

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
NOVEMBER 13, 2018, 6:00 PM
Park Rapids City Hall Council Chambers
Park Rapids, Minnesota**

1. CALL TO ORDER: The November 13th, 2018, Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Mayor Pat Mikesh, and the Pledge of Allegiance was recited.

2. ROLL CALL: Present: Mayor Pat Mikesh, Councilmembers Tom Conway, Ryan Leckner, Erika Randall, and Liz Stone. Absent: None. Staff Present: Administrator John McKinney, Treasurer Angela Brumbaugh, Public Facilities Superintendent Chris Fieldsend, Public Works Employee Tim Little, Public Works Superintendent Scott Burlingame, Liquor Store Manager Scott Olson, Police Officer Joe White, and Clerk Margie Vik. Others Present: Chuck Schmitz, Tom and Gail Petschl, Sue Tomte, Nancy Newman, Cynthia Jones, Rick Johanneck, and Robin Fish from the Enterprise.

3. APPROVAL OF AGENDA: A motion was made by Conway, seconded by Leckner, and unanimously carried to approve the agenda with the following addition to General Business: #9.2. Resolution Appointing Andrew Mack as the Full Time City Planner for the City of Park Rapids.

4. APPROVAL OF MINUTES:

4.1. City Council Regular Meeting Minutes-October 23, 2018: A motion was made by Conway, seconded by Randall, and unanimously carried to approve the October 23rd, 2018, City Council Regular Meeting minutes as presented.

5. FINANCE:

5.1. Payables & Prepaids: A motion was made by Stone, seconded by Randall, and unanimously carried to approve the payables in the amount of \$38,193.96, and the prepaids in the amount of \$80,987.35, for a total of \$119,181.31.

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

- 6.1. **Approve the Public Works Utility Maintenance Worker Job Description for the City of Park Rapids.**
- 6.2. **Approve Pay Request in the Amount of \$9,374.29 to Emergency Apparatus Maintenance for Repairs to the Ladder Truck for the Park Rapids Fire Department.**
- 6.3. **Approve Pay Request in the Amount of \$1,200.00 to Widseth, Smith, and Nolting for Grant Writing for the Breathing Gear for the Park Rapids Fire Department.**
- 6.4. **Approve Pay Request in the Amount of \$28,416.00 to Kitchigami Regional Library for the Second Half of the 2018 Levy.**
- 6.5. **Approve Pay Request in the Amount of \$2,896.48 to BHH Partners for Professional Services for the City Hall Remodel-Phase II Project.**
- 6.6. **Approve Pay Request in the Amount of \$4,295.00 to the League of Minnesota Cities for Membership Dues from September 1, 2018 to August 31, 2019.**
- 6.7. **Resolution #2018-164 Authorizing Proper City Officials to Execute the Paperwork to Transfer Investments to RBC Wealth Management for the City of Park Rapids.**
- 6.8. **Resolution #2018-165 Approve Appointment of Gary Parvi as Public Works Utility Maintenance Worker for the City of Park Rapids.**
- 6.9. **UTILITY BILLING: Deny Credit for On/Off Fees for Edythe Tabor, at 804 Pine Street, PID #32.45.44200, Account # 02-00000008-04-2.**
- 6.10. **UTILITY BILLING: Approve Credit in the Amount of \$564.29 for Excess Charges for the Sewer Portion of the Third Quarter Billing for John Siebolds, at 701 Riverside Avenue, PID #32.45.52600, Account # 02-00070100-00-0.**
- 6.11. **UTILITY BILLING: Approve Credit in the Amount of \$100.00 for 20,923 Gallons of Water that did not go through the Meter, and Deny a Credit for the 2017 Water Usage, for Baywoods Condominium Association, at 1015 Sunset Loop/Irrigation Meter, PID #32.92.00000, Account # 02-00000101-05-5.**

END OF CONSENT AGENDA

7. COMMENTS FROM CITIZENS: Tom Petschl stated as a member of the Planning Commission I'd like an update on where we stand with a new city planner. McKinney stated that subject was added to the agenda as item #9.2. There will be a recommendation tonight.

8. PLANNING:

8.1. Resolution to Approve a Conditional Use Permit to Construct and Operate 96 Self-Storage Units in the B-1 Zoning District at 16667 Highway 34, PID #32.24.05100: McKinney stated this is to approve a conditional use permit. The full report is included in your packets. The Planning Commission did recommend approval of this with some conditions, which are listed on the resolution. The applicant does understand and accept those conditions.

