

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
MAY 10, 2016, 6:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota**

1. CALL TO ORDER: The May 10th, 2016, Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Mayor Pat Mikesh, and everyone present recited the Pledge of Allegiance.

2. ROLL CALL: Present: Mayor Pat Mikesh, Councilmembers Ryan Leckner, Rod Nordberg, Erika Randall, and Paul Utke. Absent: None. Staff Present: Administrator John McKinney, Planner Ryan Mathisrud, Public Facilities Superintendent Chris Fieldsend, Liquor Store Manager Scott Olson, Treasurer Angela Brumbaugh, Police Chief Terry Eilers, and Clerk Margie Vik. Others Present: Tom Petschl, Dick Rutherford, Apex Engineer Jon Olson, Lowell Wolff, Cynthia Jones, Nancy Newman, Sue Tomte, Sue Cutler, Dodie Egge, Darrell Johnston, Josiah Laubenstein, Liz Smith, Mark Harmon, Josh Hawn, Rebecca Bentley, 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 additions:

- 10.1. Resolution Approving Ordinance Extending Gas Distribution Franchise Ordinance.
- 15.1. Resolution Approve the Recommendation of the Personnel Committee Regarding Matthew Stein.

4. EMPLOYEE RECOGNITION:

4.1. Certificate of Achievement for Joseph Rittgers-Five Years of Employment: Mayor Mikesh presented a certificate to Police Chief Terry Eilers for Police Officer Joseph Rittgers for achieving five years of employment.

5. APPROVAL OF MINUTES:

5.1. City Council Regular Meeting Minutes-April 26, 2016: A motion was made by Randall, seconded by Leckner, and unanimously carried to approve the April 26th, 2016, City Council Regular Meeting minutes as presented.

6. FINANCE:

6.1. Payables & Prepaids: A motion was made by Utke, seconded by Randall, and unanimously carried to approve the payables in the amount of \$40,664.44, and the prepaids in the amount of \$80,423.78, for a total of \$121,088.22.

7. CONSENT AGENDA: A motion was made by Nordberg, seconded by Leckner, and unanimously carried to approve the following consent agenda items:

- 7.1. Approve Backhoe Operator's License to Work in the City of Park Rapids in 2016 for Cooperative Development, Pickett's Excavating, and Area Excavating Service.
- 7.2. Approve Public Facilities Use Permit for Jim Camron d.b.a. Northern Knights Car Club to Close Blocks 1, 2, and 3 of Main Avenue on Saturday, August 13th, 2016, from 8:00 a.m. to 12:00 noon for the Run to the Rapids Car Show.
- 7.3. Approve Pay Request in the Amount of \$175,988.00 to the League of Minnesota Cities for Liability Insurance.
- 7.4. Approve Pay Request in the Amount of \$22,499.00 to Headwaters Regional Development Commission for Reimbursement of the Small Cities Development Program Grant Funds.
- 7.5. UTILITY BILLING: Deny Request for a Refund on the 2016 First Quarter Water/Sewer Billing for William and Mary Sue Skelton at 1115 Sunset Loop #26, in the City of Park Rapids.
- 7.6. Approve Purchase in the Amount of \$8,498.82 from Ferguson Water Works for Supplies (Meters, Couplers, Saddles, Curb Stops, Valves) for the City Water/Sewer Department.
- 7.7. Resolution #2016-84 Approve Temporary On-Sale Liquor Licenses for the Park Rapids Community Development Corporation in the City of Park Rapids.
- 7.8. Approve Public Facilities Use Permit for Cynthia Jones d.b.a. Park Rapids Community Development Corporation to Close Second Street West, from Park Avenue S. to Main Avenue S., on Thursdays, 6/16, 6/23, 6/30, 7/7, 7/14, 7/21, 7/28, 8/4, 8/11, 8/18, all in 2016, hours will be 6:00 p.m. to 8:00 p.m., except on 8//11/16 hours will be 7:00 p.m. to 9:00 p.m. for the Second Street Stage Events.

