



**CITY COUNCIL
MEETING AGENDA
JUNE 22, 2026 AT 5:30 PM
HJEMKOMST CENTER AUDITORIUM - 202 1ST AVE N.**

Disclaimer: Voting requirements may be subject to changes in the law, parliamentary procedural matters, or other unforeseen issues. The City Attorney provides opinion on questions of voting requirements by the Moorhead City Code, Minnesota State Statutes, and parliamentary procedure.

1. Call to Order/Roll Call
2. Pledge of Allegiance
3. Agenda Amendments
4. Consent Agenda

All items listed with an asterisk (*) are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in accordance with the "Council Rules of Procedure". In such event, the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.

5. Recognitions/Presentations
 - A. MoorHeart Recognition: First Congregational United Church of Christ
 - B. Presentation: Check Presentation from VFW for Matson Field Grand Stand Project
 - C. Presentation: 2025 Annual Comprehensive Financial Report and Audit, Eide Bailly LLP
6. Approve Minutes
 - A. June 8, 2026 Meeting Minutes
7. Citizens Addressing the Council (Time Reserved: 15 Minutes)
8. Mayor and Council Appointments
9. Public Hearings (5:45 pm)
10. Community Development Department
 - A. *Resolution to Approve Minor Subdivision - 1301 Main Ave SE - Parcel 58.799.0100
 - B. *Resolution to Re-establish Non-Conforming Use at 1101 2nd St S & 115 11th Ave S
11. Economic Development
12. Engineering Department

- A. *Resolution to Approve Agreement No. 1036026 with the State of Minnesota for Federal Participation in Advance Construction for the Bluestem Pedestrian Bridge Project (Eng. No. 22-13-04)
- B. *Resolution to Approve Temporary Parking Agreements and Change Order #1 for Center Avenue Reconstruction, 8th to 10th St (Eng. No. 25-02-01)
- C. *Resolution to Authorize Submission of Grant Applications for Public Infrastructure Improvements

13. Fire Department

14. Moorhead Public Service

- A. *Resolution to Award Bid for Furnishing 15 kV Metalclad Switchgear at MPS' Northeast and Southeast Substations
- B. *Resolution to Award Bid for 2026 Lead Service Line Replacement Project

15. Parks and Recreation Department

16. Police Department

17. Public Works

18. Administration

- A. Resolution to Receive the 2025 Annual Comprehensive Financial Report (ACFR)
- B. *Resolution to Utilize Court Action to Acquire Right-of-Way and Real Property Interests
- C. *Resolution Approving a Sublease Agreement with MPS for approximately 2,182 square feet of the first floor of the renovated City Hall Building in connection with the issuance of the EDA's Lease Revenue Bonds, Series 2026 A

19. Mayor and Council Reports

20. City Manager Reports

21. Executive Session

- A. Closed Executive Session pursuant to Minn. Stat. § 13D.05, subd. 3(c)(3) for the purpose of developing or considering offers or counteroffers for the lease of real property described as Lots 1 through 11 Block 1 Urban Renewal 1st Addition (202 1st Avenue N.)

22. New Business

23. Adjourn

Upon request, accommodations for individuals with disabilities, language barriers, or other needs to allow participation in city meetings will be provided. To arrange assistance, call the City Clerk office at 218.299.5166 (voice) or 711 (TDD/TTY). Visit our website at www.moorheadmn.gov



City Council Communication

June 22, 2026

SUBJECT:

MoorHeart Recognition: First Congregational United Church of Christ

RECOMMENDATION:

The Mayor and City Council are asked to recognize and honor the First Congregational United Church of Christ team with the MoorHeart award.

BACKGROUND/KEY POINTS:

The MoorHeart award recognizes individuals and organizations that go above and beyond to demonstrate community within our City by their actions and service. A team of volunteers from City boards and commissions selects award recipients who are recognized at City Council meetings. The MoorHeart selection committee chose to recognize the First Congregational United Church of Christ for their efforts to provide services and make connections with the homeless community in Moorhead.

The UCC has continuously made efforts to ensure the homeless community in Moorhead is served and has connections within the city. These efforts include donating food from their community garden, working with service providers in the community and providing compassion through their fellowship. Through these efforts, the UCC stands out as a beacon of hope throughout Moorhead.

CAPLP Homeless Outreach wrote in the nomination: *“They are a small but mighty crew showing everyone around them that we can all lend a hand to our neighbors in need.”*

The City of Moorhead thanks the First Congregational United Church of Christ for their dedication to making sure all residents have caring support. Their dedication to improving the lives of those in need makes Moorhead a better place. Thank you, First Congregational United Church of Christ!

The MoorHeart award is commemorated with a piece of art commissioned from local artist, Dennis Krull especially for this purpose.

As you learn of others in our community doing great things, large and small, please consider submitting a nomination. Information on nominating others for MoorHeart consideration is found at moorheadmn.gov.

FINANCIAL CONSIDERATIONS:

N/A

Voting Requirements: N/A

Submitted By:

Dan Mahli, City Manager
Lisa Bode, Government Affairs Director

Attachments: N/A



City of Moorhead, Minnesota

Executive Summary – December 31, 2025



Audit Results

Audit Opinion

- The City received a “clean” audit opinion on the financial statements
 - Unmodified opinion – financial statements are prepared using accounting principals accepted in the U.S. (GAAP)
 - Financial statements do not contain material misstatements and are fairly presented
- The City received a “clean” audit opinion for the Federal single audit
- Opinion is merely the auditor’s professional opinion, based on audit work, on whether the financial statements were prepared in accordance with GAAP, free from material misstatement, and fairly presented

Audit of Federal Funds

- All entities with federal award expenditures of \$1,000,000+ in a year are required to obtain an annual audit
- Single audit – considers compliance with rules and regulation of applicable federal awards
- Major Programs – Highway Planning and Construction (\$4,390,000) and Outdoor Recreation Acquisition, Development and Planning (\$2,932,706)
- The City received an unmodified opinion on compliance for the major federal awards programs report

During 2025, the City expended \$10,322,820 in federal awards.

Audit Findings

Findings

Financial Statements:

- None Reported

Federal Awards:

- None Reported

Minnesota Legal Compliance:

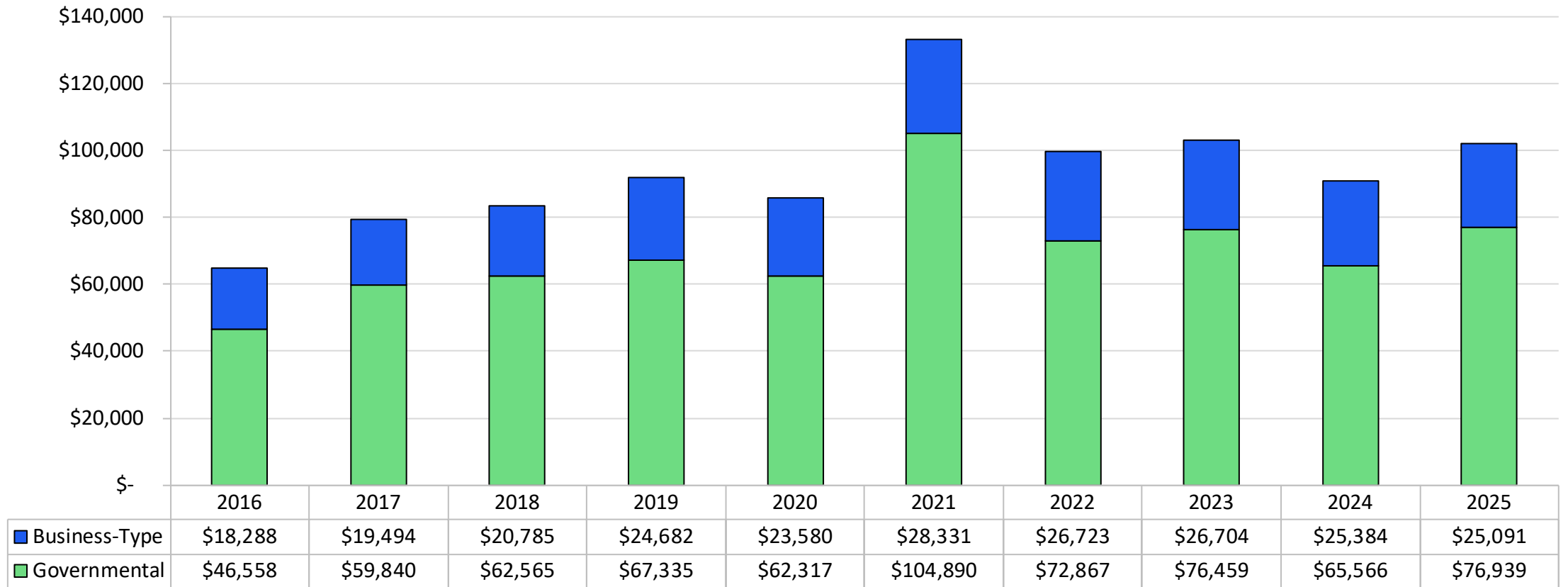
- None Reported



Cash and Investments

Cash and Investments

Balances (in thousands)* of the City for the past ten years:



*excluding dollars in capital projects funds.

General Fund

Budget to Actual

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 12,792,521	\$ 12,792,521	\$ 12,952,937	\$ 160,416
Licenses and permits	755,162	755,162	856,408	101,246
Intergovernmental	13,409,577	13,439,577	13,211,277	(228,300)
Charges for services	1,239,922	1,239,922	1,437,190	197,268
Fines and forfeitures	311,100	311,100	382,093	70,993
Other	499,376	709,376	1,291,247	581,871
Total revenues	<u>29,007,658</u>	<u>29,247,658</u>	<u>30,131,152</u>	<u>883,494</u>
				3.0% Positive
Expenditures				
Administration	7,761,306	7,761,306	7,594,836	166,470
Police	13,868,266	13,868,266	13,120,152	748,114
Fire	6,820,578	6,858,078	6,822,425	35,653
Community development	2,484,148	2,506,377	2,469,595	36,782
Engineering	3,709,800	3,862,788	3,803,408	59,380
Public works	3,885,485	3,949,081	3,795,767	153,314
Capital outlay	30,000	89,974	149,630	(59,656)
Total expenditures	<u>38,559,583</u>	<u>38,895,870</u>	<u>37,755,813</u>	<u>1,140,057</u>
				2.9% Positive
Revenues over Expenditures	(9,551,925)	(9,648,212)	(7,624,661)	2,023,551
Other Financing Sources (Uses)				
Transfers in	9,551,925	9,551,925	9,573,455	21,530
Transfer out	-	(16,680)	(16,684)	(4)
Leases	-	-	16,236	16,236
Proceeds from sale of capital assets	-	23,500	23,500	-
Total other financing sources (uses)	<u>9,551,925</u>	<u>9,558,745</u>	<u>9,596,507</u>	<u>37,762</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (89,467)</u>	<u>1,971,846</u>	<u>\$ 2,061,313</u>
Fund Balance - Beginning			<u>24,927,638</u>	
Fund Balance - Ending			<u>\$ 26,899,484</u>	

A Positive Fund Balance

1

Contributes to a favorable bond rating

2

Produces investment income and provides a source of working capital to meet cash flow needs.

3

Offers a cushion for unexpected expenditures or revenue shortfalls.



Fund Balance Categories

Nonspendable

Represents amounts that cannot be spent

Not in spendable form

Inventory, prepaid expenses

Restricted

Legally restricted by outside parties

Cannot be appropriated for other spending

Committed

Intended for a specific activity

Imposed by formal action of the council but is not legally restricted

Assigned

Intended for a specific activity by the council or designated individuals

Not legally restricted

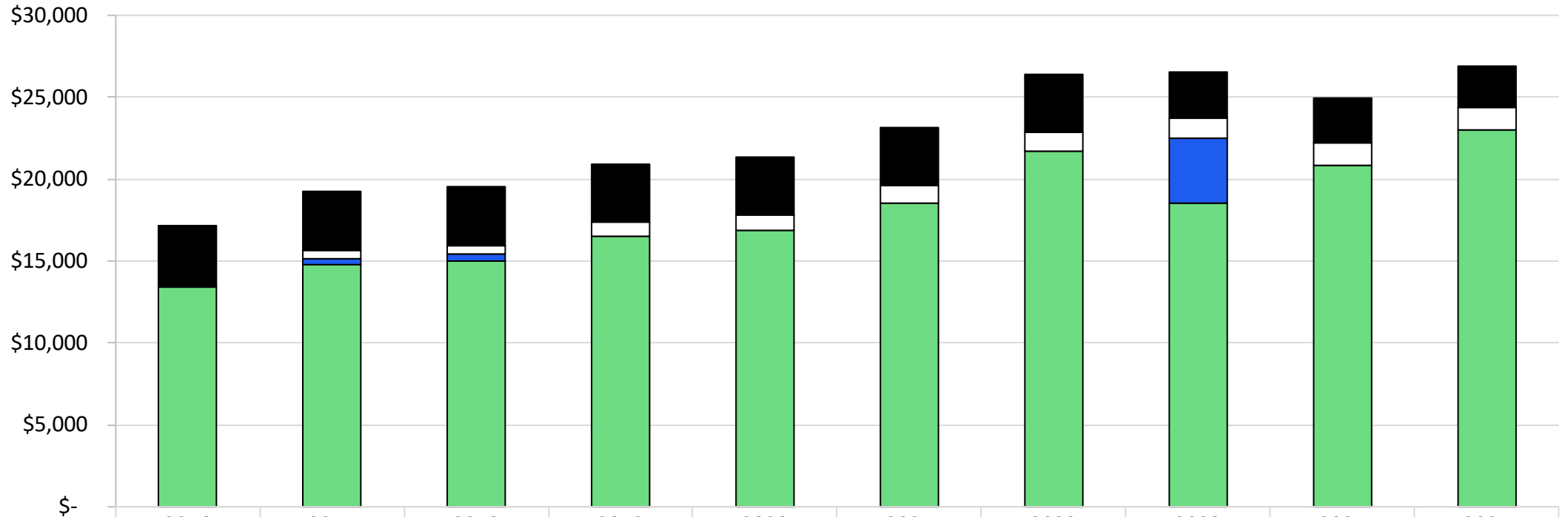
Unassigned

Reserves

“Rainy day” fund

Total Fund Balance

Total fund balances of the General Fund for the past ten years:



