

The Committee of the Whole met on Monday, January 26, 2026, at 5:30 p.m. President Sande called the meeting to order. Present at roll call were Berg, Weigel, Lunski, Fridolfs, Vein, & Sande: absent - Osowski.

INFORMATIONAL ITEMS

GovDelivery Notifications

City staff shared with committee members the new way that notifications will be going out to them, as well as the public, for various city meetings, bids, news, etc.

DISCUSSION ITEMS

Consideration of amendment to the Class 3 alcoholic beverage license for proposed new business

City staff presented to committee members the staff recommendation to review a request for consideration of an Amendment to Class 3 (On/Off-Sale Beer & Wine) Alcoholic Beverage License for the proposed new business and provided direction to staff. Annie Larson is planning to bring a new business, Annie's Chocolates, to the Grand Cities Mall this spring. She is bringing forward a new to Grand Forks concept for consideration that, in addition to sales of candy, would also provide for a gathering area for coffee and conversation. Ms. Larson has also worked with a California winery to create signature wines that she would like to have available for purchase alone, or as part of gift packages with chocolate, as well as possibly enjoyed onsite. Her business model would include the ability to have customers of all ages within the business. She would have controls so that minors would not have access to or be sold alcohol. While this is a new concept in Grand Forks, it does exist in other communities, including a business in Harvey, ND. Current City Code would only allow minors on premises under a Class 3 Alcoholic Beverage License if the business has sales of food/meals that are prepared, sold, served, and consumed on site that are equivalent to or more than alcohol sales. Ms. Larson is asking for consideration of a modification to the current City Code to accommodate her business model.

Motion by Berg, seconded by Lunski, to refer to City Council with a recommendation for the City Attorney to research ordinance changes needed for this request, with provision for all ages being allowed on premises during sale and service of alcohol. Motion carried unanimously.

Create Special Assessment District for Project No. 8850.02, District No. 801, Paving & Street Lighting for S 34th St (45th – 47th Ave S)

City staff presented to committee members the staff recommendation to approve the Engineer's Report, create a Special Assessment District, and Direct Engineering Department to prepare Plans & Specifications for City Project #8850.02 – Paving & Street Lighting for S 34th St (45th – 47th Ave S). As the upcoming 47th Ave Interchange project progresses closer towards implementation, the City has a requirement to provide all of the connecting infrastructure for the interchange. This paving project is a continued piece of the infrastructure buildout. City project #8850.02 consists of paving and street lights for S 34th St (45th – 47th Ave S). This project will be special assessed to the benefiting properties with a 70% City share, as per the City's cost share policy. This project will be bid separately but on an identical timeline as City project 8850.01 Paving and Street Lighting for 47th Ave S (S Columbia Rd to S 34th St). The 47th Ave S Paving project will have no associated special assessments and will be funded by a combination of NDDOT Flex Funding and City Funds. It is anticipated that both paving projects will be constructed in tandem during the 2026 construction season. S 34th St is currently an undeveloped ag field with recently platted right-of-way. Utilities for this project were bid, and construction was largely completed during the 2025 construction season, with final completion scheduled for June of 2026. The proposed new construction on S 34th St will be a 41' wide concrete roadway with curb & gutter, storm sewer, and commercial street lights. This project will serve as both a connection point for the planned 47th Ave S paving project and provide amenities to support future development in this area.

Motion by Berg, seconded by Fridolfs, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Plans & Specifications for Project No. 9048, Street and Storm Sewer Repair on 2400 Block of Columbia Road

City staff presented to committee members the staff recommendation to approve plans and specifications and direct Engineering to advertise for construction bids for City Project No. 9048 – Street and Storm Sewer Repair on the 2400

Block of S Columbia Rd. This project consists of repairing storm sewer and catch basins, concrete panels, and curb and gutter in the 2400 block of S Columbia Rd. The existing shallow storm sewer in this area has caused street panels to shift, creating a large bump across both the north and southbound lanes, as well as a steep drop-off along the toe of the curb on the west side of the southbound lanes. The proposed project includes the replacement of two catch basin structures and approximately 85 feet of storm sewer crossing Columbia Road. In addition, the project is anticipated to remove approximately 225 feet of storm sewer located under the west edge of the road and install a new manhole and storm sewer to redirect the pipe into the berm to connect to an existing box culvert. Finally, broken and heaved concrete panels, curb and gutter, and concrete median are planned to be replaced.