- 7.9. Approve Transient Merchant License for Mike Monsrud d.b.a. Park Rapids Community Development Corporation on 6/16, 6/23, 6/30, 7/7, 7/14, 7/21, 7/28, 8/4, 8/11, 8/18, all in 2016, for the Second Street Stage Events.**
- 7.10. Approve Public Facilities Use Permit for Cynthia Jones d.b.a. Park Rapids Community Development Corporation to Close Block Two of Main Avenue South, on Sunday, July 10th, 2016, from 11:00 a.m. to 3:00 p.m. for the Bite of Park Rapids Event.**
- 7.11. Approve Transient Merchant License for Mike Monsrud d.b.a. Park Rapids Community Development Corporation on Sunday, July 10th, 2016, for Bite of Park Rapids Event.**
- 7.12. Resolution #2016-85 Authorizing Proper City Officials to Execute the Cooperative Service Agreement by and between United States Department of Agriculture Animal and Plant Health Inspection Service/ Wildlife Services and the City of Park Rapids.**
- 7.13. Resolution #2016-86 Relating to Financing of Proposed Fire Hall Addition/Remodeling Project to be Undertaken by the City of Park Rapids Establishing Compliance with Reimbursement Bond Regulations Under the Internal Revenue Code.**
- 7.14. Approve Pay Request in the Amount of \$43,281.25 to Northland Trust Services for the 2015a General Obligation Improvement and Refunding Bond.**
- 7.15. Approve Pay Request in the Amount of \$15,633.75 to Northland Trust Services for the 2008 General Obligation Bond.**
- 7.16. Approve Pay Request in the Amount of \$17,675.01 to Northland Trust Services for the 2010a General Obligation Bond.**
- 7.17. Approve Pay Request in the Amount of \$64,196.88 to Northland Trust Services for the 2010b General Obligation Bond.**
- 7.18. Approve Pay Request in the Amount of \$4,500.00 to Northland Trust Services for the 2009a Crossover Refunding General Obligation Bond.**
- 7.19. Approve Pay Request in the Amount of \$1,050.00 to Northland Trust Services for the 2009b General Obligation Bond.**

- 7.20. Approve Pay Request in the Amount of \$36,120.00 to Northland Trust Services for the 2012a General Obligation Crossover Refunding Bond.**
- 7.21. Approve Pay Request in the Amount of \$8,928.75 to Northland Trust Services for the 2010c Refunding General Obligation Bond.**
- 7.22. Approve Expense in the Amount of \$1,700.00 to Indigo Signworks to Repair Pylon Sign Message Board for Rapids Spirits Municipal Liquor Store.**

END OF CONSENT AGENDA

8. COMMENTS FROM CITIZENS: Darrell Johnston stated my friend and I are driving the Jefferson Highway and making a documentary. The Jefferson Highway is a road that was started in 1915. It goes from Winnipeg to New Orleans. The documentary is to bring awareness to the small towns that the highway runs through. Park Rapids is one of those towns sitting on Highway 71. We're hoping to get a proclamation from each city the highway passes through, just like they did in 1916. The proclamation declares May 10th as "Drive the Jefferson Highway Day". It's a promotional tool, that as we make this film, it brings greater awareness to the Jefferson Highway and promotes tourism for Park Rapids.

Josiah Laubenstein read the proclamation into the record for the audience. We're trying to talk to every Council as we pass through their town. We have the City of Des Moines, the Governor of Iowa, we're working with New Orleans. This would be the northern most town to make a declaration. We have a lot of other small towns along the way we hope will be part of it. It would be great to have your support.

A motion was made by Utke, seconded by Nordberg, to Proclaim May 10th, 2016, as Drive the Jefferson Highway Day.

Discussion: Nordberg stated I think this is an important recognition. I thank them for their efforts in doing this. I've worked for the Jefferson Highway Association. We've had their conference here several years ago. We hope to have them back. They toured Itasca Park from Park Rapids.

The vote was called.

The motion carried unanimously.

9. PLANNING:

9.1. Resolution to Approve a Conditional Use Permit for a Home Occupation in the R-1 Zoning District at 806 Monico Lane, PID #32.47.01100:

Mathisrud stated this item is to request a conditional use permit for Rebecca Bentley, for an interior design studio, to be located at 806 Monico Lane, which is located in the R-1, Single Family Residential Zoning District. The Planning Commission reviewed this request

at their last meeting. The applicant intends to operate a home occupation out of their home. Their plans are to live in the basement, of the former church, and operate the interior design studio in the top floor. Our home occupation ordinance allows a resident to do this as long as it's owner occupied, and that the home occupation occupies no more than 25% of the space, and that no major modifications are made to the structure. As part of this request we also have a variance being requested to operate on 50% of the upper floor.

Mathisrud stated there were no comments or opposition to this request. The Planning Commission voted unanimously to recommend approval of this request subject to the following three conditions, that the commercial space be limited to the upper floor of the church existing at the time of the application, which is approximately 1,500 square feet, that all work meet Minnesota Building Code Standards, and that paved off street parking be provided for the combined residential and commercial uses.

A motion was made by Utke, seconded by Randall, and unanimously carried to approve Resolution #2016-87 Approve a Conditional Use Permit for a Home Occupation in the R-1 Zoning District at 806 Monico Lane, PID #32.47.01100.

9.2. Resolution to Approve a Variance to Allow 50% of Floor Area for a Home Occupation for an Interior Design Studio in the R-1 Zoning District at 806 Monico Lane, PID #32.47.01100:

Mathisrud stated this request dovetails with the previous one. This is a variance for the applicant to occupy 50% of the floor area as a home occupation for the interior design studio, as the ordinance only allows for 25%. This is located at 806 Monico Lane, in the R-1 zoning district. The applicant is requesting the 50% variance because we are converting an existing structure that was not designed for any other use but a church space. In this adapted use type situations some flexibility is needed to accomplish a suitable reuse. Being this is in a residential district, and rezoning to commercial use was not appropriate, this would be a way of allowing the space to be utilized in an effective manner with a variance to this single provision in the ordinance.

