City of Fargo
Finance Committee Meeting Minutes
February 4, 2019

The regular meeting of the Finance Committee was held on February 4, 2019 at 9:00 a.m. in the Mayor's Office.

Members Attending: Mahoney, Piepkorn, Grubb, Redlinger, Costin

Members Absent: Sprague

Guests Present: Nicole Crutchfield, James Gilmour, Ben Dow, Steve Dirksen, Troy Hall, Greg Schildberger, Brenda Derrig, Nathan Boerboom, Erik Johnson, Mark Williams

Minutes Approved

The minutes from the November meeting were approved as presented.

Sole Source Procurements Approved

Ten sole source procurements were approved as presented by Departmental staff.

Fire Department Capital Budget Carryover and Repurpose of Funds

Steve Dirksen requested permission to repurpose unspent capital funds from 2018 to make building repairs related to an oversized boiler in the Downtown Fire station. Savings accrued from the purchase of a fire truck in 2018. The Finance Committee approved this request for $40,000.

The second request was to use unspent capital funds from 2018 for vehicle purchase needs to upgrade to a Dodge Durango unit. The amount of request was $7,000. The Finance Committee approved this request.

Remnant Land Sale Request for Proposal for Park East Property

Jim Gilmour presented a draft RFP for development land in the parcel previously occupied by the Park East Apartments. There is presently a desire to redevelop this property. The lot size is 54,000 sq. ft. Key points included in the RFP were minimum price of $10 per square foot, development to begin by the end of 2020 and project would qualify for Renaissance Zone tax exemption. Piepkorn suggested that we not sell this land at a low price because after the Main Avenue reconstruction this year the value of that parcel should increase. Gilmour reported that the strip mall owner is interested and this is a great parcel for redevelopment. The Finance Committee reviewed the draft RFP and approved as presented by Gilmour.

Water Department Budget Approvals

Troy Hall presented five Water Department water improvement projects that included a pressure valve, test slaker for the lime softening bin, chemical feed pump replacements, a recycling backwash valve, and RO water softening PH balancing. He requested use of unspent capital funds totaling $88,500 from 2018 plus the new appropriation of $208,000 to finish off final details of the water plant project from the repair and replacement fund. The Finance Committee approved moving ahead with these projects and to carry-over the capital funds as requested from 2018.

Discontinuance of the IFargo Newsletter and Repurpose of Budgeted Funds

Greg Schildberger requested that the IFargo quarter newsletter be discontinued and replaced with other forms of communication to include ads, magazine, online platforms and social media. He also requested that the budget allocated for the newsletter be repurposed to the new platforms recommended. The Finance Committee approved this request.

Preliminary Year-End Financial Results

Costin reviewed the preliminary year-end financial status report for all operational funds. He noted that the General Fund revenues matched projected budget levels and that there was not much of a budget variance for this fund. The Enterprise funds were 4.1% lower than revenue projections, largely a result of Wastewater services not being connected in 2018 for West Fargo.

There was an overall positive expenditure variance of 1.9% in the General Fund and 15.4% in the Enterprise funds due to timing of approved capital projects.

Solicitation of Donations on City Web Sites

Greg Schildberger reviewed a request from the Police Department to allow usage of City web sites for marketing information relating to Police Department Community Trust Officers Badges of Unity Fund for giving hearts day. He reported that other City departments have requested the same access. Redlinger felt that our web site should be retain for official City of Fargo public purposes and that other non-City sites are available for this purpose such as the Giving Hearts web site. He suggested that we do not permit fundraising on City web sites, including City social media postings. Committee agreed with this position.

Planning Department Staffing Adjustment Request

Nicole Crutchfield requested to adjust staffing levels by reclassification of a full time planner to a part time contract planner for a maximum of 20 hours per week. This is a position to be retained by Kara Glow under a contract position. . Funding will come from the Planning Departments planning services budget line authority already included in the 2019 budget. The Finance Committee approved this request.

Oak Grove Land Acquisition for Regional Storm Sewer System

Grubb, Derrig and Boerboom reviewed a proposal to acquire a large land tract in South Fargo along I29. This parcel of land is low land that would work for a regional storm sewer pond and collection system to service a large area. It is currently 100% in the FEMA 100 year flood plain. A new approach was recommended to lower the cost of delivering storm sewer systems to this area using a large regional pond vs. local development ponds current utilized. Using this new approach the current infrastructure deployment methods cost about $26k per acre. Using a regional approach would cost about $19k per acre and would reduce the number of lift stations from four to one.

This land is current outside of Fargo's City limits and will ultimately be annexed. New storm sewer infrastructure is eligible for special assessments that would be levied as development occurs. Staff contacted the State Health Department to inquire about the use of State Revolving Loan Funds to acquire this parcel of land. They determined that this was eligible for the existing SRF program with terms of 2% at up to 30 years. The Bank of North Dakota loan option is not allowed since this project would be eligible for SRF financing.

There was further discussion on a portion of remnant land that would be included in the initial land purchase and an estimated 1.4 million yards of dirt that would become available when the regional pond is constructed.

Piepkorn moved to approve the purchase of this land as recommended for the development of a regional storm sewer system. Costin seconded the motion and all voted in favor.

Legislative Update

Grubb reported on key legislative issues. He stated that Departments have been responsive in monitoring important bills, updating tracking lists, and providing written and oral testimony. The FMDA funding bills is most important and is being monitored closely.

Inter-Fund Loan Policy

Costin reviewed a draft of an inter-fund loan policy to be presented to the City Commission. The City has used interfund loans in the past, however, a loan policy would improve our internal controls over this process. The policy requires City Commission approval for loans in excess of $3 million per loan and Finance Committee approval of loans less than $3 million. The policy also described parameters for establishing repayment periods and interest rates used. He also cited our historical use of this type of financing for the Baseball Stadium and Parking Authority projects. The Committee felt comfortable with the draft policy and recommended its approval by the City Commission.

It was further recommended that an interfund loan be used for the first phase of the BSI building and equipment acquisition coming up in March for $2,850,000 using utility fund cash reserves.

Bortnem Lease Termination

Grubb reported that the City's lease of the Bortnem parking lot south of City Hall was terminated in accordance with our lease agreement. This lot was a temporary measure to bridge our parking facility needs as the City Hall was constructed. This will revert back to the owner on July 1, 2019.

City Attorney Contract Hours

Costin reviewed the final year-end billing for the City Attorney's contract. Hours incurred were increased due to staff addition at mid-year. A mid-year budget adjustment was approved to fund an additional attorney. The Committee approved the final contract payment invoice.

