

The Committee of the Whole met on Monday, June 14, 2025, at 5:30 p.m. President Sande called the meeting to order. Present at roll call were Osowski, Berg, Lunski, Fridolfs, Vein, Weigel, and Sande; absent – none.

DISCUSSION ITEMS

39th Avenue South Development Project Tax Incentive Pre-Application

City staff presented to committee members the staff recommendation to invite the applicant to submit a full tax incentive application. The proposed 39th Avenue South development project is a partnership between Dakota Commercial, MAK Capital/Construction, and Red River Regional Council. Dakota Commercial is the lead developer and will be the property management company. MAK Capital/Construction is the lead general contractor and will assist with capital raising and development. The Red River Regional Council is a non-profit developer that will support the project through the application for North Dakota Housing & Finance Agency Funds (HIF) and Federal Low-Income Housing Tax Credits (LIHTC). HIF and LIHTC programs provide equity for the developers in exchange for a 15-25-year commitment to rent and income restrictions in the development. The project aims to have 100 percent of the units restricted to moderate income and rent levels to help fill the gap of workforce housing in Grand Forks. The developer is requesting a property tax incentive in the form of a PILOT based on the restriction on rents for a duration of the restricted period.

Phase 1 of the development has an estimated \$38.5 million property value and includes 165 income and rent-restricted apartment units located at 3810 39th Avenue South. The master plan for the site includes an additional 130-140 units directly south of phase 1. The development project will not require significant public infrastructure development as it is an infill development and is served by public infrastructure. The developer is requesting the consideration of a property tax incentive in the form of a PILOT for a greater than five (5) year period. The development will meet the Grand Forks community's strategic interest in growing the tax and economic base and provide further needed housing opportunities.

With City Council concurrence, the next step in the process is to invite the applicant to submit a full tax incentive application, which includes a \$2,500 fee. The tax incentive request is proposed to exceed five (5) years. The complete application will be provided to Baker Tilly for third-party financial review and analysis. This review will then be presented to the Local Government Advisory Committee (LGAC), which consists of representatives of the four local taxing entities. City Council President Dana Sande and City Council Vice President Danny Weigel serve as the City's LGAC representatives. The recommendation from LGAC will then be forwarded to City Council for preliminary action, at which point a public hearing date (approximately 45 days later) will be set. During that time period, the tax incentive request will be heard by the Grand Forks County Commission and Grand Forks School Board, per North Dakota Century Code requirements.

Motion by Berg, second by Lunski, to move the agenda item to the City Council with a recommendation to approve. Motion carried 6-1 with Osowski dissenting.

Altru Sports Complex (ASC) Project Guaranteed Maximum Price (GMP) Bid Package #2

City staff presented to committee members the staff recommendation to approve and authorize the Construction Manager at Risk (CMAR) contract amendment for McGough Construction/Construction Engineers for Guaranteed Maximum Price (GMP) Bid Package #2 for the Altru Sports Complex in the amount of \$37,786,979.00, subject to final review and approval of budget amendments from the Finance Department and agreements from the City Attorney's office. The ASC project budget of \$110 million, the current adjusted ASC project cost that includes alternates, design fees, and testing fees, is estimated at \$89,902,485.00 and includes a construction contingency in the amount of \$2,300,000.00 and UND has committed to funding the deep dive well in the estimated amount \$1,344,000.00. The total ASC project estimated cost is \$86,258,485.00 (\$89,902,485.00 minus \$2,300,000.00 and \$1,344,000.00). The total ASC estimated project contingency is \$23,741,515.00 (\$110,000,000.00 minus \$86,258,485.00).

Construction and owner contingencies will be added to the project cost in the future. GMP #2 is being finalized with final City Council review and approval at the COW meeting on July 14, 2025, and City Council meeting on July 21, 2025. A JLG Architects scope of services to begin work on the Programming and Pre-Design Scope of Services in the amount of \$46,566.00 that includes programming and pre-design work for the indoor courts, athletic training spaces, multipurpose spaces, building support spaces (e.g., mechanical and electrical), and site infrastructure. The schedule is estimated for 10 weeks and between July 14, 2025, to September 19, 2025. Authorize the JLG Architects scope of services, subject to final review and approval of the City Attorney and with Finance Department approval on the necessary budget amendment.

