

**MINUTES/FLOOD RESPONSE COMMITTEE**  
**Wednesday, October 1, 1997 - 5:00 p.m.**

I. Call to order: Members present: Hafner, Bakken,  
Polovitz,  
Carpenter.

II. Matter of home buyouts near Belmont School.

Dan Romuld, 417 Walnut Street, Patty and Pete Stoute, 410 Chestnut Street addressed committee stated they were not satisfied with way things were handled, residents not aware of what was happening and did not attend council meeting as item was not on the agenda. Mr. Romuld stated they survived flood, fixed up their houses and now told houses being bought out, need to consider loss of neighborhood, and asked for reconsideration, that they will be on council agenda for Monday and want reconsideration. Mrs. Stoute stated School doesn't need their property for playground but want it, and that School will close Chestnut St. during school hours for access to green space (playground), and also noted that there will be lot of green space in Central Park area which is only couple minutes away. Committee stated they hadn't heard of School closing off street.

Committee noted that this was voluntary sale, up to individual home owners, that council authorized School to pursue if found willing sellers, that this is School Board matter. It was also noted that School cannot purchase houses unless they purchase 3 houses in a row, that School Dist. has to have willing sellers. Committee stated that only issue is if people want to sell, can, but if choose not to sell, that's their choice. It was also noted that School Dist. doesn't have authority to use eminent domain, and wouldn't use for playground purposes. Committee also stated that if they withdrew funding, wouldn't stop project, and suggested that they take this matter to the School District.

After further discussion, it was moved by Glassheim and Bakken to receive and file. Motion carried.

It was noted that this item will be placed on council agenda, but that it will take motion by council member for discussion. Mr. Romuld stated that is what they are asking.

III. Matter of Mortenson update.

Tom Nonweiler, M.A.Mortenson, presented bids received for reconstruction for wastewater storage building indicating that

Sherlock Construction was low bidder in the amount of \$32,200 for general construction and requested authorization to negotiate boiler installation. Moved by Polovitz and Bakken to accept low bid and authorization to negotiate boiler installation. Motion carried.

Mr. Nonweiler presented second bids for work at police training center, received one bid for general construction from Sherlock Const. and would withhold recommendation until they develop a comparative estimate; that they received on bid for mechanical work from McFarlane Sheet Metal in the amount of \$8,825, **MINUTES/FLOOD RESPONSE COMMITTEE**

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and recommended award. Moved by Glassheim and Polovitz to approve. Motion carried.

Mr. Nonweiler presented change orders for the following projects:

a) floor coverings in City Hall - Lakehead Contractors, \$43,440

b) police station - to provide chemical resistant sink in Photo

Lab - T.F.Powers, \$4,419 (expect reimbursement from FEMA)

c) police station - T.F. Powers - to provide added wall height in men's locker room (Rm. #39) - \$127

Moved by Carpenter and Glassheim to approve. Motion carried. (Comm. only)

IV. Matter of FEMA update.

Ed Conley reported that 1) mobile home operations - conducting quality control inspections of mobile homes, and invited committee to accompany them at any time. 2) staffing change - he reported that Friday is his last day as he will be returning to his office in Denver, and Steve Pratt will be returning and working out of the Disaster Field Office as city liaison officer. and 3) Christi Stonecipher reported that she and Tom Mulhern are working on several communications projects to improve information dissemination to residents, and one is newsletter which they put together (Transitions) for the residents of the First Season and Princeton Parks because of temporary living conditions and will be putting newsletter out on regular basis. She noted that UND Community Relations class working with them on this matter, and FEMA reps. Information.

V. Matter of donated goods storage building.

Chuck Grotte, asst. dir. of public works, presented bids

for warehouse space for donated goods, that they had a request for proposal for addition to the public works facility and reviewed results of three proposals received; ICS low bidder in the amount of \$1,871,000, and recommend award to ICS for construction of facility. Completion date of project - March 9, 1998.