Mathisrud stated a public hearing was held on April 25th. There were no comments or concerns raised at that time. The Planning Commission voted unanimously to forward a recommendation to approve this request.

A motion was made by Nordberg, seconded by Leckner, and unanimously carried to approve Resolution #2016-88 Approve a Variance to Allow 50% of Floor Area for a Home Occupation for an Interior Design Studio in the R-1 Zoning District at 806 Monico Lane, PID #32.47.01100.

9.3. Discovery Circle Infrastructure Extension Considerations:

Mathisrud stated we have started a process to see whether or not if we should extend water and sewer to Discovery Circle in 2017, as indicated in the CIP. We have developed some information for your consideration on this.

Mathisrud presented an oral history of the development of the Green Acres Addition for single family homes, and the installation of the septic systems in the 60's and 70's. Both Henrietta Township and the city have studied the possibility of installing water and sanitary sewer to this area in the past. This area was annexed into the city in 2012 to potentially provide services. After a very heated public hearing the project was postponed.

We have since installed a lift station and finished the water looping on Henrietta Avenue, resulting in some deferred assessments for the Green Acres Addition.

Mathisrud stated since the project was delayed staff has run into some issues. We're having difficulty administering the septic ordinance. There are residents wondering if they should replace their septic systems or not. Any system out there that is original to the home is not compliant with Minnesota Rules in their current state. They basically need to be upgraded to become compliant. Mortgage underwriters are triggering upgrades to these systems upon sale of the property. These property owners are disclosing to potential buyers that there is uncertainty whether or not there is a utility project in the future.

Mathisrud stated in 2011 the city issued a resolution stating that we would not require upgrades of these septic systems because a project would be coming in 2012. But that didn't happen in 2012. We know there are 26 septic systems out of 44 homes that are currently not compliant. We are seeing a steady flow of upgrades coming from those property owners. That's reducing the benefit to those property owners if a property does move forward in the future.

Mathisrud stated we looked at water quality for that area. We found that several property owners had experienced nitrate problems in the past in 1985 and 1994. Some of those property owners dug deeper wells to correct the problem. As part of the recent open house that we had we tested four homes and found that they all had good water quality. We didn't find any that did not meet standards. We do not regularly test private wells.

Mathisrud stated last month we initiated an open house as part of the process for preparing for a project in 2017. We brought some estimated cost figures. The purpose was to get a pulse of whether or not there was support in the neighborhood for the project. We had 37 people attend the meeting and complete a survey. The neighborhood is divided into two groups. One that highly opposes doing the project, and the group that is highly supportive of the project. 50% supported the project and everybody filled out our survey and left comments. Staff left the meeting with the impression that people want resolution to this one way or another.

Mathisrud stated due to the small 100 foot lot sizes, which is the minimum lot size in Park Rapids, staff recommends that providing services in 2017 be provided as a solution moving forward. However, there are questions, such as cost. That is the primary concern for most of the residents. One major factor is the cost of connection. They will have an assessment of around \$19,000.00 per lot, plus the hook up costs. We could potentially combine those as a single project.

Mathisrud stated we also looked into grants as a way of reducing some of the burden to some of the property owners out there. There are questions as to the amount of money available for these types of projects. We explored opportunities through the Minnesota Department of Economic Development and found that the residents that live in the neighborhood likely will not qualify for those grants because the low to moderate income threshold is extremely low. There is a housing rehab grant available. Individuals with moderate income thresholds could potentially apply for something like that. Staff would have to prepare a grant application to put that together. That would take a significant amount of time. A similar program to that is the USDA Rural Development grant/loan to individual owners if they meet the guidelines. There are a number of people in that neighborhood that could meet those low to moderate income guidelines.

Mathisrud stated there are three options that the Council might consider in moving forward. Option A is for staff to move forward with a task order to develop a project to serve Discovery Circle with water and sanitary sewer. Option B is for staff to work with neighborhood leaders and provide them with the tools to petition the city for utilities. This would give the Council a better feel as to whether or not there is support for utility services there. Option C is to postpone the project indefinitely and not provide services. Staff would advise the residents we will not be extending services, and nonconforming septic systems would have to be upgraded.

Utke questioned how many residents are out there? We have 35 surveys. Mathisrud stated there are 44 households out there that we identified. Four houses are hooked up to city sewer and water. That was the result of previous project development.

Nordberg questioned when you talked of the price for the assessment and then the hookup could be included in the assessment, would that be on a per household basis, or per project? Would that be an option, or is it included with the project? Mathisrud stated that would be an item that we would have to study further. We did some preliminary work on this. We can amortize individuals by providing services through a hookup agreement. That is an option that we could potentially do for individuals. As far as doing it project wide for everybody, it would just increase the cost of the project. I believe we could do that, but we'd have to verify that.

