

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
FEBRUARY 27, 2018, 6:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota**

1. CALL TO ORDER: The February 27th, 2018, 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 Tom Conway, Ryan Leckner, and Liz Stone. Absent: Councilmember Erika Randall. Staff Present: Administrator John McKinney, Treasurer Angela Brumbaugh, Public Works Superintendent Scott Burlingame, Liquor Store Manager Scott Olson, Planner Ryan Mathisrud, Fire Chief Donn Hoffman, and Clerk Margie Vik. Others Present: Apex Engineer Jon Olson, Cynthia Jones, Kathy Grell, Hubbard County Commissioner Char Christiansen, and Robin Fish from the Enterprise.

3. APPROVAL OF AGENDA: A motion was made by Stone, seconded by Conway, and unanimously carried to approve the agenda with the following additions:

- 6.19. Resolution to Approve Temporary On-Sale Liquor License for the Hubbard First Response and Rescue in the City of Park Rapids.
- 8.4. Report on Armory Square Project.

4. APPROVAL OF MINUTES:

4.1. City Council Regular Meeting Minutes-February 13, 2018: A motion was made by Leckner, seconded by Conway, and unanimously carried to approve the February 13th, 2018, City Council Regular Meeting minutes as presented.

5. FINANCE:

5.1. Prepays: A motion was made by Stone, seconded by Leckner, and unanimously carried to approve the prepays in the amount of \$143,155.88, for a total of \$143,155.88.

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

- 6.1. **Resolution #2018-33 Approving Ordinance No. 580 Amending the Park Rapids City Code of Ordinances of the City of Park Rapids, Chapter 90 Animals, Sections 90.001, 90.063, 90.064, 90.065, 90.066, 90.068, 90.069, 90.081, 90.082, 90.086, 90.087, 90.088, 90.999.**
- 6.2. **Ordinance No. 580 Amending the Park Rapids City Code of Ordinances of the City of Park Rapids, Chapter 90 Animals, Sections 90.001, 90.063, 90.064, 90.065, 90.066, 90.068, 90.069, 90.081, 90.082, 90.086, 90.087, 90.088, 90.999.**
- 6.3. **Resolution #2018-34 Approve the Renewal of an On-Sale 3.2 Beer License for Pizza Hut in the City of Park Rapids.**
- 6.4. **Resolution #2018-35 Approving the Renewal of On-Sale/Sunday Liquor Licenses for West Forty Restaurant, The Good Life Café, and Bogey's on 34 in the City of Park Rapids.**
- 6.5. **Resolution #2018-36 Approving a Wine and Strong Beer License Renewal for Bella Caffe in the City of Park Rapids.**
- 6.6. **Approve Pay Request in the Amount of \$20,000.00 to Hubbard County Regional Economic Development Commission for the First Half of the 2018 Annual Investment.**
- 6.7. **Approve Pay Request in the Amount of \$5,428.00 to Cozen O'Connor for Professional Legal Fees Regarding the Armory Square Project.**
- 6.8. **Approve Pay Request in the Amount of \$229.92 to BHH Partners for Professional Services for the Pioneer Park Restroom Project.**
- 6.9. **Resolution #2018-37 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for St Joseph's Area Health Services.**
- 6.10. **Resolution #2018-38 Approving Wage Adjustment and Step Increase for Part Time Rapids Spirits Liquor Store Clerk Kathleen Merfeld.**
- 6.11. **Resolution #2018-39 Approving Wage Adjustment and Step Increase for Part Time Rapids Spirits Liquor Store Clerk Mark Fox.**
- 6.12. **Resolution #2018-40 Approve Wage Adjustment and Step Increase for Full Time City Planner Ryan Mathisrud.**

- 6.13. **Resolution #2018-41 Authorizing Proper City Officials to Execute the Temporary Permit to Construct for Governmental Entities for the Trunk Highway 71 Improvement Project.**
- 6.14. **Approve Pay Request in the Amount of \$8,569.66 to Apex Engineering for Professional Services Pertaining to the Main Lift Station Reconstruction and the TH71 Frontage Road Projects.**
- 6.15. **Approve Pay Request in the Amount of \$3,720.00 to TKDA for Professional Service Pertaining to the 2016 Apron and Taxiway A Rehabilitation Project at the Municipal Airport.**
- 6.16. **Resolution #2018-42 Approve the Release of Mortgage Lien on Real Property at 1007 Pleasant Avenue South in the City of Park Rapids.**
- 6.17. **Resolution #2018-43 Approve Wage Adjustment and Step Increase for Full Time Police Officer Austin Rittgers.**
- 6.18. **Resolution #2018-44 Approve Wage Adjustment and Step Increase for Part Time Accounts Payable Clerk Lisa Dormanen.**
- 6.19. **Resolution #2018-45 Approve Temporary On-Sale Liquor License for the Hubbard First Response and Rescue in the City of Park Rapids.**

