CITY OF PARK RAPIDS
CITY COUNCIL MEETING
MARCH 22, 2016, 6:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota

1. CALL TO ORDER: The March 22nd, 2016, Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Acting Mayor Paul Utke, and everyone present recited the Pledge of Allegiance.

2. ROLL CALL: Present: Acting Mayor Paul Utke, Councilmembers Ryan Leckner, Rod Nordberg, and Erika Randall. Absent: Mayor Pat Mikesh. Staff Present: Administrator John McKinney, Treasurer Angela Brumbaugh, Public Works Superintendent Scott Burlingame, Public Facilities Superintendent Chris Fieldsend, Planner Ryan Mathisrud, Police Chief Terry Eilers, and Clerk Margie Vik. Others Present: Dick Rutherford, Jean Rumpsa, Sue Tomte, Nancy Newman, Cynthia Jones, Lowell Wolff, and Kevin Cederstrom from the Enterprise.

3. APPROVAL OF AGENDA: A motion was made by Randall, seconded by Nordberg, and unanimously carried to approve the agenda with the following changes: Add Item #7.14. Resolution to Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Headwaters Ducks Unlimited-Chapter 27, and Delete Planning Items #9.1. and #9.2. from the agenda.

4. PUBLIC HEARING at 6:00 PM FOR AN AMENDMENT TO THE 2016 to 2020 CAPITAL IMPROVEMENT PLAN:

A motion was made by Randall, seconded by Leckner, and unanimously carried to open the public hearing at 6:01 p.m.

4.1. Presentation of the Amendment to the 2016 to 2020 Capital Improvement Plan: Brumbaugh stated we did a public hearing for the CIP in December 2015. We're amending it now because of a change in the fire hall addition. This is a short presentation since we are only going to talk about the fire hall addition. The CIP is a tool used by staff, Council, and the citizens, to lay out what we'll be doing in the next five years. The Council can make changes on it. It's not cast in stone. A public hearing has to be held for the CIP, and then it has to be adopted by the Council by a 3/5th majority.

Brumbaugh stated Minnesota State Statute 475.521 gives the Council the authority to issue a bond for the fire hall addition without going to a referendum. In the event that the public is not in favor of the bond, a petition with at least 5% of the votes cast in the last general election, has to be presented to the city clerk within thirty days of the public

hearing. So there is a chance that if there were enough taxpayers that were not in favor of this project and the issuance of a bond, a referendum vote would have to be called.

Brumbaugh stated with the change our total proposed projects for 2016 to 2020 will be $15,245,820.00. That averages out to $3,049,164.00 per year. The only change being proposed is the fire department total has been increased to $1.1 million. When we held the public hearing in December of 2015 it was $900,000.00. After the architects and engineers reviewed the plan they were concerned that was not going to be enough, therefore it was amended. With a $1.1 million bond, the most that they could spend on the building was $1,050,000.00 because we have to consider the amount of the issuance costs. We are not actually going to levy for this. The fire department gets proceeds from the city and the township fire contracts, in the amount of $90,000.00, which go into their capital improvement fund. That is the fund that will be used to pay for this. We are looking at an annual payment of $75,000.00. We are hoping to reserve 25% of that capital improvement fund for other future expenses. The average interest on the bond will be about 2.76%.

McKinney stated the idea here is to give ourselves a window to negotiate a contract to build the improvements. There are alternate deducts built into the contract so we can adjust the bidding amount. We'll know for sure what the costs are after we get the bids.

4.2. Public Comments: Acting Mayor Utke requested comments or questions from the public. There were no comments.

A motion was made by Nordberg, seconded by Randall, and unanimously carried to close the public hearing at 6:08 p.m.

4.3. Resolution Amending the Adopted 2016 to 2020 Capital Improvement Plan for the City of Park Rapids: A motion was made by Randall, seconded by Leckner, and unanimously carried to approve Resolution #2016-59 Amending the Adopted 2016 to 2020 Capital Improvement Plan for the City of Park Rapids.

5. APPROVAL OF MINUTES:

5.1. City Council Regular Meeting Minutes-March 8, 2016: A motion was made by Nordberg, seconded by Leckner, and unanimously carried to approve the March 8th, 2016, City Council Regular Meeting minutes as presented.

6. FINANCE:

6.1. Prepaids: A motion was made by Utke, seconded by Randall, and unanimously carried to approve the prepaids in the amount of $84,299.93.

7. CONSENT AGENDA: Nordberg removed Item #7.2. from the consent agenda. **A motion was made by Nordberg, seconded by Randall, and unanimously carried to approve the following consent agenda items:**

7.1. Resolution #2016-60 Relating to Financing of Proposed Green Acres Addition/Discovery Circle Street and Utility Construction Project to be Undertaken by the City of Park Rapids Establishing Compliance with Reimbursement Bond Regulations Under the Internal Revenue Code.

7.2. *Removed from the consent agenda.*

7.3. Authorize the Execution of the Minnesota Department of Health Memorandum of Agreement Regarding Well #7 in the City of Park Rapids.

7.4. Resolution #2016-61 Approve the Renewal of an Off-Sale 3.2 Beer License for Hugo's and Cenex C Store in the City of Park Rapids.

7.5. Authorize Minnesota Valley Irrigation to Complete the Upgrades on Irrigator #4 in the Amount of $60,900.00.

7.6. Authorize Minnesota Valley Irrigation to Install Four (4) Variable Speed Drives and Related Systems on the Four (4) Existing Pumps Located at the Wastewater Ponding Site.

7.7. Approve Purchase in the Amount of $1,598.00 from MacQueen Equipment for a Vactor Rodding Hose for the Public Works Department.

