

City Council Minutes  
February 18, 2025

The Fergus Falls City Council held a regular meeting on Tuesday February 18, 2025, at 5:30 pm in the City Council Chambers. Pastor Tim Molter gave the invocation, and the Pledge of Allegiance was recited. Mayor Hicks called the meeting to order at 5:33 pm and the following council members were in attendance: Kilde, Job, Kvamme, Leighton, Kremeier, Mortenson, Rachels. Fish was absent.

**Open Forum**

Duane Cookman asked for updates and associated costs on the Glacial Edge Trail, former dairy property project, 801 W Stanton, Bigwood Event Center, RTC, Pebble Lake Golf Course, aquatics center, splash pad and DeLagoon Park. The City Administrator provided many of these updates at the February 12, Committee of the Whole meeting and the updates can be found online.

Deb Zachmann reminded the council to speak into their microphones and slow down when they are speaking.

Kate (no last name provided) expressed concerns with the council's spending and specified their actions to increase the City Attorney's budget to attend meetings and the cost associated with their legal actions against the Daily Journal. She encouraged them to "stop the hysterics and quit wasting taxpayer money". The City Attorney provided an update on the declaratory action regarding the Daily Journal and the city will be filing a joint petition with the attorney from the newspaper.

Shannon (no last name provided) asked what government buildings allow concealed weapons and expressed concerns a council member recently attended a school board meeting with a weapon.

**Approval of the Agenda**

A motion and second were made by Job and Kremeier to approve tonight's agenda with a request to removal of the library polices (Kvamme) and the motion carried.

**Consent Agenda**

The following items were approved under **Resolution #22-2025** by Rachels: Motion approving the minutes from the February 3, 2025, City Council meeting, the February 7, 2025, Council retreat and the February 12, 2025, Committee of the Whole meeting. Motion approving the following licenses: Mechanical Saint Cloud Refrigeration Inc., Joe's Heating & A/C; Excavator Barry Construction, Outdoor Renovations Landscape & Nursery; Demo Hauler Outdoor Renovations Landscape & Nursery, Sigelman Steel & Recycling; Metal Recycling Sigelman Steel & Recycling; Junk Dealer Sigelman Steel & Recycling; Fireworks Sales Fleet Farm; Sign Hanger Scenic Sign Corp. **Resolution #23-2025** accepting a \$600 donation to the Fire Department from Lake Region Electric Cooperative to be used for confined space equipment purchases and authorizing a budget adjustment. Motion appointing Lea Oswald to the Human Rights Commission. Motion appointing Travis Johnson to the Fergus Falls HRA board. **Resolution #24-2025** approving an increase in service benefits for retiring paid on call firefighters. Motion authorizing the MN DNR grant awarded to the Fergus Falls Fire Department to be used for wildland protective equipment. **Resolution #25-2025** entering into a joint powers agreement with the State of Minnesota for federal background checks and authorizing the Mayor and City Administrator to sign the agreement. The resolution was seconded by Kilde and was adopted.

Kvamme asked to have the library policies removed as the Artist Display Policy coincides with the Art Policy that the board is reviewing. A motion and second were made by Kilde and Rachels to table the library policies until the library board has discussed the Art Policy and the motion carried with Job voting in opposition.

### **Pebble Lake Golf Course Rates**

Pebble Lake Golf Course Director of Golf Operations, Kevin Swenson reviewed the statistics from 2024. The 2025 rates increased 5%, daily rates went up \$1.00 and the carts and amenity prices stayed the same. Leighton offered **Resolution #26-2025** approving the 2025 Pebble Lake Golf Course rates, which was seconded by Kilde and was adopted.

### **Dairy Property**

At tonight's Port Authority meeting the Port authorized the sale of 11.68 acres along the Otter Tail River to the city. This is the former dairy property, and the transaction will allow create a river buffer parcel to maintain a public park and trail along the river and provide an opportunity for the city to apply for additional grant funds. The city was allotted \$4 million in state bonding dollars from the legislature and upon this successful acquisition, \$1.2 million will be reimbursed to the city. The remaining funding will pay for railroad crossing updates, site planning and construction of the trail. Kvamme offered **Resolution #27-2025** accepting the dairy property transfer from the Fergus Falls Port Authority, which was seconded by Job and was adopted.

