City of Fargo
Finance Committee Meeting Minutes
Monday, January 31st, 2022

The Finance Committee met on Monday, January 31st at 10:00 a.m. in the River Room and virtual.

All members were present except Dave Piepkorn. Guests included Jamie Fay and Brian Stavenger (Eide Bailly), Julie Bommelman, Cole Swingen, Jordan Smith, Nicole Crutchfield, Terry Hogan, Travis Stefonowicz, David Zibolski, and Jim Gilmour, Jim Hausauer, Ron Gronneberg, Melissa Perala, Desi Fleming, and Gregg Schildberger.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the December meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Toshiba, OverDrive Inc, Target Solutions, IT Pipes LLC, Interface Studio, CZB LLC, and Parsons Electric.

Costin made the motion to approve. Sprague seconded and all voted in favor.

REGULAR AGENDA:

MAA AUP Draft Discussion

Jamie Fay and Brian Stavenger from Eide Bailly were available for any questions the Committee members had regarding the report to review agreed upon procedures related to the Municipal Airport Authority. Mayor Mahoney asked about the City of Fargo and Airport Authority investment returns. Jamie stated they did not look at the City of Fargo investment returns; only the interest earned on the First International investment returns. Mayor Mahoney asked about the low lease rates and Jamie stated they did not look at any comparable lease rates they only reviewed the rates given.

Costin commented on the finding of the memorandum of understanding that if the MAA did not have a specific policy inked as part of their procedures, they would follow the City of Fargo policies. Now that they are independent, they will need to prepare their own policies.

Costin moved to receive and file the report, refer to Dave Piepkorn, and forward to the Airport. Redlinger seconded and all voted in favor.

Proposed Adjustments in Driver and Dispatcher Wages Approved

The City's existing five-year contract with First Transit for transit management and driver services expires December 31, 2022 with three one-year extension options. Within this agreement, minimum wages and benefits for the contractor's drivers are outlined. Unfortunately, at the outlined wages, Transit remains several drivers short of the number of drivers required to maintain regular transit service levels.

Transit has been experiencing significant driver shortages for both fixed route and paratransit for approximately 18 months with minimal disruptions. In January 2022 Fargo Transit decreased transit services which helped save the number of drivers needed. In response to the current driver situation, they are proposing increasing wages for drivers. Cole Swingen stated the proposal brings them to a top rate. They are hoping to recruit and retain with higher starting wages.

Redlinger made the motion to approve. Grubb seconded and all voted in favor.

Churches United Overflow Funding Approved

Crutchfield stated over $1m was allocated for homeless overflow shelter operations for the 2022 budget year. This commitment was made as part of a three-year strategy to ensure a healthy shelter system and provide relief to the City's shelter (Gladys Ray). In 2020, Red River Valley Task Force funds were used to retrofit a site at 1015 30th Avenue South in Moorhead to serve up to 25 unaccompanied women each night. PS CARES funds were used to cover 2021 operating expenses. The shelter was at capacity nearly every night since it began operating in the second half of 2021.

Planning staff is seeking $350,000 for Churches United overflow shelter operating expenses in 2022, using American Rescue Plan funds.

Grubb made the motion to approve. Redlinger seconded and all voted in favor.

Funding for Faith4Hope Community Food Program Approved

Terry Hogan stated After-School Matters (ASM) is a program of the Faith4Hope Scholarship Fund and currently serves approximately 330 children on a monthly basis by providing after school snacks and an evening meal. The program is intended to reduce the gap in access to meals and increase food security. They are requesting a one time funding allocation of $25,000 which will help Faith4Hope purchase food and supplement current operations.

It is proposed that the City of Fargo's CARES Public Safety Funding Allocation be utilized to fund this request from the "Food and Rental Assistance" line item. Sufficient revenues exist to support the Faith4Hope funding request.

Costin made the motion to approve. Redlinger seconded and all voted in favor.

Police Department Request to sell City Assets Approved

In 2021, the Police Department acquired body worn cameras and new Tasers. The Department would like to sell the existing inventory of X26 and X26P Tasers, Holsters, Cartridges, and Cables to the vendor Accredited Security.

Accredited Security will only sell this equipment to other law enforcement entities and security companies, not individuals. After extensive research, this is the only vendor they have been able to identify who will verify who they re-sell these items to.

The total estimate for selling all old Taser items is approximately $33,190, and the proceeds would be used to offset budgetary costs of replacing high dollar items for the Police Department.

Costin made the motion to approve. Redlinger seconded and all voted in favor.

Police Department Mid-Year Adjustments Request #1 Approved

REQUEST #1: Zibolski stated the Records Unit is currently supervised by a sergeant who is on transitional duty but that status will be ending soon. As of January 2022 the Records Unit is fully staffed, but still lacks a supervisor. Zibolski is requesting approval of an Office Manager position. There is sufficient budget in 2022 to support the position but in 2023 there would need to be additional approval for an estimated cost of $61,984. The position was previously approved by the PEC in 2021 and requires no further action from human resources. Grubb wanted Zibolski to clarify the FTE was approved and then work with HR on the next steps in the process.

Sprague moved to approve. Grubb seconded and all voted in favor.

REQUEST #2:

Zibolski stated there have been meetings to identify if a sick leave balance could be used as a potential retention option for officers who anticipate retiring in a given year to remain working through the end of

their retirement year to help address staffing shortages. Two potential officer retirements are schedule for May and July. Zibolski brought forward three options.

Redlinger stated his questions would be for actuarial studies for long term revenue sufficiency to be able to fund it and the precedence for other employee groups. Grubb and Costin stated this is more of a policy issue. Mahoney asked Zibolski to discuss more with HR and Finance on the feasibility.

Build Out of 511 & 515 4th Ave N Approved

Gilmour commented on proposals from Kilbourne Group and Craftwell for the project for Fargo Police Department Sub-station / Interstate Parking fit-up space at 511 and 515 4th Avenue North. He wasn't sure if this request needs to go through the Sole Source process or if it can be part of the Public/Private Partnership. Costin thinks it is an extension of the P3 agreement and the source of funds is reasonable.

Costin moves to approve. Redlinger seconded and all voted in favor.

Civic Center Fund Deficit Transfer Approved

Costin stated when the Civic Center was moved from the General Fund to an Enterprise Fund a revenue source was not identified. The Civic Center has been non-operational for some time but there are costs allocated to it that caused a deficit to occur, such as utilities. Costin would like approval to transfer funds from the General Fund to the Civic Center Fund 554 to cover the end of year deficit estimated at $175,000.

Sprague moved to approve. Grubb seconded and all voted in favor.

Parking Authority Revenue Loss

Costin stated the ARP funding received has a component called revenue loss calculation. The Parking Fund had revenue loss of approximately $700,000 in 2021 and an additional amount of $150k. He discussed putting some funds into the Parking Fund to try to make them whole. Gilmour stated the main factors in the loss of revenue is there is approximately 2000 square feet of vacant office space, hotel parking dropped off, and with many working from home, some monthly parking agreements were cancelled.

Sprague made the motion to approve $1 million. Costin seconded and all voted in favor.

Research Park Ventures/Mercantile Parking Ramp

Costin discussed the note payable related to the Mercantile parking ramp project in 2020. The City issued a $2 million note payable to Research Park Ventures with terms of zero interest with a ten-year maturity. At the time, a detailed accounting and budgeting protocol was not addressed for how the note would be repaid.

Costin recommended establishing a debt service fund and transfer 1/10 of this obligation each year into this fund so we have escrowed enough to make the balloon payment when due and that $400,000 should be transferred from the Parking Authority to escrow funds for 2020 and 2021.

Redlinger moved to approve. Sprague seconded and all voted in favor.

Airport Actuarial Liability Calculation

Costin stated there are currently eight employees from the Airport still participating in City Pension. The plan is approximately 97% funded so there is a small amount of $37,000 liability with the Airport employees, using a 6.75% factor recommended by the Actuary. Costin would like approval to present this to the Airport Authority.

Grubb made the motion to approve. Redlinger seconded and all voted in favor.

Pension Investment Return Assumption

Costin stated the Finance Committee approved lowering the City Pension investment return assumption for the actuarial study from 7.25% to 7.0% earlier this year.

We are presently working with our actuary and they are recommending lowering the assumptions for Police and Fire to 6.75%. In further discussion with the actuary, it was agreed that 7% was still acceptable for this year's actuarial study but this assumption should be revisited in the next study cycle in two years. There is a desire to use the same return assumptions for all of the plans we administer.

The impact of this change has been mitigated by the strong returns in the past couple of years and will be amortized over time.

Costin made the motion to go to 7%. Grubb seconded and all voted in favor.

Harm Reduction temporary hourly rate increase Approved

Desi stated the Harm Reduction Team has been impacted by the pandemic with extra duties, higher risk working conditions, staffing challenges, and covering extra shifts. The most specifically impacted are staff covering emergency shelter services, quarantine and isolation services, mobile/street outreach, and housing supports. There is also a competitive job market in Fargo, and many of these employees could make the same or more wages at a different job with less of these challenges.

She is proposing to increase the hourly rate for Harm Reduction staff by $3 per hour which would be added to any hours that are coded in the above categories. The increase would not be retroactive but implemented this current pay period or next and would end on August 26, 2022, at which time would return back to normal status. A temporary request to utilize the ESG funds.

Redlinger moved to approve. Costin seconded and all voted in favor.

CARES, ARP, and Fund 402 Proposed Uses

Grubb wanted to summarize the uses of the funds the City has received from two federal relief programs; the CARES Act and the American Rescue Plan (ARP).

The City of Fargo received a reimbursement of public safety related expenses totaling $15.9 million from the CARES Act. Additionally, Fargo, as a recognized Metro City, received a direct allocation of $20.2 million in two equal disbursements in 2021 and 2022 from the ARP.

Redlinger moved to receive and file the reports for the proposed uses of CARES, ARP, and Fund 402 funding. Grubb seconded and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
February 28th, 2022

The Finance Committee met on Monday, February 28th at 10:00 a.m. in the River Room and virtual.

All members were present. Guests included Ben Dow, Bekki Majerus, and Terry Ludlum.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the January meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Valley Oral & Facial Surgery, Sun Electric, Nardini Fire Equipment, Sentry Security, Tech Sales, Great Plains Fire/InnoTex, and Electronic Communications.

Costin made the motion to approve. Grubb seconded and all voted in favor.

Financial Status Reports

Costin stated there was excellent growth. The last collection was $7.4 million, which represents the collections that hit the register at the end of December. He believes the factors are inflation and people spending their COVID money. The County tracking their growth is helpful because it shows how the diversion is doing. Overall revenues were at 96.2% of the budget, which is a little bit lagging of what is normally seen. The biggest item is under the Miscellaneous category of $2.7 million dollars. The variance is because sales of City assets didn't happen so Kent brought down the budgeted amount.

All the variances are more budget related than actual.

REGULAR AGENDA:

2023 Truck for Solid Waste Approved

In November of 2021, the North Dakota Department of Environmental Quality (NDDEQ) released the annual State Clean Diesel Grant Program. NDDEQ allocates awards funded by the U.S. Environmental Protection Agency to purchase new, diesel-powered vehicles to reduce diesel emissions.

At that time, the City's applications for 25% funding of two Roll Off trucks and one Auto Side Load Refuse truck were submitted. In January of 2022, the City was notified that the grant applications had been selected to receive funding totaling $154,829.00.

One condition of the grant is the trucks need to be received prior to the deadline date of September 30, 2023. This normally would not be an issue; however, due to the COVID pandemic, production times for large truck chassis have drastically increased. Previously a chassis would be delivered within 120 days from time of order, now the current lead-time on orders is approximately 550 days from time of order. The longer lead times will make it difficult to meet the grant timeline if the trucks are not ordered as soon as possible.

The Solid Waste Division's 10 year capital plan includes the funding for replacement of two Roll off Trucks and one Auto Side Load Refuse truck in 2023. In order to avoid missing out on the grant

funds, staff would like to proceed with ordering the Solid Waste Division 2023 replacement trucks in March of 2022 with final approval coming from the City Commission. Fund dispersements would not occur until budget year 2023.

Costin asked if anyone had reached out to the NDDEQ regarding the extremely long delivery time. Dow stated they are under the EPA guidelines to impose the deadlines. Costin asked if they could recommend to this agency to reach out to the EPA to ask for an extension. Dow stated they are dealing with these long time delivery issues everywhere so there is the possibly of an extension, but they also want to stay in line with the replacement schedule as much as possible.

Grubb moved to approve the ordering of the replacement trucks for 2023 in March of 2022. Redlinger seconded and all voted in favor.

Monarch Photo Building Purchase Update Approved

In October of 2021, the Finance Committee authorized staff to obtain a purchase agreement with the property owner of the Monarch Photo Building and request approval to purchase from the City Commission.

On Monday, December 13, 2021, the City Commission reviewed and authorized the purchase of the property. At that time, the current owner was not ready to proceed with a closing so finalizing the purchases was put on hold. Recently, the property owner contacted staff about finalizing the sale.

Two sources through which the purchase of the property ($412,200.00) could be funded is Vector Control funds and Solid Waste Capital funds.

Mahoney asked what the plan was for the building and Terry Ludlum stated it is to be the Public Works West campus for the Solid Waste division and Ben's staff. Dow stated the current building would be torn down.

Piepkorn made the motion to approve and asked if there would be possible contamination issues since it used to be a film developing business. Dow stated there was a Phase 1 environmental assessment and nothing of concern was found. All voted in favor.

Transfer Funds for City Hall Garage Floor Sealing and Sweeper Approved

Majerus stated even though the City Hall Parking Garage is fairly new, salt has started to degrade the concrete in places; they have seen a similar situation at PD. Sealing and proper care will significantly extend the life of the concrete. Buildings & Grounds has $70,000 in the 2022 budget for sealing of the City Hall Parking Garage concrete floor; however, the proposals came in around $100,000.

In addition to sealing, Buildings & Grounds is requesting funds to purchase a new floor scrubber for use once the seal is complete. The life of the seal is five to seven years, and in order to maximize this life, the floor must be kept clean and cared for with a quality scrubber. Buildings & Grounds currently has one scrubber to use on both the City Centre and City Hall garages, but the transport between garages is very hard on the scrubber.