END OF CONSENT AGENDA

7. COMMENTS FROM CITIZENS: There were no comments.

8. GENERAL BUSINESS:

8.1. Resolution Receiving Engineering Report and Calling for Public Hearing for the Trunk Highway 71 South, Frontage Roads and Eleventh Street Utility and Street Reconstruction Project in the City of Park Rapids:

Jon Olson stated I'm here to present the preliminary engineering report on the South Highway 71 improvements, which we have been working on for the past year. We typically rely on special assessments to help fund projects in the city. The first step in that process, which is a requirement of Minnesota Statutes 429, is ordering a preliminary engineering report. We need to evaluate the needs and the scope of the project, and it serves as the basis for the design. The next step is a public hearing. We invite the adjacent property owners in and present the same information. We then proceed with the design. Once we get the design completed we go through a formal bidding process, order a contract, and then we

enter the construction phase. Once the construction is done we hold another public hearing to present the special assessments.

Olson stated the project is on Highway 71 south of Eighth Street through Industrial Park Road. It's over a half mile in length. It does include Eleventh Street. The discussion began many years ago with safety concerns at Industrial Park Road and Highway 71. It experiences really high traffic volumes and significant delays on the cross streets for those trying to enter traffic. The crash rates are higher than what you would typically see at this type of intersection and the crashes are at a higher severity than you would typically see. Pleasant Avenue is actually a County State Aid Highway (CSAH) known as County 53. It comes down to Industrial Park Road and extends right to Highway 71. So, it's a county road, and that's also true for the other side which is CSAH 15. We don't have any city owned legs on this intersection so the costs associated with this are not city costs.

Olson stated the discussions started on this intersection. Minnesota Department of Transportation (MN DOT) conducted a formal Intersection Control Evaluation (ICE) in 2015 and finished it up in early 2016. They identified that this intersection really does warrant improvements. They looked at all of the control types that would be a viable solution and they narrowed it down to a roundabout being the recommended improvement to address all of the concerns with this intersection. Roundabouts are one of the safest traffic control features. There may be crashes but the severity of those are very minor fender bender type incidents. Once MN DOT realized improvements were needed at this intersection they expanded the scope of their study and looked at the corridor from this intersection up to Eight Street. They included that in the scope of the study and they concluded that access improvements to facilitate access to the frontage roads and the adjacent businesses was recommended. They programmed improvements at that time for 2018 for the roundabout and the corridor itself, which included sidewalk, lighting, Highway 71 corridor improvements with complete reconstruction, upgraded to an urban section, dedicated left and right turn lanes, and drainage improvements. As the project developed we learned later that it was a little too aggressive to pull off in 2018 and it was postponed until 2019. That's where it stands right now.

Olson stated this is a very large project, lengthwise, but also in magnitude of scope. Anytime a MN DOT project like this comes through it's a long-term improvement. And it's in the best interest of the city to address any city needs we may have in the corridor. We did add this area to the CIP in 2016. About a year ago the city authorized Apex to do a preliminary engineering report to evaluate the city's infrastructure, review any parcels that may not be served with water and sewer, and provide recommendations and develop estimated costs.

Olson stated there are a lot of county and state improvements that are part of this project, but we will focus on the city improvements. The things that are of a concern to the city are the water, sewer, storm sewer, for the underground improvements, and for the surface improvements, the frontage road corridor and Eleventh Street. The underground utilities for this corridor are limited to a watermain crossing at the intersection where the roundabout is going, and a future six-inch stub to the south. We have another watermain crossing just south of Power Street. There's a sanitary sewer forcemain on CSAH 15 coming up to Highway 71 and heading south within the limits of the roundabout. There's a sanitary sewer crossing, a trunk line crossing south of Power Street which has a fair amount of flow from the southwest portion of the city. We have one storm sewer crossing

up near the fire hall. With that limited amount of utilities, we have several parcels that do not have access to sewer and water.