The mayor requested comments from the audience.

Mark Harmon stated I live at 16216 Discovery Circle. On March 1st, 2016, the City of Park Rapids sent an invitation to the residents of Discovery Circle to attend a meeting on April 5th at Northwoods Bank from 4:00 p.m. to 6:00 p.m. The open house was to meet informally with the staff to discuss a proposed utility project for my neighborhood. At this informal meeting there was an unmarked box. That was a suggestion box. From the data in that box the idea that a majority of people are hinting of moving forward with this project is just completely premature. When I arrived there was a discussion between a resident and Councilmember Nordberg that was rather heated, and certainly uncomfortable for people to even come close around, which was unfair. My family was not directed to the box or that there was a place to state an opinion. There were no controls of who could vote or not on the project. There was no way to know who voted, renters or property owners. The city will be or has been recommended to spend thousands of dollars to take a fact finding step on this project, this is a complete misuse of funds. If the city uses resources to evaluate a project of the data that was collected from making the decision was from an informal meeting, in a non-controlled polling data, it's making a huge mistake. If the city wants to do what is truly in favor of the residents then we should have a formal meeting, or take a formal survey served to each and every homeowner in the neighborhood to form a true opinion as to when and how the city should be encouraged to act.

Harmon stated other factors that were not discussed with the residents of Discovery Circle is that our taxes are not fully assessed to this point. Ryan Leckner informed me that negotiations between Henrietta Township and the City of Park Rapids that our taxes would be incrementally raised 20% over five years to gradually bring us to the current tax rate. Our residents are not looking at their full financial forecast. We are either at 60% or 80% of our property tax rate, and in addition, when this project is completed, there will certainly be a higher base property tax value for higher taxes, or whatever this project may cost.

Current projections are close to \$190.00 a month for over a twenty year period, which will cost each property owner \$45,000.00, for each lot, and not to mention future tax hikes.

Harmon stated I can appreciate the city's concern for providing services, and we thank you for fulfilling your duty. However, this project is such an effort of haste and incomplete research that it makes my head spin. I hope you all take a really hard look at why we are being forced to hook up to a system at such a high cost when our water quality has been recently tested and has proven to be excellent. To bring a septic system into compliance would cost about \$5,000.00. It just does not make sense. Please help us and either take a formal survey, or drop this project for good, please.

Harmon stated what qualifies for noncompliance in a septic system is lack of having a certification that says you're in compliance within the last five years. If you might have owned your home for seven to fifteen years what need would you actually have to certify your septic system? Most normal people would just continue to let that ride unless they have been proven to have a problem. Unless they have an opportunity to recertify that I think we are not working with the full statistical value.

Josh Hawn stated I am a resident in Discovery Circle. I appreciate all of the work that has gone into this. It's obviously a very hot button item. I don't envy the people that have to make these tough decisions. I'd like to encourage you to take the second option and do a petition or a proper survey. My feeling is that people thought we had bad water, and they want the sewer. I understand that the water could go bad in the future. I think that's a valid point.

Hawn stated when you consider the houses that are in Discovery Circle, they are people who do not have an inordinate amount of value in their homes. The homes are about \$100,000.00. Tacking on \$20,000.00 to each home would be quite a burden. I understand that these things cost money. I appreciate all the work that has gone into looking for grants. I understand some of those things work and some of them don't. I urge the feasibility of something like this and putting that burden on every homeowner that's out there in Discovery Circle.

Hawn stated we've been trying to sell our house to get into a bigger place. We're having a real hard time selling our home because of this situation being up in the air. We have had offers, but they have been largely \$20,000.00 less than what we are asking because people are assuming that's how much this is going to cost. That's fine. I appreciate people wanting to do that. I'm not saying all of this for my sake so I can sell my home, or keep my money. I know that people living there don't make a whole lot of money. They don't have a lot invested in their homes. Certainly some do. But I feel like this would be an undue burden on many of the residents that live there. I would urge you to think through this very carefully.

Mikesh stated we have three options, A, B, or C. We have beaten this up. We've spent money time and again doing surveys and studies. Whichever option we go with we need to stay with it. I said once before it's not if it's going, it's when. You should start planning on it. That was four years ago. The price has gone up. Now you're stuck with a higher cost. Now it's back to the Council. We'll make a decision and stand by it. Either move on with it, or take it off the books.

Randall stated I've been on the Council for three years. This is the very first time that any headway has been made with discussion on this. I think, contrary to what Harmon indicated, the Council desires some kudos for trying to get the community involved in this

decision. It was a really great idea. I don't think that we had to do it. The Council voted to add water and sewer out there many, many years ago, and the planner wouldn't have had to do that at all. We could have simply pushed forward and dealt with a lot of unhappy people. I think it was handled really great. I'm really happy that our staff and Council spent the time on this so that everybody had a good idea and understanding of what is going on out there. Whether it's a formal or informal vote I think the survey tells us a lot about what people are thinking out there. I don't think it's fair to not give the appreciation to where it's due on this. It was a great thing to do.