Motion by Vein, seconded by Lunski, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Create Special Assessment District for Project No. 9050, District No. 797, Reconstruct 5th Ave S (Demers Ave to Washington St), and 9101, District No. 631 Storm Sewer for 5th Ave S (Demers Ave to Washington St)

City staff presented to committee members the staff recommendation to approve the Engineer's report, create Special Assessment District, and direct the Engineering Department to prepare Plans & Specifications for Project NO 9050, District No. 797 – Reconstruct 5th Ave S (Demers Ave to Washington St) and Project No 9101, District 631 – Storm Sewer for 5th Ave S (Demers Ave to Washington St). These projects consist of the reconstruction of the existing concrete roadway and replacing the existing storm sewer on 5th Ave S from N Washington St to Demers Ave. The existing concrete roadway was constructed in 1950 and is in poor condition. The concrete pavement is severely cracked and broken with several shattered panels that have been removed and temporarily filled with gravel, affecting the quality of ride and drainage. After investigation, it was determined that available rehabilitation techniques would not provide a suitable long-term solution to the issues, and a reconstruction project is proposed. The proposed reconstruction will replace the existing section with a 37-foot-wide concrete urban roadway section with curb and gutter.

The existing storm sewer was installed with the original paving in 1950. Since then, this area has seen significant redevelopment, most notably the installation of the Demers Overpass and Washington Underpass, which caused this section of 5th Ave S to be cut off from N Washington and end at Demers Ave. However, the storm sewer remained in place, and the current configuration is no longer the most efficient for the street. The existing 12" storm sewer is undersized, cracked, and starting to separate at the joints; the structures are also in poor condition. This project will plan to replace the existing structures, leads, and approximately 330 feet of mainline storm sewer. Other existing utilities evaluated were the sanitary sewer and watermain. These were inspected and determined to have no issues and will remain in place.

Motion by Berg, seconded by Fridolfs, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Create Special Assessment District for Project No. 9060, District No. 798, Reconstruct 17th Ave S (S Columbia Rd - S 20th St)

City staff presented to committee members the staff recommendation for approval of the Engineer's report, create Special Assessment District, and direct the Engineering Department to prepare Plans & Specifications for Project No. 9060 District No 798 – Reconstruct 17th Avenue South (South Columbia Road to South 20th Street). This project consists of reconstructing the existing roadway on 17th Avenue South from South Columbia Road to South 20th Street. The existing roadway is 37 feet wide and was originally constructed in 1968. The existing pavement is broken, cracked, and spalled throughout the project limits. Several alternatives were considered for rehabilitation in this area. After analyzing the condition of the pavement, it was determined that rehabilitation would not provide a long-term solution. Public works performed investigative efforts on the underground utilities to identify areas that were in poor condition. Following their work, it was determined that improvements would be beneficial to the storm sewer and were incorporated.

Storm sewer analysis was performed in this area. Models showed that it would benefit the area to incorporate a storm water pond adjacent to the project. The proposed stormwater pond will be presented at a later date. The proposed reconstruction will consist of replacing the existing pavement, storm sewer improvements, installation of rectangular rapid flashing beacons (RRFB's), replacement of street light conduit and conductors, relocation of a fire hydrant, and ADA improvements.

Motion by Vein, seconded by Fridolfs, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Create Special Assessment Districts, Approve Engineer Reports, and approve Engineering Services Task Orders for Project Nos. 9094, 9095, 9096, and 9097, District Nos. 629, 369, 630, and 803, Sanitary Sewer, Watermain, Storm Sewer, and Paving and Street Lights for Grand Park First Addition