Olson stated the two watermain crossings are newer construction from the early 90s. They have usable service life remaining. Unfortunately, with the highway improvements we will have insufficient coverage on that watermain and it will be susceptible to frost. So, we are recommending that those two crossings be replaced. The trunk like sanitary sewer crossing does receive a fair amount of flow from the city, that is well beyond its useful life. It's an old clay tile pipe. Its condition is unknown, but based on the material, we are recommending that it be replaced as well. The forcemain is of newer construction, lucky, it doesn't look like the MN DOT improvements will impact that, so I think this will remain as is at this point.

Olson stated the frontage roads were constructed sometime in the 80s. They haven't had much work on them since that time. They were built as a twenty-foot rural road with no curb, gutter, and the storm water is collected in ditches. These roadways are experiencing a fair amount of deficiencies as it relates to the condition itself, which is not surprising for a plus thirty-year old road. There is moderate cracking in locations. There are also deficiencies as it relates to the drivability and the comfort. The driving corridor is not well defined. The adjacent parking blends in with the driving surface. It's not a nice driving corridor and it lacks pedestrian facilities.

Olson stated the Eleventh Street section is tied onto the project for two reasons. It's required for underground utilities, but it will also serve as a major access during construction. It's going to connect Pleasant Avenue to the businesses on the west frontage road. It's going to serve two functions throughout the course of the project. It's currently unimproved. Now with continued development in the area that use is increased. It's become a maintenance issue for city staff.

Olson stated for those improvements starting with the watermain, we're recommending that crossing be replaced at the roundabout. We'll be constructing the same watermain at a lower elevation so it won't be susceptible to frost. We recommend that the stub to the south be replaced as well. It's currently six inches. That doesn't allow for much expansion. We don't know what's going to happen south on Highway 71, so if we upsize it while we're doing this work it provides us much greater assurance so if things do happen in the future we'll be able to accommodate it. A six inch wouldn't allow for very much expansion. We're also recommending that the crossing at Power Street be replaced. We'll have the ability to extend water out on the west frontage road to the properties that aren't served right now. We'll have the opportunities to serve the properties on the other side from Eleventh Street. We could make a line and come through but there's added value in looping your water system. Looping the water improves the water quality for the users, improves fire flow, and reduces the need for flushing. For both sanitary sewer improvements, we recommend replacing the line crossing on Power Street, and extend it from there to grab both unserved parcels to the north and then on Eleventh, we're going to be in this corridor already, so we'll pull the sanitary sewer from Main Avenue down and then provide utilities to the unserved properties there.

Olson stated for the surface improvements we're recommending that both Eleventh Street and the frontage roads be upgraded to an urban section. Urban sections are more typical in this type of setting. They provide a defined driving surface, and with this situation where the parking is immediately adjacent to the road it will provide much better separation and delineation for the existing parcels. This coincides with the MN DOT improvements

with the elimination of ditches. They too are upgrading to urban section so the two improvements will work well together. Also, curb and gutter does protect the edge of your bituminous, particularly on these narrow roads.

Olson stated with the improvements to the roundabout itself, this existing frontage road that runs north/south in front of the church can no longer access the intersection of 71/Industrial. MN DOT requested that we consider terminating the south portion of that existing frontage road. We evaluated it and worked with the church and it seems everyone is okay with that concept. From a usability perspective for the main corridor of the frontage road, it works well with that. We're also looking at extending a sidewalk on the east side. The corridor is fairly limited but it looks like we'll have room to get that in there. That's in accordance with the city's comprehensive sidewalk plan.

Olson stated the roundabout is going to be lite. MN DOT will cover those costs. They have questioned if the city has interest in lighting the corridor north from the roundabout to Eighth Street. That is our option because they don't feel it's necessary from a safety perspective for their improvement. There's a 50/50 cost share. They would cover 50% of the cost of the lighting, with the city responsible for the other 50%. Given the nature of this corridor, I do recommend that we consider it. It's typical that these types of corridors are lit, particularly since the roundabout is going to be lit and there is street lighting north of Eighth Street. Currently when you drive south of Eighth Street at night it does feel like you're leaving the city. Liz Stone stated that's where I live. If it was lit it might reduce the speed of the traffic, because they feel like they are leaving town at that point. Olson stated I would like some direction on that today.