Timeline for Establishing a TIF District that Includes Northern Hospitality

Costin requested clarification of our intent to establish a tax increment financing district in the Riverfront Development District. He felt his needs to be done very soon to properly value the existing development (Northern Hospitality) at the most desirable base value in the district. The City Assessor can report the proper values to the County as soon as a TIF District is approved. Committee requested that the TIF proposal be presented to the City Commission in March.

ROCO Parking Ramp Energy Pilot Project

Mark Williams reviewed a memo from Mike Williams, chair of the Parking Authority about an energy efficiency grant local share requirement from the City of Fargo. A total of $50k was requested citing support from other entities to leverage grant funds from the North Dakota Renewable Energy Council. A request was made for a part of the City's local share of $25,000.

Committee discussed the status of the grant and the local participation. There was some concerns raised that Xcel Energy would not be providing cash donations to this project but rather in-kind donations. Committee tabled this request pending further discovery.

City of Fargo
Finance Committee Meeting Minutes
March 4, 2019

The regular monthly meeting of the Finance Committee was held on March 4, 2019 at 10:00 a.m. in the Mayor Office.

Members Attending: All members attended.

Guests Attending: Jim Gilmour, Brenda Derrig

Minutes Approved

The minutes of the past meeting were approved as presented. BG/KC. All voted in favor.

Sole Source Procurements Approved

Six sole source procurements were approved that included Real Property Services, Odney, Advanced Engineering, Temple Display, Border States Electric and Wrigley Mechanical. The Ptarmigan request submitted by IT was tabled for more information as to how this integrates into our existing software systems. KC/SS. All voted in favor.

Tax Increment Financing Status Report

Jim Gilmour prepared and reviewed a status report of all active tax increment financing districts. He requested some guidance on the closure strategy for the Matrix TIF district. There is presently a $6 million cash balance with $3.9 million in future capital projects to be completed in 2021 & 2022. Option A would be to end the TIF and send the surplus cash back to Cass County to be redistributed to taxing entities. Option B would be to keep the TIF open and wait until all the projects have been completed in the next couple of years. Grubb favored closing out now and reserving funds for the future projects.

There was also some discussion on the history and present status of the Great Northern TIF for the depot currently used as a bicycle shop.

Sprague moved to close the Section 22 TIF. Redlinger seconded the motion and all voted in favor.

Amendment of Riverfront Development District to Active A Tax Increment Financing District

Jim Gilmour reviewed the existing Riverfront Development District boundaries and the initial goals for its creation. He drafted an amendment to include various activities planned in this area and was seeking the Committee affirmation of the projects listed. Grubb suggested that site restoration and remediation for the Mid America Steel parcels be included in the TIF plan. Costin suggested that the budget allowance for skyway connectivity to City Hall seemed to be too low and recommended this budget be increased. He also recommended that utility relocations be included since we don't know what may be disrupted by future development in the development district. The overall list of projects totaled $20.5 million including the plaza development of $10 million. Sprague moved to approve revised budgets and the establishment of a TIF district to be presented to the City Commission on March 25th. Redlinger seconded the motion and all voted in favor.

TIF and Pilot Fee Schedule Amendments

Jim Gilmour reviewed a new fee schedule for TIF and Pilot assistance. The fees were lowered and were tied to a progressive fee schedule based upon the project size. Fees will run from $2,500 for low dollar value programs and up to $5,000 for larger projects. Projects larger than $10 million will have a base fee of $5,000, plus any additional costs to review project proposals and complete the financial due diligence testing. There would be no fees for not-for-profit companies and for projects targeted at low income. Costin moved to approve the new fee schedule. Redlinger seconded the motion and all voted in favor.

Robert Street Alley Powerline Project

Grubb presented a revised plan to relocate power and telecommunications lines in the Robert Street alley. There would be three stakeholders in the project to include Xcel Energy, Kilbourne Group and the City of Fargo. Cost share estimated at $500k for Xcel to relocate the powerlines, $845k for Kilbourne for the primary power feed, and $912k for the City for the secondary connectivity to businesses in the alley way. This would be considered a pilot project. Redlinger moved to approve this cost participation between stakeholders. Costin seconded the motion and all voted in favor.

Police Department Summer Camp for Youth

Chief Todd was seeking approval to proceed with a summer youth program that included the funding of an intern by the Badges of Unity non-profit. The estimated cost was $14,700. The Creative Arts Foundation will donate this amount each year for three years in support of this program. Costin wondered if potential liability issues to the City of Fargo had been researched. Sprague moved to approve this request, subject to clarifying the potential work on liability issues. Costin seconded the motion and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
March 25, 2019

The regular monthly Finance Committee meeting was held on March 25th, 2019 at 10:00 a.m. in the Mayor's Office.

All members attended.

Guests included Nicole Crutchfield, Kristi Sylskar, Jim Gilmour and Ron Gronneberg.

Minutes Approved

The minutes from the last meeting were approved as presented.

Sole Source Procurements Approved

Nine sole source procurements were approved as presented by Department staff. Vendors included Ptarmigan Software, Arjay Automation, Tech Sales, Avista Technologies, Inductive Automation, Berg Johnson Associates, Take Form, JDP Electric and Houston Engineering.

Ron Gronneberg provide a technical explanation for the software project to track fiber optic cable placed in City infrastructure projects.

Land Sale Proposals for 2nd Street and Main Avenue

Gilmour reviewed proposals for the remnant land offered for development at 2nd Street and Main Avenue, the former Park East Apartments location. Three proposals were received for this property; however, all proposers bid the minimum bid amount. Committee discussed a strategy for evaluation of the proposals and decided to interview each proposer to learn more about what they envision for this parcel of land. Piepkorn suggested that this is a high visibility parcel. Grubb requested that Gilmour summarize the proposals into a decision matrix to share with the Committee. Gilmour stated that one of the proposers requested $500,000 back in the deal. Gilmour will schedule interviews with the proposers and the Finance Committee members.

CDBG Special Assessment Assistance Program

Nicole Crutchfield reviewed a proposal to move funding for the special assessment assistance program into the Social Service funding in the General Fund. Recent events in a CDBG review will require more time to establish a program compliant with the CDBG regulations. Committee approved using Social Service funds in 2019 to allow staff time to redesign the current assistance program.

Retail Sales Option Bond Issue Process

Costin requested approval to move forward with a retail sales option bond sale this year. He stated that this was approved about a year ago but wanted Committee members to weigh in on the selection of the bond underwriter. A retail sales option will allow our local citizens to purchase City of Fargo bonds directly from local brokers.

