

COUNCIL PROCEEDINGS

Tuesday, November 16, 2021

CALL TO ORDER

This meeting is officially called to order at 5:30 p.m. on November 16, 2021. This meeting is being presided over by Mayor Brian Holmer.

ROLL CALL

The following Councilmembers were present: Holmer, Prudhomme, McCraw, Bolduc, Narverud, and Lorenson. Absent were Aarestad and Howe. Mayor Holmer chaired the meeting.

PRESENTATIONS/PROCLAMATIONS/PUBLIC INFORMATION ANNOUNCEMENTS

APPROVE AGENDA

Councilmember Mike Lorenson motioned, being seconded by Councilmember Michele McCraw, to approve the agenda.

CONSENT AGENDA

RESOLUTION NO. 11.235.21: APPROVAL OF NOVEMBER 2, 2021 COUNCIL PROCEEDINGS

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.235.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

THEREFORE, BE IT RESOLVED By the City Council, to approve November 2, 2021 Council Proceedings.

RESOLUTION NO. 11.236.21: CITY OF THIEF RIVER FALLS BILLS AND DISBURSEMENTS AND COUNCIL PER DIEMS

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.236.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

THEREFORE, BE IT RESOLVED By the City Council, to authorize payment of bills and disbursements in the total amount of \$624,548.22 and council per diem in the amount of \$520.00. A printout of the approved payments, disbursements and per diems are attached hereto and made a part hereof.

RESOLUTION NO. 11.237.21: APPROVAL TO DESIGNATE THE RALPH ENGELSTAD ARENA AS THE CITY OF THIEF RIVER FALLS POLLING PLACE FOR ALL PRECINCTS FOR 2022 ELECTIONS

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.237.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, Minnesota Election Law section 204B.16 requires the city council of every municipality to designate a place for holding an election for each precinct every year before December 7, 2021. The designated polling place remains the polling place for

these precincts throughout the calendar year unless: Polling place becomes unavailable or an emergency occurs after the deadline to designate a polling place but before the polls close on election day.

THEREFORE, BE IT RESOLVED By the City Council, to designate the Ralph Engelstad Arena, 525 Brooks Avenue North, Thief River Falls as the City of Thief River Falls designated polling place for all precincts within the City limits for 2022 Elections.

RESOLUTION NO. 11.238.21: APPROVAL OF PROGRESSION RAISE FOR STEVE ZAVORAL, JOURNEY ELECTRICIAN/ELECTRONIC TECHNICIAN

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.238.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, Mr. Zavoral has successfully completed the six-month probationary period and is eligible for progression to Step 8.

THEREFORE, BE IT RESOLVED To accept the Public Utilities Committee recommendation and grant Steve Zavoral, Journey Electrician/Electronic Technician, a progression raise. Mr. Zavoral shall progress to Step 8 of 9 of the Grade Level 6/Pay Range 7 Journey Electrician/Electronic Technician salary schedule, for a new hourly salary of \$30.16 effective November 5, 2021.

RESOLUTION NO. 11.239.21: APPROVAL OF PROGRESSION RAISE FOR RICK SWANSON, PUBLIC WORKS MAINTENANCE

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.239.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, Mr. Swanson has completed the time requirement for progression to step 3 and has completed his probationary period.

THEREFORE, BE IT RESOLVED Accept the public works committee recommendation to grant Rick Swanson, Public Works maintenance employee, a progression raise. Mr. Swanson shall progress to step 3 of the public works maintenance salary schedule for a new hourly wage of \$22.24, effective November 5, 2021.

RESOLUTION NO. 11.240.21: APPROVAL OF PROGRESSION RAISE FOR KEATON HUOT, PUBLIC WORKS MAINTENANCE

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.240.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, Mr. Huot has completed the time requirement for progression to step 3 and has completed his probationary period.

THEREFORE, BE IT RESOLVED Accept the public works committee recommendation to grant Keaton Huot, public works maintenance employee, a progression raise. Mr.

Huot shall progress to step 3 of the public works maintenance salary schedule for a new hourly wage of \$22.24, effective November 10, 2021.