Utke stated a number of years ago we started with very few people in favor, and now it looks like we're getting more in the middle. We've left it up to the residents to have their input.

A motion was made by Utke, seconded by Randall, to authorize staff to proceed with Option B., for staff to contact neighborhood leaders and provide a petition to be circulated in the neighborhood to be returned to the city by June 6th, 2016.

Discussion: Utke stated we'll get their input and move forward, or drop it.

Randall stated whatever we send out make sure it's going to the owner of the home and not the renter. I'd like some further discussion and a reminder about what the septic ordinance is, what compliance is, and what it takes to make a system compliant. Sometimes it is not a whole new system. Sometimes it's getting a certificate, which costs \$125.00, and filed with the city. I want to remind the Council and the staff that if we decide not to go forward with this project, and table it indefinitely, that we have a lot of septic systems out there and some truly are not compliant and failing, and that we are going to have to dedicate some time and money to make sure we are monitoring those systems and enforcing the septic ordinance.

Utke questioned they're not open bottom systems are they? Mathisrud stated the 26 that we indicated are open bottom systems that need to be upgraded. It's not that we didn't have data. In a previous survey those system were identified as original and are open bottom systems.

Randall questioned what's the approximate cost for a new system? Hawn stated it's between \$5,500.00 to \$6,000.00. Mathisrud stated the cost estimate is based on the number of bedrooms.

Nordberg stated I have a concern about the public safety issue of fire hydrants. You have 44 homes in a two block radius I think creates a fire hazard with no fire hydrants. Having city water would produce the fire hydrants, which would reduce some of the risk.

Leckner stated we have to get that information out to the homeowners when we send out the survey, or if we could have a staff member go out and explain if they weren't at the meeting about the concerns. Randall stated people need to know if the vote comes back that we don't pursue it, they need to know if they have a failing system there will be a deadline to get a new system installed. That is the expectation. They are going to have to spend the \$6,000.00 to get a compliant system.

Nordberg questioned I assume the assessment would be over a twenty to twenty-five year period? Brumbaugh stated all our recent bonds have been for twenty years.

The vote was called.

The following Councilmembers voted in favor: Mikesh, Nordberg, Randall, Utke.

The following Councilmember abstained: Leckner.

The vote carried 4-0, with 1 abstention.

10. GENERAL BUSINESS:

10.1. Ordinance Extending Gas Distribution Franchise: Fieldsend stated the current natural gas franchise will expire on the 18th of May. We have to have another one in place by the 18th. We're asking for this six month extension. The negotiations are almost complete on the new franchise agreement. I'm sure we'll have a new agreement in place soon.

McKinney stated we have the two readings tonight because the ordinance will expire before your next regular meeting. Fieldsend stated or we would have to have a special meeting just to approve the second reading of the ordinance.

McKinney stated the first action is for the Council to approve the first reading, then the mayor will call for a motion to suspend the rules, City Code 30.26(A)(2), that require two readings of an ordinance at separate Council meetings, and then the mayor shall call for a motion to approve the resolution and to give the ordinance its second reading.

A motion was made by Utke, seconded by Nordberg, and unanimously carried to approve the first reading of the Ordinance Extending Gas Distribution Franchise Ordinance.

A motion was made by Nordberg, seconded by Randall, and unanimously carried to suspend the rules, City Code 30.26(A)(2), that require two readings of an ordinance at separate Council meetings.

Discussion: Nordberg stated the original franchise agreement was for twenty-five years. Do we have any indication what this one will be? Fieldsend stated the new one will be for twenty years.

A motion was made by Randall, seconded by Leckner, and unanimously carried approve to Resolution #2016-89 Approving Ordinance No. 559 Extending Gas Distribution Franchise Ordinance.

A motion was made by Randall, seconded by Leckner, and unanimously carried to approve Ordinance No. 559 Extending Gas Distribution Franchise Ordinance.

10.2. Park Rapids Downtown Business Association Request for Main Avenue Bathroom: Dick Rutherford stated the Downtown Business Association has given you a letter that has been signed by sixty people, both businesses and people from downtown, not all of them are from the city, but they are all people who own businesses downtown. They are requesting a bathroom be put in Pioneer Park. The Park Board has CIP money, \$100,000.00, to put one out in Deane Park. We would like you to use that to put one downtown, and then consider the one for Deane Park later. We're not saying that

Deane Park does not need one. But we do need one downtown before Deane Park needs one. We've been trying for years to get one downtown. We're promoting more activity downtown and we would like you to consider this request.

Utke stated this has been a topic of conversation ever since I've been in town. It's been a want and a need. It's important. Randall stated I don't recall this \$100,000.00 for Deane Park being on the CIP for this year. Brumbaugh stated it's been on there, and it's there for this year. The Park Board has plans for Deane Park over a period of years. McKinney stated they adopted their park development plan a couple of years ago.