Piepkorn suggested that this is very good public relations and we should proceed, however, he felt most comfortable using an RFP process to select the underwriter who will manage the bond sale because of the size of the transaction and amount of fees included in the bond sale.

Lease Agreement Extension with Interstate Parking

Redlinger reviewed the terms of a proposed lease agreement for the old City Hall space. The lease terms were $7.50 per foot with a $3 common area maintenance fee. The aggravation clause was removed from the first draft of the lease. Committee approved the revised lease agreement.

Credit Card Fees on City Transactions

Costin reported that the Inspections Department will be going live in a few weeks and they wanted some direction on whether or not a credit card fee should be assessed for the convenience of paying by credit card and online. He stated that a few years ago the Committee supported waiving the fees in an attempt to drive traffic to our online service portals. He suggested that it might be a good time to reevaluate this policy decision since building permits are a large revenue generator, which if waived, will cost the City more in administrative expenses. Committee requested that a detailed evaluation be prepared and brought back to the Committee for a final recommendation.

City of Fargo
Finance Committee Meeting Minutes
April 29, 2019

The monthly meeting of the Finance Committee met on April 29, 2019 at 10:00 a.m. in the Mayor's Office.

All members were present.

Guests included Jim Gilmour, Steve Dirksen, Tim Dirks, Terri Heaton (Baker Tilly), Terry Ludlum

Minutes Approved

The Committee approved the minutes from the March meeting as presented. DP/ SS

Sole Source Procurements Approved

The Committee approved a sole source procurement for Frontier Precision for GPS survey equipment for the Engineering Department as requested in the amount of $47,000. BG/MR

Refunding Improvement Bond Retail Sales Method

Terri Heaton, our financial advisor, reviewed plans for a retail option bond sale. Using this method a preference will be given to local investors to purchase initial issue bonds sold by Fargo. She reviewed how the sale would be structured and the role of the underwriter to market the bonds in certain regions. Committee concluded that this would be good to offer our bonds locally. The regional priority of sale would be Fargo, West Fargo, Moorhead, Cass and Clay Counties as first priority, State of North Dakota and Minnesota as second priority, local banks and financial institutions third, national retail fourth, and institutional as the final priority. The overall bond sale should produce market-based rates because the underwriter selected will be required to purchase bonds that are not sold through the prioritization of purchasers. Baker Tilly will do an RFP to select an underwriter who will market the bonds. Committee approved this new process and the next step will be approval of the underwriter by the City Commission. DP/BG

Library Request to Carryover Capital Fund Approved

Tim Dirks requested permission to utilize capital funds originally intended for replacement of defective shades in the Fargo Public Library. He said that the shades were still under warranty and therefore were replaced at no cost to the Library. Committee approved repurposing the budgeted funds totaling $24,000 to reupholster public seating that is now ten years old. BG/MR

Special Assessment Deferral Request for Fargo Municipal Airport Authority

A request for an assessment deferral was made by the Airport Authority for project BN16-C. This project overlaps five Airport parcels that are not developable due to restricted air space. This property is north of County Road 20. The City Attorney's office drafted an agreement regarding deferral of special assessments for a ten-year period. Committee reviewed and approved the request. DP/ BG

Development Proposals for the Park East Site

Jim Gilmour provided a matrix that describes development proposals and the prices they are willing to pay for this property. There were three proposals to include the HRA, Beyond Shelter, and Enclave Development. All proposers bid the minimum bid stated in the RFP that was set at $10 per square foot. There was discussion about the prices offered and that the City should increase the price to be more in line with what real estate is selling for Downtown, especially after the reconstruction of Main Avenue. There was also discussion about potential to access this site. HRA and Beyond Shelter do not have financing lined up. Enclave owns property just west of this parcel and can start this year. There was discussion about rebidding the project with a higher minimum bid. Committee did not take any action on proposal; however, Mayor Mahoney requested that we keep this process moving along.

Fueling the Future Budget Request

The Committee reviewed a request from the EDC and the Chamber of Commerce for $400,000 payable over four fiscal years. Emphasis areas include a metropolitan approach to guide prosperity and quality of life in the region. This includes job growth for the Fargo Moorhead West Fargo MSA. Piepkorn suggested that a short presentation be given to the City Commission including what other stakeholders are being solicited. No further action taken.

Career Workforce Academy Investment Request

Jim Gilmour reviewed a request from the Career Workforce Academy for a pledge of $1 million payable over four years starting in 2020. They are looking to develop along 45th street. Redlinger inquired about the composition of the $12 million already pledged. Grubb reported that Sanford is planning a facility in this area as well. No action taken, informational item only.

Land Purchase for Island Park Ramp Approved

Jim Gilmour updated the Committee on the status of the land purchase for the Island Park ramp. A recent appraisal was completed by the banks and reviewed by the City Assessor's office. It was agreed between all parties this was a reasonable appraisal at $870,000, or $20 per square foot. The Committee agreed to move this forward for final approval by the City Commission at the next meeting. DP/MR

Repurposing Capital Funds for Water Treatment Plant Approved

Troy Hall requested permission to repurpose funds originally budgeted in the Water Fund to set up on-line system of dose management for water quality. He also reviewed recent changes in the water plant membrane configuration that is producing significant cost savings and improvement of water quality. The Committee approved the request for $135,000. BG/ KC

Sandbag Handling and Storage Proposal

Terry Ludlum reviewed a proposal to transport and store the sandbags produced this year so they will be salvaged for future floods up to two years. The plan would be to relocate 2/3rds of the bags to the Public Safety building and the remainder to Public Works facilities. A cover would be made for approximately $30,000 to keep them dry. The Committee directed Ludlum to proceed with the storage proposal. BG / DP

Land Swap Approved for Future Fire Station

Chief Dirksen reviewed a proposal to swap land just west of Drain 53 and south of 64th Avenue south.

A developer is interested in a land swap that is mutually beneficial for land south of 64th Avenue south and east of Interstate 29.