RESOLUTION NO. 11.241.21: APPROVAL OF WESTSIDE FLOOD DAMAGE
REDUCTION PROJECT – CHANGE ORDER NO. 8

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.241.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, The Red Lake Watershed District, along with Pennington County and the City of Thief River Falls, completed a flood damage reduction project that diverts County Ditch 70 around the City of Thief River Falls. This system drains areas north and west of the city, as well as areas within the city. This system runs along Highway 1 & 59 from Highway 59 North to Barzen Avenue along Digi-Key and Arctic Cat, and outlets to the east along Greenwood Street to the Red Lake River. This system has a history of flood damage northwest of the city and did not have adequate capacity for anticipated growth and expansion in the southwest part of the city. This project was completed in 2021.

WHEREAS, The project required jacking a 54” pipe under Highway 32 along the north side of Greenwood Street. During construction large rocks were encountered that required additional resources to remove. The Public Works Committee discussed and agreed to a proposed change order early in 2021 in the amount of \$30,035.34. Further negotiations followed by a recommendation from the project engineer added \$11,144.00 to this change order for a final amount of \$41,179.34. This approval is contingent upon the Red Lake Watershed District agreeing to split the \$11,144.00 in additional expense for a total city cost of \$35,607.34.

WHEREAS, The city share of the change order will be paid through project bonding reserves and storm water utility funds.

THEREFORE, BE IT RESOLVED Approve Change Order No. 8 for the Westside Flood Damage Reduction Project in the amount of \$41,179.34 less \$5,572.00 Red Lake Watershed District Contribution, for a total of \$35,607.34.

RESOLUTION NO. 11.242.21: APPROVAL OF PROGRESSION RAISE FOR JADEN
HANSON, PATROL OFFICER

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.242.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, Officer Gunderson has successfully completed his one-year probationary period as per union contract and is eligible to progress to step 2.

THEREFORE, BE IT RESOLVED Accept the Public Safety Committee recommendation to grant Jaden Hanson, Patrol Officer, a progression raise. Officer Hanson shall progress to step 2 of the LELS Patrol Officer salary schedule for a new

salary of \$26.98 per hour, effective November 18, 2021.

RESOLUTION NO. 11.243.21: APPROVAL OF PROGRESSION RAISE FOR TRENTYN GROSLE, WATER SYSTEMS OPERATOR

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.243.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, Mr. Grosle has successfully obtained his Class D Water and Class D Wastewater Certificates and time-in and is eligible to progress to Step 3 of the Water Systems Operator salary schedule.

WHEREAS, This is a budgeted progression raise.

THEREFORE, BE IT RESOLVED Approve a progression raise for Trentyn Grosle, Water Systems Operator, to Step 3 of the Water Systems Operator salary schedule, for a new hourly salary of \$23.10 effective November 23, 2021.

RESOLUTION NO. 11.244.21: APPROVAL TO PURCHASE 10 IPADS FOR COUNCIL

Presented as part of the Consent Agenda, Councilmember Steve Narverud introduced Resolution No. 11.244.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, With covid and ever-changing times, it has become imperative that we provide council members with iPads to conduct business and meetings. The 10 iPads purchased would include for council members, the mayor, the city attorney, and one for the council chambers (audio and video controls). The quote from SHI totals \$3,210.00 for the 10 iPads and the city will also purchase \$400.00 in cases with keyboards.

WHEREAS, \$3610.00 in American Rescue Funds.

THEREFORE, BE IT RESOLVED Approve the city of Thief River Falls to purchase of 10 iPads and cases for city council meetings using the American Rescue Funds.

NEW BUSINESS

RESOLUTION NO. 11.245.21: RESIDENTIAL TAX ABATEMENT

Following discussion, Councilmember Michele McCraw introduced Resolution No. 11.245.21, being seconded by Councilmember Anthony Bolduc, that: On vote being taken, the resolution was unanimously passed.

WHEREAS, The City and County had offered a three-year abatement for residential homes with a construction cost of up to \$200,000 (\$160,000 prior to 2015). This abatement program ended on December 31, 2020. The school district participated in the program in 2015, specifically for the Midwest Minnesota Development Corporation (MMCDC) "Ness" affordable workforce housing project. The program that was adopted in 2015 allowed the 3-year tax abatement or up to seven years if there are assessments.

WHEREAS, The previous abatement program ended on December 31, 2020. There has been significant value in having this program as an economic development tool to create new single-family housing in our community. The extended abatement to seven years with assessments has been problematic and difficult to administer. The proposed program would revert to a simple 3-year abatement with no maximum home cost. Pennington County and ISD 564 will be asked to join the City of Thief River Falls in the abatement program which would require their own resolutions.