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
■ Nonspendable	\$3,715	\$3,654	\$3,563	\$3,544	\$3,526	\$3,513	\$3,559	\$2,796	\$2,736	\$2,494
□ Restricted	\$-	\$448	\$533	\$854	\$971	\$1,072	\$1,176	\$1,258	\$1,321	\$1,391
■ Committed	\$39	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
■ Assigned	\$-	\$379	\$404	\$-	\$-	\$-	\$-	\$4,000	\$-	\$-
■ Unassigned	\$13,423	\$14,795	\$15,030	\$16,500	\$16,851	\$18,570	\$21,691	\$18,509	\$20,871	\$23,014

Recommendations Regarding Fund Balances

State of Minnesota Office of the State Auditor (OSA): at year-end, local governments maintain an unrestricted fund balance in their general fund

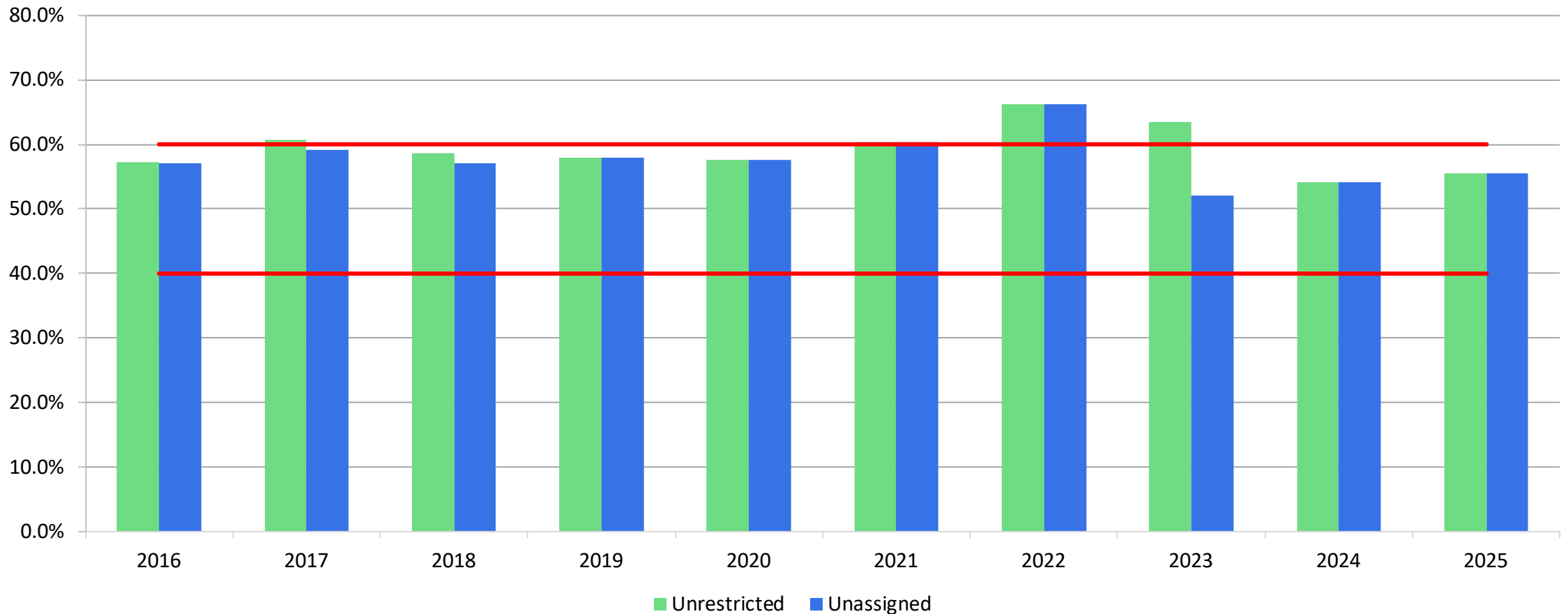
- Special Revenue Funds: approximately 35-50% of fund operating funds
- No less than 5 months of operating expenditures

Government Finance Officers Association (GFOA): at year-end, local governments maintain an unrestricted fund balance of no less than 5-15% of operating expenses.

City's Fund Balance Policy: it is the City's goal to maintain a minimum unrestricted general fund balance of 60% of the City's General Fund operating budget, excluding those accounts associated within the Restricted category, in the combined total of the General Fund Committed, Assigned, and Unassigned fund balances. The City's policy is to maintain a minimum unrestricted general fund balance of at least 40%.

Unrestricted Fund Balance

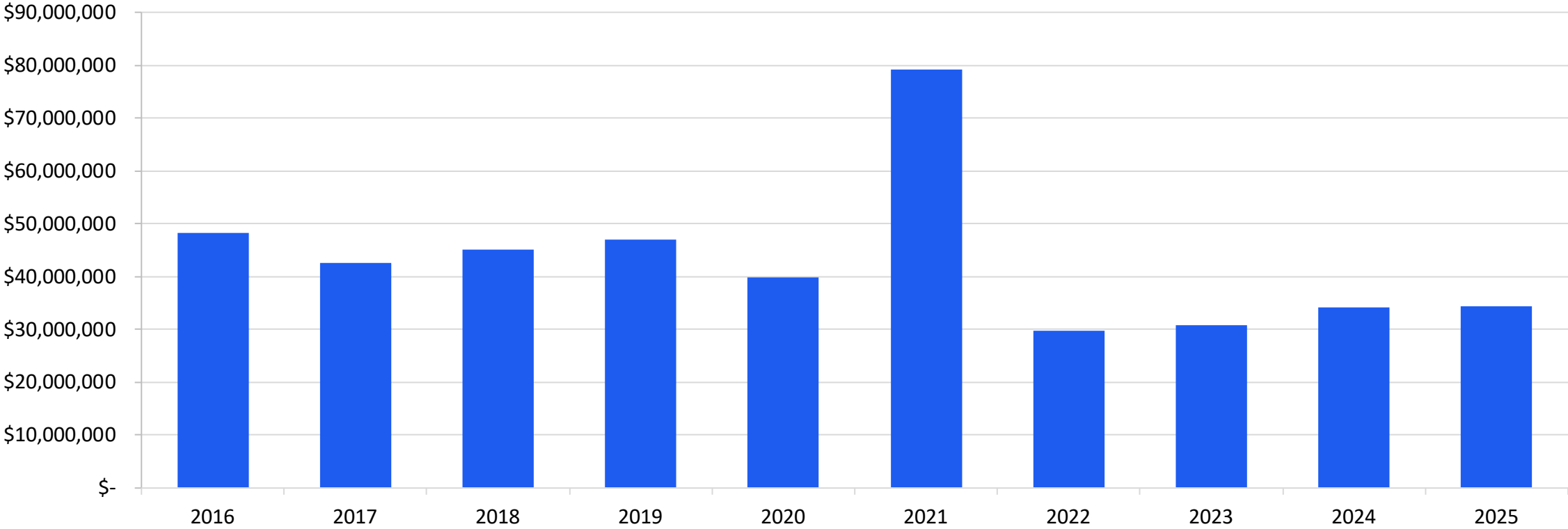
The City's unrestricted and unassigned fund balance as a percentage of future budgeted expenditures in the General Fund for the last ten years



Other Funds

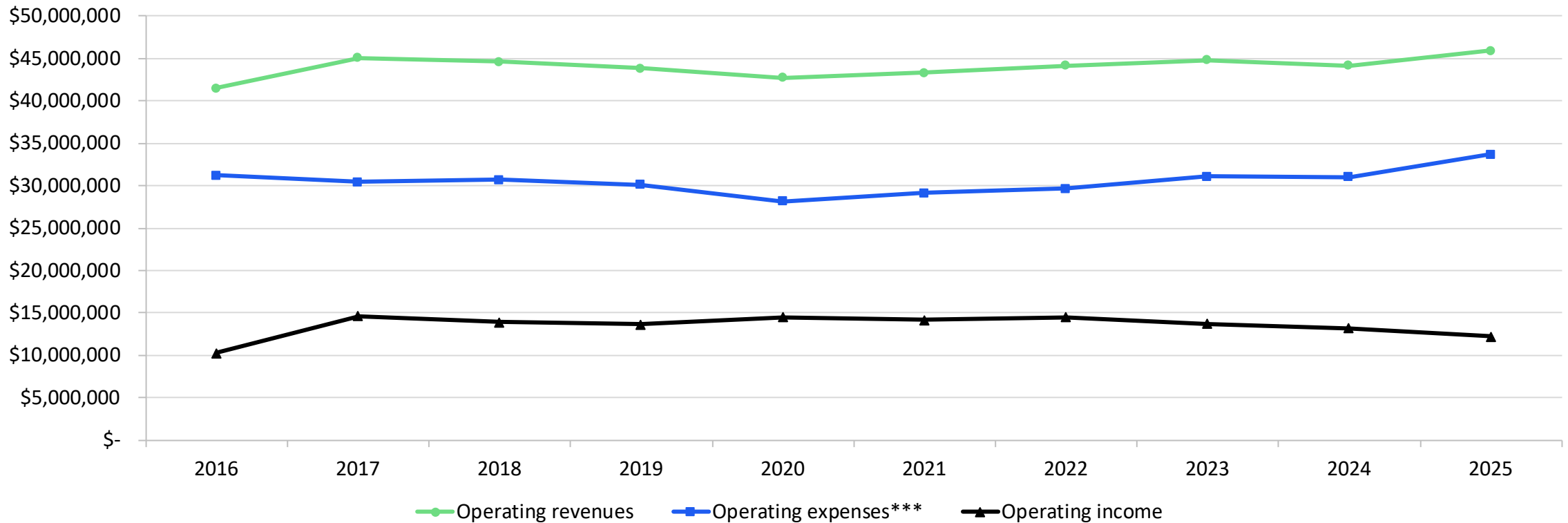
Year End Fund Balance – Debt Service Funds

Positive fund balance indicates that revenues from property tax levies and special assessments have been sufficient to meet the required debt service payments.



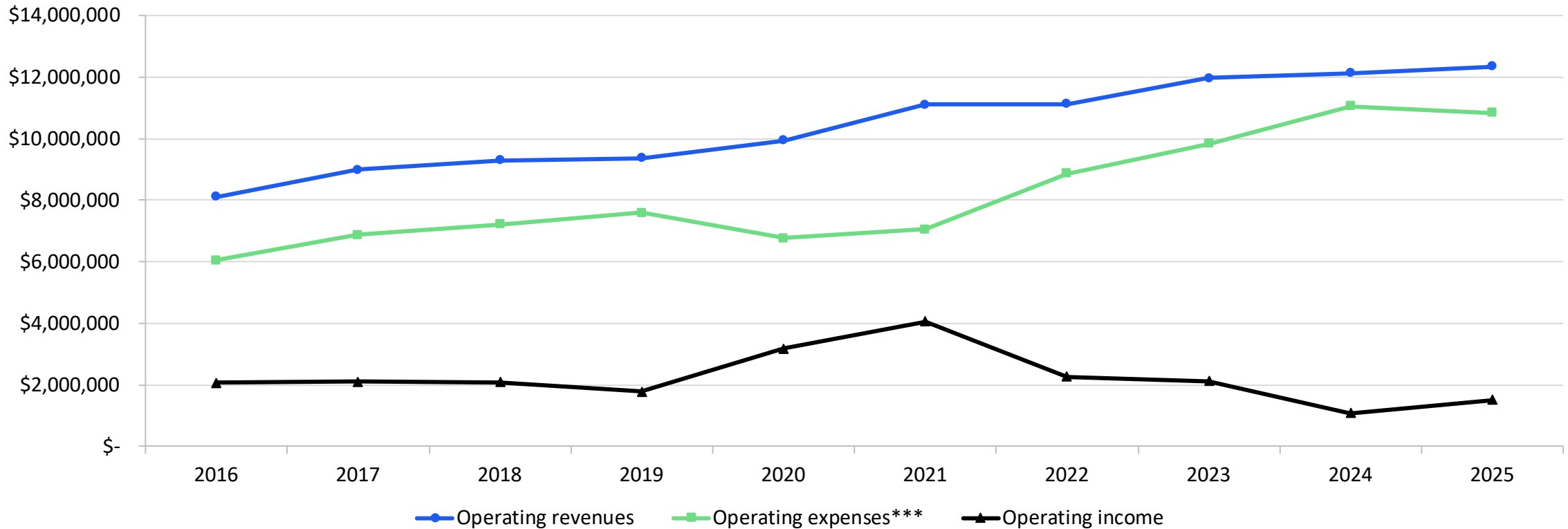
Operating Revenues, Expenses, and Income Electric Fund

The operating revenues (green), operating expenses (blue), and operating income (black) for the electric fund are presented below. For the last ten years, operating revenues have been sufficient to cover the operating expenses of the electric utility.



