CITY OF GRANITE FALLS
OFFICIAL CITY COUNCIL PROCEEDINGS
REGULAR SESSION
Monday, May 4, 2026

A regular session of the Granite Falls City Council was called to order by Mayor Steve Nordaune at 6:00 p.m., Monday, May 4, 2026, in the Council Chambers of City Hall. Council members present: DuWayne Galow, Dan Barber, Brad Peterson, Craig Opdahl, and Scott Peterson. Council members absent: Beth Pullan. Staff present: City Manager Crystal Johnson, Finance Director Tracy Peterson and City Clerk Christine Kleven. Also present: Electrical Superintendent Jade Gillott, HDR Project Manager Tim Gentile, and Tribune Editor Jessica Jacobson-Stolen.

CONSENT AGENDA: M/S B. PETERSON/GALOW TO APPROVE THE CONSENT AGENDA AS FOLLOWS: Minutes, Bills, Public Works Report, Fire Department Report, Correspondence, and Meetings & Events. Motion passed unanimously by those present.

SUBSTATION IMPROVEMENTS: Tim Gentile was present to answer questions regarding the proposed additional substation improvements. Staff reported the City has secured the following grant funding for the project:

- Federal EDA Disaster Relief Funding: $2,353,292
- Minnesota State Grid Resiliency Funding: $250,000
- State Competitiveness Funding: $979,963

Staff further noted a previous recommendation to utilize $1,000,000 from utility reserve funds, bringing total secured project funding to $4,583,255.
Estimated project costs were reviewed as follows:

- Two transformers from Virginia Transformer: $2,624,866
- Switchgear from Power Supply: $877,715
- Installation costs: $979,963
- Additional improvements: $679,610

Total estimated project cost is $5,162,154, resulting in an estimated funding gap of $578,899 after application of grant funding and the previously recommended reserve contribution. Staff discussed financing options, including bonding, loans, or additional reserve funding. Following discussions with Tim Miller of Missouri River Energy Services regarding the utility rate study, staff recommended funding the remaining project costs from reserves to avoid interest expense and improve long-term utility cash flow. Staff further noted a proposed 3% utility rate increase in August 2026, with an additional evaluation to occur in fall 2026 and the possibility of up to an additional 3% increase in 2027.

B. Peterson introduced the following resolution and moved its adoption approving the additional substation improvements.

RESOLUTION NO. 26-36

RESOLUTION APPROVING ADDITIONAL
SUBSTATION IMPROVEMENTS

(Copy on file in city clerk's office)

With second by Galow, the resolution was adopted unanimously by those present.

S. Peterson introduced the following resolution and moved its adoption calling for a public hearing for a proposed utility rate increase.

RESOLUTION NO. 26-37

RESOLUTION CALLING FOR A PUBLIC HEARING
ON A PROPOSED UTILITY RATE INCREASE

(Copy on file in city clerk's office)

With second by Opdahl, the resolution was adopted unanimously by those present.

Galow introduced the following resolution and moved its adoption approving the substation project finance plan.

RESOLUTION NO. 26-38

RESOLUTION APPROVING THE SUBSTATION PROJECT
FINANCING GAP PLAN

(Copy on file in city clerk's office)

With second by B. Peterson, the resolution was adopted unanimously by those present.

REPORTS: Kilowatt Community Center and Utilities Commission reports were acknowledged at this time.

CITY HALL OFFICE HOURS: Johnson reported that during union negotiations, a summer office schedule of 7:30 a.m. to 4:30 p.m. Monday through Thursday and 7:30 a.m. to 11:30 a.m. on Friday, with a one-half hour lunch break, was discussed. M/S S. Peterson/Galow to approve the change in office hours for the summer months beginning June 1, 2026, with the schedule to be reevaluated in the fall. Motion carried unanimously by those present.

TEMPORARY LIQUOR LICENSES: M/S B. PETERSON/S. PETERSON TO APPROVE TEMPORARY LIQUOR LICENSES FOR THE GRANITE AREA ARTS COUNCIL MAKERS MARKETS: JUNE 4, JULY 2, SEPTEMBER 3 AND SQUIDFEST AUGUST 16; ALSO, FOR YES HOUSE EVENTS: RIVER VALLEY RIPPLE ARTIST SALONS MAY 9 AND MAY 30, OPEN MIC NIGHTS MAY 15 AND JUNE 18. Motion carried unanimously by those present.

