

City Council Work Session
September 2, 2025

The Fergus Falls City Council held a work session on Tuesday September 2, 2025, at 4:00 pm in the City Council Chambers to discuss the city's Capital Improvement Plan. Mayor Hicks called the meeting to order, and the following council members were in attendance: Kremeier, Rachels, Kilde, Fish, Job, Kvamme and Leighton. Mortenson was absent.

The city's Capital Improvement Plan (CIP) is an overview of planned city projects over the next five years. It is fluid and subject to change as new priorities, funding sources and community needs arise. Moore Engineering updated the cost estimates to reflect today's total costs, and the goal of tonight's session is to determine the council's appetite for the proposed projects.

Planned 2026 projects and cost estimates include:

- Alleyways north of Lincoln Avenue: Union to Cascade. Cost estimate of \$552,000.
- DeLagoon Park road improvements. Cost estimate is \$496,000. \$209,049 in state grant funds have been allocated.
- TH 210 bridge replacement and roundabouts. Cost estimate is \$1,300,000. \$700,000 MSAS funds have been allocated.
- Pebble Lake Road: Arlington to TH 210 and Friberg: Cascade to Somerset. Cost estimate is \$2,269,440. This project is fully funded by federal STIP \$1,804,000 and \$465,440 in MSAS funds.

Additional projects and top priorities for 2026:

- Cavour: Cascade to Union and Court and Mill
- Cleveland: Franklin to Fir
- Douglas: Calvin to Union

The Cavour Avenue project is comprehensive reconstruction including the replacement of the existing utilities, gate valves, fire hydrants, catch basins, manholes, all existing sidewalks, curb and gutter, driveway aprons and the street surface. This project would also encompass Court Street and Mill Street from Cavour to Lincoln and complete the downtown area. The total project cost is estimated at \$3,216,000 and because it is designated on the MSAS system, there is \$681,957 available from Municipal State Aid funds.

Cleveland Avenue and its underlying utilities have exceeded their design life making routine maintenance no longer effective or cost efficient. There is a heavy amount of traffic along this area as it borders Cleveland Elementary School. The project would address the replacement of the existing utilities, gate valves, fire hydrants, catch basins, manholes, all existing sidewalks, curb and gutter, driveway aprons and the street surface. The total project cost is estimated at \$2,505,000 and Cleveland is also on the MSAS system so there is \$310,543 available from Municipal State Aid funds.

Douglas Avenue has significant deterioration including failing water and sewer lines. The project would address the replacement of the existing utilities, gate valves, fire hydrants, catch basins, manholes, all existing sidewalks, curb and gutter, driveway aprons and the street surface. The total estimated price is \$1,878,000 and this is not a designated MSAS street.

The cost estimate for the seven projects planned in 2026 is \$12,216,440 with 35% of the funding coming from outside the community. Project funding sources were shared, and the costs will be refined in the utility rate analysis for each enterprise fund. Once the council decides which projects to proceed with, ten-year projections will be built by fund, and 2026 projects would see an increase in the tax levy in 2027. Some projects will necessitate the need for special assessments and bonds. Costs are also dependent on the size of the street, design and overall traffic counts.

The City of Fergus Falls is allocated \$977,000 annually for Municipal State Aid funds (MSAS). The city can request up to five times that amount early for projects on designated state aid roads. The engineering staff also confer with MnDOT about big upcoming projects and how other funding sources can be acquired.

Proposed 2027 projects include:

- Sheridan Street: Channing to Vernon; Arlington: Channing to Alcott and Bancroft: Sherian to Alcott
- Union Ave: Gustavus to Alcott
- West Seventh Ave: Second to Broadway; Maple Ave: Second to Broadway; First Ave: Maple to Seventh; Buse: Maple to Seventh
- West Seventh Ave: Broadway to Vine
- W Lincoln Frontage Road: Kennedy Park Rd to Western

Proposed 2028 projects include:

- W Douglas: W termini to Williams Ave
- Stanton Ave: 3rd Ave to Broadway; 3rd, Buse & Broadway: Lincoln to south termini
- Washington Ave: Union to Sheridan
- Water Plant Road: Fir to Water Treatment Plant

Proposed 2029 projects include:

- Western Ave: Lincoln to Weyrens Road
- Sheridan: Vernon to Friberg

Proposed in 2031:

- Bridge rehab: Union over the railroad (state and federal funding will cover most of this cost)

The city will continue to do annual mill and overlays and seal coating which provides maintenance to the roadways above and beyond these projects. Letting roadways go too long can cost five times more than maintenance.

Several scenarios were provided for the planned 2026 projects.

Alternate 1: Do all seven projects as proposed

Alternate 2: Move Douglas Avenue to the 2027 schedule and do the remaining 2026 projects

Alternate 3: Move Cleveland Avenue to the 2027 schedule and do the remaining projects

Alternate 4: Move Cavour to the 2027 schedule and do the remaining projects

The council was asked how they would like to proceed so survey and design work can begin and bids would be let this winter for the most favorable pricing. They asked for the schedule of current bonding projects, the impact of the levy, upcoming scheduled mill and overlay and seal coat projects and a list of other projects that will be added to the Capital Improvement Plan. A suggestion was made to add a more aggressive schedule of maintenance efforts to mill and overlay and seal coat projects. Kvamme, Rachels, Fish, Kremeier and Kilde spoke in favor of proceeding with the 2026 projects as presented because projects get more expensive if delayed and the city will fall further behind. Leighton said Fergus Falls is dying and it is too expensive to take on any projects. Mayor Hicks agreed the city needs to start street projects as many roadways have moved beyond maintenance and now need reconstruction. Staff will refine the Capital Improvement Plan, its associated costs and bring the information back to the council for further action.

The work session adjourned at 5:04 pm

Lynne Olson