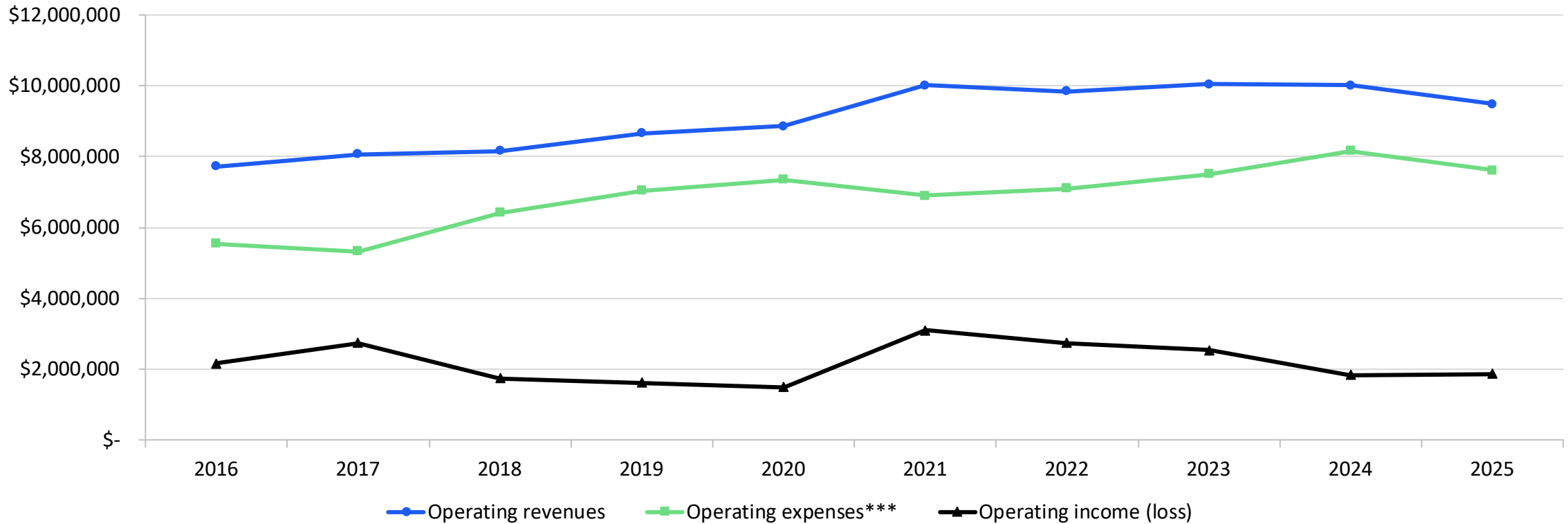
Operating Revenues, Expenses, and Income Water Fund

The operating revenues (blue), operating expenses (green), and operating income (red) for the water fund are presented below. For the last ten years, operating revenues have been sufficient to cover the operating expenses of the water utility.



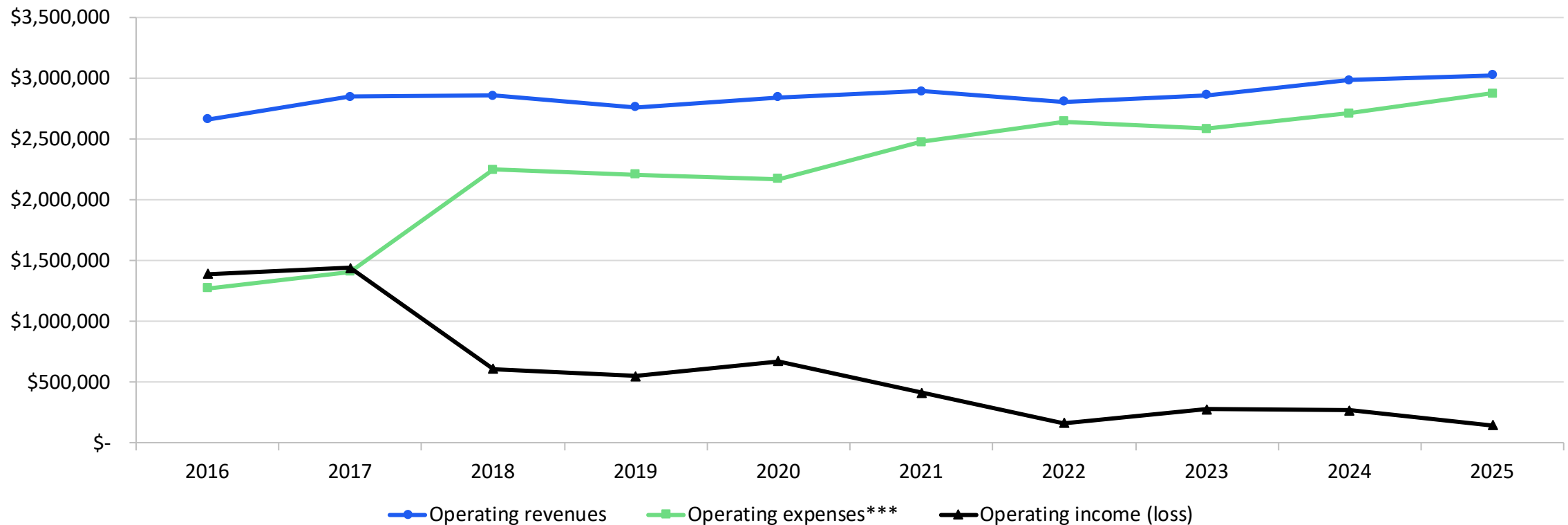
Operating Revenues, Expenses, and Income Wastewater Treatment Fund

The operating revenues (blue), operating expenses (green), and operating income (red) for the wastewater treatment fund are presented below. For the last ten years, operating revenues have been sufficient to cover the operating expenses of the wastewater utility.



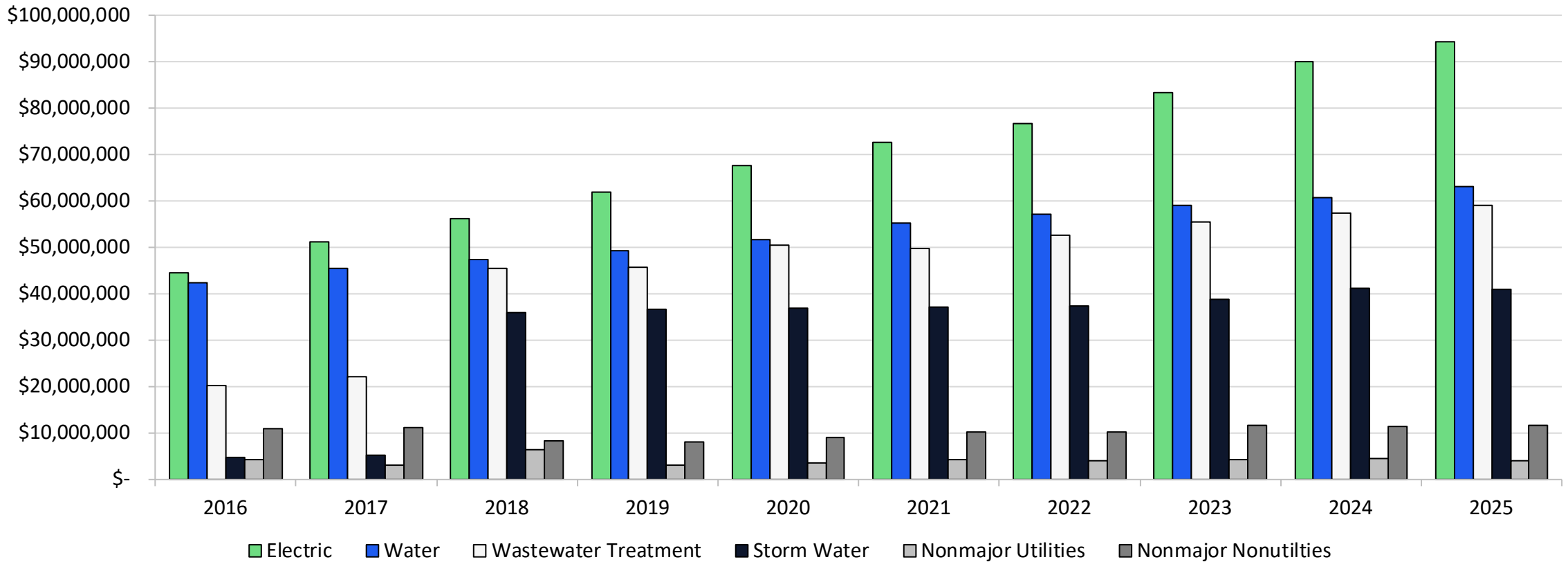
Operating Revenues, Expenses, and Income Storm Water Fund

The operating revenues (blue), operating expenses (green), and operating income (red) for the storm water fund are presented below. For the last ten years, operating revenues have been sufficient to cover the operating expenses of the storm water utility.



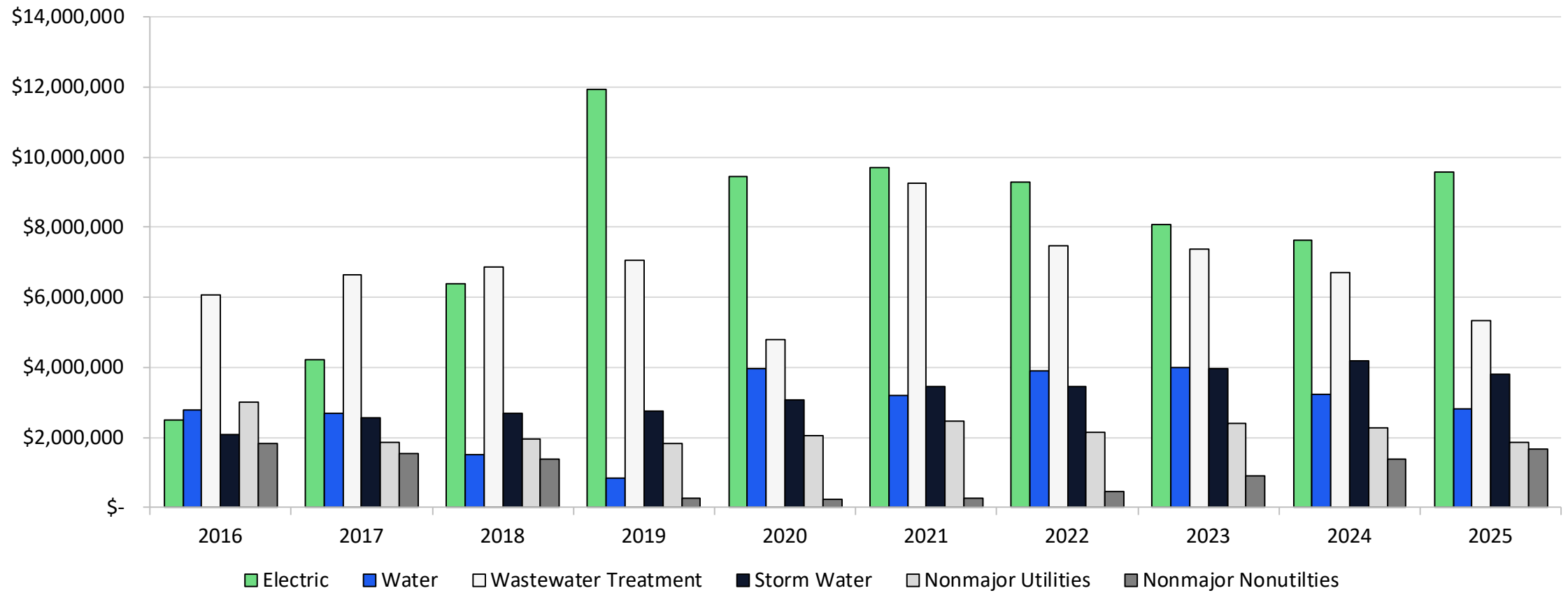
Year-End Net Position Enterprise Funds

Positive net position indicates that revenues from operating activities, grant revenues, and interest have been sufficient to meet the required debt service payments and provide for transfers to governmental activities.



Year-End Unrestricted Cash and Cash Equivalents Enterprise Funds

A healthy cash balance in the enterprise funds allows for continued payments towards debt and operations.





Questions?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.

Thank You!



**MINUTES OF THE CITY COUNCIL
HJEMKOMST CENTER AUDITORIUM - 202 1ST AVE N.
June 8, 2026 - 5:30 PM**

1. Call to Order/Roll Call

Roll call of the members was made as follows:

Present (7): Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson

Present Not Voting (1): Shelly Carlson

Absent (1): Ryan Nelson

2. Pledge of Allegiance

3. Agenda Amendments

City Manager Dan Mahli stated Item 5A is removed from the agenda due to a scheduling conflict. He added that Council member White requested the removal of Item 8A from the consent agenda.