Olson stated our existing right of way is sufficient to house our permanent infrastructure. Being it's so congested we're building right to the limits of our available right of way, so we have been working with all of the property owners and have been requesting temporary easements for use of their property to tie our new improvements into their existing property. We want to make those transitions as smooth as possible. Everyone has been pretty receptive to this. There are eleven parcels that we have been communicating with, and nine out of those eleven have granted the city use of their property adjacent to the improvements. MN DOT also has several easements for their right of way related needs. They are asking the city for temporary easements. As soon as the project is over those rights will return 100% back to the city. They are going to be requesting permanent right of way from the city from a small parcel on the northeast corner of the roundabout. It's just a sliver from the original railroad bed that ran through town. They will bring further communication on that front.

Olson stated access to adjacent businesses is going to be a priority. We have a lot of businesses along this corridor. We are going to work with MN DOT to insure that they put together a traffic control plan that meets these businesses needs the best we can. We've just begun communication on how this will get done. We'll keep the Council, as well as the adjacent property owners, in the loop. It's definitely a concern of ours. The businesses definitely rely on the traffic.

Olson stated there are a lot of non-city related costs. The county has some share for those county legs of the roundabout. The majority of the costs are MN DOT. MN DOT and the county will jointly cover the roundabout. MN DOT will be 100% from the roundabout up to Eighth Street on Highway 71 for the street improvements, the roundabout lighting, and 50% of the lighting on Eighth Street. They will also cover the storm sewer main line extensions. That is a nice benefit to the city. They'll put the

backbones in for the collection system and then we can tie onto it with our needs expanding out.

Olson stated the city is financially responsible for the water, sewer, surface improvements on the frontage roads and Eleventh Street, and any storm sewer upsizing. If we request we want some future areas to go to the system, I don't anticipate that to be the case, but I did include some costs in the preliminary report. 50% of the Eighth Street corridor lighting. There are some various other expenses related to a cooperative project. Any time MN DOT works within a city they put together a cooperative agreement. That gets prepared once the design is complete. When they get to the point they have a draft, we'll share that. If there are things that don't feel right we'll have some time to work out those differences. That will come once the design is done. It's usually pretty straight forward.

Olson stated the estimated project cost is \$1,453,000.00 for these improvements. There are a lot of moving factors. These are estimates. They will continue to be estimates until we receive the bids from the contractors. We look to the city's assessment policy as to how to break down these costs. Watermain and sanitary sewer is assessed 100% for standard size lines. Any oversized trunk line, looping, those are city expenses. Storm sewer is assessed at 90%. Any oversized is at city expense. Sidewalk is 50% assessable. Street is 60% assessable. For street lighting the assessment policy is silent, so I assume that is 100% city share. Typically, when we do a reconstruction within the city our splits are pretty close to about 50/50. This project has more oversized, trunk line and looping expenses, and we're also building two roads, when you'd typically be served by one. It's a unique corridor looking at it from the assessment policy. When you apply all those factors we get a project split that's closer to the 1/3 and 2/3 versus what we typically see. So, we have \$462,000.00 in assessable costs, and \$991,000.00 as city share.

Olson stated the last step in the assessment process is to break it down to assessable units. The frontage road will be assessed at \$70.00 per linear foot, \$85.00 per linear foot for Eleventh Street, sanitary sewer at \$50.00 per foot, sewer service at \$2,000.00 each, watermain at \$55.00 per foot, water service at \$2,200.00 each, and sidewalk at \$34.00 per foot. Our estimated assessment for a 100-foot lot with water/sewer is \$25,000.00, a 150-foot lot with water/sewer is \$35,000.00. These are very comparable to assessments that we've seen on recent projects within the city. It needs to be fair and equitable. There are a few larger parcels in the project area that have far more footage than 100 feet, and there's a few property owners that own multiple parcels. So, there will be property owners who will have assessments in excess of these numbers.

Olson stated the project schedule today, February 27th, is the adoption of the preliminary engineering report. We're recommending a public hearing on March 27th. We'll finalize the plans through the summer months. You'll approve the final plans in the fall of 2018. Then the bid will be awarded in late 2018 or early 2019. That's very early in the season so we should get some good numbers if this construction schedule holds true. Looking at construction in 2019, and the last step of the process is the assessment hearing which would follow in November of 2019.

McKinney questioned are we doing an independent bidding process? Olson stated no. This would be a cooperative project. So, there would be one construction project administered by MN DOT on the city's behalf. That would be some of those other expenses I talked about that MN DOT does charge the city for. It's in our best interests to

do this as a cooperative project rather than try to manage two separate contractors and construction contracts.