Glassheim not sure should build addition for \$1.8 million and then be part of the City's repair building is the best use of the money; need storage building but better off leasing a building. Committee asked if there was space available for leasing as an alternative to constructing a building. Mr. O'Leary reported that there was space behind McDonald's on Gateway available for \$6560/mo. with some modest improvements, that short term most cost effective, but asked what long term needs for space on the public works site, makes sense to do expansion. Mr. O'Leary stated that building available for renting adequate - 16,000 sq.ft., that real issue is whether want to put addition onto public works garage. Mr. Schmisek stated this was placed on the matrix, opportunity if do expansion to that building as long term plan, need to look at in light of whole picture, look at economic development and look at

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infrastructure and costs come back to taxpayers. It was noted that many companies make donations as year end, and question raised whether that space adequate.

Moved by Polovitz and Glassheim that we receive and file bids and seek out a building for leasing for storage of the donated goods.

Mr. Vein stated that there is a need for this building expansion down the road, wastewater and water maintenance eventually moving into that building; that when building purchased anticipated that addition would be needed; that both wastewater shop and water maintenance shop adj. to river; and that funding for future expansion paid through rate increase, and will impact down the road. There was some discussion re using CDBG funds and replacing funds with bond sale, wouldn't be project income.

Mr. Grotte reported that the space now using is 40,000 sq. ft. and part of the problem is need that space to park garbage truck during winter. Mr. Glassheim stated that they should use

for more flood-related activities, money came for that purpose and are obligated to keep as close as possible.

Upon call for the question and upon roll call vote the motion failed: voting in favor: Glassheim and Polovitz - 2, and voting against the motion: Bakken, Carpenter, Hafner - 3.

It was then moved by Bakken and Carpenter to accept the low bid and to proceed with the building. Motion carried 3 to 2.

VI. Matter of downtown walk bridge.

Mr. Vein reported that he and Mr. Grotte met with Corps of Engineers re. parameters for the design for levee setback for floodway and diversion and Corps needs to have some guarantee on some of the design issues and one is future impact of bridges, that bridges had significant effect in this year's flood, that they trying to discuss what they can do to minimize the effect of bridges on flood stage, that on their hydraulic runs that walk bridge has effect of raising water at bridge 7/10th of ft. and upstream 3/10ths of ft. and because of limited usage and effect on levee heights upstream as a part of that design and recommended removal of bridge which would become future project cost if floodwall constructed through city, bridge was deeded to the City of Grand Forks. He reported that the National Weather Service stated that the effect of bridges was only about 1 ft. with 2 ft. backwater; and that they will be looking at effect of other bridges, and because they want to complete report by February, decisions have to be made now so they can continue with study.

Moved by Bakken and Carpenter that we recommend removal of the bridge.

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Dale Siccles, Historic Preservation Commission, stated that they have discussed and raised several points, that bridge raised the level of river with banks of river where they're at, that with deeper bed would that be eliminated, and that is a swing bridge, and possible reactivating that (which is what large pier is for) and then only center part is impediment. He stated that when Historic Trust reps. here want Commission to challenge the committee to come up with three project they would help fund, how to activate on Register and swing bridge could be one of those projects (it is eligible to be on Register). He stated that as part of Re-imagining want to

maintain that link, and with what they want to do with historic preservation downtown, lends to character and would like consideration to have that left. He stated that ULI plan, Re-imagining plan, and HUD plan all showed a bridge there. He asked Mr. Vein if bridge left and extension on either end and deeper floodway, would it be impediment that it was this year. Mr. Vein stated that the biggest problem is pillar in the middle, and didn't know impact of swinging bridge, that Corps stated that's limiting factor. He also stated that they were no asking for the bridge to be removed at this time, just want considered in their modeling and if project approved would include as project cost in the future.

Bakken and Carpenter amended their motion, and upon call for the question, the motion carried.

