



**City of Moorhead
City Council Meeting
Meeting Minutes
June 4, 2018 at 7:00 PM
City Hall Council Chambers**

Pursuant to due call and notice thereof, a regular meeting of the City Council Meeting was held in the City Hall Council Chambers, on June 4, 2018, at 7:00 PM.

Roll call of the members was made as follows:

1st Ward Council Member:	Mari Dailey	Present
1st Ward Council Member:	Sara Watson Curry	Present
2nd Ward Council Member:	Melissa Fabian	Present
2nd Ward Council Member:	Heidi Durand	Present
Mayor:	Del Rae Williams	Present
3rd Ward Council Member:	Joel Paulsen	Present
3rd Ward Council Member:	Brenda Elmer	Present
4th Ward Council Member:	Steve Gehrtz	Present
4th Ward Council Member:	Chuck Hendrickson	Present

City Council Meeting

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Agenda Amendments

Minutes: No agenda amendments

4. Consent Agenda

All items listed with an asterisk (*) are enacted by one motion.

Motion to Approve made by Mari Dailey and seconded by Joel Paulsen

Motion to Approve the Consent Agenda

Motion Passed

For: 8

5. Approve Minutes

- A. May 29, 2018 City Council Meeting

Motion to Approve made by Chuck Hendrickson and seconded by Mari Dailey

Motion to Approve May 29, 2018 City Council Meeting Minutes

Motion Passed

For: 8

6. Citizens Addressing the Council (Time Reserved: 15 Minutes)

Minutes: A resident addressed the Mayor and City Council regarding concerns and questions related to the City's special assessment accounting practices.

City Attorney John Shockley stated data related to accounting practices are public and citizens may request accounting records.

Finance Director Wanda Wagner stated the City keeps detailed records for all bonds and the accounts are reviewed and monitored on a regular basis.

City Manager Chris Volkers stated citizens may submit a public data request for data on bond accounting.

7. Mayor and Council Appointments

Minutes: No Mayor and Council Appointments.

Engineering Department

8. Various Actions for SE Main Ave/20 St/21 St Railroad Grade Separation Project. Eng. No. 02-02-02

A. Resolution to Order Improvements

Motion to Approve made by Heidi Durand and seconded by Mari Dailey

Motion to Approve Resolution to Order Improvements for Eng. No. 02-02-02

Motion Passed

For: 8

Resolution 2018-0604-1

Minutes: City Engineer Bob Zimmerman provided a summary of the resolutions under consideration related to the SE Main Ave/20 St/21 St Railroad Grade Separation Project. It was noted that Resolution #8A requires seven votes and Resolutions #8B, #8C, and #8D require six votes. The City Council will not be adopting special assessments as part of the proposed resolutions.

Council Member Gehrtz stated he hopes the City is able to reduce or eliminate the need for special assessments as the project progresses.

Council Member Elmer stated she believes this project has community-wide benefits and would like the assessment district expanded.

City Attorney John Shockley stated legally the assessment area cannot be expanded beyond the established district. An expansion of the assessment district would go beyond the limits of City's current special assessment policy and would put the City at legal risk for applying the policy arbitrarily. The City Attorney and City Engineer have carefully reviewed the benefitting area. An expansion to the assessment district would set a precedent that

would not likely survive legal challenges. The City will continue to work toward reducing project costs.

Council Member Paulsen stated he dislikes the assessment district limits as he believes the entire community would benefit from the project, but understands the legal basis for the boundary.

City Engineer Bob Zimmerman stated the cost of rejecting the project bid at this time and rebidding at a later time would be considerably more expensive.

City Attorney John Shockley stated State of Minnesota approval for use of sales tax to fund the project is not likely, but the City could put a bond issue to a vote of the citizens.

Council Member Elmer stated she would like to see the City work very hard over the next couple years to eliminate the need for a special assessment.

Council Member Gehrtz stated he is not in favor of rejecting the current bid and is in favor of finding additional savings and leveraging funds awarded by the State of Minnesota.

Council Member Paulsen stated he does not want to stall the project.

Motion to Approve made by Heidi Durand and seconded by Brenda Elmer
Motion to Approve Various Actions for SE Main Ave/20 St/21 St Railroad Grade Separation Project. Eng. No. 02-02-02

Motion Passed (resolution numbers noted below)
For: 8

- B. Resolution to Approve Agreement No. 1030910 with MnDOT
Resolution 2018-0604-2
- C. Resolution to Approve Agreement with BNSF Railway and Genesee & Wyoming
Resolution 2018-0604-3
- D. Resolution to Award Bid
Resolution 2018-0604-4

Minutes: Council Member Hendrickson noted his concern regarding potential contractor change orders that could increase project costs.