Motion to Approve made by Heather Nesemeier and seconded by Emily Moore.

For 7: Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson

Against 0: None

Abstain/Recuse 0: None

Motion Passed

4. Consent Agenda

Motion to Approve made by Lisa Borgen and seconded by Heather Nesemeier.

For 7: Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson

Against 0: None

Abstain/Recuse 0: None

Motion Passed

5. Recognitions/Presentations

A. Presentation: Check Presentation from VFW Post #1223 for the Matson Grandstand

B. Swearing-In and Badge Pinning for Moorhead Police Officers

Moorhead Police Chief Chris Helmick introduced the new Moorhead Police Officers and Mayor Carlson conducted the swearing-in.

C. Presentation: Moorhead Clean Up Days, Paul Fiechner, Public Works Director

Public Works Director Paul Fiechner shared a report on 2026 Moorhead Clean Up Days.

6. Approve Minutes

A. May 26, 2026 Meeting Minutes

Motion to Approve made by Sebastian McDougall and seconded by Emily Moore.

For 7: Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson

Against 0: None

Abstain/Recuse 0: None

Motion Passed

7. Citizens Addressing the Council (Time Reserved: 15 Minutes)

8. Mayor and Council Appointments

A. *Resolution for Appointments to Boards and Committees

Council member White requested removal of this item from the consent agenda to discuss board/committee representation in Moorhead. There was discussion among City Council members.

Motion to Approve made by Lisa Borgen and seconded by Sebastian McDougall.

For 6: Nicole Mattson, Heather Nesemeier, Emily Moore, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson

Against 1: Deb White

Abstain/Recuse 0: None

Motion Passed

9. Public Hearings (5:45 pm)

10. Community Development Department

11. Economic Development

12. Engineering Department

A. Resolution to Award Bid for Center Avenue Reconstruction from 8 St to 10 St (Eng. No. 25-02-01)

Assistant City Engineer Clay Lexen presented the proposed Center Avenue reconstruction from 8 Street to 10 Street.

Motion to Approve Items 12A. B. and C. made by Nicole Mattson and seconded by Heather Nesemeier.
For 7: Nicole Mattson, Heather Nesemeier, Emily Moore, Deb White, Lisa Borgen, Sebastian McDougall, Chuck Hendrickson

Against 0: None

Abstain/Recuse 0: None

Motion Passed

B. Resolution to Approve MnDOT Agreement No. 1063451 for an Active Transportation Grant

C. Resolution to Approve MnDOT Agreement No. 1057184 for a Local Partnership Project Grant

D. *Resolution to Concur with the Recommended Project Alternative for the 12th Ave N / 15th Ave N Bridge Replacement Project

E. *Resolution to Approve Budget Adjustment #26-025 for the Local Cost-share of Grant Applications

F. *Resolution to Authorize Submission of Grant Applications for Public Infrastructure Improvements

13. Fire Department

A. *Resolution to Accept Grant Award for 2024-2025 Hazardous Materials Emergency Preparedness (HMEP) Grant Program

14. Moorhead Public Service

15. Parks and Recreation Department

- A. *Resolution to Accept Funds for the Matson Field Grandstand Project and Enter into Agreement for Naming Rights of Third Base Dugout

16. Police Department

17. Public Works

18. Administration

- A. *Resolution to Approve 2026-2027 Liquor License Renewals
- B. *Resolution to Approve Submission of 2026 CDBG Annual Action Plan
- C. *Resolution to Approve Amendments to the CDBG Consolidated 5 Year Plan and the Program Year 2024 Plan
- D. *Resolution to Authorize Contracts with MnDOT for 2027 Public Transportation Services

19. Mayor and Council Reports

Council Member Nesemeier attended the Moorhead Public Housing Agency meeting and noted an upcoming Clay County Extension meeting.

Council member Moore attended the Economic Development Authority meeting and the Community Huddle with Justice North.

Council Member White participated in a Romkey Park and municipal pool tour, the Greater Fargo-Moorhead Economics Development Corporation workforce development workgroup, a Lakes and Prairies Community Action Partnership meeting, and a Minnesota Cities Climate Coalition meeting.

Council member McDougall stated the Human Rights Commission made the decision to not offer the Destiny Holiday Community Champion Award in 2026, and rather, is going to contribute to a fun activity for kids on Juneteenth.

Mayor Shelly Carlson provided updates on several community meetings and events, including Realtors on a Mission, FM Diversion project meetings, and the Community Huddle with Justice North.

20. City Manager Reports

City Manager Dan Mahli shared an update on the Moorhead municipal pool opening, highlighted upcoming construction and traffic projects, and invited everyone to participate in the Matson Field ribbon-cutting and first pitch on Wednesday, June 10 at 4:30 p.m.

21. Executive Session

22. New Business

23. Adjourn

Meeting adjourned at 6:53 PM.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson
Mayor

Christina Rust
City Clerk

The proceedings of this meeting are digitally recorded and are available for public review.

DRAFT



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Approve Minor Subdivision – 1301 Main Ave SE – Parcel 58.799.0100

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to approve a minor subdivision of 1301 Main Ave SE – Parcel 58.799.0100.

BACKGROUND/KEY POINTS:

Agassiz Builders, LLC has requested to subdivide the above parcel into two parcels to facilitate development. The owner plans to submit a request to rezone the new westerly parcel to LI: Light Industrial, which would open the shop condos to more uses. The proposal is consistent with Title 11, Chapter 3 of the Moorhead City Code.

FINANCIAL CONSIDERATIONS:

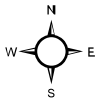
Not Applicable

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager
Robin Huston, City Planner / Zoning Administrator
Forrest Steinhoff, Assistant City Planner

Attachments: General Location Map
Minor Subdivision Plan
Draft Resolution

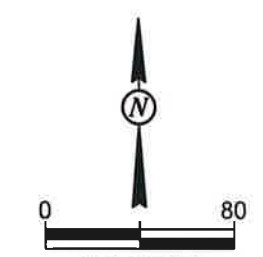
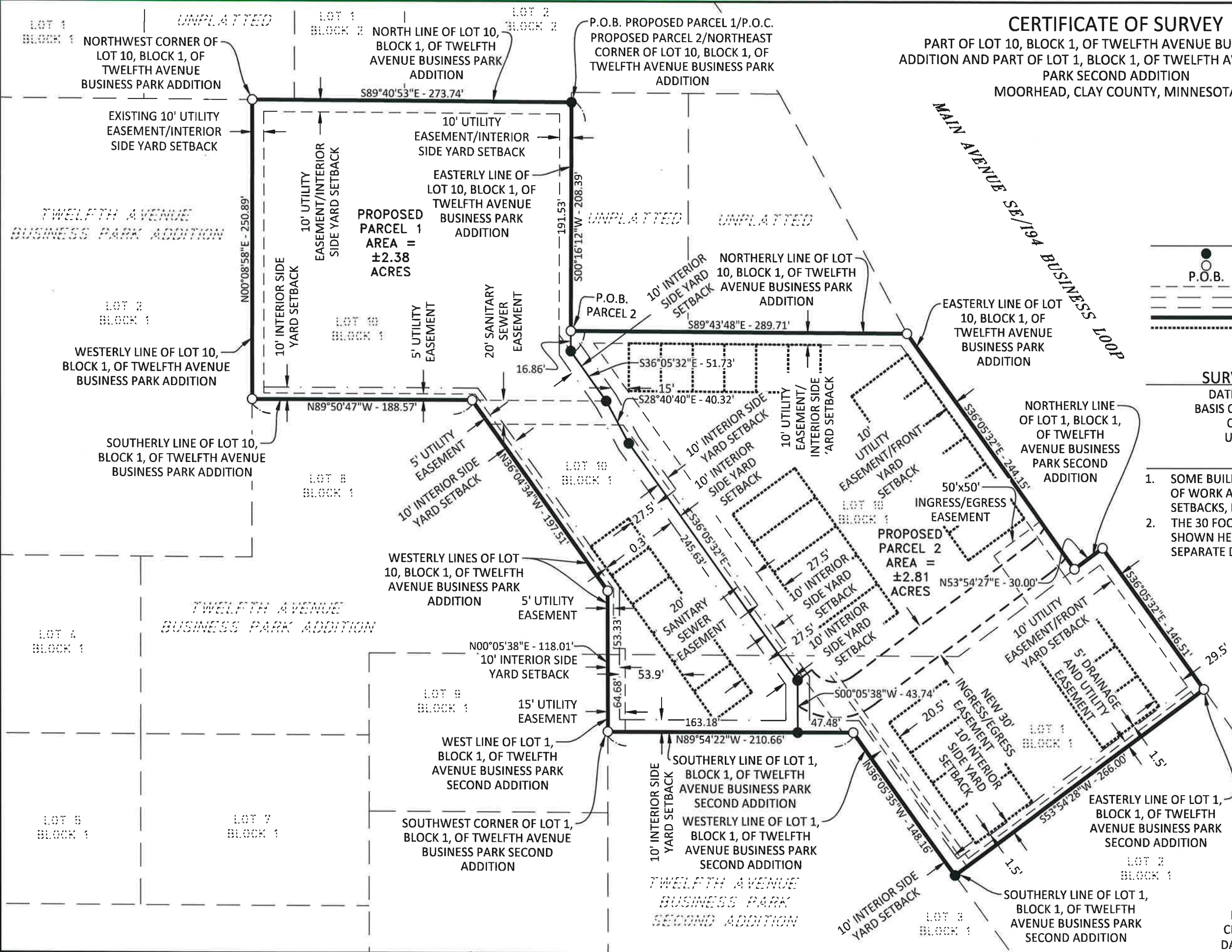


-  Existing Parcel
-  New Parcels

06/15/26 01:34:42PM C:\Users\GABRIE~1\BARVAppData\LocalTemp\AcPublish_16480\Sunde Shop Condo Split.dwg

CERTIFICATE OF SURVEY

PART OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION AND PART OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION
MOORHEAD, CLAY COUNTY, MINNESOTA



LEGEND

●	MONUMENT SET
○	MONUMENT FOUND
○	POINT OF BEGINNING
---	EX. EASEMENT
---	EX. PROPERTY LINE
---	NEW EASEMENT LINE
---	PROPERTY BOUNDARY LINE
---	EXISTING BUILDING LINE

SURVEY INFORMATION

DATE OF SURVEY: MAY 2026
BASIS OF BEARING: CLAY COUNTY COORDINATE SYSTEM
UNIT: US SURVEY FEET

NOTES

- SOME BUILDINGS LOCATED WITHIN THE SCOPE OF WORK ARE LOCATED ON THE PROPERTY SETBACKS, BUT DO NOT ENCROACH.
- THE 30 FOOT INGRESS/EGRESS EASEMENT SHOWN HEREON IS TO BE RECORDED VIA SEPARATE DOCUMENT.



PAGE 1 OF 2
DRAWN BY: GCB
CHECKED BY: CAN
DATE: 06/15/2026

CERTIFICATE OF SURVEY

PART OF LOT TEN, BLOCK ONE, OF TWELFTH AVENUE BUSINESS PARK ADDITION AND PART OF LOT ONE, BLOCK ONE, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION MOORHEAD, CLAY COUNTY, MINNESOTA

PROPOSED PARCEL 1 DESCRIPTION

PART OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION AND PART OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION, BOTH TO THE CITY OF MOORHEAD, CLAY COUNTY, MINNESOTA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 10; THENCE S00°16'12"W ALONG THE EASTERLY LINE OF SAID LOT 10 AND AN EXTENSION OF THE EASTERLY LINE A DISTANCE OF 208.39 FEET; THENCE S36°05'32"E A DISTANCE OF 51.73 FEET; THENCE S28°40'40"E A DISTANCE OF 40.32 FEET; THENCE S36°05'32"E A DISTANCE OF 245.63 FEET; THENCE S00°05'38"W ALONG A LINE PARALLEL WITH THE WEST LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION A DISTANCE OF 43.74 FEET TO THE SOUTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N89°54'22"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 163.18 FEET TO THE SOUTHWEST CORNER OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N00°05'38"E ALONG THE WEST LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION AND THE WESTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION A DISTANCE OF 118.01 FEET; THENCE N36°04'34"W ALONG SAID WESTERLY LINE A DISTANCE OF 197.51 FEET TO THE SOUTHERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE N89°50'47"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 188.57 FEET TO THE WESTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE N00°08'58"E ALONG SAID WESTERLY LINE A DISTANCE OF 250.89 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE S89°40'53"E ALONG THE NORTH LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION A DISTANCE OF 273.74 FEET TO THE NORTHEAST CORNER OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION, THE POINT OF BEGINNING.

SAID TRACT OF LAND CONTAINS 2.38 ACRES, MORE OR LESS, AND IS SUBJECT TO EASEMENTS AND RIGHTS OF WAY OF RECORD.