VII. Matter of water treatment plant.

Charles Vein, Advanced Engineering, distributed cost estimate for flood protection plan for the Grand Forks water treatment plant, that the plan utilizes a flood shield type of approach over the openings and requires isolation of the outside valves on the gravity lines connecting to the plant and revamps electrical distribution system; that in essence it will allow the plant to be flooded to same level as this past year and remain dry and operable, est. cost \$1,056,000, FEMA would participate in amount of \$400,000 and they are working with FEMA to increase that amount. He stated that in order to get this in place before next year, need to proceed with a number of items because involve outside excavation and underground work. He reported this was presented to the public service committee on Monday evening and was passed but wanted to bring to this committee as well. Hafner reported that it was the sentiment of the public service committee to keep the plant operating, that there was another plan presented to build a dike around the plant, but because of cost, felt this was best use of the funds to protect the plant, and encouraged committee to support this.

Moved by Polovitz and Bakken to approve recommendation.

Council Member Sande asked if this meant that they wouldn't have to move the plant. Mr. Vein stated no, that they cannot protect to

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higher level than what they are at, looking at other options

and needs and whether expand on existing site, and where the future of the plant is going to be. He stated that even if they decided today to build a new plant, it would be at least five years before you would see something, and this could be protection for min. of five years or if plant stays at present location, it could be 25 years. He stated this is a limited protection plan, and since Monday they are looking at a different funding option for diking plan. He stated his recommendation is to do these things.

He stated they are all projects done on a time and materials basis and this would be change order into existing contract.

Upon call for the question, the motion carried.

VIII. Matter of CBD acquisition/demolition strategy an Interim Business Assistance Program.

Mr. O'Leary distributed maps which were prepared to give committee idea of general district that looking at, that maps show boundary lines of priorities for the program. It was noted that the Interim Business Assistance Program was approved in very general terms, and this would show areas of reinvestment and proposed acquisition schedule for areas outside that assistance area. Mr. O'Leary reported that the 100,000 sq.ft. discussed at council on the Interim Assistance Program doesn't include additional 100,000 sq.ft. at corner of 4th and DeMers. He stated that this was to approve the first and second priority boundaries and this map gives specific guidelines for which buildings reinvest in and which ones proposing to acquire and demolish; and is looking for adoption of the map as overall strategy for downtown redevelopment. It was noted that each acquisition and demolition would come individually to committee.

Moved by Carpenter and Polovitz for adoption of the map and that 311 DeMers be changed to a building to be acquired and demolished by the City, with sunset closure of end of August, 1998 on use of the funds. Motion carried.

IX. Matter of options for City Center Mall.

Alan Dostert, EAPC, reported that EAPC had been asked to look at Mall and reviewed status report of their study on the Mall: that they cannot demolish this fall, because of environmental concerns in place and asbestos abatement removal prior to demolition; 2) cannot shut down Mall for the winter, because would eliminate fire protection with roof in place and fire department has so recommended; 3) that to provide minimal heat to insure operating heating systems that are still

operational (primarily roof top units), would need to sanitize mall because pushing air through ducts, etc., est. cost \$136-141,000, wouldn't include utility costs; 4) costs associated with rehabing and demolition of parts or all of mall - base plan was to demolish east side of the mall, rehab west side with exception of Berg Bldg. and Plunkett's annex -

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at cost of \$3,147,000. He reviewed several alternate costs re. filling basements on west side, demo west adjoining property, demo Demers buildings and Bill Larson building.

Committee stated that there were large number of apartments in second and third floors of buildings on west side of the Mall, and would be quite costly to move those people. Mr. Dostert stated there was concern re. that if buildings and basements not cleaned/sanitized.

Committee questioned relocations costs. Mr. O'Leary reported there are about 65 apartments in Mall, and would be subject to Uniform Relocation Act, relocation of tenants outside mall, eligible for physical moving expenses, rent subsidy funds, hookup of utilities. He stated they have asked tenants from City-owned property to move and are in process of relocating City's tenants (about 15 tenants on west side of Mall). He reported that if City acquired for the purpose of rehab or demolition, those people would be subject to relocation act, if privately owned, wouldn't be.