Olson stated the provided resolution is to approve the preliminary engineering report and to set the public hearing for March 27th. Also, we could discuss the lighting option for Eighth Street. Mikesch stated I think while the state is paying half of it we might as well do it now. We should have that lit all the way through there. Olson stated I agree that that is the right answer.

A motion was made by Conway, seconded by Mikesch, to approve Resolution #2018-46 Receiving Engineering Report and Calling for Public Hearing for the Trunk Highway 71 South, Frontage Roads and Eleventh Street Utility and Street Reconstruction Project in the City of Park Rapids.

Further Discussion: Stone questioned Highway 71 north from Eighth Street to the stoplight is also MN DOT's responsibility? Mikesch answered yes. Stone questioned is it possible to get it marked as part of this project because there is confusion that from Eighth Street to the light is a four-lane road. Olson stated that is on MN DOT's District 2 traffic engineer's radar. They are planning to strip a fog lane this summer. Burlingame stated I've heard rumors about it. Olson stated I'll follow up with them and let McKinney know. McKinney stated I don't think it's part of this project, they're doing it separately. Olson stated I believe they're doing it in 2018, separate from this construction project. If they do not plan to do it I can have that discussion with them to include stripping beyond the project lines.

Leckner questioned was this added to the CIP? McKinney stated it's been on the CIP since we found out about it in 2016. MN DOT had some hearing about it at that time. Conway questioned what was the estimated cost at that point? McKinney stated they didn't have any costs, it was more what they were going to do and whether or not to put in a roundabout and if we were going to be a party to it. Olson stated the project scope grew bigger than they were thinking it was going to. The number that we did include in the CIP was a planning level number, at \$1.5 million. With the assessment rates we looked at it in more detail knowing it was a unique project.

Brumbaugh stated the state is putting in the lighting for the roundabout, are we going to be responsible for it? Olson stated those are all discussions that are yet to be had. Typically, when MN DOT puts lighting and storm sewer in the facilities get turned over to the city. Brumbaugh stated I want the Council to realize there will be an increase to our general fund because if they're lighting the whole roundabout and we put more lighting all the way to Eighth Street, that all comes out of your general fund for street lighting.

Stone questioned is there another road project slated for this summer? McKinney answered no. Stone questioned are there other projects that were put on the back burner? McKinney stated we have the lift station project. Olson stated we're currently designing a reconstruction for the city's main lift station on CSAH 15 for 2018, and we have been discussing what the next major, local, city street project is. We concluded that Fair Avenue was probably the highest priority. Stone stated that's what I wanted to hear. I'm concerned about Fair. McKinney stated we would have been there earlier but this project came up. Olson stated the CIP is a moving target. Things get shuffled around pretty regularly. Brumbaugh stated we haven't done the 2018 CIP because we're waiting to see how much the Council chambers are going to be to finish it. Olson stated at this point in the season

it's getting to late. The design process, the preliminary engineering report, takes about one year.

The vote was called.

The motion carried unanimously.

8.2. Payment to Miller McDonald for the 2016 Park Rapids Firemen's Relief Association Audit: Fire Chief Donn Hoffman stated in 2012 the Council voted to pay these expenses. I can't tell you exactly how that was written. It's either an issue of this was predated or we just need to request that it be paid. Brumbaugh stated at that point a Councilmember wanted to add it into that budget that the city would pay for it. Because of the cost of it this needs to be addressed each year. Hoffman stated the question is if the Council will accept this for payment by the city. It's \$3,700.00.

McKinney stated this is for an audit of the Firemen's Relief Association's retirement fund. Brumbaugh stated the State of Minnesota requires that an audit be conducted every year and they have certain paperwork that has to be filled out and sent in each year. **A motion was made by Conway, seconded by Leckner, and unanimously carried to approve the payment to Miller McDonald for the 2016 Park Rapids Firemen's Relief Association Audit.**