PROPOSED PARCEL 2 DESCRIPTION

PART OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION AND PART OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION, BOTH TO THE CITY OF MOORHEAD, CLAY COUNTY, MINNESOTA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FROM THE NORTHEAST CORNER OF SAID LOT 10; THENCE S00°16'12"W ALONG THE EASTERLY LINE OF SAID LOT 10 A DISTANCE OF 191.53 FEET TO THE POINT OF BEGINNING; THENCE S89°43'48"E ALONG THE NORTHERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION A DISTANCE OF 289.71 FEET TO THE EASTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE S36°05'32"E ALONG SAID EASTERLY LINE A DISTANCE OF 244.15 FEET TO THE NORTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N53°54'27"E ALONG SAID NORTHERLY LINE A DISTANCE OF 30.00 FEET; THENCE S36°05'32"E ALONG THE EASTERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION A DISTANCE OF 146.51 FEET TO THE SOUTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE S53°54'28"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 266.00 FEET TO THE WESTERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N36°05'35"W ALONG SAID WESTERLY LINE A DISTANCE OF 148.16 FEET TO THE SOUTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N89°54'22"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 47.48 FEET; THENCE N00°05'38"E A DISTANCE OF 43.74 FEET; THENCE N36°05'32"W A DISTANCE OF 245.63 FEET; THENCE N28°40'40"W A DISTANCE OF 40.32 FEET; THENCE N36°05'32"W A DISTANCE OF 51.73 FEET TO THE EXTENSION OF THE EASTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE N00°16'12"E ALONG SAID EXTENSION A DISTANCE OF 16.86 FEET TO THE NORTHERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION, THE POINT OF BEGINNING.

SAID TRACT OF LAND CONTAINS 2.81 ACRES, MORE OR LESS, AND IS SUBJECT TO EASEMENTS AND RIGHTS OF WAY OF RECORD.

SURVEYOR'S CERTIFICATE

I COLE A. NESET HEREBY CERTIFY THAT THIS SURVEY, PLAN, AND/OR REPORT WAS PREPARED UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

Signature of Cole A. Neset
COLE A. NESET
PROFESSIONAL LAND SURVEYOR
MINNESOTA LICENSE No. 49984

6-15-26
DATE:

STATE OF NORTH DAKOTA)
)SS
COUNTY OF CASS)

ON THIS 15th DAY OF June, 2026, BEFORE ME, A NOTARY PUBLIC WITHIN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED COLE A. NESET, TO ME KNOWN TO BE THE PERSON DESCRIBED IN AND WHO EXECUTED THE FOREGOING INSTRUMENT AND ACKNOWLEDGED THAT HE EXECUTED SAME AS THEIR FREE ACT AND DEED.

Signature of Notary Public
NOTARY PUBLIC, COUNTY: CASS STATE: NORTH DAKOTA



06/15/26 01:34:42PM C:\Users\GABRIE~1\BAR\AppData\Local\Temp\AcPublish_16480\Sunde Shop Condo Split.dwg



RESOLUTION

Resolution to Approve Minor Subdivision – 1301 Main Ave SE – Parcel 58.799.0100

WHEREAS, Agassiz Builders, LLC has requested a minor subdivision of property at 1301 Main Ave SE – Parcel 58.799.0100, legally described as:

PROPOSED PARCEL 1

PART OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION AND PART OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION, BOTH TO THE CITY OF MOORHEAD, CLAY COUNTY, MINNESOTA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 10; THENCE S00°16'12"W ALONG THE EASTERLY LINE OF SAID LOT 10 AND AN EXTENSION OF THE EASTERLY LINE A DISTANCE OF 208.39 FEET; THENCE S36°05'32"E A DISTANCE OF 51.73 FEET; THENCE S28°40'40"E A DISTANCE OF 40.32 FEET; THENCE S36°05'32"E A DISTANCE OF 245.63 FEET; THENCE S00°05'38"W ALONG A LINE PARALLEL WITH THE WEST LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION A DISTANCE OF 43.74 FEET TO THE SOUTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N89°54'22"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 163.18 FEET TO THE SOUTHWEST CORNER OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N00°05'38"E ALONG THE WEST LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION AND THE WESTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION A DISTANCE OF 118.01 FEET; THENCE N36°04'34"W ALONG SAID WESTERLY LINE A DISTANCE OF 197.51 FEET TO THE SOUTHERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE N89°50'47"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 188.57 FEET TO THE WESTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE N00°08'58"E ALONG SAID WESTERLY LINE A DISTANCE OF 250.89 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE S89°40'53"E ALONG THE NORTH LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION A DISTANCE OF 273.74 FEET TO THE NORTHEAST CORNER OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION, THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINS 2.38 ACRES, MORE OR LESS, AND IS SUBJECT TO EASEMENTS AND RIGHTS OF WAY OF RECORD.

PROPOSED PARCEL 2

PART OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION AND PART OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION, BOTH TO THE CITY OF MOORHEAD, CLAY COUNTY, MINNESOTA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FROM THE NORTHEAST CORNER OF SAID LOT 10; THENCE S00°16'12"W ALONG THE EASTERLY LINE OF SAID LOT 10 A DISTANCE OF 191.53 FEET TO THE POINT OF BEGINNING; THENCE S89°43'48"E ALONG THE NORTHERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION A DISTANCE OF 289.71 FEET TO THE EASTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE S36°05'32"E ALONG SAID EASTERLY LINE A DISTANCE OF 244.15 FEET TO THE NORTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N53°54'27"E ALONG SAID NORTHERLY LINE A DISTANCE OF 30.00 FEET; THENCE S36°05'32"E ALONG THE EASTERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION A DISTANCE OF 146.51 FEET TO THE SOUTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE S53°54'28"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 266.00 FEET TO THE WESTERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N36°05'35"W ALONG SAID

WESTERLY LINE A DISTANCE OF 148.16 FEET TO THE SOUTHERLY LINE OF LOT 1, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK SECOND ADDITION; THENCE N89°54'22"W ALONG SAID SOUTHERLY LINE A DISTANCE OF 47.48 FEET; THENCE N00°05'38"E A DISTANCE OF 43.74 FEET; THENCE N36°05'32"W A DISTANCE OF 245.63 FEET; THENCE N28°40'40"W A DISTANCE OF 40.32 FEET; THENCE N36°05'32"W A DISTANCE OF 51.73 FEET TO THE EXTENSION OF THE EASTERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION; THENCE N00°16'12"E ALONG SAID EXTENSION A DISTANCE OF 16.86 FEET TO THE NORTHERLY LINE OF LOT 10, BLOCK 1, OF TWELFTH AVENUE BUSINESS PARK ADDITION, THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINS 2.81 ACRES, MORE OR LESS, AND IS SUBJECT TO EASEMENTS AND RIGHTS OF WAY OF RECORD.

WHEREAS, the City Council of the City of Moorhead finds the minor subdivision consistent with Title 11, Chapter 3 of Moorhead City Code.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the minor subdivision described above is hereby approved contingent upon the following conditions:

1. Applicant/owner shall amend CIC Plat 160 and shall record amendment with this resolution.
2. Applicant/owner to receive all federal, state and local permits.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Approve Re-establishment of a Non-Conforming Zoning Use at 1101 2nd St S and 115 11th Ave S

RECOMMENDATION:

The Mayor and City Council are asked to consider Re-establishment of a Non-Conforming Zoning Use at 1101 2nd St S and 115 11th Ave S.

BACKGROUND/KEY POINTS:

This parcel hosts two separate detached housing units, which are currently prohibited by zoning. The smaller westerly residential structure (date unknown) was built as the original homestead. In 1958, a second residential structure was erected on the easterly portion of the parcel to serve as the new primary structure. At that time, we believe the addition was zoning-compliant and made the original structure an Accessory Dwelling Unit (ADU). Because the ADU has been vacant/unused as housing for more than 12 months, it is now considered a non-legal non-conforming use and cannot be used for housing.

PROPOSAL REVIEW:

The new owner is requesting to re-establish the ADU as a legal non-conforming zoning use. In order to do so, per Title 10-18-4-D-11, a majority of the City Council must approve the re-establishment.

The property is zoned RLD-3: Residential Low Density – 3, which would permit two dwelling units in the same structure on an 8,000 square feet parcel but this parcel is only 7,500 square feet.

SUGGESTED ACTION:

Because off-street parking requirements are met for both units and because of the continuous need for additional dwelling units, staff recommends approval of the request.



FINANCIAL CONSIDERATIONS:

Not Applicable



City Council Communication

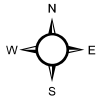
June 22, 2026

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager
Robin, Huston, City Planner / Zoning Administrator
Ethan Johnk, Assistant City Planner

Attachments: General Location Map
Property Owner Request
Draft Resolution



1st June 2026

Robin Huston
Attn: City of Moorhead Commissioners
City of Moorhead
500 Center Ave
Moorhead, MN 56560

Dear Council Members,

I purchased 1101 2nd St S & 115 11th Ave S, Moorhead MN 56560 in December 2025 from Clay County to serve as two separate units on the same lot.

In the property's history, (1 single-family dwelling + 1 accessory dwelling unit) both units have operated as a two independent dwellings and I ask they be allowed to continue as such.

They have been vacant for over two years on one parcel in an RLD-3 and I kindly request they be re-established as legal non-conforming zoning uses.

Since purchasing this property, I have been clearing them out for remodelling works as two independent units and I would appreciate they be re-established as legal non-conforming zoning uses.

Please let me know if you have questions as I look forward to your update.

Your sincerely,

A handwritten signature in black ink, appearing to read 'Dimitrios Tryfonopoulos', with a stylized, cursive script.

Dimitrios (Jim) Tryfonopoulos

RESOLUTION

Resolution to Approve the Re-establishment of a Non-Conforming Zoning Use at 1101 2nd Street S and 115 11th Avenue S (Parcel 58.900.0720)

WHEREAS, D. Tryfonopoulos of Pellington, LLC has requested approval to re-establish a non-conforming zoning use for an Accessory Dwelling Unit at 1101 2nd Street S and 115 11th Avenue S (Parcel 58.900.0720) legally described as:

Revised Lot 14 of Auditor’s Outlot C-8, City of Moorhead, Clay County, Minnesota; and

WHEREAS, in pre-1958, one detached residential structure (115 11th Avenue S) was housed on this parcel; and

WHEREAS, in 1958, a second detached residential structure (1101 2nd Street South) was built and complied with applicable zoning requirements at the time; and

WHEREAS, current zoning prohibits a second detached housing unit/Accessory Dwelling Unit, and

WHEREAS, Moorhead City Code 10-18-4-D-11 allows for any legal non-conforming zoning use, which has been discontinued for 12 months or more, to be resumed if approved by a majority of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota hereby approves the request of D. Tryfonopoulos of Pellington, LLC to re-establish a non-conforming Accessory Dwelling Unit at 1101 2nd Street S and 115 11th Avenue S, subject to the following conditions:

1. Existing Accessory Dwelling Unit use as a housing unit is re-established by this resolution but if either housing unit is demolished, only one housing unit may remain on parcel.
2. If either housing unit is rented, City of Moorhead Rental Registration Approval is required.
3. Owner shall receive all other required federal, state and local permits.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Approve Agreement No. 1036026 with the State of Minnesota for Federal Participation in Advance Construction for the Bluestem Pedestrian Bridge Project (Eng. No. 22-13-04)

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to approve Agreement No. 1036026 for Federal participation in advance construction for the above-referenced project.

BACKGROUND/KEY POINTS:

The cities of Moorhead and Fargo have jointly programmed a project to construct a pedestrian bridge over the Red River at the Bluestem Center for the Arts (50th Ave S). The project includes partial Federal funding programmed into the State Transportation Improvement Program (STIP) in Federal Fiscal Years (FFY) 2026, 2027 and 2028. The construction of the bridge will take place in 2026 and 2027. The City has an agreement (No. 1052209) with MnDOT that allows MnDOT to act as the City's agent to receive and disburse transportation-related Federal funds. However, this project will be constructed before all of the planned funds are available. This is referred to as Advance Construction (AC) and requires a separate agreement. MnDOT has prepared Agreement No.1036026 which has been reviewed by the City Attorney. Staff recommends that the agreement be approved.

The current schedule anticipates City Council action to award the bid for the project on July 27, 2026.

FINANCIAL CONSIDERATIONS:

There is no cost incurred to approve this agreement. The agreement allows the City to access funds available over multiple Federal fiscal years and reserves the City's right to request reimbursement when Federal funds become available. The agreement is necessary to access Federal funds across three different years.

The total estimated cost for construction of the project is \$7,100,000. Federal funds being applied to the project include:

- FFY 2026 (available 10/01/25) Carbon Reduction Program - MN: \$50,000
- FFY 2026 (available 10/01/25) Surface Transportation Block Grant - MN: \$2,312,000
- FFY 2027 (available 10/01/26) Surface Transportation Block Grant - ND: \$2,720,000
- FFY 2028 (available 10/01/27) Transportation Alternatives - MN: \$450,000

All of these are Federal formula funding programs with low risk of being rescinded. The City has used this type of agreement on several previous projects.

Non-Federal costs will be shared between the two cities.