Three proposals for scrubbers were received. The first two from Steins are smaller and similar to what is currently being used, but the staff does not think they are sufficient for the frequency of use. The third unit is a larger unit direct from the manufacturer and staff believes this would best meet the needs to maintain the seal.

There is currently $78,246.85 in unspent 2021 Capital Outlay and a large underspend in staffing with five current open positions. Majerus stated she would like to roll $78,246.85 from account 475-1050-510.73-20 to 2022 and move surplus salary dollars in the amount of $8,722.69 to complete the purchases.

Grubb asked what the delivery time would be to receive a new sweeper, and Bekki stated it is a ways out but she would like to get it ordered now. Piepkorn asked if the floors have been sealed on any of the other ramps; Grubb stated he thinks it is contracted with Interstate Parking but would be good to find out if the concrete at the other ramps is being maintained.

Redlinger moved to approve the rollover and the moving of the funds. Grubb seconded and all voted in favor.

Original Baseball Stadium Interfund Loan Write Off Approved

Costin stated the initial cost of the baseball stadium was approximately $5.5 million with various operating funds advancing funds to finance the stadium with repayment coming in only from the suite rentals. The contract with the FM Redhawks changed to where they now receive almost 75%, which leaves little funding left to repay the remaining balance from this revenue source.

The GASB states if the repayment of an Interfund loan is not expected within a reasonable time it should be eliminated/written off. The General Fund balance remaining is $ 949,696 and the Solid Waste Fund balance remaining is $53,230. Costin recommends writing off the remaining balance relating to the initial stadium construction.

Costin stated the fund balance would go down as it is currently being carried as a receivable and the receivable is written off. It will be a 2021 adjustment.

Piepkorn made the motion. Sprague seconded and all voted in favor.

MAA Review and Response to Eide Bailly Agreed Upon Procedures Approved

Costin stated Eide Bailly wasn't hired to develop audit findings, they were just hired to gather data and report back. If we wanted to make recommendations to them it would be appropriate. The data has been analyzed and Costin drafted a response to review.

Piepkorn discussed the lease rates that were established in 1995 at a rate of 16 cents a square foot and increases 3 cents every five years. It is secured space and very valuable, and those rates should be compared to the market rates. In addition, some of the rates for general aviation were established in the 1960s and 1970s and the current rates are much different now.

Kent stated he is trying to close the engagement and wanted to point out the lease agreements and general aviation rates.

Piepkorn made the motion to send the information to the Airport board. Costin seconded and all voted in favor.

WhitworthKee Consulting external assessment of the Fargo Police Department Approved

Redlinger requested consideration and approval via a virtual vote for WhitworthKee Consulting (WKC) to assist with an external assessment of the Fargo Police Department. WKC's survey work and written report will assist in forming performance improvement strategies and plans for Chief Zibolski and the Police Department with proposed completion by April 2022.

In addition to the specific work for the Police Department, WKC has also been engaged to assist the City with an organization wide "climate assessment". There will be efficiencies gained by having WKC perform the Police Department assessment at the same time they begin the climate assessment for the City.

The proposed cost is $46,150 and would be funded from the unallocated CARES Public Safety account, which has a current available balance of approximately $3.7M.

Grubb, Sprague, and Mahoney approved via email.

City of Fargo
Finance Committee Meeting Minutes
March 28th, 2022

The Finance Committee met on Monday, March 28th at 10:00 a.m. in the River Room and virtual.

All members were present. Guests included Ben Dow, Jill Minette, Ron Gronneberg, Desi Fleming, David Zibolski, Nicole Crutchfield, Brenda Derrig, Dan Eberhardt, and Troy Hall.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the February meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Automated Maintenance Services, Engineering Services for GTC Elevator and Municipal Court Roof, Newman Outdoor Field, Filmtec Corporation, Grand Forks Fire Equipment, and Cornerstone Dental.

Bruce Grubb made the motion to approve. Kent Costin seconded and all voted in favor.

REGULAR AGENDA:

Human Resources Temporary Variable Position Approved

Jill Minette requested additional funding to the Human Resources temporary/seasonal budget account (101- 405-0515-1400). That account currently is $2,233 and covers the cost of Civil Service Commissioners when they are engaged in appeal hearings or meetings.

The additional funding would provide an opportunity to add much needed resources to the HR Team through temporary variable positions allowing for the temporary retention of an exiting employee and the re-engagement of a previous Finance Team employee who brings a wealth of knowledge and experience. These additional resources would improve workload management for the team as well as contribute to important HR projects and initiatives.

Vicki Jangula, Human Resources Associate, will be leaving employment and moving to Colorado in May. She has expressed an interest in working remotely in a temporary variable status to help the HR Team with tasks that can be completed remotely such as scanning, benefit reconciling, employee record maintenance, etc. If approved, Vicki would work approximately 8 to 10 hours per week over 12 to 14 weeks at an approximate cost of $5,000.

Additionally, HR has the opportunity to engage a former Finance Department employee, Sheree Calkins, to assist the HR Team. Sheree would fulfill a temporary variable Human Resources Analyst role. She has extensive experience and expertise with payroll, COGNOS, KRONOS and would be a significant asset to both the HR and Finance Teams in supporting the Enterprise Resource Planning (ERP) project. If approved, Sheree would work approximately 16 hours per week in a temporary variable capacity. The annual salary cost is approximately $32,000.

Minette also requested $5,000 for workspace furniture and $1,200 for a computer out of the Capital account.

Costin made the motion to approve. Grubb seconded and all voted in favor.

FCPH Nutritionist I Position Approved

Desi Fleming stated FCPH is seeking approval to hire a full time Nutritionist I position early (formally will be open July 1). This open position will be the result of a retirement in early May, with two other subsequent positions changing to fewer hours, leaving a full time position to be filled. They would like to start the hiring process with a projected start date of May 2, 2022. This would allow training time as WIC will also be covering a maternity leave during this time frame, so coverage will be tight. This will be a budget neutral request. Sprague made the motion to approve. Grubb seconded and all voted in favor.

Current Staffing Issues at Public Works (informational only)

Ben Dow stated Public Works is currently experiencing significant issues with retaining and attracting staff. They have been continually advertising in both the Mains & Hydrants and Street Department since December with little to no luck with hiring. The pay range is from $21.93 to $28.50 and Dow believes they won't be able to hire or retain employees due to our low wages. Johnson & Schock Excavating is currently hiring with a Foreman wage of up to $40/hour, an Operator wage of up to $35/hour, and a Pipe Layer for up to $32/hour. There have been four resignations in the last three weeks, two of them are going to work for Johnson & Schock.

Dow said he saw the salaries starting to ramp up a year ago but had hoped it would even out, but it hasn't. He also stated it might get worse with the Diversion construction starting.

Currently there are seven open positions in Mains & Hydrants and Streets (10% of the department) and five staff members are out due to injuries so in total there are twelve employees out of sixty-six (18%) that are missing.

Allocate ARP Funds for IS Approved

Ron Gronneberg stated at the August 4th, 2021 Finance Committee meeting, he had requests for MFA ($110,000), MDR ($125,000), Pen Testing ($24,000), and Alertus notification ($60,000) on the agenda. All were approved. Unfortunately, only $100,000 for MFA and $25,000 for MDR was allocated.

Separate from those requests, $664,000 was allotted for the replacement of the compute and storage (Server/SAN) environment.

Across all these areas, the allocations of ARP funds was $204,000 short of what was requested. In addition to that shortage, the actual costs for the purchase of the MFA solution and the compute/storage, so far, has come in $96,000 over projected costs.

Gronneberg is requesting the allocation shortage of $204,000 and include the unanticipated cost increases, which would be $96,000 in current actual overages plus a 10% contingency for the remainder of the purchases of $21,000. He is requesting a total amount of $321,000 of ARP funds.

Costin made the motion to approve. Grubb seconded and all voted in favor.

State Seized Asset Budget Approved

Zibolski stated the state seized asset budget was decreased from $155,000 in 2019 to $95,000 in 2020. In 2022, the budget in the state seized asset account was again $95,000. Currently, there is only $68,513 in that account but there is $231,142 that has been adjudicated in the court system that is ready to be transferred to the spending account. When those funds are transferred, a percentage will be dispersed to the States Attorney, Cass County Drug Task Force, and the Lakes Drug Task Force per the agreement. After making the dispersal, the allowed $95,000 expense becomes only $38,199.

Zibolski is requesting a change in the expenditure budget. Instead of being allowed $95,000 in expenditures, he would like an increase of $204,000 for a total of $299,000 to spend in 2022. After making the aforementioned dispersals, the remaining available expenditures would be approximately $218,425.

After working closely with the rest of the Executive Staff to identify needs within the department, he would like to earmark funds for the following projects: Upgrading CSI Cameras, Upgrading ballistic protection for SCU and narcotics, briefing room technology upgrades, laptop upgrades for detectives and crime analysts, additional computer monitors and a driving simulator, all total of $218,000. The estimates are intentionally on the high end and actual costs are anticipated to be lower.

Costin made the motion to approve. Sprague seconded and all voted in favor.

Water Utility Requests Approved

Troy Hall presented a draft one-year lease extension with AT&T at Water Tower #1 (7th Avenue North). It is the site of the new Downtown Water Tower construction. AT&T was given formal notice of lease termination in 2021 because new water tower planning showed AT&T equipment in the way of underground infrastructure routing.

However, a recent review has shown AT&T equipment can stay on the site for an additional year. AT&T is offering a one-time payment of $75,000 to keep their equipment on site for an additional year.

This lease extension will need to be approved by the City Commission and is being reviewed by the City Attorney. Water Utility staff requests this unexpected revenue to be used to help the Planning Department hire a consultant toward completing a future site development plan for the water tower property and nearby Fargo Park District property.

Sprague made the motion to approve. Grubb seconded and all voted in favor.

The second item Hall presented was a request a transfer of 2022 budget funds from the Facility Plan Phase 2 budget line to the Renewal & Rehab budget line. Infrastructure Sales Tax (Fund 450) is the funding source for both. The Facility Plan Phase 2 has $300,000 for 2022 and applies to a specific project list to be completed long-term.

Grubb made the motion to approve. Sprague seconded and all voted in favor.

The third item presented by Hall was a request to use the City Commission approved budget line for Renewal & Rehab to fund the hot water project for membrane WTP clean-in-place procedures and sump pit rehabilitation for 1997 lime softening WTP.

Grubb made the motion to approve. Piepkorn seconded and all voted in favor.

The final item from Hall was a request to use budgeted master plan funding in the Water Utility budget for water resource projects and grant funding applications. For Master Planning, there is $53,000 remaining from the 2021 budget and a carry-over request was approved. There is $150,000 in the 2022 budget for Master Planning. Approval of this request will allow staff from the Finance Department to set up project codes.

The Planning/Master Plan Update line is funded through water rates (Fund 501). The Water Utility has received over $44 million dollars in grant funding since 2012. There is a significant Return-On-Investment when grant applications are successful.

Bruce Grubb made the motion to approve. Costin seconded and all voted in favor.

Kilbourne request for financial assistance to bury overhead utilities on Graver Alley Approved

Brenda Derrig spoke on a request from Kilbourne for financial assistance with the burying of the overhead power line on Graver Alley (west of Robert's Alley from 1st to 2nd Avenue North). They are requesting a 50% cost share in the amount of $104,774.36. It was necessary for Kilbourne to complete the work to keep their building on schedule. The request from Xcel to bury the line came late in the process. The City is the lead for the burying of utilities on Robert's Alley from 2nd to 4th Avenue North.

The Commission approved the City to contribute $911,665 to the burying of the Robert's Alley overhead utilities adjacent to the Graver Alley. We have bid the secondary power and that project will be completed this summer. Engineering staff have been working with the telecoms to bury their utilities. We are hopeful that this will occur this year also. As we have been receiving preliminary costs from the telecom companies, there currently are no additional funds from the approved cost share to assist with Kilbourne's request regarding the Graver Alley. In fact, with rising costs it appears that we may run over the approved cost share and will need additional approval of funds.

Grubb made the motion to approve. Piepkorn seconded and all voted in favor.

Deferral Agreement Extension for Samuel property Approved

The Samuels entered into a ten year, non-interest bearing deferral agreement in 2012 which is coming due this year. With no development anticipated, a deferral agreement extension was requested. The current deferred amount is $271,369.97 with two future projects estimated at $16,524.55. A standard ten-year deferral is customary on larger tracts of land carrying the standard triggering events.

Mahoney asked if they could give a three year extension. Eberhardt stated if the land is developed, the

deferral will come off, regardless of the length of the extension. But in conversation with Kent and because of the change of some of the infrastructure policies, Eberhardt would suggest putting on the accrued interest.

Kent made the motion to grant a three year extension with interest accruing. Piepkorn seconded and all voted in favor.

Deferral Agreement Extension for Kelmar Properties Approved

Nathan Everson of Kelmar Properties has requested a three-year extension of the current deferral agreement for three parcels: 01-8756-00100-000, 01-8756-00200-00 and 01-8756-00700-000. The terms of the current agreement would remain the same, including the interest bearing segment.

Grubb made the motion to approve a three-year, interest bearing extension. Sprague seconded and all voted in favor.

Special Assessment Deferral Request for McShane Development Denied

The Crossroads site east of 42nd Street, south of I-94, along 23rd Avenue is the former area of Scheels Development. Improvement District BN-22-K is utility and pavement construction on 41st Street North of 23rd Avenue South and Crossroads Drive West of 41st Street South. The engineer's estimated cost is $3,976,608.71. He wants the whole development deferred until building permits are issued. Derrig said that means they would do the project and specials wouldn't be spread until there was a building permit, and they have never done that for any developer.

Sprague moved to deny. Costin seconded and all voted to deny request.

Direct Placement of Debt with Baird Approved

Costin stated the City of Fargo will be including Fire Station # 8 in the 2023 budget as a bonded transaction. The Federal Reserve has announced that about six or seven rate hikes of about 25 basis points will be enacted in 2022. Costin recommends issuing bonds as soon as possible to capture lower interest rates on long term financing. He visited with Baird about the speed of issuance and they feel they can attract potential investors in about two weeks from start to finish as opposed to a market based traditional bond sale.

City Administration is on board with this recommendation because the plan is to issue bonds for the project later this year. Costin suggests the approval of a sole source procurement with Baird and to authorize the sale of direct placement debt in the amount of $7.5 million.

Redlinger made the motion to approve. Piepkorn seconded and all voted in favor.

