

MINUTES/FLOOD RESPONSE COMMITTEE
Wednesday, July 9, 1997 - 5:00 p.m.

Members present: Hafner, Bakken, Glassheim.

1. Matter of water plant issue.

Charlie Vein, Advanced Engineering & Environmental Services, Inc., presented the matter of the primary electrical system for the 1956/84 plants, after considerable negotiations, cost estimates; they have solution he would like to review with the committee:

Option 1: Repair of the existing MMC (motor control center) gear, est. construction cost \$615,740.00

Option 2: Replace MCC gear in same location, est. construction cost \$724,155.00

Option 3: Replace MMC gear in 1984 lab/control room, est. construction cost \$977,960.00

He stated that they looked at cost to repair the equipment in place, cost to replace the same equipment in the same location and cost to replace in different location outside the floodway, and the cost to repair ended up being over 50% of the replacement cost so they allowed use of Option 2 as their base cost for the work, and that amount was \$724,155.00. He reported that this is replacing same equipment in same location which is not what they are recommending, not being mitigated. He stated this equipment is critical to the operation of the plant even if they were to flood again they could up with considerable less dollars and time if this were moved up. He reported they looked at Option #3 where they would replace equipment in 1984 lab. control room, that this requires some remodeling of the lab and control room but also gives some benefits and that in order to do this, have to convert the existing control system into an updated PLC based control system and is consistent with what they have been doing in the plant in previous projects. He reported that the difference in cost between the two options is \$724,000 and \$827,000 or about \$100,000 in cost and FEMA has not been able to tell them as yet how much they are going to allow for mitigation because this is a mitigation cost, they felt as a minimum it would be 7%, which would be about \$50,000, that there is a good chance now that they are looking something more than that and optimistically expecting that the whole cost difference between those two will come from FEMA. It was noted that FEMA pays for Option 2, and if go to Option 3 may have to cover the difference, but recommendation from Advanced Engineering was to do Option 3. Mr. Vein stated that on top of the Option 3 cost

they have a line item with variable frequency drive, which is \$150,000, and are also recommending to do that and have a disagreement with FEMA on this amount because this is something we are doing and haven't an official standard but all of the projects that have been doing

Flood Response Comm. 07/09/97 - Page 2

have these kind of drives and there are a number of benefits to these drives and it was in the CIP to do it in 1998 and feel this work should be done as well, and will have to go through a process that they have when they disagree with FEMA on this and they both understand that and will try to recover those costs as well and in moving ahead with this \$977,000 it could cost the City \$250,000. It was noted that to do the variable drive now is cheaper than to do later; Mr. Vein stated there were a number of advantages from a direct cost in energy use, demand charge decrease, wear and tear on the distribution system, and was a planned event anyway, and that this is equipment that will take probably four weeks to get here and another 8 weeks to install, and critical to maintain reliability of the plant and need to move on it right away. The city auditor stated City's portion, if any, would be increase and hopefully will be able to negotiate that but if we don't there is somewhere close to a \$2 million cash balance in this fund that won't be spent down on anything before the end of the year anyway and would be a valid use if we look at doing this and will need to keep that in mind as we do the rest of the projects and with the explanations they've given for this, can easily cover it with this dollar amount and won't impact operations. Mr. Vein stated this is the single most expensive item that they will bring to you and is the highest priority item.

It was moved by Bakken and Glassheim to accept Option 3. Motion carried.

Mr. Vein stated they did have a meeting with FEMA reps. yesterday and straightened out some issues and some still need to be reviewed but moving in the right direction and should see things picking up the pace.

5. Other Business:

Pat Berger and Bob Gustafson of Chamber of Commerce are here to speak about childcare. Mr. Gustafson stated they attempted to meet to begin planning for a child care summit to be held in Grand Forks in early August, that having worked with the workforce issues and development committee, know that one of the critical issues next month when a lot of parents go back

to work and kids go back to school, are going to need to be doing something as a community about the crisis they face in terms of child care, that 26% of our youth population is in licensed to home care and non-profit facilities and leaves the vast majority in other facilities within the community, that currently there is no organized effort to build child care facilities that are going to help make up what we think is a critical shortage. He stated that in major grants that have come through the city (Bremer,