He explained that the parcels of land are similar and the new location would be preferable. He also stated that an ambulance garage could be co-located on this parcel of land. The Committee approved the request. BG/ MR

Renewal of Wells Fargo Loan for the FM Diversion

Costin reviewed proposed terms for a two-year renewal of the existing $100 million City loan to help fund FM Diversion project costs. He said that terms were similar and somewhat more favorable so the FMDA Finance teams wanted to renew the loan that is due July 31, 2019 early to capture savings. Sprague stated that Wells Fargo has been a good financing partner and made the initial negotiations much easier than others. The Committee approved the loan terms and conditions and recommended final approval by the City Commission. DP/SS

Discontinuation of Absorbing Credit Card Payment Fees for On-Line Customer Payments

Costin reviewed an analysis of existing credit card fees charged to the City for customer credit card fees. He said initially the City desired to drive traffic and efficiency to our payment web sites. The building permit software is also capable of taking on-line credit card payment so that impact was estimated to cost additional resources if the City continues to absorb these fees. Committee recommended discontinuance of absorbing credit card fees into City budgets but rather passing these fees along to be paid by the user. MR/SS

Traffic Fine Schedules Discussed

Costin provided a fee schedule for fines impacted by recent legislative actions that allow Cities to double traffic fines. He stated the overall impact would be about $370k of additional revenue if fines were doubled as permitted in the new legislation. Piepkorn though this should be handled in a gradual and a safety related manner. Committee decided to refer this issue to the Police Chief for review and recommendation moving forward with some rate increases. No further action taken.

Overweight Fines Process Review Approved

Costin notified the Committee that several overweight fines were negotiated by up to 50% of the initial fine by staff and attorneys. He recommended that this process be reviewed and that more control be implemented or reassigned to others with a higher level of authority. Committee felt that this should be reviewed. Grubb reported that our overweight fine schedule is very high as compared to others. This was referred to City Administration for further review and will require further discussion with the Engineering Department.

SRF Loan Usage for Infrastructure Reconstruction

Costin suggested that since the infrastructure revolving loan fund low interest loan program failed in the legislative session the City should consider applying for SRF loans in place of traditional special assessment bonds current used. He said that the SRF program is a federal program that subsidizes water and wastewater projects at 2% over 30 years, include certain other components of the reconstruction process including paving and concrete curb and gutter replacement. Grubb stated that the Engineering Department has not handled SRF loan compliance procedures in the past since they have been used only for water and wastewater projects. Costin offered to assist in identifying the federal compliance issues. No further action taken.

Weather Related Budget Impact

Costin provide an estimate of additional spending related to the excessive snow season. The amount in just the Street Department was estimated at about $600 - $700k. No action taken.

Flood Financial Status Report

A report of the accumulated costs for the spring flood was reviewed. Total spending was reported at $768,372 as of 4/28/2019. A Federal disaster declaration has not yet been approved yet but is anticipated as soon as damage assessment reports are completed in May.

City of Fargo
Finance Committee Meeting Minutes
May 13, 2019

The Finance Committee held its monthly meeting on May 13, 2019 at 10:00 in the Mayor's Office.

All members were present.

Guests included Jim Gilmour, Nicole Crutchfield and Mark Williams

Minutes and Report of Actions Approved

The minutes and report of actions from the last meeting were approved as drafted. M/S Grubb, Sprague

Sole Source Procurements Approved

The Committee reviewed the requests for sole source procurements. Tracker Products, Bishop Land Design and Vessco were requested. All approved as presented. M/S Grubb, Piepkorn

Water and Wastewater Instrument Controls Coordinator

The Committee reviewed a request from James Hausauer to hire the Water and Wastewater Instrument Controls Coordinator. This was approved in past PEC actions in November 2017. Committee approved moving forward since this has been included in the 2019 budget. M/S Grubb, Redlinger.

Preliminary Audit Result and Final General Fund Performance

Costin reported that Eide Bailly finished their audit fieldwork with no audit findings or management comments. He also reported that the General Fund did slightly better than anticipated; however, there was a $2.3 million decline in our General Fund balance. He said that positive revenue variances were noted that were better than the previous year and that the expenditure variance, while still positive was smaller than past years. The General Fund balance has been declining for the past four years.

Bishop Land Design Continuation

Nicole Crutchfield briefed the Committee on continuing with a design services amendment as a follow up to the last meeting with the City Commission. The amount is $200,000. Mark Williams stated that Scott Bishop has done a good job of creating consensus on this project. Committee approved moving this on to the City Commission. M/S Redlinger, Piepkorn.

Fuel the Future Campaign

Commissioner Piepkorn discussed the Fuel the Future Campaign and request for a pledge of $400,000 for this program payable over four years. He reported that West Fargo is contributing the same amount as Fargo. This will be a local workforce development initiative. The Committee approved inclusion of this into the preliminary budget for $100,000. M/S Piepkorn, Sprague

City of Fargo
Finance Committee Meeting Minutes
June 24, 2019

The regular meeting of the Finance Committee was held on June 24, 2019 at 10:00 a.m. in the Mayor's Office.

All members attended.

Guests: Jim Gilmour, Ben Dow, Matt Peterson

Minutes Approved

The Committee approved the minutes of the last meeting as presented.

Sole Source Procurements Approved

The Committee reviewed and approved thirteen sole source procurements.

Water Treatment Plant Personnel

Troy Hall requested permission to front load the hiring of a water plant operator due to an upcoming employee retirement and a contract maintenance attendant II position. Budgetary savings for chemicals to operate the new plant would cover these costs. Committee approved this request.

Bus Driver Wage Adjustments

Matt Peterson reviewed a proposal to increase driver pay for bus services because of the lack of being able to hire drivers at these pay levels. The contractor is current starting drivers at $14.00 per hour and the proposal is to start them in the $17-18 range. Currently some contract related fines have been levied against the provider and the Transit Department is recommending that the City consider waiving fines as a way to pay for the increased driver pay. Costin recommended that fines should continue to follow the contract provisions and that a budget amendment be recommended instead of waiving fines. The Committee approved recommending a budget adjustment to increase driver pay for bus services.

Purchase of Geotechnical Polyurethane Lifting Foam

Ben Dow requested permission to purchase approximately $50,000 of foam used to restore a roadway along 42nd street to its original condition. It needs to be raised by 13" and foamjacking is an effective technique. There is a tight deadline for finish this project so he requested using quotes vs. bids for this

purchase. Three quotes were received and reviewed. The low quoate was from NCFI Polyurethanes. The Committee approved this request.

Change Order for City Demolition Project

Bruce Grubb presented a request for a change order on the old City Hall demolition project. The change order details were to shore up a support wall, repair a damaged fence, and to eliminate three manholes. The amount of the change order was $ 40,753.00. The Committee approved this change order request.

Request to Extend MinnKota Recycling Contract

Terry Ludlum requested approved to proceed with an extension of the existing recycling vendor, MinnKota. He stated that the recycling market has essentially collapsed and the prices have fallen so far that it might actually cost us more if we rebid the contract now. He requested that a three-year contract extension would save us money in the end. The Committee approved a request for a three-year extension.