City Engineer Bob Zimmerman stressed the importance of keeping funding options open by approving the proposed resolutions and retaining the capacity to use special assessments if the need arises.

Council Member Elmer stated there is great public interest in the project and a delay would increase public safety risk. The community benefit extends beyond the assessment district area and the City should continue efforts to make payment of the project fair and equitable.

City Manager Chris Volkens stated the use of reserves to supplement the

project would be an appropriate discussion for the Mayor and Council during the upcoming budget process.

Council Member Gehrtz stated the current motion is not to approve the assessment district and the City can continue to investigate other options.

City Attorney John Shockley stated he would draft a memo to the Mayor and City Council regarding timelines and policy considerations of drafting a bond issue to voters for the next City Council meeting.

9. Consider BUILD Grant Application for the 11 St Railroad Grade Separation Project. Eng. No. 14-02-03

Minutes: City Engineer Bob Zimmerman provided an overview of the proposed grant application for the 11th Street Railroad Grade Separation Project. BUILD Transportation grants are through the U.S. Department of Transportation and have replaced the pre-existing TIGER grant program. Applications are due in July. Awards are anticipated by the end of the year.

MnDOT has agreed to share costs equally with the City to hire the KLJ firm to complete the BUILD grant application. The total estimated cost is approximately \$15,000. MnDOT will fund 50% of the total cost. A budget adjustment is needed to receive the cost-share.

Motion to Approve made by Brenda Elmer and seconded by Mari Dailey
Motion to Approve BUILD Grant Application for the 11 St Railroad Grade Separation Project. Eng. No. 14-02-03

Motion Passed (resolution numbers noted below)
For: 8

- A. Resolution to Support Grant Application
Resolution 2018-0604-5
- B. Resolution to Approve Budget Adjustment
Resolution 2018-0604-6

Administration

10. Consider Amendment to the EDA Enabling Resolution

Minutes: A citizen addressed the Mayor and City Council advocating for an amendment to the EDA Enabling Resolution to include economic development functions as part of the City of Moorhead.

Mayor Williams noted that the EDA Director is co-located in City Hall and regularly works with City departments and staff.

Council Member Durand noted her questions regarding a change to the EDA enabling resolution.

Council Member Watson Curry stated she does not plan to support the

amendment.

Council Member Gehrtz stated he supports a change to the EDA enabling resolution. He noted that historically the City has had varying structures for the EDA. He believes having the EDA Director position under the City Manager is the best for the City.

Council Member Elmer stated she supports the amendment.

Council Member Durand asked about the transition of the EDA Director position into Administration if the amendment is approved. City Manager Chris Volkens stated if the amendment to the EDA Enabling Resolution is passed, the City intends to engage the EDA Board in discussions on expanding and improving their role. She added that shifting the EDA Director position under City Administration would be a seamless transition. Future steps would depend on the effective date of the change.

City Attorney Shockley stated it is a policy decision of the Council whether to approve the amendment to the EDA Enabling Resolution and, if approved, to establish the effective date. He added that the City can request the EDA Board assign the employment contract to the City, but the EDA Director must also consent to the assignment.

Council Member Dailey stated she is not convinced that EDA as a separate entity is the best for the City. There is a need to come together for more cohesiveness and efficiency.

Council Member Paulsen stated approval of the amendment to the EDA Enabling Resolution is the best structure for the City of Moorhead. Paulsen recommended that the City Council request transfer the EDA employment contract to the City and maintain the existing EDA Director.

Motion to Approve made by Steve Gehrtz and seconded by Melissa Fabian
Motion to Approve Amendment to the EDA Enabling Resolution and Request the EDA Assign the EDA Director Employment Contract to the City Effective Immediately

Motion Passed

For: 7; Against: 1 – Sara Watson Curry

11. Approve Licenses - Permits
 - A. *Resolution to Approve New Liquor License
2018-0604-A

Other

12. Mayor and Council Reports

Minutes: Mayor Williams stated she and Council Member Durand spoke with a group called Exodus Lending, a nonprofit entity helping Clay County residents to get out of payday lending debt.

13. City Manager Reports – Updates
Minutes: No updates were reported.
14. Executive Session (If needed)
15. New Business
16. Citizens Addressing the Council (continued, if necessary)

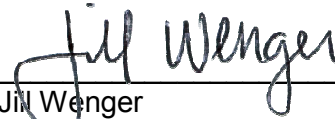
Meeting adjourned at 8:42 pm.

APPROVED BY:



Del Rae Williams
Mayor

ATTEST:



Jill Wenger
Acting City Clerk

The proceedings of this meeting are digitally recorded and are available for public review.

*Respectfully submitted by:
Jill Wenger, Acting City Clerk*