Committee asked if City sanitized privately owned building, any way to assess back to that property; Mr. O'Leary stated they could do that. Mr. O'Leary stated that City needs to stabilize Mall, get it ventilated and sanitized before winter. He reported that they have not talked in detail with any of the property owners because wanted to bring to committee so they would know options. He stated that prior recommendation (re. map) called for demolition of the east side of the mall, demolition of two City-owned buildings on the west side of the mall, removal of roof and re-installation of sewer and water in the streets, est. cost of \$3.2 million to accomplish those activities. He noted that part of those expenses would be offset by FEMA and other federal funds which could be \$1-1.5 million and would drop City's obligation to \$1.7 million, essentially same amount to tear down entire mall as part of it. He stated that in all fairness to property owners, need to give indication of which option; that staff's recommendation is to tear down east side, tear down City-owned buildings on west

side and remove roof, and not to acquire any additional buildings on the west side of the mall and to negotiate purchase agreement for building on east side of the mall. It was noted that buildings on the west side would be eligible for assistance under the Interim Business Assistance program. He also reported that there are several buildings on the National Register (Widlund building).

Polovitz suggested working with private property owners to relocate tenants, or to acquire buildings and relocate tenants. It was noted that Health Department recommended that with bottom floors sealed off there was no danger healthwise to the tenants.

Greg Tonder, 8 1/2 South 3rd Street, asked that City get residents out of mall and relocate those in private buildings as well as City-owned buildings, and that they have relocation funds by first

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of November. Committee stated it wasn't City obligation to relocate those tenants.

Moved by Glassheim that we authorize item 3, to expend up to \$141,000 to sanitize, heat and electrify and that staff work out method to recapture at some future date where doing for private properties. Carpenter seconded motion.

Mr. O'Leary stated that issue more complicated than moving tenants, out, loss of revenue stream, and don't have program to compensate owners who lost income.

Glassheim reported that he was envisioning adopting the staff's recommendation about demolishing the east side of the mall in the spring, removing the roof in the spring, demolishing the two City buildings in the spring but maintaining the other existing properties but to make sure there was sanitization and heat now and over the winter and which would become free-standing later one, and that they remain private property, and that's way appeared on the map. He stated that his motion was to recommend that the City proceed with electrical work and sanitizing of buildings on private property to insure that overall mall in best condition, that staff attempt to work out a means of recapturing our expenditures on private property at some future point if legally possible.

After further discussion and upon call for the question, the motion carried.

Glassheim and Bakken moved to authorize staff to negotiate the purchase of the buildings on the east side of the mall. Motion carried.

Mr. O'Leary asked if they were interested in purchasing privately owned buildings on the west side of the mall (J.C.Penny building. Widlund building and Woolworth building). Carpenter stated not willing to purchase at this time.

Committee delayed matter of decision on privately owned buildings on west side of the mall for further information.

Moved by Polovitz to authorize staff to proceed with plans for demolition of east side, removal of the roof and two City-owned buildings on the west side; seconded by Bakken. Motion carried.

X. Matter of update of burned out lots.

Howard Swanson, city attorney, reported he has retained outside counsel to assist in review of ownership of buildings destroyed by fire on North 3rd Street, have report indicating ownership on 3 of the 4 buildings, fourth building is Security building, significant issues of ownership on that building and following up on that information and also insurance issues. He

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stated question is what do with site, can force cleanup administratively, or commence litigation, or City can acquire property. He stated that his office been contacted by two property owners indicating willingness to sell; if City is interested in owning that property may be advantage to negotiate. He stated that they have some things to discuss - cost of cleanup, etc. He stated that the alternative is that the State of ND through its emergency powers can also initiate a cleanup, they would place a lien for cleanup costs on the property and would be reimbursable from FEMA to the State of North Dakota, the State has indicated their cooperation and they are providing us with 2 engineers to assist in demolition plans (asbestos concerns, etc.) and are coordinating with engineer's office. He stated that they would have more information next week re. ownership of the Security building. He asked for direction from committee whether his office to make inquiries re. acquisition in advance of cleanup.