The City administration and ASC project team can incorporate and change order infrastructure development to the HUGO’S RACEWAY as part of the site infrastructure development to include water, wastewater, and fiber services, and an asphalt/concrete pad and chain link security fence extension. These improvements are proposed to be paid from the City infrastructure designated funds. Authorize appropriate change orders to designated City projects, respective contractors, and City-designated funding sources. The Red River BMX is also requesting consideration for City funding and/or financing for the HUGO’S RACEWAY facility improvements for a registration and concession building, retaining wall corner improvements, covered stage area, and gate vault, and start hill improvements. These costs are estimated at \$742,750.00. Along with City funding and/or financing, the Red River BMX is planning to designate its own funds, contractor in-kind donations, and other grant funding. Authorize the City administration to negotiate an agreement and funding plan with Red River BMX regarding the HUGO’S RACEWAY capital improvements for future City Council consideration, review, and approval.

Motion by Osowski, second by Fridolfs, to move the agenda item to the City Council with a recommendation to approve. Motion carried unanimously.

Grant Funding Agreement between North Dakota Parks and Recreation with City of Grand Forks for the Downtown Gateway and Greenway Project- Phase I

City staff presented to committee members the staff recommendation to approve the Grand Funding Agreement between ND Parks and recreation Department and the City of Grand Forks with National Park Service for the Land and Water Conservation Fund for Project No. 8626, for Downtown Gateway and Greenway Project Phase I, subject to final review and approval of the City Attorney and any necessary budget amendments. The proposed Downtown Gateway and Greenway project plan consists of developing a user-friendly outdoor space for a multi-generational audience. Phase I of the project will create ADA Access for connecting trails throughout the park. There will be a monument that identifies the public park and serves as a place for the public to gather. The nature promenade will be built as a calming space for the public to reconnect with the river and nature. A park shelter will be built to host public gatherings. Finally, the play area will consist of outdoor recreation activities to include slides, bouldering, and a ropes area. The project will continue to be designed this year and built over a two-year time span, with estimated completion in 2027.

The staff and design team are currently gathering additional public input on the project. The team attended the Farmer’s Market on Saturday, July 12, 2025, and will continue to share feedback as they continue to design the project.

Motion by Osowski, second by Lunski, to move the agenda item to the City Council with a recommendation to approve. Motion carried unanimously.

Proposed enhancements to the area of the Flood Protection/Greenway System near River's Edge

City staff presented to committee members the staff recommendation to approve bidding the project to make enhancements in the Flood Protection/Greenway System to the trail and fishing spot near River’s Edge and accept funding for this project from Garrison Diversion in the amount of \$50,000 and Outdoor Heritage Fund in the amount of

\$155,450. The project area is part of the Flood Protection/Greenway System and is located between 47th and 62nd Avenues South. The city owns the property, but it wasn't initially developed as part of the Flood Protection/Greenway System. The neighborhood east of the project, commonly called the Shady Ridge area, was annexed in 2014. The present condition of the property is undeveloped city-owned land bordered by an earthen levee, homes, and the Red River. A storm pond is in the middle of the property. The area north along the river is heavily forested. The fishing site at the trail's end is currently an ad hoc site with no amenities.

The Greenway Fishing Enhancement Project extends the existing paved trail .4 miles south from 47th Avenue South to the riverbank near Rivers Edge and Desiree Drive neighborhood. Plans include a 10-foot-wide paved trail, safety railing at the fishing site, benches, trash cans, and an informational kiosk for trail users and anglers. {Attachment A} This project is located in an undeveloped area of the Greenway owned by the city of Grand Forks and set aside for recreational use. An agreement with the U.S. Army Corps of Engineers prevents the sale of this property for use other than flood protection use. Staff worked with KU Engineering to develop plans and specs for improvements to this area. Those improvements included extending the paved trail south from 47th Avenue South, clearing the area around the fishing site, and adding benches and trash cans to the fishing area.

Motion by Berg, second by Fridolfs, to move the agenda item to the City Council with a recommendation to approve. Motion carried 5-2 with Osowski and Sande dissenting.