Rejection of the Park East RFP Proposals

Jim Gilmour recommended that all responses to our RFP for development of the Park East site be rejected. He stated that there have been changes in access that could impact the price of this sale. The Committee approved his request and suggested that the future RFP should not include a minimum price since all bid the minimum price on the first RFP. He also stated that the Mid America site would be vacated in late fall of 2019.

Baker Tilly Financial Modeling Proposal

Administration requested a proposal from Baker Tilly to do some complex financial modeling on the cost of development and services related to growth. This modeling would take into account all facets of cost and would be capable of producing a return on investment calculation. Mike Redlinger stated he has worked with Baker Tilly in the past and they do comprehensive modeling. The Committee recommended proceeding with this project later this year with funding coming from the General Support budget.

Merchantile Ramp Status

Jim Gilmour report that he and Costin have been working on modeling a financing plan for the Merchantile ramp project. He stated that revenues at current levels do not support the debt service requirements in the first few years of the proposed amortization schedule. Costin stated that then would need to raise rates by about 22% to balance out this transaction and that there is currently a deficit in the Parking Authority that resulted from the construction of the ROCO ramp project recently completed. No action taken.

Water Customer Request for Refund of Water Billing

Sprague reviewed a request from a customer who to waive a large water billing due to an irrigation system that was left on an pumped out 642,000 gallons of water. The customer was negligent in this case. The bill was $3,000. The Committee denied the request to waive the bill.

City of Fargo
Finance Committee Meeting Minutes
July 29, 2019

The Finance Committee held their regular meeting on July 29, 2019 at 10:00 a.m. in the Mayor's Office.

Members Attending: Mahoney, Piepkorn, Grubb, Redlinger, Sprague, Costin

Guest Attending: Jim Gilmour, Dan Eberhardt, Nicole Crutchfield

Minutes Approved

The Committee approved the minutes from the last meeting.

Sole Source Procurements Approved

The Committee reviewed and approved sole source procurement requests submitted by Departments.

Skyway Assessment District

Sprague and Eberhardt discussed the need to add the Block 9 project to the current skyway assessment district. They also discussed adding in the Bolstad building. Their assessments would be levied using the initial formula and would start in 2021.

Civic Plaza Update

Nicole Crutchfield provided an update on the Sodbuster phase of the Civic plaza. The consultant will be bringing a guaranteed maximum price proposal within the next two to four weeks. Mcgough was hired for construction services. Bishop will provide a project update to the City Commission tonight. Committee recommending seeking City Commission approval for the first phase of the Civic Plaza project.

Mid America Steel Project Salvage

Grubb reported that he and Gilmour met with Mid America Steel representatives about the possibility of a salvage proposal for Mid America Steel to raze the buildings and allowing them to recover the existing steel in the buildings. There are some large beams used in their business that would be worth saving. Grubb stated that this would be a great opportunity for the City to clear this area with no cost and some potential revenue sharing. Committee reviewed and recommended approval of this concept.

City of Fargo Bond Sale

Costin updated the Committee on the recent bond sale. He was very pleased with the rate of 2.8% and the interaction with local taxpayers and banks who purchased our bonds directly. He said that the underwriter received many inquiries about the bonds; however, the rates were so low that not many bonds were purchased locally. The Committee felt that this was a good way of pushing positive information about Fargo into the markets.

Credit Card Fees Discussed

Sprague reported that one of our credit card providers stated that if we begin charging fees back to our customers that they would anticipate about a 30% decline in card usage because of the fee. He was concerned about this issue and the impact it would have on staff and the number of calls for payments. There was discussion about potential vendor fee increases, change in payment behavior, and potentially allowing credit card payments on only residential accounts. Sprague will work on analysis of our payment patterns and bring this back for a final decision.

City of Fargo
Finance Committee Meeting Minutes
August 26, 2019

The Finance Committee met for its monthly meeting on August 26, 2019 at 10:00 a.m. in the Mayor's Office.

Members Attending: Mahoney, Piepkorn, Grubb, Redlinger, Sprague, Costin

Members Absent: None

Guests Attending: Jim Gilmour, Gregg Schildberger, Ben Dow and Mark Williams

Minutes Approved

The Committee approved the minutes from the last meeting as presented.

Sole Source Procurements Approved

The Finance Committee reviewed and approved the sole source procurements requested by Departmental personnel. They included GFI, Advanced Business Methods, General Equipment, Key Contracting, Haldeman-Homme and EJP.

Review of Fargodome Insurance Coverage for Upcoming Event

Rob Sobolik led a discussion on liability insurance coverage for Fargodome gun show event coming up in January 2020. He was concerned about our insurance limits in light of the risks associated with this event that moved out of the Civic and now to the Dome. He wanted to discuss this with the Finance Committee members. Other area municipalities are using a $1 million insurance requirement. He will check with Dawson Insurance about industry standards. No action taken.

Downtown Overnight Parking Enforcement by First Interstate Parking

Ben Dow presented a proposal and a request to initiate night parking enforcement in the Downtown area. His proposal was to begin with night enforcement on October 1. He recommended that funding come from his Street Department services budget line and sharing with Planning starting in 2020. The total yearly costs is $58,035. The Committee approved this request.

Local Sales Tax Collections Report

Costin reviewed a report comparing the local sales tax collections for the first eight months of August with last year's numbers. This report shows a 4.2% increase in overall collections. This an improvement over past trends that were negative and then flat.

Baker Tilly Report of Bond Refinancing Opportunities

A report from Baker Tilly, the City's financial advisor presented several potential bond-refinancing opportunities. Costin reported that the largest savings would come from refunding improvement bonds issued in 2011, 2012, and 2013. Interest rates have fallen in the past few weeks presenting this opportunity to refinance. He recommended that the 2011A, 2012A, and 2013C refunding improvement bonds be refinanced for an estimated savings of approximately $3.5 million.

Merchantile Parking Ramp Project Status Report

Jim Gilmour presented an overview of the Merchantile ramp project. He stated that the developer has provided a guaranteed maximum cost proposal of $13 million for the ramp portion of the project that also includes a land cost reimbursement. Costin stated he has been working with Baker Tilly on a financial modeling project. The initial debt service payments will pressure the Parking Authority fund until the tax increment proceeds come in on various projects pledged to parking. He noted that the Parking Authority Fund is current in a deficit position because of its financial pay go contribution to the ROCO ramp project. He was seeking input from the Committee about what type of debt to issue as GO bonding would provide the lowest possible interest rate, however, issuing this type of bond requires four votes from the City Commission. There was also discussion about extension of existing interfund loans and operational pricing of the new ramps to resolve the short-term debt service coverages needed for the issuance of bonds. Piepkorn recommended that we should do this now using a clean debt structure. Committee felt that using annual appropriation bonds would be the best option as we did for the Block 9 project using a twenty-five year amortization schedule.