City staff presented to committee members the staff recommendation to create Special Assessment Districts, approve Engineer's Reports, approve Task Order Agreements with CPS, Ltd. for Design and Construction Engineering Services in the amount of \$61,100 (wet utilities) and \$28,400 (paving), and direct the Engineering Department to prepare Plans & Specifications for City Project Nos. 9094 (District No. 629) – Sanitary Sewer, 9095 (District No. 369) – Watermain, 9096 (District No. 630) – Storm Sewer, and 9097 (District No. 803) – Paving and Street Lights for Grand Park First Addition. City projects 9094-9097 consist of constructing sanitary sewer, watermain, storm sewer, paving, and streetlights to serve properties in the Grand Park First Addition development. The primary benefiting area consists of 31 single-family home lots along the west side of S. 20th St, between 62nd and 69th Aves S. These public improvements were initiated at the request of AG Homes, LLC, the managing member of the property development partnership. The Developer is proposing that this public infrastructure be designed and constructed through special assessment, to be accepted by the City for operation and maintenance. The Task Orders being proposed for approval are for design and construction services associated with these projects. The engineering firm CPS, Ltd. was chosen from the City's pre-qualified engineers list as the most qualified firm based on their previous work and familiarity with this development. A scope of work and fee was negotiated based on an "hourly not-to-exceed" task order type. All costs for these projects will be special assessed to the benefiting properties, except for an estimated \$16.2K City cost share for upsizing a section of watermain from an 8" diameter pipe to a 12" diameter pipe.

Motion by Sande, seconded by Berg, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

CPMA and CMA for Project No 8823 Reconstruction of the intersection of ND 297 Demers Ave and 42nd St

City staff presented to committee members the staff recommendation of approval for cost participation, construction, and maintenance agreement with the NDDOT and the construction and maintenance agreement with NDDOT and BNSF contingent upon City Attorney review and any necessary budget amendment for City Project No. 8823 – Reconstruction of the Intersection of Demers Ave and 42nd St. The City of Grand Forks (City) and the State of North Dakota (State) have been working on the 42nd Street and Demers Avenue grade separation project for decades. The City and State have formed a strong relationship in working through the technical and financial components of the project. For this project, there are two agreements under consideration. The first is the Cost Participation and Maintenance Agreement (CPMA) with the North Dakota Department of Transportation (NDDOT). Per the previously approved Memorandum of Understanding, the City's contribution to the project is capped at \$21,633,000. The Agreement identifies the responsibilities for payment of the project costs and maintenance responsibilities for the project once completed. The second agreement is the Construction and Maintenance Agreement (CMA) between the City, NDDOT, and BNSF Railway. This agreement identifies that BNSF will contribute \$1,500,000 towards the project, the responsibilities of the contractor constructing the bridge, and maintenance responsibilities after construction is completed.

As part of the CPMA, the City needs to provide the NDDOT and its contractor access to the City-owned parcels located in the southwest quadrant of the project (4251 Demers Ave and 750 S 42nd St). The City will need to replat the City-owned parcels to dedicate the right-of-way for the extensions of S 43rd St and 7th Ave S. Per both the CPMA and CMA, the City will be responsible for maintaining the chain link fence that will start on the east end of the rail bridge and extend approximately 700 feet to the east. This fence is intended to prevent pedestrians and bicyclists from trespassing onto BNSF property as a shortcut. As part of the CPMA, the City will own and maintain the railroad bridge. This structure does not crossing a State Highway and would therefore not be within the NDDOT's jurisdiction. Conversations were had with BNSF for taking ownership of the bridge. During these discussions it was identified that if we wanted to pursue this option, that there would be additional project delays to develop a separate maintenance agreement, this delay could impact the parallel redevelopment of the Ray Richards Golf Course, additional project costs anticipated with a delayed bid opening, and BNSF would expect a significant payment from the City to take ownership and maintenance responsibilities. With these factors in mind, staff did not pursue this topic further. The proposed CMA includes language that the City will maintain the bridge, with the maintenance costs split 50%/50% between the City/BNSF. Since 42nd St is eligible for Federal funding through the Urban Roads Program, it is anticipated that the railroad bridge over it would also be eligible

for this program. As discussed in previous staff reports, this project was originally estimated to cost \$60 million. The project was awarded \$30 million through the Federal Railroad Administration's (FRA) Railroad Crossing Elimination program. At that time, the City's contribution was anticipated to be approximately \$16.8 million. During project development, the project cost estimate increased to \$90 million. To account for the \$30 million shortfall, Governor Armstrong announced an additional \$20 million infusion from the State's FLEX Fund. To match this, the City contributed an additional \$10 million by shifting funding from another federal aid project and local dollars, resulting in the City's current cost share of \$21,633,000. The City's share for this project is anticipated to be \$21,633,000. To fund this project, the City is utilizing multiple funding sources and loan programs, including cash on hand available from the Street/Infrastructure Fund 4815, State Revolving Fund (SRF) loans, Bank of North Dakota (BND) loans, and/or bonding opportunities based on availability and eligibility.

