MATERIAZS. Building materials shall include, without limitation, lumber, bricks, concrete, cinder blocks, plumbing materials, electric wiring or equipment, heating ducts or equipment, shingles, mortar, concrete or cement, nails, screws, or any other materials used in constructing any structure.
(2\ DEMOLITION MATERIAZS. Demolition materials shall include, without limitation, debris resulting from the demolition of buildings such as concrete, stone, plaster, bricks, concrete blocks, and other materials that are a result of the demolition and construction operations.
(3) DILAPIDATED FENCES. A dilapidated fence is any fence, in whole or in part, which has fallen on the ground, or because of decay or disrepair has deteriorated to such an extent that it presents a danger of imminent collapse on its own, or as a result of normal weather conditions.
(4) JUNK. Junk shall include, without limitation, parts of machinery or motor vehicles, unused furniture, stoves, refrigerators or other appliances, unused televisions or other electronics, remnants of wood, metal, or any other cast off material of any kind, whether or not the same could be put to any reasonable use.
(5) TRASH AND RUBBISH. Trash and rubbish shall include any and all forms of debris not herein otherwise classified.
(B) PUBLIC NUISANCE. The storage or accumulation of (1)building materials, (except
for a business located in a proper zoning district which customarily sells building materials) (2) demolition materials, (3) dilapidated fences, (4) junk, and (5)trash and rubbish, upon any private property within the City is hereby declared a public nuisance
and subject to the penalties and abatement of this Chapter.

91.81 INOPERABLE MOTOR VEHTCLES.
(A) DECLARATION OF NUISANCE. Any motor vehicle described in this Section shall constitute a hazard to the health and welfare of the residents of the City as such motor
vehicles can harbor noxious diseases, furnish a shelter and breeding ground for vermin, and
present physical danger to the safety and well-being of children and citizens. Motor vehicles also
contain various fluids which, if released into the environment, can and do cause significant
health risks to the City.
(B) INOPERABLE MOTOR VEHICLES. It shall be unlawful to keep, park, store, or abandon any motor vehicle that is not in operating condition, partially dismantled, used for repair
or parts or as a source of repair or replacement parts for other vehicles, kept for scrapping,
dismantling, or salvage of any kind, or which is not properly licensed for operation within the
State, pursuant to Minn. Stat. $ 1688.011, subd. 3, as it may be amended from time to

time.
(C) SCREENING. This Section does not apply to a motor vehicle enclosed in a building and/or kept out of view from any street, road, or alley, and which does not foster
complaint from a resident of the City. Secure privacy fencing is permissible.

Amended: Ordinance 63, 3rd Series

THEREFORE, BE IT RESOLVED Approve the first reading of the recommended ordinance and forego the second reading.

On vote being taken, the resolution was passed unanimously.

<u>RESOLUTION NO. 09.199.25: Approval of City of Thief River Falls Ordinance Section 91.80 Other Public Nuisances and 91.81 Inoperable Motor Vehicles</u>

Following discussion, Councilmember Michele McCraw introduced Resolution 09.199.25, being seconded by Councilmember Scott Pream, that:

WHEREAS, The following ordinances will be sent to the codifier at Civicplus for inclusion in the next update and 2026 publication.

THEREFORE, BE IT RESOLVED To approve the Ordinance section 91.80 Other Public Nuisances and 91.81 Inoperable Motor Vehicles for inclusion in the Ordinance Code Update.

S 91.80 OTHER PUBLIC NUISANCES: It is hereby determined that the storage or accumulation of dilapidated fences, trash, rubbish, junk, building materials, and demolition materials, upon any private property within the city tends to result in blighted and deteriorated neighborhoods, the spread of vermin and disease, and is contrary to the public peace, health, safety, and general welfare of the community.

(A) **DEFINITIONS.** For the purposes of this Chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning
(1) BUILDING MATERIAZS. Building materials shall include, without limitation, lumber, bricks, concrete, cinder blocks, plumbing materials, electric wiring or equipment, heating ducts or equipment, shingles, mortar, concrete or cement, nails, screws, or any other materials used in constructing any structure.
(2) DEMOLITION MATERIAZS. Demolition materials shall include, without limitation, debris resulting from the demolition of buildings such as concrete, stone, plaster, bricks, concrete blocks, and other materials that are a result of the demolition and construction operations.
(3) DILAPIDATED FENCES. A dilapidated fence is any fence, in whole or in part, which has fallen on the ground, or because of decay or disrepair has deteriorated to such an extent that it presents a danger of imminent collapse on its own, or as a result of normal weather conditions.
(4) JUNK. Junk shall include, without limitation, parts of machinery or motor vehicles, unused furniture, stoves, refrigerators or other appliances, unused televisions or other electronics, remnants of wood, metal, or any other cast off material of any kind, whether

or not the same could be put to any reasonable use.
(5) TRASH AND RUBBISH. Trash and rubbish shall include any and all forms of debris not herein otherwise classified.