City Hall Parking Temporary Options

Grubb reported that the leased space in the development to the north of City Hall wouldn't be ready until about October 1st. Gilmour contacted the Bortneim group and they are willing to provide a short-term rental agreement for up to eighty vehicles for $65 per month. The Committee approved this temporary arrangement until our permanent parking is available.

Fueling our Future

Grubb reported that Craig Whitney inquired about the potential to advance fund the Fuel our Future pledge from the City of Fargo of $100,000. Grubb reported that the fund should not be released because they are included in the 2020 budget. There was more discussion about the overall funding for the campaign and why funds were being requested now.

City Hall Lighting Project

The Mayor submitted a project request to proceed with a City Hall lighting project. The scope of the project was estimated at $200,000. Costin inquired about why this project was not discussed during recent budget deliberations and what source of funds was recommended. Grubb stated that he will identify funding from funds budgeted in fund 475. The Committee recommended approving this project as presented.

AVI Maintenance Agreement Approved

Greg Schildberger presented and overview of a maintenance agreement needed for the AV systems in the City Commission Chambers. The amount needed for this agreement for the rest of 2019 is $61.1k and $137k for 2020. Committee approved this agreement and recommended that fund 475 be the source of funds.

Mid America Steel Demolition

Grubb reported that Mid America was not interested in demolition of the existing buildings at their old site, however, they are interested in salvaging the steel residing within. He will be doing a walk through with a salvage contractor soon.

Finance Committee Meeting Minutes
September 30, 2019

The Finance Committee met for its monthly meeting on September 29, 2019 at 10:00 a.m. in the Mayor's office.

Members Attending: Mahoney, Piepkorn, Grubb, Redlinger, Costin

Members Absent: Sprague

Guests Present: Jim Gilmour, Tim Dirks

Minutes Approved

The Committee approved the minutes from the last meeting.

Sole Source Procurements Approved

Sole source procurements for KLJ and ICS contractors as presented by Planning and the Fargodome.

Capital Budget Reauthorization Approved for Library

Tim Dirks requested to use $14,000 from his approved capital outlay budget to purchase office workstations for staff and the newly approved Police Officer funded in the 2020 budget. The funds were previously approved for a window shade project however, it became a warranty issue. Committee approved his request.

Newman Field Reroofing Bids Rejected

Grubb reported that a roofing project was bid for the Newman Stadium and the bids came in much higher than expected at $400,000. Contractors who bid already had work scheduled out for the rest of the year. He requested that the Committee reject the bids. Committee recommended rejection of the bids.

Works Change Directives for Water Plant Projects

Grubb presented two work directive changes for the Water plant project relating to project number WA1951. The first request was to purchase a 42" emergency pipe repair kit ($18,689) that is a critical element needed on hand in the event of a pipe failure. The second request was for modification of three pipes for EPA compliance monitoring purposes totaling $95,000. Funding is available within the current project budgets for the Water Fund. The Committee approved these requests. The pipe modification was a sole source procurement request.

Status of Refinancing Assessment Bonds

Costin reported that Baker Tilly told him that interest rates were rising somewhat since our first evaluation of the refunding opportunity approved last month.

Debt Issuance and Development Agreements for Mercantile Parking Ramp

Costin reviewed a pro-forma amortization for the future issuance to fund the Mercantile parking ramp project. He said that the financing will work, however, there was a revenue line item added for sale of land assets owned by the Parking Authority along Main Avenue. Piepkorn stated that this project is modeled similar to the ROCO parking ramp recently completed. Costin stated that he and Gilmour have discussed proposed rate structures and that it was important to implement them to solidify our revenue projections for the upcoming bond sale. Piepkorn moved to approve the project financing, contingent upon approval of final actions for the project to include rate increases, and the approval of the development agreement, parking agreement and the resolution for issuance of bonds. Committee extended time to review the final agreements until Wednesday October 3rd because the final agreements were not submitted to the Committee at this meeting. A special meeting was scheduled on that date for review and approval of the remaining agreements. At that meeting all final documents were presented and approved and will be forwarded to the City Commission for consideration.

City of Fargo
Finance Committee Meeting Minutes
October 28, 2019

The Finance Committee held its monthly meeting on October 28, 2019 in the Mayor's Office at 10:00 a.m.

Members Present: All

Guests Present: Jim Gilmour, Terry Ludlum, Ron Gronneberg

Minutes Approved

The Finance Committee approved the meeting minutes from the September meeting. Grubb moved to approve as presented. Sprague seconded the motion and all voted in favor.

Mercantile Ramp Bond Underwriter

Costin reviewed a proposal from Baker Tilly to utilize Baird as our bond underwriter for the upcoming bond financing for the mercantile ramp. They are familiar with our recent ramp financings and were involved in issuance of the ROCO and Block 9 ramp bonds. He recommended that a sole source procurement be approved with Baird for this bond issue. Redlinger moved to approve the sole source procurement with Baird. Costin seconded the motion and all voted in favor.

Cyber Liability Insurance Coverage Approved

Costin updated the Committee on recent actions to explore additional cyber liability insurance coverage. He reported that staff have been meeting with the insurance brokers to get up to speed on what the insurance markets are offering for coverages. There have been multiple cyber incidents in cities across the nation and he requested that we bind insurance coverages to mitigate losses from this risk. The estimated cost of coverage was $30k - $50k. Costin moved to approve placement of cyber insurance coverage. Sprague seconded the motion and all voted in favor.

GTC Repair Proposal Approved

Redlinger reviewed an updated GTC repair proposal that reduced the initial cost of the repairs since budget levels approved were not adequate to fund the entire project. The below ground will be paid by the C-1 TIF district and will include the beam, wall, drain tile, and mechanical ducting. There is also funding provided by Jefferson Lines to fit up a portion of the GTC for their use. The balance of the project will be funded by existing transit grants already approved and the local share funding that accompanies these grants. The entire project will be packaged into a single bid for ease of administration. Sprague moved to approve the repairs requested. Mahoney seconded the motion and all voted in favor.