Motion by Fridolfs, seconded by Berg, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Decision Document for Project No. 8951, US2 & Airport Rd Intersection Improvements

City staff presented to committee members the staff recommendation to concur with Grand Forks County and the Grand Forks Regional Airport Authority and select Alternative C: Roundabout 2x1 as the preferred alternative for City Project No 8951 – US 2 & Airport Rd Intersection Improvements. The Decision Document is one of the first requirements for a Federal-aid project and is intended to provide a description of the project needs, general plan, and obtain public/outside agency comments for a project. Thereafter, the North Dakota Department of Transportation (NDDOT) and Federal Highway Administration will select the project alternative that is to be pursued.

The intersection of Gateway Dr/US 2 and Airport Rd/CR 5 was listed as #3 on the 2020-2024 Rural High Crash Locations Report from the NDDOT. After a fatal crash that occurred on June 3, 2024, the Grand Forks County Commission requested that the NDDOT investigate potential improvements at this intersection. Since then, the NDDOT hired Ulteig Engineers to develop a Decision Document for improvements at this intersection. Multiple alternatives were developed, and after reviewing the alternatives, they were narrowed down to four alternatives:

- ❖ Alternative A – Do Nothing - \$0
- ❖ Alternative B – Roundabout Single Lane - \$8,500,000*
- ❖ Alternative C – Roundabout 2x1 - \$12,000,000*
- ❖ Alternative D – Shifted Diamond Interchange - \$99,900,000*

*Cost estimates are inflated to the time of construction as identified in the Decision Document.

This project is located at the intersection of US 2/Gateway Dr and County Rd 5/Airport Rd. US 2/Gateway Dr is owned and maintained by NDDOT. County Rd 5 is owned and maintained by Grand Forks County. Airport Rd is owned and maintained by the Grand Forks Regional Airport Authority. Though the City does not own or maintain any of the roads of this intersection, the Grand Forks Airport is within Grand Forks City Limits and within the City's urban area, along with other nearby City facilities and properties. As such, the NDDOT sees the City as a valuable partner on this project and desires feedback and the City's preferred alternative recommendation. Grand Forks County has been the champion for this project since the beginning, requesting the NDDOT investigate the intersection in June of 2024. At the December 16, 2025, Grand Forks County Commission meeting, the Commission approved selecting Alternative C: 2x1 Roundabout as their preferred alternative. At the January 15, 2026, meeting, the Grand Forks Regional Airport Authority approved selecting Alternative C: 2x1 Roundabout as their preferred alternative. The City has received letters from both entities regarding their support for this alternative, and staff are recommending concurring with the community partners that are most impacted by this intersection. Based on previous conversations with the NDDOT staff, it is anticipated that if Alternative B: Roundabout One Lane, or Alternative C: Roundabout 2x1 are selected, the NDDOT may be able to program through their standard funding mechanisms with CR5, and Airport Rd will be funded by the Local Public Agencies. If Alternative D: Shifted Diamond Interchange is selected, the NDDOT anticipates that additional outside funding will be required. It is anticipated that this would also include a much higher local share. If the project is moved forward, a discussion between the City, County, and Airport Authority will be needed to discuss the potential split of the local cost share between the three entities.

Motion by Berg, seconded by Fridolfs, to move the staff recommendation to City Council with a recommendation to approve. Motion carried 5-1 with Sande dissenting.

Altru Sports Complex (ASC) Project Phase I and II Updates and ASC Phase II Approvals

City staff presented to committee members the following staff recommendations:

* Receive informational update on ASC Project Phase I construction (Aquatics, Turf, Pickleball & Offsite Infrastructure), ASC Project Phase II schematic design (initial concepts) and construction estimating (Four Hard Courts and Sports Performance), and ASC Project Phase I & II operational/maintenance budget estimate and naming rights (inside the facility) for ASC Phase I and II (Grand Forks Park District Led).