Intra-Fund Loan Strategy for Refinanced Bonds Discussion

Costin stated he wanted to give some history on this before he leaves. They just did a $90 million refinance a year ago by consolidating several bonds issues into one, and with the advantage of a good rate he saved $18 million. State Law says leave this in the debt service funds until 2039 and then at the end it can be transferred to the general fund, which makes no economic sense. There is a revenue stream that should somehow be monitored and utilized. Costin has been working with Baker Tilly and bond counsel for several years on how to strategize to access these funds and stay within the boundaries of the century code. He talked to bond counsel about taking the surplus out as it matures and creating a loan to the general fund. Bond counsel feels a loan is within the boundaries of the law as opposed to just a transfer.

Costin said the goal is to utilize assets that are being completely under-utilized. He needs more clarity about the process, but thinks we should hire Baker Tilly to analyze debt service funds and if bond counsel gives the go ahead, Costin thinks we should. He is not asking for approval at this point because he wants to see more research. Sprague stated it would be a loan from the debt service fund to general fund.

Federal Tax Withholding Options for Vacation Payouts Approved

Costin stated as he is getting ready to retire, he recently learned about the current practice in paying out employee accrued vacation balance upon termination. According to the IRS Circulars, vacation pay is

considered supplemental pay which provides two withholding options; include with regular pay and use employee's existing W-4 to generate the amount withheld, or include with regular pay but use the optional withholding rate of 22%.

The current payroll configuration only provides the option to include with regular pay and to use the employee's existing W-4 to generate the amount withheld. This creates a punitive financial impact and it would be withholding about 30% from the payout of vacation balances.

Costin asked Melissa Kritzberger, accounting supervisor, to check with our software provider to set up to use the withholding rate of 22% and found it is easy to do and the new code is already set up, so he would like to implement the option now.

Costin believes highly compensated individuals or any other City employee should be offered the choice of how Federal withholding should be treated in their final employment check. IRS guidance provides an optional path for withholding. He suggests authorizing the use of this option for Federal tax withholding including the supplemental pay option of 22%, effective immediately.

Redlinger and Jill Minette spoke on the issues they foresee. Redlinger stated they need to think about the configuration with the payroll system and we need to think about how they want to treat this in the future. Minette stated the challenge is the process is manual on the payroll set up end, and whenever there is a change on processing payroll or offering, the challenge becomes that they need to open that up to all employees, which means the HR and Payroll teams need some education to be able to communicate with employees so there aren't unintended consequences, as this has not historically been offered.

Piepkorn stated on the City's perspective, we should not be limiting employees in what they choose to do and fully educate them. Sprague made the motion to approve and stated since it is an option available, even though it is short notice and there might be some logistical concerns, there most likely won't be many who elect this option. Piepkorn seconded and said some of this would be personal responsibility and each individual should do their own research since decisions could be very complicated.

All voted in favor.

Deactivate Disaster Fund for COVID expense Approved

Costin stated this is a follow up on the Commission approval to quit COVID overtime, so he would like to quit paying the COVID costs and shut off the disaster fund. Jamie sent a report of expense and it's gotten to be a trickle down with exception of the overtime. Costin spoke with Bekki Majerus to show her that we are paying approximately $7k a month on cleaning.

Costin moved to close the fund. Piepkorn seconded and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
Monday, April 25th, 2022

The Finance Committee met on Monday, April 25th at 10:00 a.m. in the River Room and virtual.

All members were present. Guests included Joe Anderson, Jim Hausauer, Rob Sobolik, Ron Gronneberg, Mark Williams, Brenda Derrig, Justin Bohrer, Susan Thompson, Melissa Perala, Bekki Majerus, Ben Dow, Travis Stefonowicz, Gregg Schildberger, Tim Dirks, and Terry Hogan.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the March meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Electric Pump, Sole Source provider designations for Fargodome, Johnson Controls, Frontier Precision, Custom Ink, and Fargo Glass and Paint.

Dave Piepkorn made the motion to approve. Mike Redlinger seconded and all voted in favor.

2022 City and County Sales Tax Approved

County sales tax dropped for April compared to April 2021. City sales tax increased approximately 20%. The Committee voted to receive and file the report.

REGULAR AGENDA:

Diverse Parent Panel Approved

Hogan shared some background on the Eagles Elementary administration and their Building Leadership Team that sought to strengthen home-to-school connections, particularly with New American/diverse families. Eagles designed a Parent/Community Member Panel Trainings where parents and community leaders could share their cultures with teachers.

A meeting was held between City and school representatives, where it was decided that a proposal would be developed for the City. Eagles Elementary plans to have the trainings to after school and/or in June. Each three-hour learning session would include an introduction, an overview, and Q&A session, followed by an all-staff debrief of lessons learned and next steps. These trainings would conclude by June 30, 2022.

Teachers and support staff would be working after hours and would need to be compensated. The cost proposal would be 20 teachers for a total of $1,867.20, a $50 gift card to parent/community panel members, and the cost for support staff and supplies would be funded by FPS (the Eagles would use an existing allocation).

Dave Piepkorn made the motion to approve. Grubb seconded and all voted in favor.

Frontload LPN Position Approved

Desi emailed the Finance Committee stating there was a resignation of an LPN at the jail with a last day of work being May 11, 2022. There is a current job posting with a good potential candidate. Desi would like to frontload the position by 2-3 weeks, so that training can begin prior to the staff person leaving. The request is budget neutral as the jail budget is entirely covered by Cass County and there is room in that budget due to some turnover. With a nursing manager at the jail, there have been great strides made toward efficiency and this plan would help support those efforts.

Request approved by Finance Committee via email. Bruce Grubb and Mike Redlinger reviewed and approved.

DHS Workforce Retention Funds Approved

Desi had previously emailed Mike Redlinger regarding a potential opportunity through DHS that would support retention of the Home Health Aide group. Similar to what was done for Harm Reduction, it would be a budget neutral request as it is fully funded, and over a year's time, potentially provide an extra dollar amount (approx. $175/month) not to exceed $2,100 per staff person. The funding is specific to Qualified Service Provider direct care and a percentage of time, so there are seven aides that may qualify.

The North Dakota Department of Human Services is offering workforce retention and recruitment incentives to qualifying QSP agency providers of home and community-based services. The retention incentive will provide up to $2,100 and the recruitment incentive will provide up to $750 to agency staff who deliver direct caregiving support.

Desi stated they were approved for the funds for the QSP (Qualified Service Provider) Home Health Aides that meet eligibility criteria. It would be no budget cost to the City, but would be in/out funds for the staff for the defined period of the grant. Eligible time would be tracked and coordinated with HR and Finance for the reimbursement.

Mike Redlinger made the motion to approve. Bruce Grubb seconded and all voted in favor.

Public Works West HVAC Funding Approved

Ben Dow explained that it was recently discovered that the Public Works West Facility (Border States IT Building, 2401 3rd A venue N) HVAC system is failing and needs replacement. The facility has been primarily vacant since purchase and as staff began to perform fit-up for use, the HVAC issues became apparent. In order to get an idea of the scope of the situation, MBN and KLJ were hired to review the existing condition of the HVAC system and assist in determining possible options. Based on their review, it was determined that the boiler, air exchanger and cooling condenser are at end of life and replacement is required. The remaining portions of the system, ductwork and zoning components are still in good shape and no replacement is required. Based on this information, they were able to assemble an engineer's estimate of $800,000 for replacement of the failing components.

Funding was not included within the 2022 budget as it was an unknown issue. Through meetings with administration, a possible interim solution was found for the funding situation.

As part of the 2022 budget, $1,500,000 in funding was designated to the Street & Sewers American Rescue Fund (255-3025-423-74-10) for the construction of a new fueling station in South Fargo. Because the HVAC system is a necessity, it is proposed to re-appropriate $800,000 of the funds for the HVAC system at Public Works West. As for the fueling station, Dow stated they would like to complete the design work and then bid the fueling station prior to 2022 year end with construction taking place in the summer of 2023. If additional funds are needed for the fueling station in 2023, potential year-end 2022 budget savings could be used to fund the gap.

Authorization to proceed with the approval is being requested to move forward with the use of the 2022 Streets & Sewers American Rescue Fund dollars for the HVAC replacement at Public Works West.

Bruce Grubb made the motion to approve. Piepkorn seconded and all voted in favor.

Lease Parking Stalls to GSA Approved

Mark Williams stated Interstate Parking has been working with the General Services Administration (GSA) on the leasing of 80 parking stalls; 50 in the newly constructed Mercantile parking ramp and 30 in the ROCO parking ramp. The need is a result of adding additional staff within the Federal Courthouse building located at 655 151 Ave N.

Based on the GSA's interest in a long term lease, Interstate Parking recommends identifying the rates for the next 20 years with a 60 day termination clause. The proposed rates would be: 1-5 years @ $129, 5-10

years @ $179, 10-15 years @ $229, and 15-20 years @ $279. Staff is working with the City Attorney's office and Interstate Parking on the contract agreements.

Mike Redlinger made the motion to approve. Sprague seconded and all voted in favor.

Upgrade to the LETC Firearms Range Approved

Deputy Chief of Police Joe Anderson is seeking approval to move forward with a request for purchase (RFP) to upgrade the firearms range system. The indoor firearms range is located at the Law Enforcement Training Center (LETC) at 2802 University Dr. N. The current firearms range system was installed in 2008, and there are numerous mechanical issues which require maintenance beyond routine preventative maintenance. The range is a 10-bay retractable targeting system operated by an overhead cable driven system. Many times multiple bays are inoperable due to mechanical failures or malfunctions. This significantly effects our ability to train our officers due to reduced bay availability and increased expenses to fix the myriad of issues.

The range is operated and shared between Fargo PD, West Fargo PD, NSDU PD, Cass County Sheriff's Office, and the ND ANG 119th Security Forces Squadron. Each entity contributes a predetermined amount of funds each year to the LETC operating budget. Revenue is also generated by allowing Federal law enforcement entities to use the range for training and qualification purposes. All agency representatives are in agreement the range needs to be upgraded.

Anderson is proposing to use funds from the LETC city cash pool (account 208-0000-104-00-00) to pay for the upgrade. The account currently has a balance of $349,242. An initial quote to upgrade the system came in totaling $230,023. With approval, an RFP would be prepared to solicit proposals.

Sprague made the motion to approve. Grubb seconded and all voted in favor.

Contracted Day Cleaning at Libraries Approved

Bekki Majerus stated daily disinfecting conducted by contracted cleaning services was implemented in 2020 at all three Fargo libraries following the outbreak of Covid, which was paid for with Covid relief funding. Due to the funding ending on March 31, 2022, Facilities made the decision to finish out the month of April with the contractor.

Tim Dirks, Library Director, indicated it would be beneficial to continue cleaning services going forward at both the Downtown Library and the Carlson Library. The daily average of patrons is 639 and 329 respectively. This is a significant amount of traffic and there are several high touch areas in libraries, such as the computer areas and the children’s area. The Northport Library patronage did not warrant continuing services at this time.

The costs to extend these services through the end of the current contract (RFP21014-A) with Osgood Cleaning (December 31, 2023) would be Downtown 11am-5pm Mon-Sat, 1pm-5pm and Sunday (when open) would be $4,100/month and Carlson 1pm-5pm daily at $2,900/month.

The remaining nine months for 2022 would be $75,600 and for the year of 2023 would be $100,800. Bekki is requesting the cost to retain these services for the remainder of 2022 be allocated from the CARES funding. Nightly cleaning services for the library is paid through Buildings & Grounds General Fund account 101-1050-409.42-06. In 2023, we are requesting to increase our operational budget for this account by $100,800.00 to cover the day cleaning services as well.

Dave Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

FPD Media Room Expansion/City Broadcast Studio West Approved

The acquisition and transformation of the former Border States building on 25th Street North into the Fargo Police Department Headquarters has allowed the department to grow. However, there were some items which were not included in the original remodeling process due to a lack of budgetary funds. One of those items was the installation of audio-visual equipment in the room directly off of the lobby referred to as the “media room.”

At present, the "media room" contains a handful of chairs and a podium on wheels; there are no cameras, televisions/video panels, sound systems, media patch panel or acoustical treatments. A handheld cell phone is used to broadcast press conferences or media interviews. There are a number of high profile events and events resulting in overflow are held in this space. The idea of expanding the size of the room if/when audio-visual upgrades occurred has been discussed.

Staff members from Facilities Management, Communications & Governmental Affairs and the Police Department have been collaborating over the past several months to discuss a potential implementation plan to expand the physical size of the "media room" by moving the south wall of the room into under-utilized lobby space.

A proposal to incorporate audio-visual broadcast equipment into the room was created by the City's broadcast consultant, AVI Systems. AVI Systems was the designer and installer of the broadcast system in the City Commission Chambers and this proposed system would feed directly into the current City Hall system to create a fully-functional satellite broadcast studio within the FPD HQ.

The estimated cost of this project is $352,495, which would include the labor, equipment, furnishings and fixtures for fit-up (including a 10% contingency). There have been on-going discussions with City Administration on the scope of the project and the appropriate time/avenue for a funding request submission. It was recommended that this mid-year request be submitted for consideration with a proposed funding source of remaining/unallocated CARES Act money (public safety reimbursement). Approximately $3.6 million currently remains available in this fund as unallocated.

Bruce Grubb made the motion to approve. Piepkorn seconded and all voted in favor.

FPD Mixed Use Multimedia Space and Offices Denied

With the integration of the Communications & Governmental Affairs Department into Police Department operations, usable office/workspace is needed to facilitate the new staff presence at FPD HQ. At present, a small office near the records division is being used to record internal-facing videos, with a space for one videographer and the person speaking. The room is located along the exterior wall by a busy street which generates substantial noise in videos shot within that space.

Staff members from Facilities Management, Communications & Governmental Affairs and the Police Department have been working together to come up with a potential plan to create a mixed use multimedia space and offices by using an under-utilized area on the second floor of the FPD HQ. This space currently houses a handful of empty cubicles.

The estimated cost of this project is $291,500, which would include the labor, equipment, furnishings and fixtures for fit-up (including a 10% contingency). There have been on-going discussions with City Administration on the scope of the project and the appropriate time/avenue for a funding request submission. It was recommended that this mid-year request be submitted for consideration with a proposed funding source of remaining/unallocated CARES Act money (public safety reimbursement). Approximately $3.6 million currently remains available in this fund as unallocated.