Voting Requirements: 3/4 of Council (6)



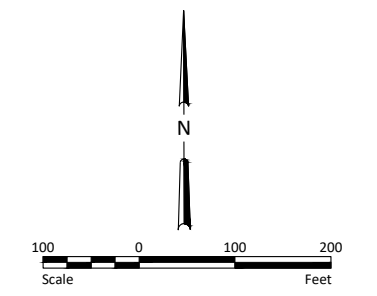
City Council Communication

June 22, 2026

Submitted By:

Dan Mahli, City Manager
Tom Trowbridge, City Engineer

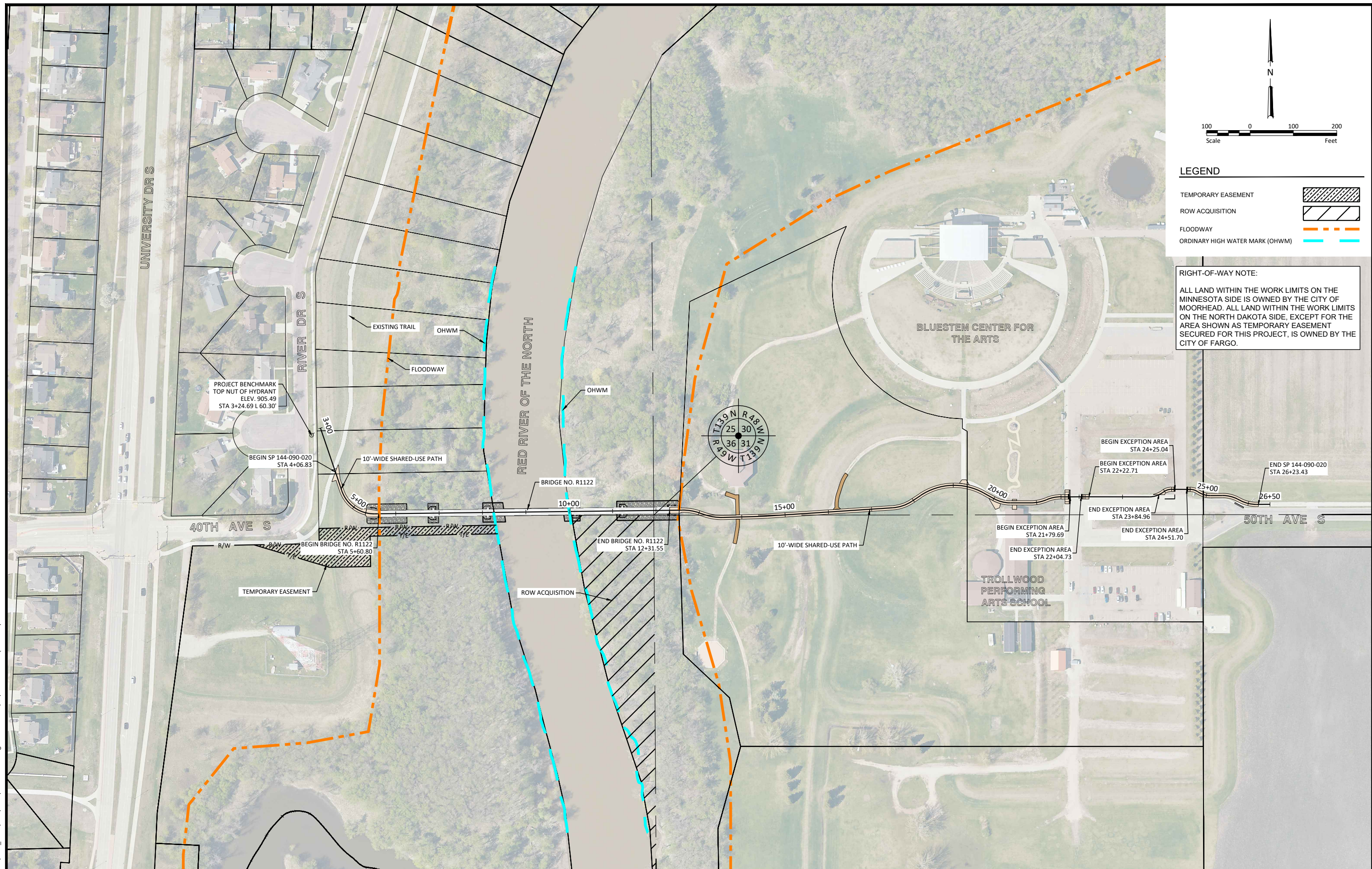
Attachments: Location Map



LEGEND

TEMPORARY EASEMENT	
ROW ACQUISITION	
FLOODWAY	
ORDINARY HIGH WATER MARK (OHWM)	

RIGHT-OF-WAY NOTE:
 ALL LAND WITHIN THE WORK LIMITS ON THE MINNESOTA SIDE IS OWNED BY THE CITY OF MOORHEAD. ALL LAND WITHIN THE WORK LIMITS ON THE NORTH DAKOTA SIDE, EXCEPT FOR THE AREA SHOWN AS TEMPORARY EASEMENT SECURED FOR THIS PROJECT, IS OWNED BY THE CITY OF FARGO.



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CERTIFIED BY _____ PROFESSIONAL ENGINEER LICENSE NO. 45726 DATE _____ 20____	TITLE: OVERALL PLAN S. P. 144 - 090 - 020	DES: BKW	DR: TJO	APPROVED: _____	Bridge No. R1122
		CHK: MPL	CHK: MPL		

RESOLUTION

Resolution to Approve Agreement No. 1036026 with the State of Minnesota for Federal Participation in Advance Construction for the Bluestem Pedestrian Bridge Project (Eng. No. 22-13-04)

WHEREAS, the cities of Moorhead and Fargo have jointly planned to construct a pedestrian bridge over the Red River at the Bluestem Center for the Arts in 2026 and 2027; and

WHEREAS, the project has been authorized to receive multiple grants of Federal funds in Federal fiscal years 2026, 2027, and 2028; and

WHEREAS, in order to construct the bridge before all of the Federal funds are available, the City must enter into an agreement with the State of Minnesota for Federal participation in Advance Construction.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead that:

1. Pursuant to Minnesota Statute Section 161.36, the Commissioner of Transportation be appointed as Agent of the City of Moorhead to accept as its agent, Federal aid funds which may be made available for eligible transportation related projects; and
2. The Mayor and City Manager are hereby authorized and directed for and on behalf of the City of Moorhead to execute and enter into an agreement with the Commissioner of Transportation prescribing the terms and conditions of said Federal aid participation as set forth and contained in "Minnesota Department of Transportation MnDOT Contract Number 1036026", a copy of which said agreement was before the City Council and which is made a part hereof by reference.
3. The Mayor and City Manager are hereby authorized to execute amendments to said agreement as may be necessary to deliver the project.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Approve Temporary Parking Agreements and Change Order #1 for Center Avenue Reconstruction, 8th to 10th St (Eng. No. 25-02-01)

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to authorize temporary parking agreements and approve Change Order #1 for the above-referenced project.

BACKGROUND/KEY POINTS:

On June 8, 2026, the City Council awarded the contract for the Center Avenue Reconstruction Project to Dakota Underground Company in the amount of \$2,493,261.85. The approved budget included an allowance of up to \$105,000 for early completion incentive payments and 5% of the contract amount (\$124,633.05) for change orders for the project.

After the project was awarded and prior to construction beginning, staff had discussions with Dakota Underground Company to evaluate additional options to begin construction earlier than anticipated and shorten the duration of the project. Proposed Change Order #1 has been developed to achieve an earlier start date and further incentivize substantial completion of the project within 60 days. This change will lessen construction impacts for adjacent property/business owners and be beneficial to coordination of the project with the completion of the 11 St Underpass Project. The estimated cost for Change Order #1 exceeds the previously approved 5% change order contingency, and therefore, requires City Council action. Staff recommends approval of Change Order #1.

While Center Ave is under construction, it will be closed to traffic. Some of the adjacent property owners have requested assistance in securing overflow parking areas in the Downtown area during construction. Staff is working with two property owners to formalize agreements, which are currently being drafted by the City Attorney. Staff recommends that the City Council authorize the Mayor and City Manager to execute the temporary parking agreements with the owners of 730 Center Ave and 725 Center Ave.

FINANCIAL CONSIDERATIONS:

There is no cost anticipated for the temporary parking agreements.

The cost for Change Order #1 will add up to \$250,140 (10%) to the contract if all of the conditions for the incentives are met. This will result in a revised final contract amount of \$2,973,034.90 inclusive of incentives. The cost for Change Order #1 will be paid through Municipal State Aid funds.

Voting Requirements: 3/4 of Council (6)

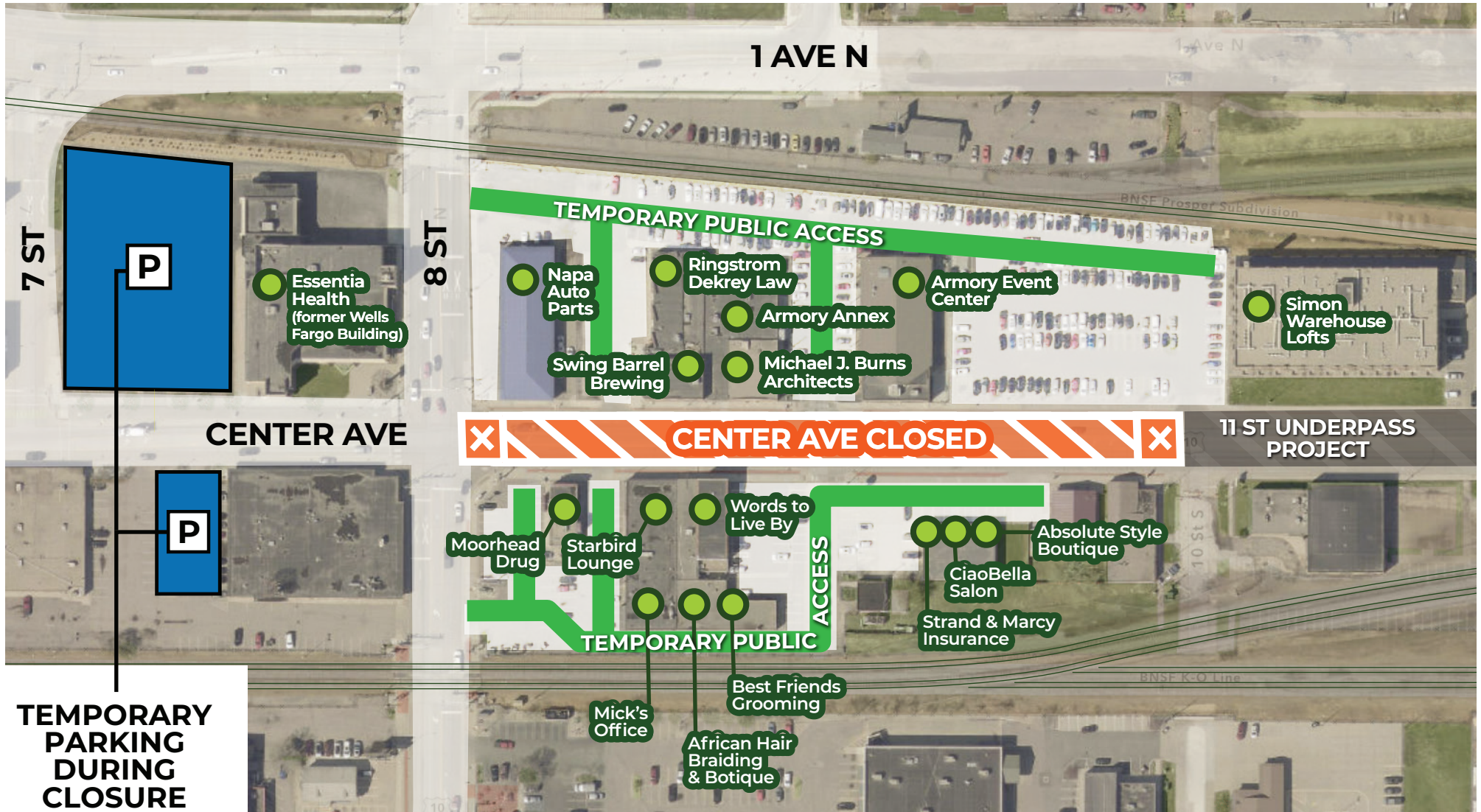
Submitted By:

Dan Mahli, City Manager
Clay Lexen, Assistant City Engineer

Attachments: Location Map

CENTER AVE

Business, Parking, and Closure Map



RESOLUTION

Resolution to Approve Temporary Parking Agreements and Change Order #1 for Center Avenue Reconstruction, 8th to 10th St (Eng. No. 25-02-01)

WHEREAS, on June 8, 2026, the City Council awarded the bid for Center Avenue Reconstruction, 8th to 10th St (Eng No. 25-02-01) to Dakota Underground Company in the amount of \$2,493,261.85; and

WHEREAS, agreements with nearby property owners to facilitate temporary parking during construction of the project are being prepared by the City Attorney; and

WHEREAS, the Mayor and Council previously approved an allowance of up to \$105,000 for early completion incentive payments and a cumulative total amount not-to-exceed 5% of the contract amount (\$124,633.05) for change orders for the project; and

WHEREAS, Change Order # 1, in the amount of \$250,140.00, exclusive of the previously approved change order allowance, is proposed for the completion of the project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead that the Mayor and City Manager are authorized to execute said temporary parking agreements.

BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, Minnesota that Change Order #1, exclusive of the previously approved change order allowance, is hereby approved.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Authorize Submission of Grant Applications for Public Infrastructure Improvements

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to authorize submission of grant applications.