Break Room TV Services Approved

Gronneberg reviewed three proposals to provide television in the break rooms. This was not included in the initial City Hall AV packages. The proposals ranged from $49k for the same system that operates in the building hallways, to as low as $500 for cable TV boxes to transmit cable TV. Grubb moved to approve the placement of cable TV boxes in the breakrooms. Sprague seconded the motion and all voted in favor.

Cell Phone Repeaters in City Hall Parking Garages Approved

Gronneberg reported that we do not have any cell phone repeaters in the City Hall parking facilities. He wanted some direction since this is a safety issue. The estimated cost to place the repeaters was $35k. Redlinger moved to install the repeaters as requested using IT budgeted capital funds. Piepkorn seconded the motion and all voted in favor.

Solid Waste Recycling Surcharge Approved

Terry Ludlum updated the Finance Committee on recent changes in the values of various recycling materials. We currently have a contract with Minnkota Recycling who processes our materials. Market prices have declined drastically and therefore, he is recommending a temporary surcharge of $30 per ton for six months for Minnkota Recycling. The new rate for recycled materials will be $129 per ton and cardboard from $5.00 to $10.00. He recommended an amendment be approved to the existing three-year contract with the provider. Redlinger moved to approve the amendment as presented by Ludlum. Grubb seconded the motion and all voted in favor.

Family Entertainment Development

Grubb reported that a developer is interested in a family entertainment district in South Fargo. This would be similar to a project in New Brighton, MN and it would operate all year long.

Mid America Steel Property

Grubb updated the Committee on the status of the Mid America Steel facilities. The previous owner will be vacating the property by the end of the week. He suggested that we consider some security service or police patrol in this area since there are five interconnected buildings. There will be future environmental investigations in the future and there will be potential to apply for EPA grants to help clean up and mitigate this site for redevelopment. Local steel recyclers are interested in some of the structural steel in the buildings. Committee recommended adding some limited security services to keep this area uninhabited.

City of Fargo
Finance Committee Meeting Minutes
November 13, 2019

The Finance Committee held a special meeting on November 13, 2019 at 4:00 p.m. in the Mayor's Office.

All members were present.

Guests included Brenda Derrig, Tom Knakmuhs, Dan Eberhardt and Jim Gilmour

Revised Infrastructure Funding Policy Approved

The City Engineering team led a discussion and review of the proposed infrastructure funding policy. This followed a recent brown bag presentation to all Commissioners to explain the proposed policy changes from the Special Assessments Task Force. Commissioner Piepkorn stated that major changes were made in the policy and that staff should highlight these changes at the next City Commission meeting. He stated that there should be some emphasis or comments about the LOMAR costs being removed from special assessment funding. He stated that after the Diversion is completed the building elevation rules will change and LOMAR may not be required at that time. Piepkorn moved to approve the revised infrastructure funding policy. Mahoney seconded the motion and all members voted in favor.

Robert Street Powerline Pilot Project Cost Share Agreement Amended

Grubb reviewed a request to amend the Robert Street Powerline agreement to include the secondary power fee for one non-Kilbourne property. He stated that the cost sharing agreement has already been approved but this needs to be amended into the agreement. Kilbourne and the City of Fargo are included in the cost share agreement and are responsible for the secondary power feeds. Derrig asked if fees should be assessed to this infrastructure pilot project. Grubb recommended that this is intended to be a pilot project and that no fees should be assessed to keep costs as low as possible. Grubb moved to approve the cost share agreement and since the original agreement has been approved to place this on the consent agenda. Sprague seconded the motion and all voted in favor.

Mid America Steel Property Temporary Security Approved

Mid America Steel properties were vacated in October. City staff completed a facility walk through recently. There were some concerns expressed about security over these buildings due to the upcoming winter weather. Staff did not want this to become a gathering place that could lead to more issues in the future. The buildings will be demolished next year so some security services should be approved to watch over this area during the winter months. Grubb moved to amend the ASP security contract currently in place with the Library to monitor this location. Costin seconded the motion and all voted in favor.

Special Assessments Deferral Request Nathan Everson

The Committee review a request for a special assessment deferral for BN 17A and BN 17B infrastructure projects. The City Commission referred this item to staff for further review and discussion. The Committee discussed offering a three-year deferral with interest accruing on the deferral contract. The deferral contract would be monitored on a lot-by-lot basis that would be the triggering event for collecting the assessments. Piepkorn moved to offer a three-year deferral agreement. Sprague seconded the motion and all voted in favor.

Special Assessment Deferral Request for the Horsepark Properties

Jim Gilmour presented a special assessment deferral request the ND Horsepark and Horse Race ND properties. They have been assessed another large assessment for the 19th Ave North reconstruction project completed this year. The concept of offering a deferral was discussed. Costin suggested that we should look into how we are currently applying tax increment funds toward their existing special assessments. The City has been applying the TIF funds to the uncertified balances. In other instances, TIF proceeds are paid to the developer who uses the annual TIF collections to pay their annual installments. This original TIF agreements and development plans contemplated this process. He requested this item should be discussed because it might be a good way of resolving this issue. Grubb moved to table this request pending further review and discussion with the property owners. Piepkorn seconded the motion and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
November 25, 2019

The Finance Committee met for its monthly meeting on November 25, 2019 at 10:00 a.m. in the Mayor's Office.

Members Present: All

Guests Present: Jim Gilmour, Dan Eberhardt, Brenda Derrig, Thomas Knakmus, Roger Kluck, Jody Bertrand, Terry Ludlum and Ben Dow

Minutes Approved

The Committee approved the minutes from the last two meetings. Grubb moved to approve the minutes. Piepkorn seconded the motion and all voted in favor.

Sole Source Procurements Approved

Costin moved to approve sole source procurements requested by Departments. Redlinger seconded the motion and all voted in favor. Approvals included Northern Truck, Faster, New Flyer, Cummings, Midstates Wireless, and 3D Specialties.

Engineering Contract for Project FM16A0 Approved

Roger Kluck and Jody Bertrand reviewed a request to modify project FM16A0 that accommodates designs to meet the FM Diversion plan B. These costs are part of the FM Diversion budget, however, the City is managing this project. Piepkorn moved to approve the requested revision. Redlinger seconded the motion and all voted in favor.

Resolution Prescribing Rates for Solid Waste Approved

Terry Ludlum reviewed proposed rate increases for Solid Waste. All these requests are included in the 2020 budget. No impacts on residential customer base. Fargo is the most affordable garbage pickup service in the region. Grubb moved to approve the proposed rate increases. Sprague seconded the motion and all voted in favor.