Flood Response Comm. 07/09/97 - Page 3

United Way, ND Community Foundation and even through the Park District) that a half million dollars has been allocated to try to alleviate some of the problems with some of our major facilities, that 40 to 50% of the licensed population is served by various centers throughout the community where some of these grant dollars are being targeted but just to a few of the principal day-care facilities, have heard there is well in excess of a million dollars worth of damage; that the grants that have been made is just a start. He stated their aim to bring this issue to your attention today is that the City needs to be involved with this issue, not sure to what degree and are going to convene a meeting in two weeks (July 23 at 7:30 a.m.) and asking for some representation from the City to become involved in the process. He stated their first goal is to hold a child care symposium to bring people together in an attempt to develop some strategies that the community can address; that this is an important issue that's tied to workforce, housing, etc. He stated he thinks it's time to look at some creative possibilities, that Mr. O'Leary is working on an EDA grant and that Pat Downs and Dick Olson have said that child care is a critical issue facing the Industrial Park, and offered that perhaps a portion of that facility assuming a grant were to come through for daycare as they work through finding longer term solutions to what this community is going to need to do. He stated they are targeting and recruiting some of the majors, including Altru, American Crystal Sugar, J.R. Simplot asking them to be part of our discussion as it affects everybody.

Pat Burger, United Way, stated that over half a million dollars has been put into the child care facilities in this community to get them back up and running, these are the non-profits child care facilities (Y-Family Center, Belmont Baby Care, United Day Care, etc.) and what they were able to do with the grant they put together is help child care resource and referral and Cindy Pic is the one who put these numbers together, are helping to address the "at-home child care

issue". The centers are getting back up and running, but problem is the gap is coming with the at-home and the majority of the child care that was happening in this community was actually happening in houses, in basements, some of it was licensed and these are programs we can't count, neighbor taking care of the kids next door, etc. Childcare was an issue before the flood and now a bigger issue because of the flood. She stated that because the Chamber is putting together a symposium to discuss this is something that they are looking at the recovery and that the Flood Response Comm. has been very concerned about child care, that most of the "at-home" day care is not there and what will happen when kids are back in school; and with welfare - single family parents will be needing to work

Flood Response Comm. 07/09/97 - Page 4

at least 20 hours outside of the home - about 230 families on AFDC and will need to be looking at child care part time and have to work 20 hours week to get into this. She noted that emergency centers will be shut down in next month or so.

Mr. Swanson stated that yesterday at the Greater Grand Forks Flood Relief Committee they allocated \$150,000 additional grant funds to go to day care centers, that information has not been publicly announced yet and also the National Elks Club has designated \$100,000 that is in the Greater Grand Forks Flood Relief Fund administered by community foundation to go toward private day cares; that he has been put in a position of taking a lead on day care issues for the Greater Grand Forks Flood Relief Fund and can confirm information that they gave to you upon the existing need and future need for daycare. He stated that 3 of the larger centers are operating out of public facilities (out of school facilities) and will not be able to continue in that regard when school begins; and utilizing some of the Park District's activity center and question as to whether that will be available when school starts. He stated the Greater Grand Forks Relief Fund is approaching \$1 million in total funding made available from public sources, private sources and foundations for day cares but the overall damage exceeds what is available.

Mr. Swanson noted that the Greater Grand Forks Flood Relief is a designated fund under the ND Community Foundation and is separately handled, the Board is chaired by Tom Clifford, Mayor Owens, Mayor Stauss, John Marshall, Duane Espegard, George Cox, his position and the city auditor. The Fund yesterday allocated \$360,000 to various uses and of that amount \$150,000

went to day care centers. Some coordination needs to follow through. He stated that the Greater Grand Forks Flood Relief Fund has solicited applications and approach has been to have very few strings on what the daycare centers may do with the funds, they've indicated that they need to replace lost supplies or materials, replace cribs, mats, desks, tables, etc. He stated if they need to hire additional staff for daycares, that's permissible and repair facilities and really left it wide open; they only thing they have discouraged would be general overall administrative expenses, wanted it to go toward direct child care or facilities serving direct child care; most of the centers will qualify and receive SBA loans of some form and they probably have the capital and revenue to support loans.

Glassheim asked if larger employers are actually providing daycare on site. Mr. Gustafson stated that Cindy Pic is more knowledgeable and has had more discussion and have been discussions as American Crystal, Altru and maybe others but at **Flood Response Comm. 07/09/97 - Page 5**

this stage there is no formalized plan to their knowledge, but they will take the planning group that met today and expand it by involving some of their major employers and invite the city attorney and other reps. of the City to join them as they try to develop plans for symposium, critical issues and what do in the short term and also taking a look at what they need to be doing from a strategy standpoint that's longer term.