BACKGROUND/KEY POINTS:

Throughout the year, staff identifies and/or receives notices of various grant opportunities. Staff evaluates each opportunity relative to strategic initiatives, proposed and planned projects, eligibility, and required matching funds.

Staff recommends that the City Council authorize applications for the grants identified in the attached resolution. Staff further recommends that the Mayor and City Manager be authorized to execute documents to support the applications.

FINANCIAL CONSIDERATIONS:

The project(s), grant program(s), requested grant amount(s), and required local match for each application are identified in the attached resolution. As applications are finalized, the grant request and local match may be revised, but significant changes are not anticipated.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager
Robert A Zimmerman, Engineering Director
Tom Trowbridge, City Engineer

Attachments:

RESOLUTION

Resolution to Authorize Submission of Grant Applications for Public Infrastructure Improvements

WHEREAS, throughout the year staff identifies and/or receives notices of various grant opportunities; and

WHEREAS, staff evaluates each opportunity relative to strategic initiatives, proposed and planned projects, eligibility, and required matching funds; and

WHEREAS, staff recommends that the City Council authorize the grant application for the project identified below.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead, Minnesota that the grant applications, as substantially described below, are hereby authorized.

BE IT FURTHER RESOLVED that the Mayor and City Manager are authorized to execute documents supporting each application.

Project: 12th Ave N / 15th Ave N Bridge Replacement Project

- Description: Reconstruct the existing bridge and elevate it above the post-FM Diversion 100-year flood stage
- Project Schedule: 2027-2030
- Total Project Cost: \$25,400,000
- Grant Agency: USDOT
- Grant Source: Federal
- Grant Program: Bridge Investment Program (BIP)
- Grant Amount: \$20,320,000 (joint application with City of Fargo)
- Required Local Match: \$5,080,000 (to be split with City of Fargo)
- Additional Local Funds: TBD (if needed)
- Source of Local Match/Funds: Municipal State Aid Construction Account

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Award Bid for Furnishing 15 kV Indoor Metalclad Switchgear at MPS' Northeast and Southeast Substations

RECOMMENDATION:

The Moorhead Public Service Commission respectfully requests the Mayor and City Council award the bid for furnishing 15 kV indoor metalclad switchgear at Moorhead Public Service's Northeast and Southeast Substations to Harold K. Scholz Company in the amount of \$1.92 million, contingent upon final legal approval.

BACKGROUND/KEY POINTS:

In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). Task Order No. 12, approved by the Commission on January 21, 2025, is for engineering services for the Northeast Substation (NE Substation) Project and consists of building a new substation to replace and relocate the existing NE Substation. Task Order No. 13, approved by the Commission on April 22, 2025, pertains to engineering services for the Southeast Substation (SE Substation) Project, which involves the construction of a new control building and the installation of a capacitor bank.

DGR prepared specifications for furnishing 15 kV indoor metalclad switchgear for the new control buildings to be located at the NE Substation and SE Substation in Moorhead. On June 2, 2026, MPS received two qualified bids. The lowest, qualified bidder was Harold K. Scholz Company (HK Scholz) in the amount of \$1.92 million. Attached are DGR's recommendation letter and Bid Summary. The bid amount is approximately 26 percent less than the engineer's estimate of \$2.6 million. MPS has included the 15 kV indoor metalclad switchgear in its annual and future budgets.

Due to long lead times, the 15 kV indoor metalclad switchgear is expected to arrive between June 2028 and August 2028.

FINANCIAL CONSIDERATIONS:

Although there is no cost to the City of Moorhead (directly), the total cost to the Moorhead Public Service Commission for furnishing 15 kV indoor metalclad switchgear at MPS' Northeast and Southeast Substations is \$1.92 million.

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager
Travis L. Schmidt, General Manager
Taylor Holte, Electric Project Manager

Attachments: DGR Recommendation Letter and Bid Summary

RESOLUTION

Resolution to Award Bid for Furnishing 15 kV Indoor Metalclad Switchgear at MPS' Northeast and Southeast Substations

WHEREAS, on June 2, 2026, bids were opened for furnishing 15 kV indoor metalclad switchgear at Moorhead Public Service's (MPS') Northeast and Southeast Substations; and

WHEREAS, MPS staff and DGR Engineering (DGR) staff evaluated the bids and DGR submitted a recommendation letter and Bid Summary.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead to award the bid for furnishing 15 kV indoor metalclad switchgear at MPS' Northeast and Southeast Substations to Harold K. Scholz Company in the amount of \$1.92 million, as awarded by the Moorhead Public Service Commission on June 16, 2026.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, Minnesota, that the City Council does hereby authorize and direct the Mayor and City Manager to execute the contract for furnishing 15 kV indoor metalclad switchgear at MPS' Northeast and Southeast Substations.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Award Bid for 2026 Lead Service Line Replacement Project

RECOMMENDATION:

The Moorhead Public Service Commission respectfully requests the Mayor and Moorhead City Council award the bid for Moorhead Public Service's 2026 Lead Service Line Replacement Project to Precision Dirtworks, LLC, in the amount of \$636,199.25. The agreement and cost for this project are contingent upon final approval by the Minnesota Public Facilities Authority.

BACKGROUND/KEY POINTS:

Moorhead Public Service's (MPS') Water Division proposes completing a project to replace 30 lead service lines. The 2026 Lead Service Line Replacement Project (2026 Project) will continue to lay the foundation for future lead service line replacement projects and support budget planning for year-round projects. MPS completed a pilot project in 2024 and is nearing completion of the 2025 project, which included replacing approximately 40 lead service lines.

MPS has submitted applications to be included on the Project Priority List for funding through the Minnesota Public Facilities Authority (MPFA) Drinking Water Revolving Fund. Funding for lead service line replacements became available through the Bipartisan Infrastructure Law and the State of Minnesota's matching funds. MPFA requires a loan/grant agreement for the 2026 Project to be funded as MPS works to remove lead service lines as a part of the Lead and Copper Rule Revision requirements. The agreement with MPFA will ultimately result in a reimbursable grant for 100 percent of the 2026 Project costs. These costs include construction, administrative, and engineering expenses required to complete the 2026 Project. The contracts, agreements, and award of the bid for the 2026 Project are contingent upon MPFA's final approval.

On June 4, 2026, MPS received two qualified bids for the 2026 Project. MPS staff and Apex Engineering Group (Apex) staff reviewed the bids and recommend that the bid be awarded to the lowest, qualified bidder, Precision Dirtworks, LLC (Precision Dirtworks), in the amount of \$636,199.25 (see attached recommendation letter and Bid Tabulation). Precision Dirtworks has successfully completed similar work and has demonstrated its ability to complete this project as specified.

To begin the 2026 Project, MPS and the property owner will enter into the Water Service Replacement Agreement. Attorney John Boulger collaborated with staff to develop this agreement, which outlines the terms and conditions under which MPS and the City of Moorhead will provide a new private water service to the owner's property. This new private water service will replace the existing lead service line as part of the Lead Service Line Replacement Program (Minn. Stat. § 446A.077).

FINANCIAL CONSIDERATIONS:

Although there is no cost to the City of Moorhead (directly), the total cost to the Moorhead Public Service Commission for the 2026 Lead Service Line Replacement Project is \$636,199.25.

The agreement with MPFA will ultimately result in a reimbursable grant for 100 percent of the 2026 Project costs.



City Council Communication

June 22, 2026

The contracts, agreements, and award of the bid for the 2026 Project are contingent upon MPFA's final approval.

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager

Travis Schmidt, General Manager

Jake Long, Water Distribution Manager

Attachments: Recommendation Letter and Bid Tabulation Sheet from Apex Engineering Group

June 8, 2026

Mr. Jake Long
Water Distribution Manager
500 Center Avenue; P.O. Box 779
Moorhead, MN 56561-0779

via email: jlong@mpsutility.com

RE: 2026 Service Line Replacement
Lead Service Line Replacement Project (WT-00-01)
Moorhead, Minnesota
Apex Project No. 26.109.0027

Dear Mr. Long:

Bids for the above referenced project were received and opened on Thursday, June 4, 2026, at 2:00 PM. Two (2) bids were received for the proposed lead service line replacement. The bids received were from the contractors listed below:

- Randall's Excavating Inc.
- Precision Dirtworks, LLC

The bids received have been outlined in the table below:

Bidder	Bid
Precision Dirtworks, LLC	\$636,199.25
Randall's Excavating, Inc.	\$694,393.90

Precision Dirtworks has a long history of service installation and repair throughout the Fargo-Moorhead area and is currently under contract for a similar service line replacement project within the City of Fargo. The Public Service Commission and City Council can consider award of this contract pending approval of the Public Facilities Authority funding, to Precision Dirtworks, LLC if they wish to proceed with the proposed work.

Please feel free to contact me with any questions.

Sincerely,

Apex Engineering Group, Inc.



Jade A. Berube, PE

Enc: Bid Tabulation

Bid Tabulation

2026 Service Line Replacement

Moorhead Public Service, Moorhead, MN

June 4, 2026 | 2:00 PM | Moorhead Public Service (MPS), Dispatch Operations Center, 215 Highway 75 North, Moorhead, MN 56560

Plan Holder	Bid Bond	Total Bid
Precision Dirtworks, LLC.	x	\$636,199.25
Randall's Excavating, Inc.	x	\$694,393.90

Apex Project No. 26.109.0027

I certify that these bids were received on June 4, 2026, at 2:00 PM, at the office of the Moorhead Public Service (MPS), Dispatch Operations Center, 215 Highway 75 North Moorhead, MN 56560



Jake Long

RESOLUTION

Resolution to Award Bid for 2026 Lead Service Line Replacement Project

WHEREAS, on June 4, 2026, bids were opened for Moorhead Public Service's (MPS') 2026 Lead Service Line Replacement Project; and,

WHEREAS, MPS staff and Apex Engineering Group staff have evaluated the bids and submitted a Bid Tabulation Sheet and recommendation letter.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead to award the bid for MPS' 2026 Lead Service Line Replacement Project to Precision Dirtworks LLC, in the amount of \$636,199.25, as awarded by the Moorhead Public Service Commission on June 16, 2026, contingent upon final approval by the Minnesota Public Facilities Authority.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, Minnesota, that the City Council does hereby authorize and direct the Mayor and City Manager to execute the contract for MPS' 2026 Lead Service Line Replacement Project.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Receive the 2025 Annual Comprehensive Financial Report (ACFR)

RECOMMENDATION:

The Mayor and City Council are asked to receive the 2025 Annual Comprehensive Financial Report (ACFR).

BACKGROUND/KEY POINTS:

The ACFR is prepared each year to present the financial results for all funds and account groups of the City. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. This report has been prepared following the guidelines recommended by the Government Finance Officers Association (GFOA) of the United States and Canada. GFOA awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose ACFR's are judged to conform to standards of public financial reporting. The City of Moorhead's financial reports have received this award for the past forty-one consecutive years (1983-2024). Staff believe the 2025 ACFR meets the program standards, and it will be submitted to GFOA for review. There will be links posted to the Finance Department page on the City's website for the following documents:

2025 Annual Comprehensive Financial Report (ACFR)
Schedule of Expenditures of Federal Awards (SEFA)

This action is a procedural matter only to formally receive the report and does not indicate approval of the report as required City Charter Section 7.05. Paul Kane from Eide Bailly, LLP will be presenting a review of the 2025 Annual Report to the City Council and will address any questions or comments.

FINANCIAL CONSIDERATIONS:

Not Applicable

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager
Jenica Flanagan, Finance Director
Megan Zahradka, Assistant Finance Director

RESOLUTION

Resolution to Approve the 2025 Annual Comprehensive Financial Report

WHEREAS, the 2025 Annual Comprehensive Financial Report (ACFR) has been completed by the City of Moorhead Finance Division and submitted to the City Manager and the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead that the City Council does hereby receive the 2025 Annual Comprehensive Financial Report. A copy of which can be found on the City of Moorhead website and on file in the office of the City Clerk.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk



City Council Communication

June 22, 2026

SUBJECT:

Resolution to Utilize Court Action to Acquire Right-of-Way and Real Property Interests

RECOMMENDATION:

The Mayor and City Council are asked to approve the resolution authorizing the City of Moorhead to utilize court action to acquire real property interests necessary for the construction, operation, and maintenance of the Upstream Mitigation Area (UMA) component of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project (Comprehensive Project).

BACKGROUND/KEY POINTS:

The United States Army Corps of Engineers (USACE) entered into a Project Partnership Agreement with the City of Fargo, North Dakota, the City of Moorhead, Minnesota, and the Metro Flood Diversion Authority (Diversion Authority) to construct, operate, and maintain the Comprehensive Project to provide flood risk management, 100-year certifiable flood protection, and the ability to fight larger, less-frequent floods. The Project includes approximately 7.5 miles of Southern Embankment and Associated Infrastructure (SEAI) in Minnesota that will be constructed by the USACE, which started in 2024. In addition, the Comprehensive Project includes the UMA, encompassing 6,700 acres of necessary flowage easements in Minnesota.

On July 1, 2019, the City of Moorhead and Clay County entered into the Minnesota Land Acquisition Joint Powers Agreement, creating the Moorhead Clay County Joint Powers Authority (MCCJPA). The Minnesota Land Acquisition Joint Powers Agreement authorizes the City of Moorhead and Clay County to work collaboratively to maximize efficiencies with respect to property acquisition in Minnesota for the Comprehensive Project.