Grubb wanted to table this request for now. Piepkorn stated it was the right idea but he didn't think it was the right location in the Police Department.

City of Fargo
Finance Committee Meeting Minutes
Tuesday, May 31st, 2022

The Finance Committee met on Tuesday, May 31st at 1:00 p.m. in the River Room and virtual.

All members were present. Guests included Dan Madler, Nicole Crutchfield, Paul Fiechtner, Tim Binfet, Larry Anenson, Camila Van Dyke, Ben Dow, Terry Ludlum, Terry Hogan, Troy Hall, Jim Gilmour, Jill Minette, Mark Williams, Bekki Majerus, Mike Mitchell, and Gregg Schildberger.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the April meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Eide Bailly (previously approved by Finance Committee via email on 5/12/2022), National Service Office/Nurse Family, AE2S, Traffic Control Corporation, Brandt Instruments, ND Department of Health Laboratory, Metrohm USA, Sentry Security, and Marco.

Bruce Grubb made the motion to approve. Steve Sprague seconded and all voted in favor.

2022 City and County Sales Tax Approved

The Committee voted to receive and file the report.

REGULAR AGENDA:

Ovivo (SSP22114) and Leopold (SSP22115) SSP Requests Approved

Troy Hall wanted to speak on two of his SSP requests. An SSP is required to select Ovivo as the manufacturer of equipment for project WA2152 (Softening Basin Rehab). No direct payments will be made from the City; however, documentation is needed for regulators under the SRF loan program. Ovivo is the original manufacturer of the softening basin equipment installed in the 1997 Lime Softening WTP. Consultant engineers believe Ovivo is the best choice to provide new drive units for the large softening basin mixers and to fabricate a basin component to provide added employee safety. Project WA2152 is loan funded under an approved SRF loan and is in the 2022 budget and Water Utility CIP.

Sole source documentation is also needed for the regulators under the SRF loan program for project WA2255 (Lime Softening WTP Filter Rehabilitation). Hall stated they would procure filter underdrain equipment, which is the structural support system for the water filtration media. Due to the long lead time for equipment manufacturing and delivery, it is recommended to order ahead of project bidding.

Bruce Grubb made the motion to approve. Mike Redlinger seconded and all voted in favor.

Updates on Beyond Shelter Inc., Senior Housing Project, and Kmart TIF Approved

Nicole Crutchfield stated that in April the Finance Committee and City Commission reviewed and confirmed proposed uses for the allocations of ARPA and CARES funds, which included sponsoring funds for a proposed affordable senior housing project. Dan Madler, President and CEO of Beyond Shelter, was also in attendance of the Finance Committee meeting and presented information on a change of plans and to confirm allocation based on a deviation from the original plans due to barriers with HUD regulations. Gilmour spoke on the Kmart TIF which is an Enclave TIF/Pilot (Sprague made the motion to approve and Dave Piepkorn seconded).

Bruce Grubb made the motion to approve. Redlinger seconded and all voted in favor.

Public Works and Solid Waste Operator Salary Market Findings Approved

Jill Minette stated at the March Finance Committee meeting, a discussion was had on the significant issues that Public Works and Solid Waste are experiencing with retaining and filling Equipment Operator positions. As discussed, it has been extremely difficult to fill Equipment Operator positions for more than a year and almost impossible in the last six months. At that time, Public Works had seven open positions, which has now increased to ten. Salaries for Equipment Operators and CDL drivers began ramping up a year ago and now with the start of the Diversion construction we are seeing Equipment Operator pay continue to increase. HR has been working to collect both private and public salary data on comparable Equipment Operator positions. The data shows Equipment Operator II pay has dropped below market and a grade adjustment is warranted. In order to make this adjustment, multiple other pay grades for multiple other positions within Public Works and Solid Waste also need to be adjusted.

A 5% adjustment for Equipment Operator II and other impacted operator positions within Public Works and the Solid Waste Division is necessary. Given the current job market challenges and the expected further strain on the workforce, the only option to not making salary adjustments would be to make operational adjustments to daily, weekly, and seasonal services provided by the respective Divisions.

The annual cost of the market adjustment for Streets would be $170,144; Mains & Hydrants $36,733; Solid Waste $134,680; for a combined total of $341,557. The market adjustment would be effective June 13, 2022.

Dave Piepkorn made the motion to approve. Bruce Grubb seconded and all voted in favor.

Monthly Rate for Reserved Parking at Mercantile Approved

The lower north side of the Mercantile Parking Ramp has 27 parking stalls and two Mobility Impaired stalls that are ungated. Originally, the intent was to provide parking for the Jasper Hotel; however, they no longer have a need for the spaces and terminated the parking agreement. Interstate Parking has recommended converting those parking spaces into reserved parking stalls similar to ROCO, with a monthly rate of $129/stall.

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Sell Used Parking Equipment to Interstate Parking Approved

In 2016 Interstate Parking purchased and installed three Digital Parking T2 model machines which are used to collect daily parking payments at three surface lots. Each machine cost approximately $12,000 at that time. Two of the surface lots where two of these machines were used are no longer in service as the lots have been developed (Roberts Commons and The Kessler Residences). Each machine requires a $3,000 hardware upgrade in addition to annual warranty payments of about $800 each year.

The machines are in storage and the Planning Department agrees that there is no need for them in the foreseeable future. Interstate Parking would like to purchase the machines at $2,000 each, pay for the upgrades and the past warranties and put them into use in another market.

Mike Redlinger made the motion to approve. Piepkorn seconded and all voted in favor.

Funding for YWCA Race Museum Exhibit Approved

Terry Hogan stated the City would like to partner with the YWCA to bring the race exhibit museum to City Hall for viewing and educational purposes. The race exhibit is intended to serve the internal and external City of Fargo staff, it's citizens, and all educational institutions in and around the Fargo area on the value and the various social movements of the 1960's and before.

To transfer the exhibit to City Hall from the YWCA Fargo, it is necessary to utilize a moving company. Apartment Movers Inc. is available to assist with this project, and is requesting a one-time allocation from the City of Fargo in the amount of $2,160.00. This funding will permit Apartment Movers, Inc. to move

the equipment in June 2022 and return in September 2022 to move the equipment back to YWCA Fargo. Funding would be coded to "Admin – Other".

Redlinger made the motion to approve. Grubb seconded and all voted in favor.

Funds to Modernize GTC Elevator Approved

Bekki Majerus stated the GTC Elevator has been inoperable since the Transit Station remodel was completed in 2021, which is a significant amount of time for something that visible to be nonfunctional. There has also been public concern about accessibility.

Currently there is $60,000.00 budgeted in account 241-2101-492.43-90 to refurbish the elevator. This budget number came from a 2021 proposal that did not take into account upgrades that are also needed in the adjacent electrical/mechanical room to meet current codes and support the modernization of the elevator equipment. The engineers' estimate for the project was $122,618.00.

Prior to bid submission, vendors expressed their concerns with inflation and supply chain issues. Ultimately, only a single bid was received in the amount of $150,340.00. Construction costs are predicted to remain high for at least another year with supply chain issues continuing. Facilities strongly recommends locking in the current bid price and getting this project completed as soon as possible.

The Finance Department has confirmed that the funds are currently available in the Parking Fund (account 241). Facilities is requesting an additional $120,340.00 be allocated to cover the bid price plus 20% contingency for the project.

Redlinger made the motion to approve. Grubb seconded and all voted in favor.

FPD Mixed Use Multimedia Space and Offices Approved

Bekki and Gregg spoke on the multimedia space and offices. Gregg stated he visited with Health, Public Works, Planning, HR, Engineering, Solid Waste, Emergency Management, WTP, and the Fire Department to see if any other space would be available. Bekki asked Public Works about their admin building and they stated they are already short of space in the building they haven't even moved into yet. Other locations just don't have space for this particular project.

Gregg stated the space would not just be used for the police department. It would be used across the organization but no other departments had the type of space needed. It would be upstairs in the executive area of the Police Department where there aren't any windows. Outside groups would park in the front and use the entrance on the SW corner, go up the stairs and walk right into the space. It would be a secured entrance and people would not be able to get into the department. Grubb stated they are still proposing the use of public safety CARES funding.

Grubb made the motion to approve. Redlinger seconded and all but Piepkorn voted in favor.

Utilize Existing CommsGA 2022 Budget Allocations for Contract Project Manager Approved

Gregg stated with the recent changes in staffing and the addition of public safety communication responsibilities, he has had ongoing discussions with departments, employees, and City Admin to ensure expectations are met and in sync with the team's capabilities and bandwidth. The common theme identified in the discussions was the amount of time each member was spending to attend various meetings and then the corresponding time surrounding project management activities. Gregg would like a Grade 14 contractual Project Manager to assist with a portion of these duties, in addition to planning, organizing, and implementing projects. The position would be for a period of one year (two partial budgetary years) with an anticipated start date of August 1st.

The total cost would be $94,650.42 and fully funded using the existing budget allocations for staffing.

Grubb made the motion to approve. Redlinger seconded and all voted in favor.

Cultural Food Proposal Tabled

Terry Hogan brought forward a proposal on behalf of the Great Plains Food Bank to implement a six month pilot program to distribute culturally appropriate food to and with Fargo's New American, Foreign Born and Immigrant (NFI) population. The plan would be to conduct bi-weekly, pop-up, mobile food pantries in key areas of Fargo to meet cultural food needs.

A partnership between the City of Fargo and the Great Plains Food Bank would allow them to purchase culturally appropriate and requested foods from local/regional vendors; supplement those foods with other donated and/or purchased product (ie, fresh produce) through the Great Plains Food Bank supplies and inventory; and distribute well-balanced food boxes to hundreds of NFI families. They are requesting an investment from the City of Fargo of $20,000/month for 6 months; for a grand total of $120,000. The entirety would be used to purchase culturally appropriate foods and not used for staffing, transportation or logistic costs.

There was discussion as to why the funds had to be specifically for certain cultures; why it couldn't just be an investment and the Food Bank would be able to get what they needed. Sprague stated he would like to hear from Melissa on the operations of the Food Bank. Mahoney stated they could table the discussion and have Melissa come back and discuss.

Redlinger moved to table the discussion until the June meeting. Sprague seconded.

City of Fargo
Finance Committee Meeting Minutes
Monday, June 27th, 2022

The Finance Committee met on Monday, June 27th at 10:00 a.m. in the River Room and virtual.

All members were present. Guests included Tim Dirks, Terry Hogan, Melissa Sobolik, Ben Dow, Dan Eberhardt, Bekki Majerus, Jill Minette, Rob Sobolik, and Ron Gronneberg.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the May meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Rough Rider Industries, Sanitation Products, Envirotech Services, General Equipment & Supplies, and Jamf Software.

Dave Piepkorn made the motion to approve. Steve Sprague seconded and all voted in favor.

2022 City and County Sales Tax Report

Sprague commented it was a little lower than last month but there continues to be strong growth.

REGULAR AGENDA:

Increase to Library's 2022 Capital Budget Approved

Dirks stated the library's current capital budget for facilities master planning for 2022 is $60,000.00. The Facilities Master Planning Steering Committee has identified JLG Architects for the project. JLG Architects has posted a project cost of $69,500.00. Dirks is requesting an increase to the library's 2022 capital budget of $9,500.00 to meet the project cost identified by JLG Architects.

Redlinger stated they had a few proposals but JLG had a good scope. The cost increase is simply due to the current environment of rising costs.

Redlinger made the motion to approve. Sprague seconded and all voted in favor.

Pop-Up Food Distribution Pilot Program Approved

Continuation of previous discussion in the May finance committee meeting by Terry Hogan regarding implementing a six month pilot program to distribute culturally appropriate food to and with Fargo's New American, Foreign Born and Immigrant (NFI) population. The plan would be to conduct bi-weekly, pop-up, mobile food pantries in key areas of Fargo to meet cultural food needs.

Melissa Sobolik was in attendance and explained that food assistance programs from the federal government over the past several years during COVID have now ended and they have seen a decline in donations of 40%. It is all due to food supply; grocery stores don't have items on the shelves available to donate. Manufacturing plants shut down.

Sprague stated it is a pilot program and said the intention long term was to find a way to fund it. Sobolik stated the Food Bank is supplemental, not there for all the food needs. Hogan stated they need to keep cultural needs in mind, and Sobolik stated there are huge transportation barriers. The funds would be targeted to purchase culturally and medically appropriate supplies and supplement with current items at the Food Bank. They supply food pantries and soup kitchens, and mobile distributions.

For a six month pilot, $120,000, would start in July and go through December. This would be funded by CARES funds.

Sprague made the motion. Piepkorn seconded and all voted in favor.

Interstate Parking Contract Increase for Night Parking Enforcement Approved

Dow stated the City has been contracting with Interstate Parking since October, 2019 for downtown overnight parking enforcement between 3 am to 7 am. They have been extremely successful in aiding with parking management. He was contacted by Paul Schnettler, Interstate Parking Chief Operating Officer, requesting an increase in the hourly rate for overnight enforcement.

In 2019, the rate was set at $39.75/hour. Interstate Parking has continued to honor that pricing and has never requested or received an increase. Paul has proposed increasing the hourly rate to $44.15, due to the difficulty they are experiencing with recruiting and retaining employees to perform this service. In reviewing the billed hours for 2021, the total annual contract increase would be approximately $5,000 at the requested $44.15 rate. Over the last few years, there has been an average of $100 - $120,000 in revenue from ticketing.

Ben feels the request by Mr.: Schnettler is appropriate and reasonable and would like to proceed with an amendment of the 2019 contract to reflect the hourly rate increase.

Redlinger made the motion to approve. Sprague seconded and all voted in favor.

Rocking Horse Farm Special Assessment Deferment Request Denied

Dan Eberhardt stated the developers of Rocking Horse Farm are requesting a three-year deferment of Special Assessments for Improvement Districts UN-22-M and PN-22-M (improvement districts to support the new West Fargo School under construction), until a building permit is issued or further platting is granted. JetLand Properties (Rocking Horse Farm Development) is the northwest corner of Veterans Blvd. and 52nd Av South.

The Engineering estimated cost is $2,612,261.00, and Eberhardt stated they typically do not defer local streets. JetLand Properties wants to defer due to cost, but the streets are almost complete and this is developer requested.