Reappointments to the Grand Forks Historic Preservation Commission

City staff presented to committee members the staff recommendation to confirm the reappointment of Commissioners for August 1, 2025 – August 1, 2027. The Grand Forks Historic Preservation Commission provides research, resources, and expertise in the exercise of the City's preservation goals and needs. The Commission provides local review for historic projects that would otherwise be reviewed by the state or federal government; time is saved, and local control is maintained. The city's budget allocation is doubled through the Commission's grant writing efforts, and the City's economic development efforts are enhanced by historic building preservation projects, which the Commission actively promotes and facilitates. Grand Forks is more attractive and vibrant as a result of its commitment to historic preservation, evidenced by the work of the Historic Preservation Commission. The Grand Forks Historic Preservation Commission consists of eleven community members from Grand Forks. Those members are appointed by the mayor and shall be persons who, in the opinion of the mayor, have demonstrated outstanding interest and knowledge in historical or architectural development. A majority of the commission members shall be made up of persons from among professionals in the disciplines of architecture, history, architectural history, planning, archeology or other historic preservation related disciplines, such as urban planning, American studies, American civilization, cultural geography or cultural anthropology, to the extent that such professionals are available in the community. The following members, Dr. Douglas Munski (2-year term), Mr. Brian Calson (2-year term), Ms. Nicole Derenne (2-year term), and Ms. Judy Swisher (2-year term), have all indicated their willingness to continue to serve on the Commission for terms beginning August 1, 2025.

Motion by Weigel, second by Osowski, to move the agenda item to City Council with a recommendation to approve. Motion carried unanimously.

2026 CDBG Program

City staff presented to committee members the staff recommendation to authorize staff to proceed with the 2026 CDBG allocation process as described within the staff report, including any necessary budget transfers. The allocation of federal Community Development Block Grant (CDBG) funding is generally handled through a competitive application process.

The City has made efforts to swiftly deploy federal funds, and HUD staff have recommended that the City begin its allocation process earlier to allow for more time for project planning. This funding is available for brick-and-mortar projects.

Committee members had a discussion on making sure the funds that are distributed through this program are staying within our community.

Motion by Berg, second by Lunski, to move the agenda item to City Council with a recommendation to approve. Motion carried 6-1 with Osowski dissenting.

Bid Award for Project No. 8974, Central Parking Ramp Elevator Modernization at 415, 1st Avenue North

City staff presented to committee members the staff recommendation to award a contract to the low bidder, Otis Elevator, in the amount of \$156,200, and any necessary budget amendments for City Project 8974 – Central Parking Ramp Elevator Modernization at 415 1st Ave N. Bids for this project were received by the City of Grand Forks on July 10, 2025. Three (3) bids were received, and the low bid was submitted by Otis Elevator. The bid is approximately 12% under the Engineer’s estimate.

Motion by Weigel, second by Osowski, to move the agenda item to the City Council with a recommendation to approve. Motion carried unanimously.

Agreement for Project #8959 – Preliminary Engineering for S 48th St and S 42nd St (32nd Ave S to 62nd Ave S)

City staff presented to committee members the staff recommendation to approve a Task Order Agreement with Houston Engineering for Preliminary Engineering Services in the amount of \$349,033.98 for City Project No. 8959 – Preliminary Engineering for S 48th St. and S 42nd St. (32nd Ave S to 62nd Ave S). Work is actively taking place to extend 47th Ave S from S Columbia Rd to I-29. This proposed task order will begin work in laying out and acquiring right of way for the connecting streets west of the future interchange, while complying with the access spacing requirements of the Interchange Justification Request (IJR). In acquiring this property ahead of future projects, it sets the City up to quickly develop projects when state and federal funding becomes available. The contract now being considered for approval is for Preliminary Engineering services. Firms were selected on the basis of qualifications submitted specifically for this project. Of the three firms that submitted for this project, Houston Engineering was selected as the most qualified engineering firm to perform these services. A scope and fee were then negotiated with the chosen firm. This contract utilizes a cost-plus fixed fee structure. This structure is used in North Dakota Department of Transportation (NDDOT) contracts and allows for the consultant to be reimbursed for all eligible costs that are incurred plus a fixed fee (profit) amount that is allowed in the contract. The fixed fee percentage on this contract is 12%, which is consistent with the fee range that NDDOT allows. This contract structure was selected to better align with recent Council comments about consultant fees while still maintaining a qualification-based selection.