Randall stated the bathrooms on Main are a bigger priority than in Deane Park. We didn't discuss it so I don't know if there could be a switch right now. All sorts of questions come to mind about putting in new bathrooms, like up keep, vandalism. Utke stated something like this would originate with the Park Board. McKinney stated I would recommend that if you are so inclined, you might want to refer this to the Park Board for their input.

Randall stated when the cost came in for Pioneer Park there's \$16,850.00 for the landscaping, and another \$3,706.00 for fences, which came from parkland dedication. It's not from the general fund, it's separate monies. So for the total of \$78,250.00, the \$20,556.00 should be subtracted from the total to show the cost to the city's general fund. Brumbaugh stated parkland dedication money comes from developers when projects are done. They used to be able to give either land or money, but it's been changed now.

Nordberg questioned I don't see a cost figure for the picture of the park bathroom in Oklahoma. What is the estimate for that? It's a nice looking picture, but I'd like to know the dollar figure. Brumbaugh stated our rocks cost us \$17,000.00. Our fence cost \$5,000.00. A bathroom is probably going to be around \$50,000.00. You can go from there.

Rutherford stated the two benches that were put in Rice Park were donated by Pizza Hut. I've got people donating things to the parks, so maybe we can get another bench.

Tom Petschl stated I'm a member of the Parks and Beautification Board. I do reside within the city limits. The majority of our members do not live within city limits, but they volunteer their time endlessly, tirelessly, and for no financial gain of any kind. This is the city's trail and park plan done in 2008. This is the bible that the Park Board goes by when we make recommendations to the city. In there is Deane Park and the upgrades for toilets for the park. Nowhere in this document will you find Pioneer Park in any way, shape, or form. Deane Park is described as needing modern toilets, a small playground set, and more. This plan was done by the hard work of previous members of the City Council, staff, and the Park Board back in 2008. There has been no money spent on Deane Park for twenty years. Right now the Park Board is also working on revamping the donation policy to generate some funding for our parks.

Petschl stated when the Park Board started to discuss the parks it was brought up for Pioneer to receive a bathroom. But the Board was lead to believe that upon the acquisition of the armory that bathrooms contained within would be considered as public bathrooms, thus eliminating all need for additional bathrooms. There are public bathrooms in these facilities that are in close proximity to downtown, city hall, Depot Park, the armory has twenty total fixtures of which ten are single unisex bathrooms, and in the basement there are two large bathrooms each with five stalls and handicapped toilets, Pioneer Park will have a portable toilet this summer, the courthouse, and Amish Oak has signs in their

window stating they have bathrooms. During the Second Street events there are portable toilets placed in front of the senior center.

Petschl stated the library does “stats week” in April where we sit in the entryway to the library and count people coming into the facility. Just outside are the public restrooms. I was amazed at the amount of people that come in to use the toilets and leave and don’t even enter the library. I had the afternoon shift from 1:00 p.m. to 3:00 p.m. Everybody knows they are there. We’d encourage someone from downtown to join either the Park Board or the Library Board. We’d welcome their perspective.

Petschl stated there are additional facilities people would be willing to go to for bathrooms, like grocery stores, drug stores, Coborns, Hugo’s, Walgreens, chain restaurants such as McDonalds and Subway, gas stations like Cenex, Conoco, and BP. Additional facilities are in the banks, like Citizens. The big problem is that people don’t know when they come to town where any of the public restrooms are. The Park Board did allow a kiosk to be put in Pioneer Park. The downtown members are going to pay for that and put it in. On that map it would be very wise to put markers where the public restrooms are that we have existing at this time, and also any businesses that are willing to accept any public restroom traffic. Then any tourist can see that map and utilize those facilities. With the facilities that are available the Park Board feels, with the addition of the Port-a-potty, they should be adequate, and maybe with the amount of toilets available that portable unit in Pioneer Park isn’t even necessary.

Nordberg questioned what is the Park Board looking for time to get this done? Utke stated this is being presented by the downtown people. Petschl stated the Park Board is not in favor of it. Utke stated we were asking for a buy in and what’s important to the Park Board because this is their jurisdiction. Sue Cutler stated the ordinance regarding the Park Board does say we’re advisory to the City Council. McKinney stated you’re discussing whether or not to refer it to the Park Board. Leckner stated I think they’re asking if we want to include it in the CIP for the future and if we would use the money that was for Deane Park. Brumbaugh stated the Council did talk about adding bathrooms for Pioneer Park at the last CIP meeting. Even if it wasn’t to complete them right away it would be addressed on it. It’s on our notes to add it in, but not necessarily what year to add it on to. You have addressed this in the past. McKinney stated keep in mind that the CIP isn’t money, it’s your wish list.