8.3. Payment to Widseth Smith & Nolting for Grant Writing Services on a FEMA Homeland Security Grant for the Park Rapids Fire Department: Hoffman stated this is for payment of grant writing services. There are a lot of grants available for fire departments and the majority of them are small, \$15,000 and less. A FEMA grant is very complicated. It takes a lot of work and background information, as well as a screening process by FEMA. When we have an item that is targeted by FEMA for something that we need, typically we would go out and hire a grant writer. They are more expensive for that particular grant. In the past, when we hire a grant writer, the grant writing is typically part of the grant. The fees are built into the grant, and the grant writer gets paid through FEMA. In this particular case the grant writer gets paid up front and then that money is returned upon successful completion of a bond. This particular grant is one that we have received in the past, approximately fifteen years ago, through a grant written by Mike Swan of Ponsford. We received approximately \$145,000.00. Now we are looking at replacing what we received back then. We went through the same procedure. This grant would be for around \$204,000.00. We made it to the last round last year. We have gear that will get us by for a short period of time. We can't re-hydro our equipment so it's obsolete. We have some NSA stuff from another department that will buy us a little time. So, we're looking at maybe getting through another grant cycle and that's about it. Otherwise we'll have to figure out where to come up with that money.

McKinney questioned you have already committed to paying this amount? Hoffman stated it's \$1,200.00. I didn't expect this to come up this way. I thought this grant writer wouldn't invoice this until the final FEMA grant process. Stone questioned did this grant writer anticipate that his services would be paid for out of that grant? Hoffman stated if the grant is received his services will be paid out of the grant, if the grant is not received then we'll be out the money. Stone questioned if we get the grant then the city will be reimbursed? Hoffman stated that is correct. If we don't get the grant then we'll go back

after it again because we need to. I feel confident that this is a good round for us. It is still a number one priority for FEMA and they still have a fair amount of money for this.

McKinney stated where do we stand with the budget? Brumbaugh stated in February we're still pretty good. Hoffman stated I don't think it's really a budgetary concern. Mikesh stated I appreciate the fire department going out after these grants because it does help with the city's budget. But I want to point out the process. If you do go for these you should ask first and get it in the budget. Not, oh by the way here's a bill. I'm asking for a forewarning. Let the Council know ahead of time that we could be on the hook for that. That's the process.

A motion was made by Conway, seconded by Stone, and unanimously carried to approve the payment in the amount of \$1,292.65 to Widseth Smith & Nolting for Grant Writing Services on a FEMA Homeland Security Grant for the Park Rapids Fire Department.

8.4. Report on Armory Square Project: McKinney stated the Council previously set a date for a meeting of the Economic Development Authority (EDA) for the 13th of March. The date was agreed to because the people working to put this agreement together, as our tenants, had some additional work to do. I talked with Mr. Shipley, who is the head of the Midwest Minnesota Community Development Commission (MMCDC), who would be your new tenant under the proposal. There are people here tonight that wish to speak to this. The date of the 13th may not work for them.

Kathy Grell stated Park Rapids Community Development Commission (PRCDC) meets every month and in light of the fact that there's been more action and hopefully we have MMCDC coming in as a partner with the city, we are revitalizing the board. We've had some resignations by people who, over the years, have found other things to be committed to and some have lost faith that this is going to move forward. We are confident that we have a good slate of candidates to be on the board that are going to fit the new needs that we are going to have, which is covering the disciplines so we have more expertise on the board like in marketing and finance. We are securing members for the PRCDC Board that will fit those needs. The PRCDC Board has to mesh closely with the MMCDC Board.

Cynthia Jones stated David Collins has joined the board. I've talked with Butch DeLaHunt. We're looking at his skills such as public speaking, marketing, public relations. Those are the kinds of things that we are looking at. Kathy Grell will be chair elect. She will become the chair in June. Mike Monsrud will stay on the board until his retirement, and he'll be leaving the city at the end of the year. Grell stated June is the date because he will be physically moving to Bemidji. He will finish out his year at Itasca Mantrap by driving back and forth. He'll work closely with me to make sure there is a smooth transition.

Grell stated we'll be revitalizing all of our work groups. We have an end in sight that we will be working towards. Jones stated our consultant Vicky Chepulis will be meeting with Nicole from MMCDC. We have submitted a budget to MMCDC which they are reviewing with the officers of the Holmes Theatre. After a series of meetings, we will be tweaking that budget to get it down to workable numbers that we feel confident that will work.

Grell stated in anticipation of having the end in sight, Chepulis and a few others will be going to the Minnesota Presenters Network. That's a show house for events that are going to be in the area. Once we get a date we'll be ready to start. We have no authority to

book anything. We're going there to get ideas, to know what's there, to make contacts. It's like a trade show for performers.

Jones stated all of this will be happening in the next two and a half weeks. So we are requesting that we present to the EDA at the second meeting in March. The 27th because we'll have more definitive information. Grell stated hopefully by then the city will have more information on what you will have to pursue.