WHEREAS, The average annual total abatement from the City of Thief River Falls for this program has been approximately \$8,000, ranging from \$4,000 in 2015 to just over \$12,000 in 2019.

WHEREAS, Property Tax Abatement, such as the proposed abatement is authorized under Minnesota State Statute, Sections 469.1812 through 469.1815. This program may be adopted by council resolution, but the actual abatements require a public hearing each year.

THEREFORE, BE IT RESOLVED Approve a 3-year tax abatement program for new homes in the City of Thief River Falls.

RESOLUTION NO. 11.246.21: APPROVAL OF RESOLUTION AUTHORIZING
SUBMISSION OF APPLICATION FOR FEDERAL ASSISTANCE TO THE ECONOMIC
DEVELOPMENT ADMINISTRATION AND AUTHORIZING EXECUTION OF THE
APPLICATION

Following discussion, Councilmember Anthony Bolduc introduced Resolution No. 11.246.21, being seconded by Councilmember Steve Narverud, that:
On vote being taken, the resolution was unanimously passed.

THEREFORE, BE IT RESOLVED That the City Administrator is authorized to submit an Application for Federal Assistance in the amount of approximately \$2,000,000 to the Department of Commerce, Economic Development Administration for the Huck Olson Memorial Civic Center Improvement Plan.

That the Mayor and City Administrator are authorized and directed to execute said application.

RESOLUTION NO. 11.247.21: APPROVAL OF ELECTRIC RATE INCREASE

Following discussion, Councilmember Mike Lorenson introduced Resolution No. 11.247.21, being seconded by Councilmember Steve Narverud, that:
On vote being taken, the resolution was unanimously passed.

WHEREAS, the energy surcharge of 4 mills/kwh (.004) will increase. There are 10 components to the city's wholesale electric TAE structure. There are four coincidental demand components. Each year, new demands are set and the city pays for those over the next 12 months. This year no wholesale rate change is expected.

Even though demands are remaining constant to last year, it is recommended that the city set the customer charge and usage rates as per attached form from Dave Berg study

for years 2022 - 2025. City reserves right to change rates within this time frame based on city needs.

- The bonds with the northern municipal power agency, NMPA, requires member cities to have rates that maintain an average coverage ratio that sufficiently covers the wholesale cost, and all department bonds and expenses.
- Bonds payments on the AMI system.
- Reserves in the amount of \$2,500,000 to \$3,000,000 is a realistic goal over time.

FINANCIAL CONSIDERATIONS: To set electric rates for 2022-2025 as per attached form. For 2022 Minnekota power did not change the energy surcharge power cost adjustment. It will remain the same at .004.

THEREFORE, BE IT RESOLVED adopt a resolution, setting the 2022-2025 electric rates effective with the January 1, 2022 billing cycle.

COUNCIL BOARDS AND COMMISSIONS REPORTS

UPCOMING MEETINGS

- City Council Meeting - December 7th at 5:30 p.m.
- Truth In Taxation Hearing – December 7th at 6:00 p.m.
- Utilities Committee - December 13th at 7:00 a.m.
- Public Safety/Liquor Committee - December 13th at 4:30 p.m.
- Administrative Services Committee - December 14th at 4:30 p.m. Room 201 City Hall
- Public Works Committee - December 15th at 4:30 P.M.

INFORMATIONAL ITEMS

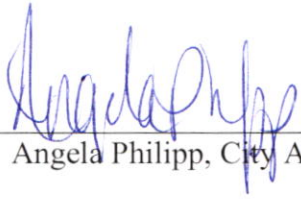
- Councilmember Rachel Prudhomme mentioned frustration with a denial for Evergreen Catering to have a drive through. Councilmember Steve Narverud stated the Planning Commission denied the request due to this being in an industrial park.
- Bruce Brink of VenuWorks announced the Harlem Globetrotters will be coming March 17th. Tickets will be available through Ticketmaster the beginning of December.
- Mayor Holmer asked for volunteers for the Strategic Steering Committee. Councilmembers Michele McGraw, Anthony Bolduc and City Administrator Angela Philipp.

INVESTMENT SUMMARY 10/2021

ADJOURNMENT

There being no further discussion, Councilmember Rachel Prudhomme moved, being seconded by Councilmember Mike Lorenson to adjourn at 5:48 p.m. On vote being taken, the Chair declared the motion unanimously carried.

Attest:



Angela Philipp, City Administrator



Brian D. Holmer, Mayor