Randall questioned what the plan moving forward was for bathrooms for Deane Park? McKinney stated it’s on the CIP for 2016. The last discussion you had was to use part of that money to purchase land for Depot Park. Petschl questioned before you proceed with anything on Pioneer Park shouldn’t the Council, staff, and the Park Board sit down again and amend the Parks Plan to contain that before we do anything to Pioneer Park? Utke stated right, that should be looked at. The discussion should happen this summer so that it would be either a budget item or added to the CIP for a future year. McKinney stated it would be totally inconsistent not to include the Parks Board in that discussion. Randall stated they should be included. That park is somewhat unique. It’s not really a destination. I would encourage the Park Board to look at the overall benefit to our visitors that benefit all of us here. I disagree that all of these bathrooms on this list are public bathrooms when they’re 8:00 a.m. to 4:30 p.m. There’s nothing for evenings and weekends.

Petschl stated, to the downtown businesses, we have a library here that has public bathrooms in it. We're looking to enlarge the library with an addition. Looking into the future it will be a better library. That in itself will bring in more people than a bathroom in a park. When we build that facility we could expand bathrooms in it to be able to handle more people, be larger, be open several hours after the library closes. I think if the downtown businesses want to get behind something that should be it. Let's get something that we could be proud of that would be a focal point for the city and draw more people in. I think that's what the businesses are all about too.

Randall stated I agree with that but I don't think the library is on the radar right now. We do every summer have a large crowd on Main Street. I think people are comfortable going into the business and asking to use the bathroom. Petschl stated I don't think they will ask. Randall stated I would like to see bathrooms on Main Street and in Deane Park as well. Petschl stated I think a permanent facility in Pioneer Park is a waste. With the armory so close there are a lot of bathrooms there. The public can be directed to that, and the city owns that. McKinney stated no we don't. And when we do own it, the point is to have a long term lease for someone else to run it. Petschl questioned with that in mind couldn't that be retained as public restroom facilities? McKinney stated that would be for something down the road. The matter before you is not to take Deane Park off the list, it's the issue of the need, or not, in Pioneer Park. You may not want to tie taking money from one park to the other, but to ask them to address the question of the need in downtown.

Sue Cutler stated I wanted to point out that the Park Board was divided on this topic. Four of the members had the opinion that Petschl has voiced. I'm more supportive of bathrooms in Pioneer Park. There were two members that weren't there. Leckner stated I'd support bathrooms on Main. Anyone could spend an hour there and you'd hear a complaint from people looking for bathrooms. I think it is a problem. We should consider looking into it. It's not about taking money from somewhere else. We should put this on our priority list.

Nordberg questioned I don't see any funding support from the downtown businesses? What do the businesses have in line for support for this in dollars? Rutherford stated every one of the businesses there support it. Nordberg stated I'm talking about dollars to pay for it.

Cynthia Jones stated we pay \$850.00 for a portable toilet for Second Street Stage events. The issue here is not access to bathrooms. It's when you need a bathroom, you need a bathroom. Being a business owner on Main I can't tell you the number of times that a woman walks in pulling a little child asking "Do you have a bathroom". It's children, it's adults, When you need a bathroom, you need one. You don't want someone to tell you to go to Walgreens or Coborns. That's the issue, and the issue for us is business on Main Street. Without a bathroom we're sending people on wild goose chases to find one. Offering bathrooms in the armory were never part of the plans. The park plan is from 2008 before the armory was on anybody's radar. The bathrooms in the armory are locked. The armory is not open and accessible. Petschl stated at this time, but maybe in the future. We don't know that. Jones stated I don't think public bathrooms was part of the business plans for the armory. The issue is when you need a bathroom, you need it. Without bathrooms in Main, you're hurting business on Main. Petschl stated but a bathroom at Pioneer Park if you're down at Amish Oak isn't going to do you any better to run all the way down there then to try and get a bathroom closer. It's nice, but it's not the total answer.

Mikesh stated we've discussed the needs and wants of it. Parks and downtown businesses need to find a source of funding for it, and then come together on an agreement of how we're going to do this.

Randall stated to me it's about making Main Street welcoming to people. It's saying to value you whether you're a tourist or you live here we value you coming downtown and we're going to show you that by offering this to you. You can go into these places. Most of these places have their bathrooms way in the back, or they're in a restaurant. It's called welcoming. It's saying we want you here, and we're doing this for you. Leckner stated the city is here to provide services, and that is providing a service. Mikesh stated to me a port-a-potty is not the answer. Randall stated anyone with small kids, a port-a-potty is great, but a lot of times you're just trying to get the ice cream off their hands, and that's why you need a bathroom. Nordberg stated we shouldn't have to reinvent the wheel on this. There are lots of little towns with downtown parks with restroom facilities. It's done in other towns.

Brumbaugh stated typically, every group, like your Parks Board, talks to their liaison. The liaison, and in this instance it's Fieldsend, will put the item forth to include on the CIP. Then the staff gets together and we rate everything on the CIP based on how we feel about it. Then the Council reviews everything. At this point, you have a process in place for this.