Sprague stated this request is hard to support and makes the motion to deny the request due to being consistent with past practice. Piepkorn seconded and all voted in favor to deny the request.

Additional Funding for AMS Cleaning RFP21014B Approved

Bekki stated the Sole Source request to Automated Maintenance Services was submitted and approved at the March 23, 2022 Finance Committee meeting. The request for funds to cover the additional cost in 2022 in the amount of $63,547.00 was left outstanding, and Bekki is requesting to reallocate funds from account 101-1050-409.11-00, Buildings & Grounds Full Time Staff Salaries, due to salary savings from unfilled Maintenance Attendant I positions.

Sprague made the motion to approve the reallocation. Redlinger seconded and all voted in favor.

Newman Outdoor Field Leveling Funding Approved

The Sole Source request to for Fargo Baseball, LLC (RedHawks) was submitted and approved at the March 23, 2022 Finance Committee meeting. The request was for the City to reimburse the RedHawks for an amount of no more than $25,000 to level the infield at Newman Outdoor Field. The request for reallocated funds was left outstanding, and Bekki is requesting the reallocation of funds in the amount of $25,000 from Special Revenue Funds account 268-1003-464.74-50 to account 101-1003-464.43-10, RedHawks Stadium Repairs and Maintenance.

Piepkorn made the motion to approve the reallocation. Redlinger seconded and all voted in favor.

Mercantile Buildout PD Substation & Interstate Parking Office

Bekki explained at the October 7, 2019 City Commission meeting, several actions were brought forward for approval related to the Mercantile Parking Garage Development Agreement, Police Substation and Finance Plan. One of these actions was to approve a resolution on project financing. This resolution was

adopted by the City Commission.

During the February 7, 2022 City Commission meeting, the lease and build-to-suit agreement for a PD Substation and an Interstate Parking Office were presented on the Consent Agenda for approval. The motion to approve the items on the Consent Agenda was carried.

The build-to-suit agreement included a small tenant improvement (Tl) allowance, but not nearly enough to cover the costs of the project. No additional funds were budgeted for the buildout of the leased spaces. The estimated buildout costs, above and beyond the Tl allowance are as follows: Project Management of $15,000, Design Fees of $24,600, Construction of $382,835, and Construction Management of $16m645 for a total of $439,080.

The Mercantile Parking Ramp is complete and has been operational for some time. Finance has determined that there is still $615,675.54 left from project BP0059 (Mercantile Parking Ramp). There was an open PO for $246,274.54 to The Title Company from 2019, however, Jim Gilmour stated that Kent Costin was going to close that PO and the only remaining cost is $5,000-8,000 in legal fees to create the Condo Association.

Facilities is requesting approval to utilize the remaining funds from the BP0059 project to fund the buildout of the PD Substation and Interstate Parking Office spaces in the adjacent building. Some funds may need to come out of the IT or PD budgets. Finance has assigned project number BP0064.

Sprague made the motion to approve. Piepkorn seconded and all voted in favor.

City Administrator Selection Process Approved

Jill is requesting additional funding to the Human Resources budget account for Recruitment (101-0515-405.54-30) in order to engage an executive search firm to support the Human Resources Team in the recruitment and selection process for the City Administrator position, similar to the Finance Director search.

The cost to engage an executive search firm will be approximately $25,000 to $30,000 range. Jill states once they receive approval for the funding, then they will go through the process of soliciting quotes and proposals from at least three vendors. There is currently one proposal in at this time at a price of $24,500.

Piepkorn made the motion to approve. Sprague seconded and all voted in favor.

FARGODOME 2022 Capital Budget Modifications Approved

In May 2022, FARGODOME received $73,737 in proceeds from the sale of capital assets (two pick-ups and a tractor) through an auction coordinated by Public Works. Consistent with City of Fargo practices, auction proceeds will be retained by FARGODOME and the funds were deposited into FARGODOME's Capital fund.

Sobolik requested the $73,737 in auction proceeds be added to their 2022 Capital budget for Lift Station #28 (which would be new project FD2217). This lift station is on the northwest side of the Dome and serves the loading dock area. Recently, emergency repairs were needed on one of the pumps, and Public Works repaired the pump at the lift station under the City of Fargo Emergency Purchasing Policy. The cost for repairing the pump was $21,360 and will need to be paid for out of FARGODOME funds.

Sobolik is also requesting the remaining balance of $52,377 be moved to Budgeted/Unallocated, as they are pricing out the cost of repairing and/or replacing the other pump and two motors in the lift station, along with changing the system that monitors the lift station from Electro Watchman to City of Fargo Public Works. Upon finalization, unallocated funds will be reallocated to pay for the additional lift station repairs. Any remaining monies will be reallocated to other priorities.

The Fargodome authority approved this action on May 31, 2022.

Redlinger made the motion to approve. Sprague seconded and all voted in favor.

ERP Software Consulting Agreement – no motion needed

In November of 2021, Commission approved a contract with BerryDunn, a technology consulting firm.

The contract is for a preliminary scope of work to include Phase I preliminary project planning.

Terri wanted to notify the Committee that through the consulting agreement for the ERP with BerryDunn, they are moving on to Phase II, which is a needs and wants assessment. It will take approximately 9-12 months to get the needs assessment done and finishing the RFP.

The assessment will include fact finding with City staff, developing functional and technical requirements, and developing and managing the RFP. Total cost of this part of the project is $117,900, with travel costs of $10,900. Finance Staff will begin Phase II with BerryDunn later this month.

Purchasing Manager Position & Centralized Purchasing Approved

Terri discussed the need for a purchasing manager position and moving to a centralized purchasing structure. The City currently has decentralized procurement, which brings several issues because each department has its own purchasing process, practices, and forms. The City risks uncontrolled tail spend and having non-procurement experts make critical purchases. Under the current decentralized system of the City, the policy is vague and enforcement is left up to the clerks to enforce. Finance Staff is noting poor compliance with the current purchasing policy. Additionally, the auditors recently advised staff that the City may have an instance of material non-compliance involving the sole source procedure and it has been directed to the partner in charge.

Adding a Purchasing Manager would bring a lot of advantages to the City of Fargo. It would create additional transparency and fairness for the vendors and public, create savings for the City, and a Purchasing Manager could utilize their expertise to give regular instruction to department heads and staff on the purchasing and PCard policies.

Piepkorn stated is probably unheard of NOT to have one, and it would raise the professionalism of the City which is important. Redlinger stated we need to be on the right side of the audit and he supports it, as does Sprague. The Mayor asked why someone from Finance can't move into that role. Terri stated the purchasing manager needs to have expertise and training. The position would be an exchange for the Assistant Finance Director.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
Monday, July 25th, 2022

The Finance Committee met on Monday at 10:00 a.m. in the River Room and virtual.

All members were present. Guests included Gregg Schildberger, Rob Sobolik, Scott Liudahl, Bruce Grubb, Jim Hausauer, and Bekki Majerus.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the June meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Labor Masters, Idexx Laboratories, Envirotech Services, and Eaton Corporation.

Gregg Schildberger brought in a revised PBC for SMARTT Interior Construction. It is a PB on quotes and work that was done by someone else and the request would piggyback off that. If it were to be rebid now, it would be approximately $4,300 higher. The effective date of the PBC is May 2020 with an expiration of May 2023. Gregg stated the Engineering department would also be interested in the future. Terri is good with this request.

Mike Redlinger made the motion to approve. Steve Sprague seconded and all voted in favor.

2022 City and County Sales Tax Approved

Steve Sprague presented the City and County Sales Tax report. Year over Year it is showing 13.7% increase on the City side and just under 2% on the County side. Sprague noted Sales Tax was 28% higher than two years ago.

The Committee voted to receive and file the report.

REGULAR AGENDA:

ND Soybean Processors/Cass Rural WUD/City of Fargo - three way agreement Approved

Jim Hausauer and Bruce Grubb spoke on a request from the ND Soybean Processors for water and wastewater services from the City of Fargo and the Cass Rural Water Users District for the planned soybean processing facility near Casselton, ND. The crushing plant will be located in the CRWUD water service territory and the agreement will follow the Tharaldson Ethanol model in terms of contracts and agreements. Similar to the Tharaldson Ethanol agreement in 2007, it involves a three party agreement between the NDSP, CRWUD and the City of Fargo. The specific cost-shares, ownership and operation responsibilities are identified in this three-way agreement.

Improvements necessary to satisfy the request include an expansion of Fargo's Effluent Reuse Facility (ERF) (constructed in 2007) and a transmission pipeline to deliver water from the Fargo WRF and wastewater return pipeline from NDSP. CRWUD will provide the financing for the infrastructure improvements, with the NDSP repaying the debt. Upon successful start-up, the new infrastructure will be deeded to the City of Fargo to own and operate.

As the WRF has provided water and wastewater services to the Tharaldson Ethanol Plant since 2007, this new proposed project will provide another great opportunity for revenue diversification for the City of Fargo. The quantities reflected in the letter of request estimate annual new revenue of approximately ~$900,000. The City Attorney has reviewed.

Dave Piepkorn made the motion to approve. Mike Redlinger seconded and all voted in favor.

Loading Dock Drainage Trench Replacement Approved

Rob Sobolik stated for adequate drainage purposes, an 8" x 13" drainage trench exists across the 78-foot wide concrete driveway of the field level loading dock. Earlier this spring, there was some weakening of the concrete around the trench and processes were started to obtain formal bids on repair/replacement of the concrete and trench. Prior to repair, at the end of June, the supports of the metal trench materials collapsed, along with the surrounding concrete, making it impossible to drive over the trench and into the venue. Short-term remedies of brick infill and wooden planks were implemented, while a permanent solution was addressed. Roer's Construction bid was $54,553, L2 Contracting bid was $95,414, and there were no bids received from Northern Improvement or Master Construction due to project timing.

A PO was issued to Roer's Construction to initiate the drain replacement. Existing capital project funds will be reallocated to fund this repair via FD2223 Drain Replacement.

At their meeting on July 20, 2022, the Fargo Dome Authority Finance Committee and Building Committee both approved this action.

Steve Sprague made the motion to approve. Mike Redlinger seconded and all voted in favor.

Homeward Animal Shelter Funding Approved

Bruce Grubb stated back in October 2021 a request was received from the Homeward Animal Shelter for $40,880 in funds from the City. The Shelter works with Valley Vet. Grubb wanted to get approval for the actual invoice. Piepkorn asked if this would be an ongoing thing and Grubb stated it was a one time request. Discussion about making it an ongoing thing with a possible amendment to Valley Vet.

Dave Piepkorn made the motion to approve. Steve Sprague seconded and all voted in favor.

Newman Outdoor Field Funding for Critical Repairs Approved

Bekki Majerus reviewed the Capital Improvement Plan (CIP) and visited the Newman Outdoor Field and determined there are three critical repair items that need to be addressed.

The first item is to remedy a code issue that was discovered during the creation of the CIP in 2019. In 2017, the City funded the addition of a safety net behind home plate extending partially towards first and third bases. In order to secure the net appropriately, the RedHawks indicated that certain openings onto the field from the stadium seating needed to be permanently sealed. The City agreed to this work on the condition that the plans had engineer approval and met code for egress. The CIP in 2019 revealed that these sealed openings needed to be reopened in order to meet current codes. The estimated cost is $60,000 and the project would need to be publicly bid.

The second item is to repair drain lines from the sump pumps. It appears that, over time, modifications have been made to the original drain design. The drain lines from the sump pumps behind the dugouts now are not sized/designed to evacuate the volume of water that can result from a strong rain storm. Options are being researched to improve the drainage capabilities.

The third item is a repair/preventive maintenance issue that was discovered following an incident with a patron. A small chunk of concrete dislodged from around a steel beam and dropped on the patron. He was not seriously injured, but was understandably upset. A structural engineer was consulted and assured it was not a structural issue. A preventive maintenance plan was prepared to repair similar areas and prevent this type of incident in the future.

Account 268-1003-464.74-50, Newman Outdoor Field Capital Outlay, currently has $162,500.00 budgeted for 2022. On June 27, 2022, the Finance Committee approved moving $25,000.00 of this to the RedHawks Stadium Repairs and Maintenance account. There are no additional capital projects budgeted to come out of this fund in 2022. Facilities is requesting that the remaining $137,500.00 be moved to the RedHawks Stadium Repairs and Maintenance account, 268-1003-464.43-10 for use on the above projects.

Mike Redlinger made the motion to approve. Dave Piepkorn seconded and all voted in favor.

Furniture Purchase for PD Substation & Interstate Parking Office Approved

Bekki stated at the June 25, 2022 Commission meeting, the Commissioners approved the reallocation of funds from project PB0059: Mercantile Parking Ramp to Project BP0064: PD Substation and Interstate Parking Office Buildout. The funds in the account at that time were $615,675.54. $439,080.00 of that will be encumbered for project management, design and construction. This leaves a balance of $176,595.54. Remaining anticipated costs include furniture, security, and IT equipment.

The City Commission previously approved the Haworth Purchase Agreement #81714 with Christianson's Business Furniture which negotiated a discount on future Haworth furniture purchases (SSP21082). A proposal was received from Christianson's for the furniture for the City's leased spaces adjacent to the Mercantile Ramp. The proposal was $51,908.24 and the department estimate is $75,000.00.

Mike Redlinger made the motion to approve. Sprague seconded and all voted in favor.

Purchasing Manager Contract Approved

Terri stated she has observed the current decentralized procurement process which has led the Finance Department to become concerned about inconsistencies and lack of adherence to the purchasing policy. Failure to provide bids and or quotes, lack of or improper use of purchase orders, improper use of sole source, lack of insurance and improper use of P Cards are some of the concerns.

Further, the purchasing policy appears vague and lacks sufficient instructions for departments to interpret steps to complete a procurement properly, successfully and with transparency.

Finance has reconsidered our request to utilize our open FTE to hire a purchasing manager. The open FTE position was scheduled to be created along with the mid-year budget adjustments. Those adjustments will not be completed until October but the need for a Purchasing Manager is urgent and needs to be filled.

Secondly, with the onset of the new ERP conversion, and introduction of a centralized purchasing process, it would be misguided to utilize the FTE meant for the assistant finance director for this purpose. Terri would like to maintain the FTE for the assistant finance director and authorize a new contracted position for the purchasing manager which could be filled currently. The salary cost would be approximately $80,000 - $100,000, along the same lines of the Assistant Finance Director. The Mayor stated a job description would be helpful to lay out the requirements of the position.