McKinney stated the city attorney, Fieldsend, and I have been working on documents. We have prepared a draft of a restatement purchase agreement, the joint easement agreement. That's only half the story. You have to have the exhibits to go with. We're meeting with the building owner on the 9th of March in our attorney's office in Minneapolis. We're going to sit down and try to hack out all of the things that need to be agreed to to get final documentation. MMCDC is really going to be our negotiated tenant. In a lot of ways, we don't have anything to do with what they do except that we're required in our lease with them that they have to comply too. We're leasing with MMCDC because they have the status and some liquidity to help this thing go through. We have the punch list down to some relatively agreed to matters, such as the restroom location. There will have to be different bathrooms for the restaurant and we need to have another stairway, and the HVAC is still a big cost item. There isn't a lot of big ticket items other than the HVAC for our part of the building. He may have things he wants, but that is a different issue. He's run into problems of getting the engineering quick enough to be prepared as attachments to the agreement. That's why we're meeting in Minneapolis to get all of this done. Given all of this stuff is clustered around our meeting on the 9th so I would join in on their request that we push the EDA meeting to the 27th of March. I suggest that we are seeing some action taking place. Staff was directed to set an EDA meeting for the 13th. Jones stated we want to get this wrapped up as much as the Council does. We will be ready on the 27th.

A motion was made by Conway, seconded by Stone, and unanimously carried to set an Economic Development Authority meeting for the 27th of March, 2018, at 5:00 p.m.

9. CITY ADMINISTRATOR COMMENTS: McKinney had no comments.

10. DEPARTMENT HEAD UPDATES: Scott Olson stated I handed out information on the proposed off sale liquor license in Akeley. The information is how that could possibly affect us. It could open a can of worms. Members of our association in different cities are talking about the same thing. What does this mean for the next request in general. We who are in Senator Utke's district are trying to bring our point to him as to what this means to us potentially. The city of Akeley has drafted a bill opposing it. The Council has every year transferred money to the general fund of the city. Brumbaugh stated the Council has been provided with the amounts the city has transferred and the effect it would have on the levy if those funds weren't available anymore. It's approximately 7% per year that you haven't had to levy for.

McKinney stated a city of our size who have a municipal liquor store have a one-mile buffer from another off sale opening. In Akeley there's an application to open an off sale within that one-mile limit. Senator Utke has introduced a bill to allow that to happen.

The concern is if you open the door, what then? The question is do you want us to do something. Utke mentioned that Park Rapids had two liquor stores open up outside of city limits that didn't hurt them, but they are more than a mile, and they did hurt our sales.

Stone questioned so Utke is overriding the one mile? McKinney stated the bill is to make an exception for these people. We're worried about what's next. Do you want to make a statement, one way or the other? It does have an impact if they do away with the rule. We don't like the exception. The Council unanimously agreed with McKinney.

Mikesh stated I'd like to direct staff to write a letter stating our concerns. He of all people should know because he's from Park Rapids. McKinney stated I'll write a letter.

Burlingame stated we've had a lot of snow lately and we'll be getting more.

Hoffman stated it is not likely that the firemen's ball will be held in the armory because of circumstances beyond our control. Because of the fire at the old Vacationeer we had three breakdowns. Two apparatus of ours were damaged. A portable pump was damaged. We'll bring the costs in as soon as we get them.

Stone questioned when do they plow the sidewalks? Burlingame stated right now we have one person in the hospital. Typically, on Main Street we do the sidewalks first, then those two people get into a plow truck and plow the streets. When we get these back to back storms it takes us longer. If a truck goes down, then it takes longer. McKinney stated we do sidewalks on Main first because that snow goes into the street first, then we clean the streets. Burlingame stated streets, alley, sidewalks. But on Main Avenue it's sidewalks first, then alleys, then streets. When it snows during the day it's hard to plow in the downtown area because of all the cars. Then we do it the following night. Stone stated I got a lot of calls about the sidewalks. Brumbaugh stated our ordinance states the property owners are responsible for their own sidewalks.

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

12. COMMENTS FROM COUNCIL: There were no comments.

13. ADJOURNMENT: A motion was made by Stone, seconded by Leckner, and unanimously carried to adjourn the meeting at 7:10 p.m.

[seal]

Mayor Pat Mikesh

ATTEST:

Margie M. Vik
City Clerk