* Approve ASC Phase II (four court and sports performance options) Design Development (refining details like materials and systems), Construction Documents (producing detailed drawings for building), and Bidding (selecting contractors) Agreement with JLG in the amount of \$743,212.80.

* Approve City of Grand Forks Tournament Development Specialist position cost sharing of between \$20,000-\$30,000 annually in partnership with Visit Greater Grand Forks and Grand Forks Park District, and in support of the ASC.

* Approve the necessary modification of the ASC City of Grand Forks/Grand Forks Park District Operations/Maintenance Agreement to provide that the City of Grand Forks will pay the City of Grand Forks utility fees and allowing naming rights donations inside the ASC to be dedicated to the ASC operations and maintenance budget beyond the currently allowed ASC capital dedication, subject to City Attorney review and approval.

Motion by Berg, seconded by Lunski, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

Enclave Property Management (Latitude Phase 2) Tax Incentive Development Project

City staff presented to committee members the staff recommendation to accept the Enclave Property Management (Latitude Phase 2) full tax incentive application with a preliminary recommendation of 5 years/100%, and set the City Council Public Hearing for March 2, 2026. The proposed Latitude Phase 2 development by Enclave Property Management is a market-based, multi-family development at 3909 South 38th Street, east of Furniture Row and south of Target. The development is four (4) stories and includes approximately 76 market-based residential rental units with tuck-under and surface parking. The residential rental unit types break down as follows: 7 studios, 30 one bedrooms, 32 two bedrooms, and 7 three bedrooms. The start of the development is proposed for the spring of 2026, with a summer of 2027 completion. The development project is an estimated \$13.5 million investment to include land and improvements. The property is already annexed into the City of Grand Forks (City) and was rezoned at the City Council meeting on December 15, 2025. The current value of the land is \$401,000, and with a corresponding property tax of approximately \$7,000 annually. With an estimated value of the land of \$600,000 and improvements of \$10.4 million for a total incremental value of \$10,599,000, the corresponding property tax would be approximately \$172,764 annually. The development project will not require significant public infrastructure development, as it is an infill development and already served by public infrastructure. The developer is requesting consideration of a PILOT incentive of up to 100% and five (5) years. The development will meet the Grand Forks community's strategic interest in growing the tax and economic base and provide further and needed housing opportunities. The encouragement of developing housing, home ownership, and rental units is a priority of the City and is why the City is exploring reasonable ways to help incentivize housing starts due to the current housing unit construction slowdown, due to higher interest rates, construction costs, and other development factors. The City continues to be a stable and growing economy, as recognized most recently by Moody's during this year's rating review.

Based on feedback from the Grand Forks School Board and Grand Forks County Commission, the City administratively has advised private developers that market-based multi-family developments will need to stay within the City's tax incentive authority of five (5) years unless the project is unique and a differentiator for Grand Forks. The Latitude Phase 2 development is aligned with the last similar market-based and greenfield multi-family development in The Reserve by Northridge Construction, which received a five (5) year/100% PILOT. Other similar development projects to include The Domain and King's View have been placed on hold for now as the developers contemplate the tax incentive parameter of an up to five (5) year/100% tax incentive. The Domain is a mixed-use development proposed near 47th Avenue South and the proposed south end Hugos grocery store development, with 160 rental units and an estimated investment of \$42 million. King's View is a housing development near 62nd Avenue South with 45 rental units and an estimated investment of \$12 million. The five (5) year and up to 100% tax incentive aligns with other tax incentives allowed by North Dakota state law and implemented by the City, such as: New Home Builder Tax Incentive – four (4) years (2 years for builder and owner each) and 100%.

Residential and Commercial Remodeling Improvement Tax Incentive – Five (5) years and 100%. & Renaissance Zone Tax Incentive – Eight (8) years and 100%.

Motion by Fridolfs, seconded by Sande, to move the staff recommendation to City Council with a recommendation to approve. Motion carried unanimously.

CITY COUNCIL MEMBER DISCUSSION MATTERS

None

ADJOURNMENT

Motion by Berg, seconded by Lunski, to adjourn the meeting at 7:38 p.m. Motion carried unanimously.