2026-2028 SRO CONTRACT: S. Peterson introduced the following resolution and moved its adoption approving the School Resource Officer (SRO) agreement as presented.

RESOLUTION NO. 26-39

RESOLUTION AUTHORIZING EXECUTION OF
SCHOOL RESOURCE OFFICER AGREEMENT

(Copy on file in city clerk's office)

With second by B. Peterson, the resolution was adopted unanimously by those present.

SURPLUS EQUIPMENT: A list of surplus equipment was shared with council. Galow introduced the following resolution declaring surplus equipment as surplus and authorizing its sale through action.

RESOLUTION NO. 26-40

RESOLUTION DECLARING CERTAIN CITY EQUIPMENT AS SURPLUS
AND AUTHORIZING SALE AT AUCTION

(Copy on file in city clerk's office)

With second by B. Peterson, the resolution was adopted unanimously by those present.

UPDATING MEMORIAL PARK MASTER PLAN: Staff reviewed MnDOT's planned TH167 project and the need to replace the Memorial Park sidewalk and aging utilities. A full Memorial Park Master Plan update is required for future Greater Minnesota Parks and Trails grant eligibility. A proposal from Damon Farber in the amount of $42,510 to complete the Master Plan update was presented for consideration. Council discussed budgeting the cost of the Master Plan update over the 2027 and 2028 budget years. Opdahl introduced the following resolution and moved its adoption to approve the proposal from Damon Farber in the amount of $42,510 for preparation of the Memorial Park Master Plan update.

RESOLUTION NO. 26-41

RESOLUTION APPROVING MEMORIAL PARK MASTER PLAN UPDATE PROPOSAL

(Copy on file in city clerk's office)

With second by B. Peterson, the resolution was adopted unanimously by those present.

AIRPORT RUNWAY LIGHTING PROJECT: Airport Engineer Silas Parmar reported that the plans and specifications for the 2026 Runway Lighting System Reconstruction Project at Granite Falls Municipal Airport have been completed. The estimated project cost is $1,083,613.18, with 90% state funding estimated at $975,251.86 and a 10% City share estimated at $108,361.32, which has been budgeted. Council discussed proceeding with advertisement for bids, with bid opening anticipated at the end of May 2026 and construction anticipated for fall 2026. It was noted that if bids exceed estimates, the project may need to be completed in phases. Opdahl introduced the following resolution and moved its adoption authorizing to advertise for bids for the airport runway lighting system update project.

RESOLUTION NO. 26-42

RESOLUTION AUTHORIZING ADVERTISEMENT FOR BIDS
FOR AIRPORT RUNWAY LIGHTING PROJECT

(Copy on file in city clerk's office)

With second by S. Peterson, the resolution was adopted unanimously by those present.

STREETSCAPE SIDEWALK PROJECT UPDATE: Johnson provided an update on the Streetscape Sidewalk Project and reviewed options for utilizing remaining project funds due to the project coming in under budget. Council consensus was to proceed with replacement of the Prentice Street lighting.

ORDINANCE: M/S B. PETERSON/S. PETERSON TO APPROVE THE 2ND READING OF AN ORDINANCE OF THE CITY OF GRANITE FALLS, MINNESOTA, AMENDING CITY CODE SECTION ENTITLED WINTER BURIALS AND USE OF MAUSOLEUM

ORDINANCE NO 239, 2ND SERIES

AN ORDINANCE OF THE CITY OF GRANITE FALLS, MINNESOTA, AMENDING CITY CODE SECTION ENTITLED WINTER BURIALS AND USE OF MAUSOLEUM

Motion carried unanimously by those present. The Ordinance will become effective following publication.

212 BRIDGE MURAL: Tabled.

CHARITABLE GAMBLING: A gambling license application was acknowledged at this time for the Granite Falls Lions to hold a raffle on behalf of the YME Dance line.

ADJOURN: M/S/P S. PETERSON/B. PETERSON TO ADJOURN AT 7:08 PM.

Steve Nordaune
Mayor

ATTEST: Christine Kleven
City Clerk