Committee stated that if State willing to help, should take it. Mr. Swanson stated if attempt to do special assessment, property could sit for 5 years, that State would use mechanic's lien or lien of that nature. Moved by Glassheim and Bakken to request city attorney to investigate acquisition of that property on North 3rd Street between 1st and 2nd Avenues North.

General Sagsveen stated they are exploring possibility that if the City doesn't acquire, the State has clear statutory authority to clean up debris, and would seek arrangement from FEMA for reimbursement but if in private hands, don't want to give windfall to private landowner, so try to put lien on so any recovery would have to be repaid to FEMA. Mr. Swanson stated that both State and his office had initiated drafting litigation documents if so need.

It was noted that acquisition fastest way to get cleanup. General Sagsveen stated that if City unsuccessful in its first option, they would assist to do whatever they can as backup option.

Upon call for the question, motion carried.

XI. Matter of Elks Condo buyout.

Council Member Beyer reported that Elks Condo property owners do not have State or FEMA approval for 404 funding, that if they use 404 funding dike structure could not be placed on the property. She reported that the building is not 50% damaged but over 50% of the building has substantial damage and what keeps that from happening is the common grounds; and unless the City acquires building 100% they don't buy any part of it. She reported that they would go through negotiation process and Mr. Swanson feels that he can get paperwork stating that City will negotiate in good faith but unless have 100% negotiation approved, this offer would be null and void; he had no position on the funding source, however that should be identified before negotiation started; that property owners are aware of negotiation with 100% participation. She stated there are lot of issues re. acquisition - 19 property owners

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and association, different insurance companies. She reported that there are 10 units in basement that are totally destroyed, upper units have some residents who are willing to expend some money to stay through winter. She asked that funds be allocated from CDBG funds; and she also noted that any funds expended would be a (flood protection) project cost; this could

affect cost-benefit ratio.

Mike Kuntz, Elks building, stated that all 19 people have agreed in writing that they would look at offer from City to be bought out.

Mr. Schmisek stated they have estimate for purchase of \$1,638,000 prior to any insurance; that decision needs to be made re. TIF on this property, bonds issued in 1993 and not callable until 2003, so principle plus interest that has to be accrued up to that date and that's in the amount of \$424,845, can set that money in escrow and will calculate future value, and adjust. He stated that one of the concerns is that if buy out 19 units and 1 hold-out, would they get hooked into assn. fees, condo fees and payment of operating costs for facility for winter months. He also stated they have couple options on the Tif, can deduct from purchase price or use CDBG funds to escrow funds; insurance funds would be deducted from buyout. Committee asked for research on TIF to see what can do.

Moved by Carpenter and Polovitz that we proceed with negotiation to acquire Elks Condo property, with source of funding from CDBG funds. Motion carried.

Glassheim excused.

XII. Matter of Change Order on Project 4440, Southend Drainway,

Flood Control Closure. (CO #2)

Mark Walker, project engineer, reported this project designed before flood and included closure to stop floodwaters from coming back into drainway, and was designed to 100-year flood; that after this year's flood asked design engineers to look at that to see what it would take to provide closure devices to this year's flood plus two ft. of freeboard; they came up with cost of \$150-200,000 to do that. He reported that public service committee recommended with cost to be special assessed. He asked committee whether that cost should be paid by special assessments or CDBG funds, that CDBG cost matrix included \$2 million for drainway closure and pump station. He noted that this is interim closure until true flood protection plan comes through. Hafner stated that feeling of public service was that benefit was to property owners, that total cost \$13-14 million and \$200,000 is fairly negligible to total cost. Mr. Schmisek state very little special assessed, property outside city limits and being funded through storm sewer fund and charged back through future tapping area, that when property annexed they would pick up costs. Mr. Walker

stated that tapping area covers approx. 5 sq. miles. After further discussion it was moved by Carpenter and Bakken to include costs as part of total

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project cost and use CDBG funds. Motion carried.