6. Coleen Barta, 630 Boyd Drive, stated she owns a rental property at 1522 4th Avenue North that is according to the Corps of Engineers 60% damaged, according to the SBA more like 150% damaged and labeled unsafe and has applied for the buyout and is not in the 100-year flood plain and waiting on that issue, has applied for every other kind of grant to get some kind of answer, that it is in limbo right now, yesterday she received a call asking what she was going to do with her buyout money, that she said she didn't know because she doesn't know if she will get it, and caller went through questions and that her (Coleen Barta's) answers aren't fitting her program; and then received call from the City Inspection Department and wanted to know if she wanted her property demolished, and stated that she didn't know, and number one option was would like a buyout but because not in the 100-year flood plain doesn't know if that would work, and Insp. said this is a FEMA program and won't be here forever and need to make up your mind. She asked Insp. how much time would she find out about

the buyout before she knows if she has to demolish her property, and he stated he couldn't tell how long that program was going to be there, she stated she couldn't make up her mind when she didn't know what other options are. She asked what kind of time frame they were looking at, doesn't know if there's a possibility, that she can't make a decision at this point.

Mr. Swanson stated that if the property has been declared a dangerous building and in order to demolish the building has been issued and if that has been issued, the demolition of the building would be done at City cost and not at the property owner's cost. Ms. Barta stated that hasn't been done. Mr. Swanson stated he didn't know who they talked to in Inspections but need to follow up and if not declared a dangerous building, we are not going through a demolition at this stage at the city's cost and would need to look into this case a little more, and if not in the 100-year flood plain, haven't developed a phase and listed property to do an acquisition. If she's not the owner of a dangerous building, we are not demolishing those buildings at this time; need to find out status of the property. He stated there is no program to go out and demolish homes that are not classified as dangerous homes.

Flood Response Comm. 07/09/97 - Page 6

Tim Manz, Inspections, stated there were 2 or 3 structures that were out of the floodplain that were identified as unsafe that would qualify under the FEMA guidelines and they contacted these homeowners to see what their intentions were and she was one of them, and if the homeowner was willing to put the money into the house and fix it up, we wanted to work with them before sending them the report of demolition without them knowing about it.

Mr. Swanson stated the buyout plan and demolition are two unrelated programs, but little concerned about where going with demolitions and if outside what is classified as dangerous building; that now the council has approved for those that are 50% or more damaged within the 100-year floodplain and next step would be those 50% or more damaged outside flood plain.

Mr. Swanson stated funding is FEMA special 404 funding which focuses on those within the 100-year floodplain.

After further discussion the committee asked for further information.

2. Matter of EQE contract for flood study review.

Ken Vein, city engineer, stated that on Monday they received notification from HUD that identical services will now be performed through the HUD team and funded through HUD and the exercise of having to come up with City funds for that has been recovered and Laurie Johnson, project manager with EQE, is here with any specific questions.

3. Matter of quotes for sinkhole repairs.

Al Grasser, asst. city engineer, stated that a sinkhole is a manifestation of a break that has occurred underground in either the storm sewer or sanitary sewer pipe, they break, debris starts falling in, water carries it away and generally get cone-shaped buildup to the surface and eventually see the ground sink and if gets bad enough it will turn into a hole in the ground. He stated they have taken quotes to do repair, some work has been done previously under emergency situations by Duckstad Contracting but these were declared not an actual emergency and went through a quote bidding process. The low bidder based on the estimated work hours is Florian & Sons and would recommend award to Florian, the amount of the quote is \$61,000 and the committee should be aware that this dollar amount will very likely grow because the quote was based on an estimated amount of time to correct the holes that we knew about at the time we put this together and that list has already grown and hopefully these will qualify for repair under FEMA, will be writing DSR's on these. The surface restoration will take care of under our

Flood Response Comm. 07/09/97 Page 7

street repair projects, if need to repair sidewalk or street, if underneath street or sidewalk will repair that, and that isn't in this dollar amount but will become part of the total repair package and it looks like that will be qualified under DSR's and we will have a local share though. It was moved by Glassheim and Bakken to approve the request to award to Florian & Sons, Inc. in the amount of \$61,000.00. Motion carried.

4. Matter of Mortenson update.

Tom Nonweiler, Mortenson's, presented two matters, one is an updated cost summary which he distributed, and noted that the recently approved general construction dollars are not reflected in this report and that is the base bid amount - \$372,000 for the City Hall construction.