Steve Sprague made the motion to approve. Dave Piepkorn seconded and all voted in favor.

O.U.R. Donation, Cellebrite Training and Software Approved

Steve Sprague received an item from George Vinson regarding Operation Underground Railroad (O.U.R.) which is a non-profit organization that exists to eradicate trafficking and exploitation of children and partner with law enforcement agencies around the US. Their organization has offered to pay for five employees to attend advanced training on how to analyze the contents of cell phones and include one year of Cellebrite software licensing free.

In exchange, we would agree to report how this donation helped identify suspects and victims (numbers only, no names) and collaborate with them publically in the fight against trafficking. After the one-year period, there would be an annual licensing fee of $6,775.

Currently, we have one Cellebrite license and only a couple employees trained to do the cell phone dumps. Det. Mathson has led the charge for us with this effort and has already made requests in the past to secure additional Cellebrite licenses and train more people. This donation will be very impactful for our investigations.

This donation and licensure is intended to be built into future budgets as it is critical to the mission of investigating crimes in the community. Nancy Morris has reviewed the documentation and she reports no issues with accepting this agreement.

Dave Piepkorn made the motion to approve. Mike Redlinger seconded and all voted in favor.

City of Fargo
Finance Committee Meeting Minutes
Monday, August 29, 2022

The Finance Committee met on Monday at 10:00 a.m. in the River Room.

All members were present. Guests included Desi Fleming, Terry Ludlum, Troy Hall, Ben Dow, Nicole Crutchfield, Brenda Derrig, and Bekki Majerus.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the June meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included AE2S, Westlie Truck Center, CC Steel, Andritz Separations and Schatz & Associates.

Dave Piepkorn made the motion to approve. Michael Redlinger seconded and all voted in favor.

REGULAR AGENDA:

Jail Nursing Staff Pay Differential

Desi Fleming, Director of Fargo Cass Public Health was present to address the action taken by Cass County concerning Jail Nursing Staff. The County contracts with FCPH for correctional nursing services, paying 100% of associated costs. Cass County Commission at its August 15th meeting voted a 10% increase for jail differential. FCPH is requesting approval to apply this change.

Redlinger made the motion to approve, Sprague seconded and all voted in favor.

Sale of Barnes Township Land

Terry Ludlum informed the Finance Committee the City of Fargo owned land in West Fargo adjacent to the landfill which was purchased with the intention of expanding the landfill is anticipating about $400,000 in specials assessments, this land is currently rented as crop land and is generating about $7,000. The City needs to maintain about 18 acres for monitoring wells and a snow dump but is interested in selling the remaining 60 acres. The sale is estimated to generate between $1.5 and $2.5 million. Solid Waste would like to earmark any proceeds to the relocation of the Solid Waste offices. Suggestions were made for how to dispose of the land, RFP, Land Auction or realtor.

Piepkorn made the motion to approve the land sale. Redlinger seconded and all voted in favor.

Reverse Osmosis Element order

Troy Hall explained the current process to change out the RO elements. He would like to extend the current RFP to replace additional canisters at essentially the same price. He has funds in his Renewal & Rehab budget to purchase additional elements. He is requesting an increase from 385 to 1141 elements

Sprague made the motion to approve the RFP change and purchase the additional elements, Gayhart seconded and all voted in favor.

Vehicle Purchases 2023 State Contract

Ben Dow indicated the State Vehicle Purchase Contract will only be open for one day and he would like approval to commit 2023 budgeted funds before the 2023 budget is formally passed. He indicated we are in a position to purchase 6 pickups and 10 SUVs, the savings are quite remarkable.

Piepkorn made the motion to approve the use of the State Vehicle Contract. Redlinger seconded and all voted in favor.

Southside Fueling Station Engineering Task Order

Dow indicated they had previously located a Southside Fueling station, including the environmental analysis and were ready to start construction; however, they needed a zoning change. One of the adjacent property owners indicated they would protest the zoning change. At the same time, the Fire Department expressed interest in the site. Public Works decided to look at other locations to locate the fueling station. The City owns land on 40th Ave South currently being used as a snow dump. Dow is seeking approval to have KLJ review the 40th Ave site for a potential fueling station including environmental analysis, cost not to exceed $63,000. The estimated cost of the fueling station is $750,000 which is budgeted.

Redlinger made the motion to approve. Gayhart seconded and all voted in favor.

KLJ Task Order Amendment

Dow is requesting an amendment to Task Order 5 issued to KLJ for construction admin to the Border States Administrative office update. As the project has progressed, it was determined the HVAC system will need replacement.

Gayhart made the motion to approve and amend the KLJ Task Order 5. Sprague seconded and all voted in favor.

CCLT Housing Reinvestment

Nicole Crutchfield reported the have an offer from the heir to one of the City's dilapidated rental property landlords, they would like to sell 7 properties at $50,000 each. The land would be transferred to the Community Land Trust. The total cost is $350,000 plus $50,000 administration fee to the Land Trust. This fits into the Core Neighborhood Plan and funds are secured through ARP.

Piepkorn made the motion to approve the purchase of 7 properties. Gayhart seconded and all voted in favor.

Kresge Foundation Grant

Crutchfield explained the purpose of the Kresge Grant and the extension. At this time, Planning is seeking approval to make further distributions of the grant totaling $115,000.

Gayhart made the motion to approve grant distributions, Redlinger seconded and all voted in favor.

Eagle Ridge Development Deferral Request

Brenda Derrig explained Eagle Ridge Development would like to begin infrastructure placement on the land north of 76th Ave South West of the Drain. This development will require two ways in and out. The road from the North is the least expensive way to gain access, but the owner is not in a position to move forward with development at this point. Engineering is requesting a 10 year deferral so the road can be constructed to gain access into the development.

Sprague made the motion to approve a 10-year deferral using our standard terms, seconded by Redlinger, all voted in favor.

Library and Police Headquarters HVAC replacement

Bekki Majerus indicated both the Police HQ building and Library boiler units were in need of replacement, the bid amounts were higher than expected and we only received one bidder.

Sprague moved to approve the HVAC replacements at Police HQ and Library, Gayhart seconded, all voted in favor.

Police Memo Regarding Vacant Positions

Redlinger explained a memo received from Police detailing their understanding of two positions removed from their employee count, Police feel they should not have lost the positions and their count should remain at 215.

No action is needed, just receive and file the memo.

Travel Policy Update

Terri Gayhart explained the current travel policy states it is only updated annually, she feels it is appropriate to update the travel reimbursements whenever the IRS makes changes to the reimbursement rate.

Piepkorn moved to update the travel policy as the IRS makes changes, seconded by Redlinger, all voted in favor.

City of Fargo
Finance Committee Meeting
Monday, September 26th, 2022

The Finance Committee met on Monday at 10:00 a.m. in the River Room and virtually with GoTo Meeting.

All members were present. Guests included Tanner Smedshammer, Bruce Grubb, Steve Dirksen, Jill Minette, Troy Hall, Jordan Smith, Kim Citrowske, Mark Williams, Larry Anenson, Bekki Majerus, and Gregg Schildberger.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the August meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Sanitation Products, Model Trucks, Minnesota Municipal Utilities Association, Greater Outcomes Consulting LLC, and Great Plains Fire.

Steve Sprague made the motion to approve. Dave Piepkorn seconded and all voted in favor.

2022 City and County Sales Tax

Sprague stated the city is up 11% year over year and it is projected out to approximately 66 million by end of year if the growth keeps up.

REGULAR AGENDA:

Options for sale of self-contained breathing apparatus Approved

Dirksen stated this year all new breathing apparatuses were purchased so now there are 75-80 old ones that most likely won't sell on the auction and would end up being thrown away. Three companies were found that would rehab and refurbish them to sell. Dirksen was not sure what those companies would buy them for, maybe $5-$10k.

Sprague made the motion to approve. Piepkorn seconded and all voted in favor.

2022 Growth Plan RFP Issuance Approved

Mark Williams and Kim Citrowske presented a 2022 growth plan RFP issuance. The last comprehensive growth plan was adopted in 2007 and in the last 15 years the city has changed. The Planning Department would like to present the City Commission with a consideration to issue an RFP for consultant services for a new citywide growth plan at the September 19th meeting with an approximate 18-month timeline. The request would seek qualified consultants to help guide and facilitate the planning process.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Acquisition and Clearance of 714 12th Street North Approved

The renewal plan for the Roers/Newman Center project included the acquisition and demolition of substandard buildings in the Roosevelt Neighborhood and make those properties available for single-family homes. The City of Fargo received $29,723.85 in 2022 that can be used for that purpose and TIF income for the same purpose in 2023 will be ~$137,000.00 with that money arriving in March.

A potential site for acquisition and demolition is 714 12th Street North. The property was acquired by 701 Brew with plans for a parking lot. However, the current zoning does not allow a parking lot and the Planning Department does not think a zoning change would be consistent with City plans.

The Inspections Department has determined that the house on the site is a dangerous building and asked for it to be demolished. A dangerous building hearing has been scheduled for October 3rd.

The owner of the property acquired it for $30,000 and is willing to sell it to the City for $29,000. If the City acquired the property, it could be demolished with the costs special assessed against the property. Those special assessments could be paid off with TIF money early next year. The vacant lot could be developed as a single-family home by the Cass Clay Land Trust, Habitat for Humanity, or by a private party.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Infrastructure Cost at Fire Station Site in Selkirk Approved

Derrig explained that Chief Dirksen worked along with the developer when the land south of 64th Avenue South (Selkirk Place First Addition) was platted to swap City owned land adjacent to Drain 53 with land adjacent to the Interstate. With the new bridge and future ramps this was an ideal location for the next fire station.

Originally the City was going to install the infrastructure but the Developer did it privately to expedite the construction. With the work being completed privately there is a cost to the lot owned by the city. Once the project was completed the special assessment staff took the costs and spread the benefit like a City Project to make sure the cost allocated to the city lot was correct. That cost is $392,788.25. Per the agreement, the city will reimburse the Developer $91,038.08 for the oversized sanitary sewer that will serve the future land to the south. The city can pay this cost up front or it can be invoiced to the adjacent project (64th Avenue South paving BN-21-A1) with the cost being assessed to the city lot.

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Amendment to Selkirk Deferral Agreement Approved

Dan stated Eagle Ridge Companies has requested an amendment to the deferral request granted to the Selkirk Addition. The request is to change from 10 years of the Notice of Special Assessment to 10 years from substantial completion, and to include in the dedication of right of way of the commercial lots to the west of 33rd Street to be platted. They are also requesting those proposed lots carry a five-year deferral. Recently the Finance Committee granted a three-year deferment to Kelmar along 19th Ave North.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Third Addendum to the Reiles Acres Sewer Agreement Approved

Back in 1998, the City of Fargo and Reiles Acres entered into an agreement in which Fargo would provide sewer services for the residents of Reiles Acres. The original agreement included the construction of a 6" force main that extends from the corporate limits of Reiles Acres that begins on 45th Street and 35th Avenue North and proceeds south to a 36" collector sewer on 19th Avenue North. This 6" force main was upsized by the City of Fargo for potential future growth in this area. The agreement allowed for up to 300 service connections with Fargo Water Reclamation (WRF) staff providing operation and maintenance of Reiles Acres one lift station.

The agreement has had two previous addendums to include adding additional lift stations, reducing the Reiles Acres surcharge to $9.35 per household, eliminating Fargo's responsibility to pump Reiles Acres septic tanks, keep 45th Street language separate from the sewer agreement, and ET, Zoning & Annexation language to coincide with the sewer agreement.

A request for a third addendum includes an additional fourth sanitary lift station (historically it has been common practice to include newly constructed lift stations to the original agreements of outside users), a pipeline capacity/ownership exchange, and an increase in the number of service connections.

The new rate and surcharge revenue at full buildout of the new development alone will exceed $111,000/year.

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Summit Carbon Solutions Request for Water and Wastewater Services Approved

Jim Hausauer stated Summit Carbon Solutions is planning a carbon capture facility near Casselton and requesting water and wastewater services from the City of Fargo and the Cass Rural Water Users District (CRWUD). The facility will be located in the CRWUD water service territory adjacent to, and in collaboration with, Tharaldson Ethanol.

Improvements necessary for the facility include an expansion of Fargo's Effluent Reuse Facility (ERF) which Summit would provide the financing for necessary infrastructure improvements, but upon successful start-up, the new ERF infrastructure would be owned and operated by the City of Fargo. Summit is also requesting the same high quality water requirements of the ethanol plant in 2007 and have the Water Reclamation Facility provide water and wastewater services and provide a third opportunity for revenue diversification through the use of reclaimed treated wastewater.

Jim would like authorization to negotiate with Summit Carbon Solutions and Cass Rural Water Users District to identify infrastructure, cost share, ownership and operation responsibilities for water and wastewater services for the carbon capture facility.

Piepkorn made the motion to approve. Sprague seconded and all voted in favor.

Shift Differential Alignment Approved

Over the last several years, shift differentials have been implemented for various workgroups in Public Works, Transit and Fargo Cass Public Health for evening, night and weekend work. The shift differentials were necessary for recruiting and retention of employees and to remain competitive in the market.

Recently, Troy Hall, Ben Dow and Jordan Smith met with Jill to discuss shift differentials and how they can be consistent within those departments. Troy Hall is requesting a $2 per hour shift differential for evening and night shifts for water plant operators due to recent recruiting and retention challenges. The other positions in Public Works and Transit that receive a shift differential for similar shifts are currently receiving $1 per hour. Piepkorn asked if there would be unintended consequences with other departments, such as Police or Fire. Jill stated that they are hearing about it more and more from the Police. Some cities offer the shift diff and some don't. She doesn't think they've hit that crucial point with Police yet.

The request is to align the shift differential for positions in Public Works, Transit and Water at the $2 per hour level. The increased differential will be more competitive and support recruiting and retention efforts as well as create internal equity for shift differentials within these departments. The mayor asked how these would be funded. Terri stated it will have to just come out of the funds of the departments as an up/down of salaries.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Vacation Maximum Carryover and Payout Approved

Jill stated over the last two years, the maximum vacation carryover amount was temporarily increased due to the impact of the pandemic on the ability for employees to utilize their vacation. Even with the increase, there are a number of employees with balances that exceed the maximum, either due to the effects of the pandemic or more recently due to the effects of staffing shortages in various departments.