Parking Lot Rentals Approved

Jim Gilmour presented a request to rent out the parking facilities that are available due to the vacancy of the Police and Health Buildings. There are seventy spots available for rental. Interestate Parking will manage these lots. He said they may have to do some signage. Piepkorn moved to rent out these spaces. Grubb seconded the motion and all voted in favor.

Central Garage Activity Fund

Ben Dow reported on an activity fund with the Central Garage and the City Employee Credit Union. He said this was in place for years and was used for employee events. He was not comfortable having his staff managing this account and recommended that it be closed out. Committee agreed with this recommendation. Grubb moved to close it out. Costin seconded the motion and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
December 23, 2019

The Finance Committee met on December 23, 2019 at 10:00 a.m. in the Mayor's Office

Attendance: All members were present

Guests: Ron Gonneberg, Brenda Derrig, Jill Minette.

Minutes Approved

The Committee approved the meeting minutes as drafted. Piepkorn moved to approve. Grubb seconded the motion and all voted in favor.

Sole Source Procurements Approved

The sole source procurement requests were reviewed and approved. They included Dakota Fence, Wrigley Mechanical, Tech Sales. Grubb moved to approve these requests. Costin seconded the motion and all voted in favor.

NEOGOV Software Modules Approved

Jill Minette reviewed a proposal from NEOGOV that offered additional software services at a 50% discount due to year-end promotions. She said that approval was granted in the 2020 budget to implement onboarding software. The company was offering and additional module at a discount that would enhance the efficiency of the HR office functions. The pricing for the two software modules was $29,000 vs. the $24,000 approved in the 2020 budget. She stated that this difference could be absorbed within the HR budget in 2020. The cost for the second module will revert to standard pricing in 2021 and will need to be included in the 2021 budget next year.

Piepkorn moved to approve the NEOGOV software implementation strategy. Redlinger seconded the motion and all voted in favor. The total cost for the 2021 budget for both software modules will be $43,000.

Discussed and Approved the 27th Pay Period Protocol in 2020

Jill Minette updated the Committee on plans for implementing the 27th pay period in 2020 that results from leap year. She stated that this happens every ten years. The last time this happened the City Commission approved paying exempt employees normally on this two week pay cycle and that would be recommended at the end of January. Piepkorn requested this be placed on the consent agenda since a practice had already been decided the last time this occurred. Piepkorn moved to approve the processing of the 27th payroll as was done in the past. A more detailed explanation of why this occurs will be presented in January. Sprague seconded the motion and all voted in favor.

Financial Status Report Reviewed

Costin reviewed the General Fund financial status report through November 30, 2019. He stated that there were some revenue categories that were lagging and that it was unusual that there were so many negative variances in the revenue portion of the report. Building permits and fines were much lower than budgeted, however investment income will offset these variances. Based upon a recent analysis in preparation for a Moody's credit report he felt that the final year-end results will come in close to the approved budget levels. He wanted to a make sure that the Finance Committee was aware of the anticipated revenue variances. Overall expenditures are in line with the approved budget.

Link Transit Services Budget Amendment Approved

Redlinger presented a request for a 2020 budget amendment for the FM Link transit services recently approved by the City Commission. The total amount is $18,968 and shared 50% / 50% between Moorhead and Fargo. Moorhead will pay 100% of the Moorhead only events as listed. Grubb moved to approve the budget amendment. Redlinger seconded the motion and all voted in favor.

Shark Properties Settlement Agreement Approved

Brenda Derrig reviewed a proposed settlement agreement with Shark Properties related to some property damages incurred during a city infrastructure project. The property was on 4th Ave. North. She has been working with the City Attorney, the property owner, and the contractor on a three way settlement agreement that will end this dispute and eliminate litigation. The City share of the settlement agreement was $25,000. Grubb stated that it would be a positive result to avoid litigation. Piepkorn moved to approve the settlement agreement funding with sales tax resources. Sprague seconded the motion and all voted in favor.

Integrated Financial Modeling for Street Sales Taxes and Utility Funds

Brenda Derrig and Grubb reviewed a proposal to do some integrated financial modeling to balance out the needs of street repair and utility capital projects. Presently there is a ¼ cent sales tax going into streets, water and wastewater. The goal of this project will be to analyze and prioritize projects in the long term capital plans to assure that adequate funding in made available for each function. Costin moved to approve this request. Redlinger seconded the motion and all voted in favor.

Bus Wrap Proposal Approved

Gregg Schilberger proposed using a bus wrap for the "We work for you" initiative. This would be a no cost agreement for the City to use the bus wrap as a way of communicating with our citizens. There would be a five-year term on the wrap proposal. The Transit Department has adequate number of busses that can accommodate this request. Redlinger moved to approve the bus wrap proposal. Piepkorn seconded the motion and all voted in favor.

Audio-Visual Upgrades for Old City Hall Chambers

Gregg Schilberger stated that the AV equipment is obsolete and not functioning. With the recent request and approval of the site rental agreement with the FM Diversion management moving in he recommended upgrading the AV equipment in the chambers for use by the Diversion management as well as others. He stated that funding is available in the capital fund 475 from unused 2019 funds. The procurement will be a piggyback contract with NDSU. Redlinger moved to approve this request. Grubb seconded the motion and all voted in favor.

Server Maintenance Agreement Approved

Ron Gronneberg presented a request to merge three existing server hardware maintenance agreements into one single contract with Networks 2000. Funding is included in the budget and this is simply a way to streamline support for the various hardware devices in IT. Grubb moved to approve a contract with the low bidder, Networks 2000 for $24,000 per year. Costin seconded the motion and all voted in favor.

Northland Hospitality Lease Amendment Approved

Redlinger reviewed a proposed final lease agreement for parking spaces in the Northland Hospitality complex north of City Hall. The final negotiations were completed in December with a final annual lease cost of $380,000 per year. Redlinger felt that this was a good number considering the negotiating needed to close this agreement and related delays in the project. The agreement included a requirement to vacate some existing easements. This amendment will call for a five year lease term. The 2018 property taxes payable in 2019 will be covered by the City of Fargo while the 2019, taxes will be covered by the owner prorated to 11/18/2019. Grubb moved to approve the lease amendment. Sprague seconded the motion and all voted in favor.

North Dakota Environmental Division Grant Award Announced

Grubb reported that a state grant was awarded for the first phase of the Voltzwagon settlement. They awarded $632,500 to purchase a fire truck, and $88,453 for a fast charging station. This will be the first of three grant awards. This was announced as a very nice Christmas present.