Mr. Nonweiler stated the second matter is approx. three

meetings ago they presented the same information along with bid summary sheets for all the work they had awarded at that point, primarily that work is what is considered FEMA Category B work, 100% reimbursable and would like to seek formal approval of those contracts at this time. He stated he didn't have the complete package, that was their previous distribution; that this sheet with the exception of the general construction at City Hall also reflects contracts that they had presented in the previous meetings - that probably 95-99% of the work, there is some elevator work at City Hall within that that isn't a Category B clause and do anticipate reimbursement however for that work. He stated they are representing 100 addresses within the city, the work is primarily cleanup, dehumidification, etc. and amount of work in last distribution was approx. \$780,000 for that work, and wants approval of the previous work that Mortenson had awarded on behalf of the City, but didn't have formal approval granted, work that primarily has been completed at this point; and asked for authorization for payment, all of the work that has been awarded has been followed up with formal contracts or written agreements. A listing would be provided. Chairman Hafner stated it would be helpful to provide paperwork.

Moved by Glassheim and Bakken for approval. Motion carried.

7. Other Business

Milan Christianson, Associate Professor of Psychology at ND State College of Science at Wahpeton, and former resident of Grand Forks (1967 graduate of UND), and his concern in the proposal that is presented is for 1) information to inform you of this recommendation/suggestion to UND to develop a center which would be dealing with community strengths, and it is intended that that center would establish institutes to bring experts into

Flood Response Comm. 07/09/97 Page 8

our are and to provide information that is going to be valuable not only to the Grand Forks/East Grand Forks community/Ada but all the way down to Wahpeton, but all the way throughout the world - that he has worked with South Carolina on hurricane Hugo and what seems to happen is that every time we have one of these natural disasters we have reinventing of the wheel and that there are PhD's living together that we want to bring together - that council members, the people who have appeared and testified today re. the childcare issue, this is nothing new, these are issues that have been up before and would intend to do through this center is to bring those experts together,

that he has been contacted by numerous experts throughout the U.S., that they have written books on dealing with crisis intervention and building family strengths and the issue re. childcare issues - that now there is a committee that is meeting in Fargo that would be very interested in what you are doing in the childcare issues, there is a group that is dealing with crisis intervention, crisis reaction and that is a community meeting that is on-going each week, and what they would intend to do with this proposal to recommend to the University, Dr. Baker as well as Dr. Boyd, Dr. Clifford are all aware of this and are very favorable of it; and what they would need though for this concept to work, need people who would be willing to participate in it; the University would provide the structure but actual faculty would be the people, those that would be participating would be people in the community and the information would be shared, not only locally but the intention is to kick it up on satellite and do world wide training; that people he has been in contact with are very much interested in what is going on in Grand Forks, that people here are designing things that have never been done before and researchers are wanting to come in and study this area - through the center they would provide a safety valve for the people in the community but would also afford institute opportunities for that information to be shared. He stated they have the proposal, this is a brief to indicate request for letter concern which would be on page 6 of the proposal, not only informing you of this but if you would, be it individual or as a council as a committee on flood response, if a letter could be drafted indicating interest in support of the concept, if the concept is good, certainly this is going to be favorable in terms of President Baker in terms of making final decision.

Chairman Hafner asked how the City of Grand Forks would participate, and what kind of requirements. Mr. Christianson stated the City of Grand Forks is the participant; and as far as actually being involved - a) are you in favor of the concept of having some kind of a research/leadership basis that would be applied in sense of information and providing experts who are in

Flood Response Comm. 07/09/97 - Page 9

the area of childcare to help those in the community when they bring these issues forward; building family strengths - over the next few months are going to have a whole lot of domestic violence, it's going on now and will increase as we get to the winter and the frustration continues, to bring those experts in who can provide information, that being aware as council

members as to what resources are available. - ask center if they have resources available that can be brought in to help train, provide information re. these issues. They would be archiving what has happened that other people could respond to these issues and documentation of it and provide that through the center and there should be some facility in this world that does archive that information; at this point it is sporadic and disbursed and never been coordinated, and would be providing a service to you by virtue of what the City would request - would meet specific needs of the community and would respond with experts to fill those needs. The question was asked how they would fund this proposal; Professor Christianson stated they are looking at a number of resources - had contact with Otto Bremer in Minneapolis to look at a 3-month pre-proposal so that the University can go ahead and set up the committees, as well as looking at the Greater Grand Forks and also the 1997 Flood Relief but have been in touch with Congressional delegation. all of which are favorable and would be willing to assist in looking at some other funding resources, it would be intended that through this coordination they would be creating a visibility that in terms of revenue building, if this is of value and have a duration and there should be people stepping forward saying they are in favor of this and the value of this community strength concept, research coming out of it is an on-going process (domestic violence, gang issues, etc.), it's family issues and they would be providing that information and data. Bakken stated he would like to review information and give answer next week

Professor Christianson stated he has been involved in working with crisis intervention and response throughout ND during the flood, drought, other issues - that the crisis without intervention the eventual result is going to be death - there are some people now in Grand Forks and Grand Forks area who are still on the decline, others who have bottomed out, some have begun the up-hill climb and have gone through problem solving and going to the point of resolution - they are at various points and the resources in the community are over-loaded now because of the magnitude of issues and concerns that are coming at them; have leaders who are burning out, have had contact with the Human Service Centers, etc. and through the center would be looking at that issue of providing support to the leadership issues.