7.8. Approve Purchase in the Amount of $3,488.00 from USA Blue Book for a Conductivity Meter and Kit Used to Test the Affluent Water.

7.9. Resolution #2016-62 Appointing Charles Barbin as Temporary Seasonal Part Time Public Works Employee for the City of Park Rapids.

7.10. Resolution #2016-63 Approving Application for Minnesota Lawful Gambling LG220 Application for Exempt Permit for Park Rapids Chapter of the Minnesota Deer Hunters Association.

7.11. Approve Increasing Step Six (6) on the City's Pay Scale for the City Clerk and the Treasurer by $0.49 per hour.

7.12. Approve the Submission of the Pay Equity Report to the Minnesota Department of Employee Relations for the 2016 Wages.

7.13. Approve Backhoe Operator's License to Work in the City of Park Rapids in 2016 for Minnesota Energy Resources.

7.14. Resolution #2016-64 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Headwaters Ducks Unlimited-Chapter 27.

END OF CONSENT AGENDA

7.2. Resolution Proclaiming April 29th, 2016, as Arbor Day in the City of Park Rapids: Nordberg stated this resolution comes from the Urban Forestry Committee. There was a good story about this in the Enterprise, which talks about the events that will be in Park Rapids, and on May 2nd there will be a tree planting. There is also a lottery for a free tree. Arbor Day started in 1872 in Nebraska. Now all fifty states have an Arbor Day. Park Rapids itself has been involved for many years.

A motion was made by Nordberg, seconded by Leckner, and unanimously carried to approve Resolution #2016-65 Proclaiming April 29th, 2016, as Arbor Day in the City of Park Rapids.

8. COMMENTS FROM CITIZENS: Dick Rutherford passed out pens to the Council. He stated these pens are from a gentleman who cost the city a lot of money several years ago. He gave us a DARE car, which we ended up paying for. Some of the computers he gave us we ended up paying for. So, I'm reminding you that what has happened in the past could happen next Thursday. Remember what you're doing is going to cost the taxpayers money later on.

9. PLANNING:

9.1. Policy for Administering License Agreements for Using City Property for Private Purposes: *Deleted from agenda.*

9.2. Approving Sale of Easements to County: *Deleted from agenda.*

10. GENERAL BUSINESS:

10.1. AIS Inspection Report: Jan Rumpsa stated I've provided you with a summary of the AIS inspections from the county for last year. I thank the Council because you have helped us with our funding for inspections on Fish Hook Lake and on the river.

We're hoping that you will continue your support of that. Fish Hook Lake and River Association has been concerned with our water quality for a long time. We started testing the water quality in the 1980's. When the invasive species became an issue we started inspecting the watercrafts first with volunteers and then by funding it ourselves. When we found we needed more assistance we came to you, our townships, our members, and our residents. We have been able to keep the invasive species out of our lake. We're doing all that we can, and we appreciate your support.

11. CITY ADMINISTRATOR COMMENTS: McKinney stated there is a meeting next Thursday at the armory. Armory Square Project is a complicated process for a couple of reasons. The state has offered a grant through legislation. That means we have a lot of things that we have to line up and provide and discuss with them before we can move forward, if we decide to do so. The Council adopted a resolution of intent indicating their interest in proceeding with this. Following that we've been working with various parties in the community to develop the documents that you would have to approve as far as the submission for the grant.

McKinney stated we have set a meeting for the 29th of March at the armory. Starting at 5:00 p.m. there will be a group of interested parties who will guide people through the different parts of the project and to answer questions. One of the complicating factors here is this is an end grant, which means we get the money to pay for a building that is finished. That money has to be made available before it can be finished. You'll be getting a tour of something yet to be completed. We will have as-built documents available at the site to show you what it will look like when it's done. At 6:00 p.m. there will be an EDA Board meeting. You will be offered an opportunity to discuss documents, ask questions, and give us directions. Another complicating factor is all of these documents, in the application of the grant, has to be processed by the Office of Minnesota Management and Budget (MMB). Their procedure asks us to give them documents that we have agreed to but have not executed. We send all that material down to MMB and they review them, and offer changes. If they make changes and approve them, then they'll send them back to us, and at that point we will execute them. Next Tuesday, if you wish to proceed is to approve the document's form.

Cynthia Jones stated we'd like the Council to know that the PRCDC is prepared next Tuesday to present to you a slide show as to how we will operate this armory. We have formed work groups. We will present in detail what we plan to do in order to make this a viable project.

Utke questioned are we going to get some of these documents ahead of time? McKinney stated Friday city hall is closed. On Monday, the clerk who normally prepares these packets will not be present. So we are going to prepare materials for you. We don't have all of them back yet. We won't have the pro forma until Friday morning. We will get the documents to you as soon as we can, probably on Monday.

Jones stated David Collins and Kathy Grell are working on the pro forma. They have a meeting in Detroit Lakes on Thursday to go over numbers so that the pro forma you get will be updated and accurate.

McKinney stated the main point of this meeting is to get all of these things together for you for the first time. None of them are documents that you haven't heard about or

seen. At 5:00 p.m. we invite you to be there. We'll have materials around at the different locations.

12. DEPARTMENT HEAD UPDATES: Staff reported they are all working on spring cleanup, and preparations for spring projects.

13. MINUTES/REPORTS/INFORMATION: There were no comments.

14. COMMENTS FROM COUNCIL: There were no comments.

15. ADJOURNMENT: **A motion was made by Randall, seconded by Leckner, and unanimously carried to adjourn the meeting at 6:25 p.m.**

[seal]

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Acting Mayor Paul Utke

ATTEST:

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Margie M. Vik
City Clerk