Jill is recommending a change to the vacation policy to increase the vacation carryover maximum from 256 hours (508.5 for fire suppression) to 320 hours (576 for fire suppression), which essentially is an additional 1.6 weeks of vacation.

Jill also is proposing a one-time vacation payout in order to lower the excess balances which would allow for better management of vacation balances in 2023 and future years. Additionally, this one-time optional vacation payout would allow all employees with a balance of 40 hours or greater to access additional dollars to support their personal budgets. If approved, the employees would elect the number of hours to be paid out based on a tiered system and would receive a check in November or December of this year, prior to the 2023 wage adjustment. The vacation payout is entirely optional but employees who have vacation hours in excess of 320 on 12/31/22 will lose those hours if they do not either use them or opt to have them paid.

There would be a one-time budget impact of the proposed vacation payout, potentially around $1,425,396 (based on mid-August balances) if all eligible employees were to opt for the highest-level payout.

Redlinger made the motion to approve. Gayhart seconded and all voted in favor.

Mercantile Build Out Costs Approved

At the June 27, 2022 Commission meeting, the Commissioners approved reallocation of funds from BP0059 (Mercantile Parking Ramp) to BP0064 (PD Substation and Interstate Parking Office Buildout). The funds in the account at that time were $615,675.54, of which $439,080.00 was encumbered for project management, design and construction.

At the July 25, 2022 Finance and Commission meetings, the purchase of furniture for the spaces were approved in the amount of $51,908.24. This leaves a balance of $124,687.30.

The total cost for electrical and low voltage for the furniture as well as security costs for the Mercantile PD Substation and Interstate Parking spaces is $59,373. These costs are anticipated to be the final costs for the buildout barring any requested change orders by the customer. The project is scheduled to be completed by 10/31/2022.

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Supplemental Budget Request for FPD Media Room-Broadcast Studio Approved

Gregg and Bekki brought forth a supplemental budget request to include an A/V cabinet and elevated controller station, the relocation of a granite wall section to be in the publicly facing lobby, the addition of a badge reader on the lobby entrance and the addition of wallcovering in the room to improve acoustics for broadcasts. In addition, the fees associated with the broadcast equipment have increased due to supply chain issues/availabilities, inflation and the full scope assessment of the project.

The project was advertised and one bid was received and opened from Border Construction. The contractor's bid of $153,230 is 14% over the architect's estimate of $134,000. Gregg stated additional funding is being requested so the project can be completed in 2022.

Redlinger made the motion to approve. Sprague seconded and all voted in favor.

Other – Auditor Selection update (Gayhart)

Terri wanted to make mention to the Finance Committee that she had planned to inform who was chosen as the new or continuing auditors; however, the Purchasing Manager made a recommendation that a fourth firm should be interviewed. That will be done tomorrow so they will know tomorrow which firm was chosen. Steve asked if they were interviewing all the applicants that submitted; Terri said no, only four out of the five are being interviewed. Mahoney asked who was on the selection committee. Terri stated Brenda Derrig, Jamie Bullock, herself. Desi and Jill were supposed to be on it but they have deferred to Finance's judgement as they don't have the time to spend on it.

City of Fargo Finance Committee Meeting
Monday, October 31st, 2022

The Finance Committee met on Monday, October 31st at 10:00 a.m. in the River Room and virtually with GoTo Meeting.

All members except Terri Gayhart were present. Guests included Rob Sobolik, Nicole Crutchfield, Jim Hausauer, Tom Knakmuhs, Kevin Gorder, Tanner Smedshammer, Brenda Derrig, Steve Dirksen, Troy Hall, Bekki Majerus, Ryan Green, Peter Monsrud, and Gregg Schildberger.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the September meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Frontier Precision, Salt Source LLC, 3D Specialties, B&B Roadway and Security Solutions, Tennant Sale & Service, Suez Water Tech & Solutions, and Center for Public Safety Excellence.

Michael Redlinger made the motion to approve. Steve Sprague seconded and all voted in favor.

2022 City and County Sales Tax

Sprague stated the 11% year over year trend continues. He went back two years, and the trend is up 28% over that time. The County went down 2%.

REGULAR AGENDA:

Temporary/Early Hire for Fire Department Approved

Dirksen stated the Fire Department anticipates the retirement of four personnel by April 7th, 2023; two in early January, one in late February, and one in early April. The recruit academy is slated to begin on February 13, 2023. He doesn't anticipate additional costs incurred to the 2023 Fire Department budget to hire a temporary/early employee. One of the possible candidates is the current OA III, so Dirksen would like authorization to hire an OA III to start on February 6, 2023 which would be a one-week training period.

Dave Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Amendment for czb for Core Neighborhood Plan Services Approved

In February 2022, the City of Fargo contracted with the Core Neighborhoods Plan consultant, czb, to assist staff in setting framework and guidance for priorities, primarily the Neighborhood Reinvestment program. The original contract had the work concluding in 2022; however, Roosevelt neighborhood residents have been having conversations with elected officials and city staff members, and there is a desire to continue with advanced planning for this neighborhood. The scope of this work is to be further defined.

A scoping service is requested to help staff and Roosevelt Neighborhood co-define the appropriate planning tools over the next several months. The work will aid in providing communication and planning tools for deeper discovery and shared understanding.

Nicole Crutchfield would like approval of a contract extension to June 2023 and approval of the contract amendment for $20,000 to include Phase 4, to support additional planning activities with the Roosevelt Neighborhood.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Commerce on I-29/100th Ave S Request for Sewer Service Approved

Jim Hausauer has a request from Commerce on I29 Board member Jesse Riley requesting consideration for sewer service to serve a commercial development along I29 and 100th Ave S that was platted and zoned in 2014. This development intended to use a 20,000-gallon private onsite sewer system/holding tank for its wastewater management; however, due to growth, increased water use and possible groundwater infiltration, this development has experienced increased pumping costs, growth limitations, and concerns from City of Fargo Engineering, Planning and Public Health Departments. These departments have worked with Commerce board members since 2017-18 to find a permanent solution to the wastewater problem.

One agreed upon solutions was to work cooperatively with the SE Cass WRD to obtain a CWSRF loan to install infrastructure to connect to the Fargo wastewater collection system infrastructure at 64th Avenue and 45th Street. The SE Cass WRD Board approved the cooperative agreement in principle to apply for the loan and begin design of a sanitary sewer lift station and force main project.

City of Fargo staff is now seeing requests from adjacent developers to connect to the proposed infrastructure that is being designed only for the Commerce development, which is raising questions that do not meet intended orderly growth associated with Water & Wastewater Mater Planning, Growth and Land Use Planning and Floodplain Management Principles.

Hausauer is looking for approval to proceed finalizing a sewer agreement for only Commerce on I29 with SE Cass WRD providing the financing and Commerce paying the debt service. Fargo would own and operate the infrastructure. Commerce will pay a volumetric rate with an O/M fee.

Sprague made the motion to approve. Piepkorn seconded and all voted in favor.

Water Utility 2022 Budget Advance - Membrane WTP Ultrafiltration Modules Approved

Troy is requesting a budget advance for a 2023 Ultrafiltration (UF) membrane module replacement project for the Membrane Water Treatment Plant (MWTP). Suez Water Technologies & Solutions requires 30-percent paid at the time of a purchase order, which is estimated at $99,630. The requested budget advance is for the Renewal & Rehab (R&R) budget line in the 2023 Water Utility budget. The R&R budget line is funded with Infrastructure Sales Tax (Fund 450), which had a balance of $5,562,281 at the end of September.

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Water Utility Renewal & Rehab Project List Approved

Troy is requesting the use the Renewal & Rehab (R&R) line in the Water Utility budget to fund two projects; the State Revolving Fund Loan (Non-Reimbursement Requested Items) for an estimated cost for 2022-2023 of $50,000 and the Wash Water Recovery Spare Pump (1997 Water Treatment Plant) for an estimated cost of $22,000.

The R&R budget line uses Infrastructure Sales Tax (Fund 450), allocated to the Water Utility.

Redlinger made the motion to approve. Piepkorn seconded and all voted in favor.

Operation Prairie Dog Funds and Infrastructure Funding Policy Revision Approved

Tom Knakmuhs and Brenda Derrig spoke on the passage of House Bill 1066 in 2019, commonly referred to as "Operation Prairie Dog". The City of Fargo was forecasted to receive approximately $25 million each biennium. During that same timeframe, a Special Assessment Taskforce was created to review the use of special assessments in Fargo and make recommendations for modifications to the City's infrastructure funding policy. On November 19, 2019, the Fargo City Commission adopted an updated infrastructure funding policy that incorporated 22 of the 26 recommendations made by the Special Assessment Taskforce.

Knakmuhs and Derrig are recommending that the infrastructure funding policy that was adopted in 2019 be revised to remove the following provision from the policy, "The City of Fargo will apply all appropriated

funds from the North Dakota Prairie Dog Bill (2019 Session HB 1066) to the Infrastructure Funding Policy for the benefit of property owners for reconstruction and rehabilitation of aging infrastructure. In the event that state funds are discontinued, the policy remains intact and new calculations without state funding will occur." This recommendation is based on the belief that the intent of the special assessment buy down provision has already been realized and the inequity that is otherwise likely to be created.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Emergency Purchase of Lift Station #32 Storm Water Pump Approved

In September, one of the two pumps in the storm sewer lift station at 12th Avenue and 45th Street was found to be inoperable. This pump needs to be replaced and operational by the spring melt due to the age of the remaining pump. With the estimated timeline for delivery of 14 weeks, the pump order needs to be placed as soon as possible.

Two quotes were requested and received from pump suppliers who also remove and replace their products. Electric Pump quoted $52,626 for a Flyght pump and labor/install/delivery. North Dakota Sewage Pump quoted $49,495 for an ABS Sultzer pump, labor/install/delivery, and electrical connections/panel upgrade.

While the ABS Sultzer pump supplied by ND Sewage Pump has a lower pump cost, the retrofitting and labor costs to install raise the total cost to be comparable to reinstalling an identical pump as the one removed (Flyght). Engineering recommends replacement with the Flyght pump supplied by Electric Pump, which matches the existing pumps at this lift station. The lead time for delivery is estimated at a minimum of 14 to 16 weeks.

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Liquidated Damage Assessment BN-19-A2 Approved

Construction on the project is $19.2 million and started in 2019. Most of the construction was completed in the fall of 2020 with some minor items on the signal lights and other items carried over into early 2021. Paperwork and all other items were completed March 7th, 2022 with the exception of a final agreement on Liquidated Damages (LD). This project has multiple funding sources and all were maximized so any final adjustments to the contract would be paid with Sales Tax money. Since the contract records were complete, KPH and Engineering agreed to finalize the NDDOT contract and continue LD negotiation with any potential adjustments coming from Sales Tax funds.

The amount of LD assessment at the time of the NDDOT contract completion was 47 days at $5,000/ day or $235,000. During review a discrepancy was found in the NDDOT final documents that showed 50 days of LDs but the actual number is 47 days. The breakdown of liquidated damages includes 15 days in 2019 when the roadway was not completed and open to traffic, which will all be charged. That leaves 32 days remaining of LDs for 2020.

Engineering and KPH agreed to a 15.5 day reduction in the LD's assessed on the final document with the NDDOT. The basis of this was about half the work completed in 2020 happened with little or no impact to the traveling public. At the time of contract closeout, the amount of Sales Tax funds used on the project were reduced by $235,000 (47 days at $5,000/day) due to LDs. If approved by Finance Committee and City Commission, the amount of Sales Tax used on the project will be reduced by $157,500 (31.5 days at $5,000/day).

Sprague made the motion to approve. Redlinger seconded and all voted in favor.

Newman Outdoor Field CIP Project – Project Admin Costs Approved

At the May 31st, 2022 Finance Committee, Bekki spoke on three critical repairs needing attention at Newman Outdoor Field and requested the use of Capital Outlay funds to cover Repair and Maintenance costs. One of the three issues was addressed (loose concrete around steel beams) for a minimal cost. After further investigation of the other two items (drainage and exiting issues), it was determined that both would require both expert consultation and substantially more cost per project to correctly address both issues.

RLE Architects were specifically engaged because they are the original architects of record as well as the firm that completed the Facilities Assessment and presented the Capital Improvement Plan in 2019. They presented a proposal to combine both projects and provide construction documents and bidding administration for $27,800 and construction administration for an estimated $8,000.

Bekki would like approval of RFQ18084 to utilize RLE's services for the projects and use capital funds to pay for the project administration costs.

Piepkorn made the motion to approve. Sprague seconded and all voted in favor.

Supplemental Budget Request to Complete Multimedia Studio Space Approved

At the May 31st, 2022 Finance Committee, a request to construct a multimedia space to be used by all City departments was approved. Three items are outside of the original budget.

Two additional acoustical modular interior walls were added to maximize the space, storage options were incorporated, wall bracing was modified and the entry doorframe was widened/hardened to allow successful gear transport & versatility. The revised price of $135,740.92 was negotiated down $7k with the vendor.

Theatrical lighting mounted on an external grid from the ceiling will illuminate the space more successfully and eliminate the need/risk of staff climbing on ladders to rearrange the shot angles, while also maximizing usable floor space. The budget for this portion of the project is proposed at $59,822, which is about $25k below the contractor's draft package pricing.

It has been determined the studio space is located under a roof-mounted air exchange unit at FPD HQ. The integration of highly compressed wood core insulation-wrapped ceiling tiles will help prevent sound from entering (as well as escaping) the studio. Original estimates for these tiles were around $11k, but staff worked to locate a direct-ship option from the production company to minimize costs. Tiles would be installed by the Facilities Management Team to eliminate installation fees.

Piepkorn made the motion to approve. Sprague seconded and all voted in favor.

City Pension Board changes Approved

Steve stated at the annual City Employee Pension Board meeting there was discussion regarding the makeup of the Pension Board. In 2007, then City Attorney Erik Johnson recommended removing the City Attorney from the Pension Board and adding the Director of Human Resources. That recommendation was approved; however, the related ordinance was never updated.