Pursuant to Minnesota Statutes § 465.01 and Section 9.01 of the City's Home Rule Charter, the City of Moorhead may acquire and hold real and personal property for its use, and may acquire said property by purchase, gift, or eminent domain. Thus, the City of Moorhead is responsible for acquiring the property for the Comprehensive Project located in Wilkin County and within the boundaries of the City of Moorhead.

In 2024, the MCCJPA began the process of acquiring the necessary property rights from impacted property owners near the City of Wolverton. The MCCJPA retained professional right-of-way agents to work and communicate directly with property owners, present appraisals, purchase offers, and negotiate settlements for board approval. The last appraisals for Wolverton property rights were approved in September 2024. Purchase offers were made to the property owners based on the appraised values.

In addition, the Buffalo Red River Watershed District (BRRWD) is advancing the development of a ring levee around the City of Wolverton (the Wolverton Ring Levee) to reduce the flood risks within the community. The proposed Wolverton Ring Levee will impact some of the same property owners that are impacted by flowage easements needed for the Comprehensive Project. Representatives from BRRWD have also been working to secure the property rights necessary to construct the Wolverton Ring Levee.



City Council Communication

June 22, 2026

In order for both the Wolverton Ring Levee and the Comprehensive Project to remain on schedule, it is requested that the City Council adopt a resolution approving the Last Written Offer letters and authorize the use of eminent domain to acquire property for the Comprehensive Project located in Wilkin County, Minnesota.

Negotiations will continue; however, to maintain the construction schedule we are recommending proceeding to the next step in the process. The table below outlines the steps in the process as well as the status or timeframe for each step. In addition, a table outlining the parcel, property owner, original offer amount, and recommended last written offer amount is attached to this memorandum.

Step	Status/ Timeframe
1. Survey of required taking	Complete
2. Appraise property to establish market value	Complete
3. Offer to purchase required property	Complete
4. Negotiations	On-Going
5. Resolution by MCCJPA to request support from Moorhead	Completed on April 23, 2026
6. Resolution by Moorhead City Council to send Last Written Offer	Propose Moorhead City Council action on June 22, 2026
7. Last Written Offer sent with request for acceptance	June 29, 2026
8. Reasonable Time for property owner to consider the Last Written Offer	3 weeks following Last Written Offer being mailed, deadline of July 20, 2026
9. Serving notice of intent to take possession starts 90-day clock	August 1, 2026
10. Negotiations continue	On-Going
11. Process is complete, real estate secured	October 31, 2026 (estimated)

FINANCIAL CONSIDERATIONS:

Not Applicable

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager
 Kathryn McNamara, City Attorney

Attachments:

Executed Resolution 2026-01

RESOLUTION

Resolution to Utilize Court Action to Acquire Right-of-Way and Real Property Interests

WHEREAS, the United States Army Corps of Engineers (“USACE”); the Metro Flood Diversion Authority (the “Diversion Authority”); the City of Fargo, North Dakota; and the City of Moorhead, Minnesota, are the federal and non-federal sponsors of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project (the “Comprehensive Project”); and

WHEREAS, the City of Moorhead, Minnesota (the “City of Moorhead”), is a political subdivision of the State of Minnesota and a member entity of the Diversion Authority; and

WHEREAS, in addition to the City of Moorhead, the other member entities of the Diversion Authority are the City of Fargo, North Dakota; Clay County, Minnesota; Cass County, North Dakota; and the Cass County Joint Water Resource District; and

WHEREAS, a necessary component of the Comprehensive Project is the Upstream Mitigation Area (“UMA”); and

WHEREAS, it is necessary to acquire certain real property interests for the construction, operation, and maintenance of the UMA, specifically with regard to the real properties included in Exhibit A (the “Properties”), which have been identified as necessary; and

WHEREAS, the City of Moorhead previously initiated the process to acquire certain real property interests for the Comprehensive Project, but because the Wolverton Ring Levee Project design was not complete at that time, certain additional property interests were not then identified; and

WHEREAS, such interests have now been identified as necessary within the UMA, including areas in proximity to the Wolverton Ring Levee Project; and

WHEREAS, the Moorhead-Clay County Joint Powers Authority (“MCCJPA”) is the Minnesota entity formed for the purpose of seeking and obtaining the right-of-way to real property and real property interests to parcels in Minnesota necessary for purposes of constructing, operating, and maintaining the Comprehensive Project; and

WHEREAS, the Minnesota Land Acquisition Joint Powers Agreement (“JPA”) indicates MCCJPA will notify the Diversion Authority if negotiations are unsuccessful, and the member entities of the MCCJPA—Clay County and Moorhead—will be responsible for acquiring the necessary property, through court action if necessary; and

WHEREAS, on April 23, 2026, MCCJPA passed Resolution 2026-01 (the “Resolution”) to notify the Diversion Authority that negotiations had not yet been successful to acquire the necessary right-of-way and real property interests for the Properties; and

WHEREAS, the Resolution additionally requested that the City of Moorhead utilize court action to acquire certain property rights, as identified in Exhibit A; and

WHEREAS, the City of Moorhead, pursuant to Minn. Stat. § 465.01 and the Home Rule Charter, has the authority to acquire real property for a public flood control works project; and

WHEREAS, the City of Moorhead hereby specifically concludes it is necessary to acquire the right of way to real property and real property interests necessary for the Comprehensive Project in, across, and through the Properties identified in Exhibit A; and

WHEREAS, the record title holders of each of the Properties are identified in Exhibit A;
and

WHEREAS, MCCJPA commissioned and approved appraisals for the Properties and provided a copy of such appraisals to the landowners, pursuant to Section 117.036 of the Minnesota Statutes; and

WHEREAS, MCCJPA obtained minimum damage acquisition reports for the Properties for which the value of the acquisition would be less than \$25,000 and provided a copy of such reports to the landowners, pursuant to Section 117.036 of the Minnesota Statutes; and

WHEREAS, an offer has been sent to each of the landowners seeking to purchase the property rights identified in Exhibit A for the appraised amount; and

WHEREAS, land agents have attempted to negotiate with all of the landowners of the Properties based upon the MCCJPA approved appraisals; and

WHEREAS, as of today's date, landowners of the Properties have not signed the Purchase Agreements transferring the real property interests necessary for purposes of construction, operation, and maintenance of the UMA component of the Comprehensive Project; and

WHEREAS, attached as Exhibit A is a complete description of the Properties for which no purchase agreement has been obtained to acquire the real property interests necessary for purposes of construction, operation, and maintenance of the UMA component of the Comprehensive Project; and

WHEREAS, title and possession of the real property interest rights identified in Exhibit A must be acquired before the Comprehensive Project is operational; and

WHEREAS, the City of Moorhead must provide notice to the landowners of its intent to take possession of the real property interests identified in Exhibit A, pursuant to Section 117.042 of the Minnesota Statutes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead as follows:

1. Necessity. That in accordance with Chapter 117 of the Minnesota Statutes, the City of Moorhead declares it is necessary to acquire certain property rights in the Properties, as identified in Exhibit A, for completion of the Comprehensive Project, and it is necessary to acquire such property rights before an award by the court appointed commissioners.

2. Negotiation. The City of Moorhead hereby authorizes last written offers of just compensation to be made to the landowners. The landowner shall be provided three (3) weeks to accept the last written offers being made.

3. Notice. If the landowners refuse to convey the property rights necessary for the construction, operation, and maintenance of the UMA component of the Comprehensive Project in accordance with the terms of the last written offer, Ohnstad Twichell, P.C., or Larkin Hoffman Daly & Lindgren, Ltd., on behalf of the City of Moorhead, is instructed to serve the landowner with

a Notice of Intent to Possess the Property identified in Exhibit A, pursuant to Minnesota Statutes Section 117.042.

4. Court Action. If the landowners do not agree on or before July 13, 2026, to convey the property rights necessary for the construction, operation, and maintenance of the UMA component of the Comprehensive Project in accordance with the terms of the last written offer, Ohnstad Twichell, P.C., or Larkin Hoffman Daly & Lindgren, Ltd., on behalf of the City of Moorhead, is hereby authorized to begin eminent domain proceedings to acquire the right-of-way to real property and real property interests identified in Exhibit A for purposes of constructing, operating, and maintaining the UMA component of the Comprehensive Project.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk

The motion for the adoption of the foregoing Resolution was duly seconded by Council Member _____. On roll call vote, the following Council Members voted aye: _____. The following Council Members voted nay: _____. The following Council Members were absent and not voting: _____. The majority having voted aye, the motion carried and the Resolution was duly adopted.

EXHIBIT A

Moorhead Resolution of Necessity Parcel List

OIN	PIN	Property Rights Needed	Property Owner(s)
8795	31-029-0390	Flowage Easement	Charles Goulet and Heather Goulet
8791	22-029-0500	Flowage Easement	Mark Nelson, as Personal Representative of the Estate of Donald M. Nelson a/k/a Donald Meloyd Nelson, deceased
8792	31-029-0360	Flowage Easement	Mark Nelson, as Personal Representative of the Estates of Donald M. Nelson a/k/a Donald Meloyd Nelson, deceased, and Leone Nelson a/k/a Leone Kathleen Nelson, deceased
8798	22-029-0200	Flowage Easement	Mark Nelson, as Personal Representative of the Estate of Donald M. Nelson a/k/a Donald Meloyd Nelson, deceased
8802	31-028-0020	Flowage Easement	Mark Nelson, as Personal Representative of the Estate of Donald M. Nelson a/k/a Donald Meloyd Nelson, deceased
8796	31-029-0380	Flowage Easement	Michael R. Olthoff
8797	22-029-0400	Flowage Easement	Michael R. Olthoff



City Council Communication

June 22, 2026

SUBJECT:

Resolution Approving a Sublease Agreement with MPS for approximately 2,182 square feet of the first floor of the renovated City Hall Building in connection with the issuance of the EDA's Lease Revenue Bonds, Series 2026 A

RECOMMENDATION:

The Mayor and City Council are asked to consider a resolution to authorize a Sublease Agreement with MPS.

BACKGROUND/KEY POINTS:

The Moorhead Economic Development Authority (the "Authority") and the City of Moorhead (the "City") have issued the EDA's Lease Revenue Bonds, Series 2026 A (City of Moorhead, Minnesota Lease Obligation) (the "Bonds") to (i) finance renovations to the existing city hall building and (ii) pay costs of the issuance on the Bonds. The Bonds were issued pursuant to Minnesota Statutes, Sections 465.71, 469.041 and Sections 469.090 through 469.1082 and Chapter 475; a Trust Indenture (the "Indenture") by and between the Authority and U.S. Bank National Association, St. Paul, Minnesota (the "Trustee"); a Lease-Purchase Agreement by and between the Authority and the City (the "Lease"); a Sublease Agreement by and between the City and Moorhead Public Services ("MPS"); a Bond resolution adopted by the Authority (the "Authority Resolution") on February 2, 2026; and a resolution adopted by the City (the "City Resolution") on January 26, 2026.

Pursuant to the plan of financing as set forth in the Bonds, MPS and the City planned to enter into a Sublease Agreement for approximately 2,182 square feet of the first floor of the renovated City Hall Building with an annual payment of \$250,000 per year for a period of 20 years. The form of the Sublease Agreement was previously approved by the City Council as part of the Bond authorization; however, the final form of the Sublease Agreement is being presented to the City Council for approval. The MPS Commission has approved the final form of the Sublease Agreement.

FINANCIAL CONSIDERATIONS:

The Bonds are special, limited obligations of the Authority payable from rental payments to be received by the Authority from the City. The City will use payments made by MPS pursuant to the Sublease Agreement together with an annual appropriation to make rental payments to the Authority. Pursuant to the Sublease Agreement, Moorhead Public Services is obligated to annually pay the City \$250,000 over 20 years (\$5,000,000 total) starting in 2027.

Voting Requirements: 3/4 of Council (6)

Submitted By:

Dan Mahli, City Manager
Jenica Flanagan, Finance Director

Attachments:

RESOLUTION

Resolution to Approve Sublease Agreement with Moorhead Public Service

WHEREAS, the Moorhead Economic Development Authority (the "Authority") and the City of Moorhead (the "City") have issued the EDA's Lease Revenue Bonds, Series 2026 A (City of Moorhead, Minnesota Lease Obligation) (the "Bonds") to (i) finance renovations to the existing city hall building and (ii) pay costs of the issuance on the Bonds; and

WHEREAS, pursuant to the plan of financing as set forth in the Bonds, MPS and the City planned to enter into a Sublease Agreement for approximately 2,182 square feet of the first floor of the renovated City Hall Building with an annual payment of \$250,000 per year for a period of 20 years commencing in 2027; and

WHEREAS, the form of the Sublease Agreement was previously approved by the City Council as part of the Bond transaction; and

WHEREAS, the final form of the Sublease Agreement has been completed and is consistent with the form of the Sublease Agreement previously approved as part of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moorhead that the Mayor and City Manager are hereby authorized and directed to execute the Sublease Agreement with Moorhead Public Service.

PASSED: June 22, 2026 by the City Council of the City of Moorhead.

APPROVED BY:

ATTEST:

Michelle (Shelly) A. Carlson, Mayor

Christina Rust, City Clerk