This task order scope of work includes boundary survey, right of way and easement exhibits, preliminary utility coordination, high-level utility master planning, transportation planning for key intersections, preliminary corridor conceptual layouts, public engagement, appraisals, and negotiations. The costs associated with this task order do not include payments to the current property owner to acquire the necessary property.

The consultant hours for negotiations are based on relatively simple negotiations; if negotiations become more complex, an engineering amendment may be required for the expanded scope of services. The access control requirements indicated by the IJR indicate a required shift of S 42nd St to account for the required 1/4 mile access control spacing from the I-29 interchange ramps. The original shift in S 42nd St would have secondary impacts to access spacing between S 42nd St and S 48th St resulting in a required shift of S 48th St. To avoid these shifts and maintain access to S 42nd St, we are proposing that the consultant develops an alternative layout where S 48th St would remain on the quarter line, and S 42nd St would curve to connect into S 48th St on either side of 47th Ave S which would allow us to maintain connectivity to S 42nd St.

Motion by Weigel, second by Osowski, to move the agenda item to the City Council with a recommendation to approve. Motion carried unanimously.

Change Order #1 for Project #8921 - Hwy 81 & Associated Area Sanitary Sewer, Phase 3

City staff presented to committee members the staff recommendation to approve Change Order #1 in the amount of \$814,490, reset the City Engineer's authority for change orders, and approve Task Order Amendment 1 in the amount of \$57,725 for City Project 8921, District No. 612 – Highway 81 and Associated Area Sanitary Sewer Phase III. The scope of this project provides sanitary sewer to the properties along the west side of Highway 81 from 27th Ave N up to 33rd Ave N and along 33rd Ave N. The remaining properties in this area were anticipated to have sanitary sewer installed over 2 more phases of work in 2026 and 2027. Staff received a letter from two property owners along Highway 81, north of 33rd Ave N, requesting to extend the current sanitary sewer project north to their properties. City Council approved expanding the special assessment district for this project to include the requested areas on 7/7/2025. The proposed Change Order #1 includes the additional scope of work for the contractor to install the sanitary sewer in the expanded area that was requested. This would provide sanitary sewer service to the northern end of Highway 81 within City limits. The proposed Task Order Amendment expands the scope of the current Construction Engineering contract with WFW Engineering to include engineering services for the additional work. The design of the expanded work area was able to be completed under the current Task Order.

Motion Weigel, second by Berg, to move the agenda item to the City Council with a recommendation to approve. Motion carried unanimously.

Citizen Comment Policy – Required update based on ND Legislative Actions

City Attorney's office presented to committee members the need for review and approval of updates to the Citizen Comment Policy, which is a required update based on ND Legislative Actions. Changes to the Citizen Comment Policy are needed to be consistent with the statute passed this past session. The most significant change is to remove language that a person needs to be a resident, own a business or property within the city, or be an employee of a business in the community. The new law only permits certain limitations, and being a resident is not one of the listed allowed limitations. Also, to limit the total time period for each public comment period.

Motion by Osowski to have a three (3) minute cap per speaker, with a total time for comments be 45 minutes, seconded by Weigel. Osowski rescinded her motion.

Motion by Osowski to have a three (3) minute cap per speaker, with a limit of 10 speakers, seconded by Weigel. Osowski motioned to approve as amended with a three (3) minute cap per speaker, with a total time for comments to 30 minutes, seconded by Weigel. Motion carried 6-1 with Berg dissenting.

City Code Updates – Legislative and Code Cleanup

City staff presented to committee members the staff recommendation to review and approve the ordinance amending City Code for required changes due to ND Legislative actions. Following each ND Legislative Session, the City Code needs to be reviewed and updated to comply with Legislative Bills passed during the session.

Motion by Weigel, second by Vein, to move the agenda item to the City Council with a recommendation to approve. Motion carried unanimously.

CITY COUNCIL MEMBER DISCUSSION MATTERS

Council member Lunski shared that you can get your trees vaccinated by contacting the Park Board.

ADJOURNMENT

Motion by Osowski, seconded by Berg, to adjourn the meeting at 7:03 p.m. Motion carried unanimously.