A motion was made by Utke, seconded by Randall, to refer the Park Rapids Downtown Business Association Request for a Bathroom in Pioneer Park to staff to discuss with the Parks Board.

Discussion: Liz Smith stated I'm a member of the Park Board. I have only been on the Park Board for a short time. This was a hot button topic when it was brought up. The Park Board has a great understanding of how much a bathroom is needed in the downtown area. But we also have a CIP that we're working from. We have an old park, Deane Park, where things are falling apart. There's no place for people to go to the bathroom. So how do you look at that and say it's welcoming to visitors. Hundreds of people use that for reunions. They go to the bathroom in the lake and the river. We're just trying to follow the CIP and provide the bathroom that was noted, and then I think it would be wonderful to work together to somehow get something for downtown. But right now, what we are saying is there are facilities that are available downtown for people to use the bathrooms. I think if we get that listed on the downtown kiosk so the people understand where the bathrooms are. A port-a-potty is not the best, but it's going to be a temporary solution for this year.

Mikesh stated that's what we're saying too. Let's get it on the CIP and start looking at it.

The vote was called.

The motion carried unanimously.

11. CITY ADMINISTRATOR COMMENTS: McKinney stated I've been contacted by the Police Management Systems, and they would like to bring forth their study at the Council meeting on June 14th. Randall questioned is that the right way to do that? Is there going to be some things corrective in nature? McKinney stated they present their findings via a power point presentation. Their recommendations will be in regard to policies that we

should do. This is their standard procedure to present their findings to the full Council. Randall stated we have other issues than just a review of our policies. McKinney stated there's a job description in the contract for a management and operational study and they will present their response to that. The Council decided to schedule the study as a workshop on June 14th, 2016.

12. DEPARTMENT HEAD UPDATES: There were no comments.

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

14. COMMENTS FROM COUNCIL: There were no comments.

15. CLOSED SESSION:

15.1. Preliminary consideration of allegations or charges against a City of Park Rapids Employee pursuant to Minn. Stat. § 13D.05, subd. 2(b): McKinney stated you have material prepared with regards to this matter. This deals with a recommendation from the Personnel Committee. If you wish to go into closed session, that is an option. The person involved has the right to request that the closed session be open. In order to assure that person had knowledge of that option our legal counsel recommends that we give notice other than what we have given so far. If you want to go into closed session you would need to direct us to notify the employee, and then do it at the next Council meeting, or at a special meeting as long as there's enough time to publish the notice. The alternative action you have is to accept the recommendation of the Personnel Committee with discussion on the basis of the recommendation. You can do that tonight if you wish because you aren't going into closed session.

Nordberg questioned did the Personnel Committee include the department head involved? McKinney stated yes. The matter arises from the employee during the first year while on probationary status. It's been your history to take that to the Council to make it a permanent position.

A motion was made by Nordberg, seconded by Utke, to approve Resolution #2016-90 Approve the Recommendation of the Personnel Committee Regarding Matthew Stein.

Discussion: Randall questioned can we discuss it? McKinney stated you can discuss whether or not to move it forward, but not any of the issues. Randall stated my concern is about the wording. I think the language "probationary employment to full time status" needs to be revisited to make sure we're using the right language on things. People on probation are employees of the city. They retain full time benefits, retirement. We pay the same for them. This is not a contract position. We need to be careful when we're saying that. This person is a full time employee. I don't like the language that we are using.

McKinney stated that is the language that we use when we have a resolution making the reverse decision. Randall stated you're simply moving someone from probationary to non-probationary. There should be no reference to full time. McKinney stated you could change the resolution in regard to full time to permanent status. Randall stated I have an issue with the permanent status as well. Essentially, the recommendation is to terminate employment. I think that's all the resolution needs to say. That is what we're doing.

Leckner questioned is this what the attorney recommended? McKinney stated he has approved this resolution. Randall stated we're using language that we have been using and I think we need to revisit it. The employees just need to know what all this means. It's misleading to say extended to full time, or that we're continuing your employment. We already offered a full time job. We're terminating employment. I don't think it matters. The only thing about probation that matters is the procedure beforehand to terminate. McKinney stated this language came from a resolution for an employee that is going off probation. Randall stated I think we need to look at all of it. I don't know the reason for a resolution to make it off probation. There's nothing that changes. You don't get more salary, or benefits. Brumbaugh stated it's the pay scale. After one year, there is a raise. We stated they are going off probation on their one year anniversary and then they go up another step at the same time. Randall stated I'd like to relook at that and explore it.

**The vote was called.
The motion carried unanimously.**

16. ADJOURNMENT: A motion was made by Utke, seconded by Randall, and unanimously carried to adjourn the meeting at 7:26 p.m.

[seal]

Mayor Pat Mikesh

ATTEST:

Margie M. Vik
City Clerk