(B) **PUBLIC NUISANCE** The storage or accumulation of
(1)building materials, (except for a business located in a proper zoning district which customarily sells building materials)
(2) demolition materials,
(3) dilapidated fences,
(4) junk, and
(5)trash and rubbish, upon any private property within the City is hereby declared a public nuisance and subject to the penalties and abatement of this Chapter.

and

91.81 **INOPERABLE MOTOR VEHICLES.**

(A) DECLARATION OF NUISANCE. Any motor vehicle described in this Section shall constitute a hazard to the health and welfare of the residents of the City as such motor vehicles can harbor noxious diseases, furnish a shelter and breeding ground for vermin, and present physical danger to the safety and well-being of children and citizens. Motor vehicles also contain various fluids which, if released into the environment, can and do cause significant health risks to the City.
(B) INOPERABLE MOTOR VEHICLES. It shall be unlawful to keep, park, store, or abandon any motor vehicle that is not in operating condition, partially dismantled, used for repair or parts or as a source of repair or replacement parts for other vehicles, kept for scrapping, dismantling, or salvage of any kind, or which is not properly licensed for operation within the State, pursuant to Minn. Stat. 1688.011, subd. 3, as it may be amended from time to time.
(C) SCREENING. This Section does not apply to a motor vehicle enclosed in a building and/or kept out of view from any street, road, or alley, and which does not foster complaint from a resident of the City. Secure privacy fencing is permissible.

Amended: Ordinance 63, 3'd Series

On vote being taken, the resolution was passed unanimously.

<u>RESOLUTION NO. 09.200.25: Sidewalk Snow Removal Contract</u>

Following discussion, Councilmember Scott Pream introduced Resolution 09.200.25, being seconded by Councilmember Michele McCraw, that:

WHEREAS, The City of Thief River Falls Code requires property owners clear snow from sidewalks adjacent to their property within 48 hours and within 24 hours in the central business district. After the 24 and 48-hour periods the Building Official and or staff, will inspect all sidewalks and authorize the snow to be removed by a private snow removal contractor.

WHEREAS, The city contracts these services. The city advertised in the Times to request quotes for a two-year contract. A single bid was received from Ashton's Mowing Service & Snow Removal in the amount of $25.00 per parcel. Ashton's Mowing Service has performed this work for the last year and provided high-quality work and great reliability. The city adds a $50.00 administrative fee for residential mowing and sidewalk snow removal contracts and transfers the cost to the property owner.

THEREFORE, BE IT RESOLVED Award Sidewalk Snow Removal to Ashtons Mowing Service for a two-year contract with services provided from October 15, 2025 to March 31, 2027.

On vote being taken, the resolution was passed unanimously.

<u>RESOLUTION NO. 09.201.25: Buildable Lot, 517 Crocker Ave S</u>

Following discussion, Councilmember Steve Narverud introduced Resolution 09.201.25, being seconded by Councilmember Kelly Langness , that:

WHEREAS, The City acquired a city parcel through a voluntary transfer of ownership of this parcel containing a deemed hazardous building. The acceptance of this transfer of ownership allowed the fastest removal of the hazardous building and was approved by city council. A realtor was contacted to evaluate the property based on local current markets to advise on listing price.

Water and sewer is available to the lot and all assessments are considered paid in full. Purchase agreement to contain specifications on connecting or disconnecting from city services currently available on the parcel/lot within two calendar years. Any changes required to city services will be at the buyers expense.

THEREFORE, BE IT RESOLVED Authorize the City Administrator to sign a listing agreement with local realtors interested in selling a City owned lot located at 517 Crocker Ave. South. for an asking price of $13,500.00.

On vote being taken, the resolution passed unanimously.

<u>RESOLUTION NO. 09.202.25: Food Trucks in Municipal Parking Lot</u>

Following discussion, Councilmember Jason Aarestad introduced Resolution 09.202.25, being seconded by Councilmember Michele McCraw, that:

WHEREAS, Current city code prohibits food trucks from setting up on city owned right of way. This event is part of Advance Thief River first ever welcome week. This is a special "music in the park" event featuring Corey Medina and the brothers band. In the event of rain, the event will be moved to the Curling Club.