XIII. Matter of purchase of portable rental pumps.

Mr. Walker reported that during flood had dire need for pumps, contacted RDO Equipment and they provided pumps at rental for 10 wk. period, that they paid \$6,000 per pump, pumps worth about \$11,000 each plus hose setup for \$1,752, and have option to purchase at near cost and take advantage of rental fees, so could purchase for \$6,752 ea.

Moved by Carpenter and Bakken to approve purchase of the pumps with CDBG funds. Motion carried.

XIV. Matter of grass, snow and water shut-off for houses in buyout.

Ms. Stonecipher reported concern re. houses in process, that someone needs to go in and shut off water and that maintenance taken care of (houses in some stage of negotiation). Mr. Vein reported water would be shut off at curb stop (best to shut off inside and drain lines). Mr. Schmisek stated those properties not being billed. There was some discussion re. snow removal (sidewalks and streets) and they will address at appropriate time and will work out details. Moved by Carpenter and Polovitz to receive and file. Motion carried.

Sande stated that snow removal on sidewalk important to people in 15th Ave. area because most of the houses occupied. Mr. Vein stated that if City owns will be City responsibility, but if property still in transition, property owners responsible.

XV. Other business:

General Sagsveen briefed committee on several items:

a) plans for downtown area - that he met with State Investment Board on Friday and gave briefing re. State/County building. The concept is that State and County are exploring co-locating County Social Services building and the State Human Services Agency in one building in the downtown area, that they approached the State Investment Board re. financing issues and some of the financing money for the County would come from FEMA for replacement of their building, and concept is to place

both agencies in the same building; and are pursuing through Investment Board as financing option. He stated he had heard est. of up to 400 employees downtown. He will keep committee informed of progress; State and County very supportive.

b) General Sagsveen reported second issue has to do with Hazard Mitigation Grant Program - that he has heard complaints that State is dragging its feet on payments, and did chart - that 4 applications for funds, that first ap. took 21 days, and last ap. took 3 days, trying to keep to 3 days. He reported that when ready mr. Swanson faxes ap. to State they had check in mail 3 days later.

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c) He reported that next issue is that they are exploring concept of a park between the two levees between Grand Forks and East Grand Forks, interstate park, and have done preliminary calculations, using possible levee alignments between area north of Riverside to north of Lincoln park, one sq. mile or 640 acres of possible greenbelt and concept to develop as interstate park jointly operated by MN and ND, that he has talked to those people and concept favorable. He stated this would provide a relationship between the two cities, and allow two cities to redirect their park resources. He stated other concept the Corps of Engrs. did concept study in May and this could possibly be incorporated into an overall flood control project and Corp pay half of capital costs. He stated they are exploring concept. There was some disc. re. cost of maintenance; that Mr. Staley stated doesn't have resources to maintain, but if interstate park might have trails, etc.

d) He reported that they had only \$500,000 in Haz. Mitigation Grant Program in the State but that fund has accumulated as payments have been made for the Public Assistance Program and the individual family grant program, so have several million dollars in that account now and there will be meeting in Bismarck next week, they will be taking all of the application state-wide that have come in, and they have inter-agency team that looks at priorities and makes recommendations.

There was some discussion re. State/County building. General Sagsveen stated that the State Investment Board appointed a committee to explore and report back at their meeting the last week in October; that members of subcommittee are Dr. Mark Sanford, Bob Ohlheiser, director of commission for Land Dept., and Howard Sage, and thinks they would be supportive. He

stated that Carol Olson, director of Human Services is supportive and Governor has indicated support to explore the concept.

Moved by Bakken and Polovitz that the council pass a resolution encouraging State Investment Board, State and County to cooperate and move forward with this project concept. Motion carried.

Moved by Carpenter and Polovitz to adjourn; meeting adjourned at 8:30 P.M.

Alice Fontaine  
City Clerk

Dated: 10/06/97.