### **Resolution of Accounts**

Kilde offered a resolution authorizing the payments and claims in the amount of \$2,665,679.54, which was seconded by Kvamme and was adopted.

### **Council Retreat Recap**

On January 6 the council talked about their priorities and there was a shared interest in economic development. Staff used these goals to create an agenda for a council retreat which was held on February 7. Dan and Lisa Malmstrom of Northpoint Professionals provided their entrepreneurial experiences in business development to facilitate a discussion about economic development. They led the council and staff through a SWOT (Strengths, Weaknesses, Opportunities and Threats), and identified the inherent assets of the community. It was the consensus of the council members attending the retreat to request a proposal from Northpoint Professionals to help lead a community driven and led visioning process. Mayor Hicks proposed council work sessions (open to the public) be scheduled for March 12 and March 26 from 7-9 am to begin conversations about economic development. A motion and second were made by Rachels and Job directing staff to seek a community visioning facilitation proposal from Northpoint Professionals and the motion carried.

A motion and second were made by Mortenson and Kremeier to use the upcoming work sessions as a time to discuss the implementation of a Director of Business Strategic Development position. Mortenson said he would like to bring an economic development position in-house as a city employee and work under the direction of the council. This candidate would work with land acquisitions, leases and guide through the TIF process. They would bring a regional connection to economic development activities in Fargo, Moorhead, West Fargo, Dilworth, Sioux Falls, Minneapolis and St. Cloud. Rachels said the city already has Community Development Manager Klara Beck performing many of these duties and she does a great job. Kvamme felt this conversation was premature before undertaking the community through a visioning process. Job questioned where the funding for such

a position would come from. Kilde felt all options should be considered before coming up with a plan to hire someone and Kremeier said not considering this position is not exploring all avenues. The motion was called to a vote and passed 5-2 with Kilde, Job, Leighton, Kremeier and Mortenson voting in favor and Rachels and Kvamme voting in opposition.

Mortenson offered a resolution that was seconded by Leighton to suspend payments to Greater Fergus Falls. Kvamme called a point of order as the new business items should have been part the agenda approval process and adding last-minute agenda items is out of line and not transparent. Rachels asked how a decision can be made about an organization that isn't present or aware this is a topic of the council's conversation. City Attorney Nycklemoe cited code language 31.27 that addresses the proposed agenda and says matters not on the agenda are not to be considered unless there is unanimous consent of the council. A motion and second were made by Kremeier and Kilde to add the suspension of payments to Greater Fergus Falls to the March 3 council agenda and the motion carried with Kvamme voting in opposition.

A motion and second were made by Mortenson and Leighton to discuss the staff structure, validity and necessity of department heads at a Committee of the Whole meeting. Rachels was opposed stating this is not related to economic development and felt the council is micromanaging. Mortenson said if economic development is going to be in-house then every option to ensure it will be funded needs to be looked at. Kilde said the Personnel Committee, City Administrator and Mayor are looking at the city's organizational chart and staff structuring. The motion was rescinded.

The council adjourned to a closed meeting 6:55 pm to consider a potential real estate transaction for 522 E Hampden Avenue as allowed by MN Stat. 13D.05. The council reconvened at 7:17 pm.

Rachels offered **Resolution #28-2025** presenting a counter offer to Key Property Investments for the city owned property located at 522 E Hampden Avenue of \$15,000, which was seconded by Job and failed 4-3. Voting in favor were Kilde, Job, Kvamme, Rachels. Voting in opposition were Leighton, Kremeier, Mortenson.

Mortenson offered **Resolution #29-2025** presenting a counteroffer to Key Property Investments for the city owned property located at 522 E Hampden Avenue of \$21,000, which was seconded by Kremeier. Kilde offered an amended resolution that if Key Property Investments rejects the counteroffer of \$21,000 within two weeks to direct staff to offer the property to Habitat for Humanity. The amended resolution was accepted and passed on a 5-2 vote. Voting in favor were Kilde, Job, Leighton, Kremeier, and Mortenson. Voting in opposition were Kvamme and Rachels.

The meeting adjourned at 7:20 pm

*Lynne Olson*