Steve requests directing the City Attorney to amend ordinance 06-0202 to remove the City Attorney and add the Director of Human Resources.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Extension of Benefactor Group Consulting Services Agreement Approved

At the September 8, 2020 Commission meeting, a proposal was approved from the Benefactor Group to conduct a Professional Fundraising Assessment for the Fargo Performing Arts Center. Benefactor Group was selected following an RFP process in July 2020 and began their work for the City of Fargo in September 2020. Additional scopes of work for professional services have been approved by the City to support the development of the Fargo Performing Arts Center project and fundraising campaign.

The Performing Arts Center fundraising campaign is moving into the next phase and Redlinger is proposing the professional services agreement with Benefactor Group be extended to support a Fundraising Steering Committee currently being formed. In addition, it is proposed that Benefactor Group continue its work on the project pro forma and public/private funding sources.

Redlinger made the motion to approve. Sprague seconded and all voted in favor.

Governance Workshop Facilitation Services Approved

Mayor Mahoney and City staff recently met with Dr. Jeff Schatz, Schatz & Associates, LLC, to discuss facilitation services for a proposed City Commission Governance Workshop to be held in November 2022. Dr. Schatz has knowledge and an understanding of public sector organizations and governance which will assist the City Commission with its proposed Governance Workshop and ensure its success.

A scope of work was prepared by Dr. Schatz which proposes he collaborate with staff in the development of the workshop agenda, best practices in the public sector, and provide an analysis of other governance models that may be of interest to Fargo. Following this research and facilitation of the City Commission group session, a final written report will be provided to the City Commission which contains a summary of the process and recommendations. Dr. Schatz proposes a flat-rate cost of $10,000 to provide these professional services to the City Commission.

Piepkorn made the motion to approve. Sprague seconded and all voted in favor.

Government Relations & Legislative Advocacy RFQ Approved

To prepare for the 68th Legislative Assembly beginning on January 3, 2023, Redlinger is requesting the consideration and approval of an RFQ for Government Relations & Legislative Advocacy services. Professional services in Bismarck are utilized by the City to support legislative and policy agenda. The City's approach pairs knowledgeable consultants working at the State Capitol with the expertise and strategy of the City's elected officials and professional staff. This is a cost-effective partnership that provides the City a consistent presence in Bismarck.

RFQ proposals are due by November 18, 2022. A screening/interview process will be utilized to determine the most responsive and responsible firm or individual(s) to serve the City's needs, followed by the consideration and approval by the City Commission.

Piepkorn made the motion to approve. Sprague seconded and all voted in favor.

City of Fargo - Finance Committee Meeting
Monday, November 28th, 2022
Go To Meeting/River Room
10:00 a.m.

The Finance Committee met on Monday, November 28th at 10:00 a.m. in the River Room and virtually with GoTo Meeting.

All members except Steve Sprague were present. Guests included Tanner Smedshammer, Ron Gronneberg, Mark Williams, Larry Anenson, Jordan Smith, Jim Gilmour, Troy Hall, and Terry Hogan.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the October meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included New Flyer Corporation, Cummins NP, Nardini Fire Protection, Custer Health, Envirotech Services, and STAGEnet.

Michael Redlinger made the motion to approve. Terri seconded and all voted in favor.

REGULAR AGENDA:

2023 Parking Rate Increase Approved

Mark Williams brought forth proposed rate changes for 2023 at specific parking facilities. Piepkorn said the increases are fairly substantial and asked if it is in the ballpark with other areas. Williams said the strategy of Interstate Parking is to raise rates to meet demand and that is what they are seeing so he is taking their recommendations.

Piepkorn stated the new ramps are fairly full and popular and asked Jim Gilmour if he thought the proposed raises would be good. Gilmour said there is a small waiting list for the Civic and RoCo ramps; the first two hours are free at Mercantile and RoCo. Piepkorn stated even if it was scaled back to one hour free, it seems that people stay longer than that. Gilmour said that could be a recommendation to Interstate Parking and the Downtown Community Partnership.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

2023 Budget Line Transfer Request Approved

Troy Hall would like approval to transfer 2023 budget funds from Facility Plan Phase 2 projects budget line to the Renewal and Rehab budget line in the amount of $300,000. There would not be any overall budget dollar change as Fund 450 is the funding source for both. The Facility Plan Phase 2 project has $300,000 for 2023 and applies to a specific long-term project, but there are more urgent projects under the R&R budget line. If the transfer request is approved, the R&R budget would have $900,000 and Facility Plan Phase 2 budget would be zero.

Mike Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

Proposal for Parking Garage Pre-Design Study Approved

Gilmour stated he has been having discussions with the Mayor and Commissioner Strand and the Airport Authority about building a parking garage at the Airport. The Airport would like to do a pre-design study and would like the City to share in the cost.

It isn't budgeted and the money would need to be found for it. The Mayor stated the Bank of North Dakota came and met with them and they have $28 million left that they could do as a 40 year, 2% loan which qualifies for a garage. He thinks if the City shares in the cost of the study, the Airport will pay for the construction. With a 2% loan they would hardly have to put any money in to make the payment on the loan.

Piepkorn stated that even though it is added to the budget, he is in favor of sharing the cost of the study. Terri asked where the money would come from. Redlinger thinks a Capital Reserve fund would make sense because it is a professional service that will result in a capital asset. The Mayor said the parking rates would pay the bond off.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Funding for MLK in partnership with Reach Partners Approved

Terry Hogan, in a joint venture with Reach Partners, would like approval for funding to produce Umoja 54 (an African word that means unity as a society in general) MLK Day Celebration at the Fargo Theater, to celebrate Dr Martin Luther King and his legacy. He would like $20,000 that would come out of the DEI budget, but as a "safety net". This means that they have been asking outside people to become sponsors, like Essentia, etc. They want to raise as much as they can and they've already received some funds from the YWCA so money is starting to come in.

Piepkorn made the motion to approve. Redlinger seconded and all voted in favor.

Government Relations & Legislative Advocacy RFQ Approved

In preparation for the 68th Legislative Assembly on January 3, 2023, the City of Fargo recently advertised an RFQ process for Government Relations & Legislative Advocacy services. The City previously conducted an RFQ process in 2018 for these services. The City utilizes professional services based in Bismarck to support the City's legislative and policy agenda. One proposal was received from Effertz Law, PLLC. Effertz, in partnership with Olson Effertz Lobbying & Consulting, LLC, proposes to provide legislative advocacy services to the City from December 1, 2022 through June 30, 2023. Terms of the proposed engagement are consistent with the previous agreement the City maintained with them. In the new arrangement, the primary point of contact will be with Terry Effertz who will partner with John Olson, Kayla Effertz, and other staff to provide the services the City desires for the 2023 Legislative Session.

Administration has reviewed the proposal and discussed its terms, conditions, and structure with Terry Effertz. City Administration recommends approval of the proposal and the appointment of Terry Effertz as Special Assistant City Attorney. Funds for government relations services are in the 2023 Budget.

Piepkorn asked if it was a requirement that the City has a lawyer out there. Redlinger stated it is a requirement by North Dakota Century Code that a local unit of Government has to be represented by a designated specialist as an Attorney.

Terri Gayhart made the motion to approve. Piepkorn seconded and all voted in favor.

City of Fargo - Finance Committee Meeting
Monday, December 19th, 2022
Go To Meeting/River Room
10:00 a.m.

The Finance Committee met on Monday, December 19th at 10:00 a.m. in the River Room and virtually with GoTo Meeting.

All members were present. Guests included Desi Fleming, Mark Williams, Nicole Crutchfield, Tanner Smedshammer, Ron Gronneberg, Dan Eberhardt, Ben Dow, Troy Hall, and Jim Hausauer.

CONSENT AGENDA:

Meeting Minutes Approved

Minutes from the November meeting were approved by the Committee as presented.

Sole Source and PBC items Approved

Requests were approved as presented and included Cummins and Liberty Business Systems.

Michael Redlinger made the motion to approve. Dave Piepkorn seconded and all voted in favor.

2022 City and County Sales Tax

Steve stated we will be ending the year at a 9% increase year over year. The County is at 1.4%; about a million more than last year. The Diversion gets the most.

REGULAR AGENDA:

Indigent Defense Service Contract Approved

The current contracts for indigent defense services expire on December 31, 2022. Incumbent attorneys Joe Johnson and Stormy Vickers desire to continue their contracts. Municipal Court recommends the contracts be renewed as five-year contract extensions with each attorney with a review of compensation after three years. The term would be from January 1, 2023 through December 31, 2028.

Even though there were approximately half of the appointments in 2022 than in 2018, it is recommended that compensation remain the same at $61,200 per year for each contract holder due to the decrease in appointments.

Michael Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

Growth Plan Consultant Contract Approved

The last comprehensive growth plan was adopted in 2007 and since then the City has changed. An RFP was posted in October 2022 with eight planning consultant teams responding.

The RFP review group read through and scored proposals and participated in a formal interview process to select the preferred consultant team of czb, LLC. Their proposal was robust and forward thinking in their approach and will study current growth patterns, engage the community and stakeholders, gain an understanding of the community values and visions, and outline the growth management plan to guide a rewrite of the Land Development Code.

The initial code writing component would total $776,000 with an anticipated timeline for completion in 2024. The project will involve many city departments so there is a possibility of a small portion of cost sharing. The funds

would use the 2023 and 2024 planning services budget, as well as the remaining 2022 budget being rolled over at year end.

Michael Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

2022 ARP Allocation Transfer for 2023 Public Health Position Approved

As part of the first allocation, American Relief Plan (ARP) funds were approved in the 2022 budget process and verified in April 2022 by the City Commission. As part of this, $400,000 was assigned to Engagement Center Services. The Planning & Development department, partnered with City Admin and Public Health, is recommending this $400,000 be transferred to Public Health Harm Reduction staffing (account 101-6013-451.14-00).

The work of sheltering coordination continues to rise due to increased demand. A temporary shelter coordinator position was approved at PEC the week of December 5th. The funding transfer would support this position as well as other overtime and salaried positions in 2023.

Michael Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

State Aerial Project Contract Approved

The state of North Dakota has contracted with Fugro to fly an aerial project in the spring, but Ron Gronneberg stated they want a slightly more detailed view than what the State would require. The total cost to add additional requirements would be $196,000. Nancy Morris has reviewed the agreement and is comfortable with it overall, with a few minor items to be changed before finalizing.

Fargo's portion of the funds is included in the 2023 budget.

Dave Piepkorn made the motion to approve. Steve Sprague seconded and all voted in favor.

Deferral Satisfaction Agreement Approved

The Deferral Agreement for Laverne's Addition (Document 1151314) has been satisfied and the assessments have been levied. The owner is now asking for an agreement so the documentation shows up as satisfied.

Steve Sprague made the motion to approve. Terri Gayhart seconded and all voted in favor.

Budget Carryover Requests for 2022 to 2023 Approved

- Ben Dow requested authorization to carry over $589,000 in account 255-3025-423.74-10 from budget year 2022 to budget year 2023. The funds will be used for the Southside Fueling Station and the unexpected setbacks being occurred. The funds will not be enough to cover the project going forward but should fund at least 50%. The fueling station is a critical operational need and Ben feels that additional funding can be found if the existing funds can be carried forward.

  Michael Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

- Troy Hall requested authorization to carry over unused balances of active projects from the 2022 budget to the 2023 budget. The projects have not been completed and/or closed out.

  Steve Sprague made the motion to approve. Terri Gayhart seconded and all voted in favor.

- Jim Hausauer requested authorization to roll over unused balances for several projects to 2023 to cover identified projects and unforeseen emergency repairs for the Water Reclamation Utility.

Summary of Unallocated Water Reclamation Funds as of December 12/2022:

*WW2001/WW2101 Wastewater Rehab and Renewal - Sales Tax Fund 455:	$598,612
*WW2002/WW2102 Lift Station Rehab and Renewal - Sales Tax Fund 455:	$273,938
*WW2004 Effluent Force Main Improvement - Sales Tax Fund:	$141,212
*WW2005 Lift Station #58 (Regional South Side LS) - Sales Tax Fund 455:	$175,000
*WW2051/WW2151/WW2201 LS Large Wear Item - Rate Fund 521:	$68,057
*WW2152 Regional Maintenance/Harwood Lagoon - Rate Fund 521:	$200,000

Steve Sprague made the motion to approve. Terri Gayhart seconded and all voted in favor.

Drinking Water SRF Loan Changes Approved

Troy Hall is requesting three Drinking Water State Revolving Fund loan changes involving the Water Utility projects as follows:

- **Membrane Water Treatment Plant (WTP) Loan**: add Infrastructure Sales Tax (Fund 450) as a debt payment source with no change in loan payment terms or interest rate.
- **Water Supply & Treatment Improvements Loan**: add Infrastructure Sales Tax (Fund 450) as a debt payment source and increase loan amount to $39 million dollar at same interest rate (2%).
- **New DWSRF Loan Application**: To lock in interest rate at 2%, apply for new loan of $40 million dollars for residuals plant replacement and Sheyenne pipeline rehabilitation.

All projects under the loans are in the Water Utility 20-year Capital Improvement Plan.

Michael Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

Clean Water SRF Loan Increase Approved

Jim Hausauer would like authorization to increase the Clean Water State Revolving Fund loans as needed to complete the Water Reclamation Facility expansion. Construction would be approximately $25 million and Engineering would be approximately $1 million. There is a placeholder for Water Reclamation Utility in the 20-year Capital Improvement Plan for the Phase II expansion.

Michael Redlinger made the motion to approve. Terri Gayhart seconded and all voted in favor.

Other

Bekki Majerus sent a formal request via email on 12/23/2022 to the Finance Committee as a time sensitive item, due to a pending price increase on 1/1/2023.

Facilities Management has $25,000 in the 2023 capital budget for a replacement sweeper/scrubber for the City Center Lofts parking garage. The quote was requested early due to long lead times (36-38 weeks) and the machine was wanted before the 2023-2024 winter.

On Monday, December 19, 2022, the quote was received and Bekki was informed the pricing was scheduled to increase by 7% beginning January 1, 2023. The quote is for $31,000, which is $6,000 over what was budgeted. The additional cost is expected to be absorbed throughout 2023 between other scheduled projects.

Facilities would like approval to place an order for a Tennant T-16 sweeper/scrubber to avoid the 7% increase and ensure delivery prior to next winter.

Capital funds from account 101-1050-409.74-10 would be used to purchase the sweeper budgeted for 2023.

Steve Sprague, Michael Redlinger, Tim Mahoney, and Terri Gayhart all approved.