Flood Response Comm. 07/09/97 Page 10

The committee asked if he could come back in a week along with

Dr. Boyd and get UND's perspective.

8. John O'Leary stated that at the city council meeting on Monday, it was his understanding that it was referred to this body with power to act to proceed with the purchase of Sunland West - the numbers for this project are \$1.692 million for the purchase of the land which would include the 3 houses and lots that are already developed, staff recommendation is that they not accept this, the 3 houses are priced at \$83,000, \$87,000 and \$150,000 and that is too much for double-wide and that brings the purchase price down to \$1,407,500; the committee asked that staff look at the purchase of the adjoining property, 11 acres owned by UND Alumni Foundation, and the price on that is \$228,000 for 11.4 acres; there are 54 acres in the first parcel and 11.4 in this parcel for a total of 65 acres (about \$25,000 per acre and 4 lots per acre). He stated there is a land trade in progress and need to put the offer on the table and doesn't want to get in a land swap with anybody; there are 15 developed lots on the site and another 21 that are platted for a total of 37 lots that are readily available to accept housing; the existing owner is negotiating with Terry Rogers who is looking at putting somewhere between 6 and 12 duplexes on the lots, there is an area that borders the multi-home park next door; if Mr. Rogers decides to proceed with that, the sale price for those lots would come off the purchase price. He stated they have asked their consultants to take a look at this site, (they have put two-block long streets without cross streets for snow removal and accessibility in all directions), consultants also making some recommendations - these lots are 60x130 and hard to put a traditional ranch house on, some could be wider and working with consultants on siting the houses on the lots; they have received some preliminary numbers from modular housing mfgs., Dynamic Homes is looking at in-ground prices of less than \$60/sq.ft. and good number of 875 sq.ft. house with split entry, etc. without a garage, poured concrete, \$60,000 plus the cost of the lot plus \$6,000 for lot - doesn't include special assessments; thinks that's affordable and do some options there about garages, etc. He stated they are going to acquire lots and develop them (put houses on them) and will be back within next couple of weeks with a detailed development proposal on what size houses, price ranges and then Flood Response Committee's on how to structure the land part of it - it falls in the incentive category and feels this development could be done and be a very attractive place to be. He stated they are talking to 3 developers on construction of houses as well as Dynamic Homes and other mfg'd. homes, visited with Grand Forks Home Builders and they

are very interested. He stated the recommendation of the staff is that we purchase both

Flood Response Comm. 07/09/97 - Page 11

parcels at \$1,635,,500, taxes would be pro-rated at time of closing, and legal and whatever other customary closing costs. from CDBG. This would meet appraisal prices and would use townhouses to do a buffer and to make lots deeper along that side to shield the single-family area.

It was moved by Bakken and Glassheim to approve the request.

The city attorney stated this would be a direct purchase and not enter into a trade agreement.

Motion carried.

9. Glassheim asked for status on the Rental Rehab aps. Mr. O'Leary stated they are doing environmental review which is required by law and that is a 30-day review process - have to do environmental assessment, publish it, turn-around times that are required by law because this is old money that can't be waived and can't be abbreviated, have published and are in process of review by Historical Society, Game & Fish and by everyone who has to look at every environmental assessment that is done to change land uses and are involved in that, were doing a blanket review for all the projects so don't have to do individually and have 12-14 days left in that process. He stated that Terry Hanson has looked at that program and will be coming back to committee with some recommendations on how to simplify and better for the landlords and some very constructive suggestions, and will send out applications before the environmental review process is completed so can get the applications back and start process and have them ready to go by the time the environmental process is done.

10. Glassheim stated there is talk of reassessing all city properties because of damage. Mr. Swanson stated there will be no refund of money, that the value if changed under the 1997 values, that taxes paid based upon 1996 taxes, no tax back to you but maybe changes in valuation for 1997 or 1998 taxes, assessment date is February 1.

Chairman Hafner reported that the next meeting is next Wednesday, July 16, 1997 at 5:00 p.m. Moved by Bakken and Glassheim to adjourn. Motion carried. 6:30 p.m.

Alice Fontaine, City Clerk.