THEREFORE, BE IT RESOLVED Allow up to two Food Trucks to be Present and Parked in the south west section of the municipal lot that is adjacent to the Floyd B. Olson Park on Thursday, September 18th. The event is scheduled from 5:30 pm to 7:30 pm.

On vote being taken, the resolution passed. In favor: Lorenson, Aarestad, Langness, Arlt, McCraw, Pream. Against: Narverud.

CLOSED MEETING PURSUANT TO MINNESOTA STATUTES, SECTION 13D.05, SUBDIVISION 3 (A)

Discussion on Land Sale - to be presented at the meeting

Councilmember Scott Pream motioned, being seconded by Councilmember Kelly Langness to close the Council meeting as permitted by section Pursuant to MN Statue 13D.05 to discuss the sale of city owned property.

On vote being taken, the motion was unanimously passed. The meeting closed at 6:15 pm.

RECONVENE MEETING

Councilmember Jason Aarestad motioned being seconded by Councilmember Kelly Langness to reconvene the meeting.

On vote being taken, the motion was unanimously passed. The meeting reconvened at 6:42 pm.

NEW BUSINESS

RESOLUTION NO. 09.203.25: Sale of City owned property – PID# 2504603570

Following discussion, Councilmember Scott Pream introduced Resolution 09.203.25, being seconded by Councilmember Michele McCraw, that:

WHEREAS, Andy Hudson, Hudson Electric/ Hudson Rents, has a pending purchase of the old Nelson Services building which is adjacent to this City owned parcel and would like to purchase said property from the City. He closes on the purchase of the old Nelson Services building at the end of September.

This parcel was purchased many years ago for Right-of-Way acquisition of First Street East and has a legal description of: PARK ADDITION AUDITOR'S REPLAT OF BLOCK 7 NORTH 7,680 SQ FT OF LOT 5 & 910 SQ FT IN NE CORNER OF LOT 6

Mr. Hudson, Hudson Rents, has made an offer through Hometown Realty of $3,000 to purchase this property from the City.

WHEREAS, • First Street splits this parcel into two triangular pieces of land. The parcel on the south side of the road that is most useful to Mr. Hudson would be described as THAT PORTION OF PARK ADDITION AUDITOR'S REPLAT OF BLOCK 7 NORTH 7,680 SQ FT OF LOT 5 & 910 SQ FT IN NE CORNER OF LOT 6 LYING SOTHWEST OF THE 60-FOOT RIGHT-OF-WAY OF 1ST STREET.

- This would allow the City to retain the small triangle-shaped piece on the east side of

1st Street as it would most likely be beneficial for any future Right-of-Way needs and it really is of no buildable use for Mr. Hudson.

- The City could allow Mr. Hudson to use the parcel free of charge if he were to agree to maintain the property. This option provides no tax benefit to the City.
- The City could sell the property which would then put it on the tax rolls.
- The County Assessors Office has an Estimated Market Value of $12,500 on the property, which seems a bit high, but Mr. Hudson's offer of $3,000 is quite low.
- The industrial park land prices and a recent development parcel that sold are in the price range of $25,000 per acre, or $0.58 per square-foot, and most commercial property is considered worth at least $1 per square-foot. The EMV from the County Assessors' Office indicates a price of $1.30 per square-foot
- It may be more beneficial to sell this parcel to whomever owns the parcel to the west, currently Kimberlee (Nelson) Davidson, PID# 250460357, to allow for a larger development project on the currently vacant land.
- The above legal description should suffice, but the council may want to pay for a survey of the land or force the potential buyer to have it surveyed.

THEREFORE, BE IT RESOLVED Not accept the offer from Hudson Rents on city owned parcel, PID# 2504603570, and to place the parcel for sale on the City's website with an asking price of the estimated market value the County Assessor has set of $12,500.

On vote being taken, the resolution was unanimously passed.

COUNCIL BOARDS AND COMMISSIONS REPORTS

UPCOMING MEETINGS

- City Building Tour – September 22 at 3-6 pm (Council Members and Department Heads)
- City Council – October 7 at 5:30 pm
- Public Utilities Committee - October 13 at 7 am
- Public Safety Committee - October 13 at 4:30 pm
- Administrative Committee - October 14 at 4:30 pm
- Public Works Committee - October 15 at 4:30 pm
- City Council - October 21 at 5:30 pm

INFORMATIONAL ITEMS

Investment Summary

ADJOURNMENT

There being no further discussion, Councilmember Scott Pream motioned being seconded by Councilmember Kelly Langness to adjourn at 6:49 pm. On vote being taken, the Chair declared the motion unanimously carried.

____ Mayor Mike Lorenson

Attest: City Administrator Angela Philipp ____