A motion was made by Stone, seconded by Randall, and unanimously carried to approve Resolution #2018-166 Approve a Conditional Use Permit to Construct and Operate 96 Self-Storage Units in the B-1 Zoning District at 16667 Highway 34, PID #32.24.05100.

8.2. Resolution to Approve a Conditional Use Permit to Allow Operation of a Well Drilling Contractor and Manufactured Storage Shed Sales Lot in the B-1 Zoning District at 18154-1169th Avenue, PID #32.20.01400: McKinney stated this request is for a conditional use permit. There are conditions listed on the resolution and the full report is in the packet.

A motion was made by Stone, seconded by Randall, and unanimously carried to approve Resolution #2018-167 Approve a Conditional Use Permit to Allow Operation of a Well Drilling Contractor and Manufactured Storage Shed Sales Lot in the B-1 Zoning District at 18154-1169th Avenue, PID #32.20.01400.

9. GENERAL BUSINESS:

9.1. 2019-2023 Capital Improvement Project Discussion: Brumbaugh stated the Councilmembers each received a three-ring binder containing the five plus year capital improvement plan (CIP), which the staff goes through every year. We look at 2019 through 2023, and also extra items that we called unallocated, which are listed as years 2024 and up. Those are things that we'd like to address eventually, but do not meet criteria to be included in the first five years.

Brumbaugh stated the process to create the CIP includes reviewing everything first, then deciding if things should be moved around, looking at street projects, and anything else we feel is a capital improvement. We also look at our levy and how it's doing, and the liquor store revenues. Those revenues are used a lot for the capital equipment purchases and projects, and park improvements. I provided the liquor store audit comparisons for 2012 to 2018. We looked at trends at the liquor store. Starting in 2015, our net revenue started to go down. We have added competition and it's effected our liquor store revenues.

We have transferred out large amounts ever since. Starting in 2016, we have transferred out more than what we made. Concerning sales and gross profit, we're at a 25% profit margin. It's not that we're not making as much on our sales, we are. It's that our revenue overall is less. We took that into consideration when we were going through the CIP. We can't keep taking as much out of the liquor store until we build up that fund.

Brumbaugh stated when staff finished their process, we took the CIP to the Finance Committee. I've provided a memo of the changes that the Finance Committee requested or needed more information on. The video access control purchase was listed in 2020. The Finance Committee feels there needs to be a lot more justification before we put in video. That has been moved to unallocated. Staff is aware of that and will have to provide more justification of what's going on.

Brumbaugh stated overall, our whole CIP is just over \$14 million. That's including projects. The Finance Committee talked extensively about projects. Projects require bonds, and those effect our levy. One of the projects got moved down to 2021 for the Industrial Park. Everyone was well aware of the fact that the Highway 71 Project will be done in 2019, as the timeline was provided to us by the state. Each item on the CIP will come before the Council for approval. The CIP is very beneficial and helpful to us, but there isn't anything on here that will be done without Council approval. It's just a guideline. It's \$14 million for five years, and the overall total is \$31 million.

Brumbaugh stated if the Council approves this as presented, we do have to hold a public hearing. The hearing date is set for November 27th and the CIP will be presented to the public based on what you've reviewed tonight. Having a CIP does help with our bond rating.

Conway questioned the items listed in the six plus years, are those suggested projects? What stage are those projects in? Brumbaugh stated those are things that we would like to see but we don't feel their priority is within the first five years. They are suggested and definitely when they get moved up the prices are renewed again. Conway questioned you wouldn't necessarily expect that a year from now those are going to be on the back side of the five-year plan? Brumbaugh answered no.

Mikesh stated that is a wish list, unless something were to go bad, then you can move things around. Leckner stated every year it changes. Mikesh stated we asked about the front wheel loader. Is that for the main, big one? Fieldsend answered yes. It's for the large loader.

Randall stated the A&D building is listed for the airport and it says 2019. That's only if we get a grant, which we don't even know. We're still waiting on even getting drawings. It hasn't been designed and no information has been provided to us as to a concept or reason as to the necessity of the remodel. That is pretty unlikely in 2019. Brumbaugh stated the main reason we left that in that year was because there is extra funding available to aeronautics. For a chance at getting that funding we have to show that we are counting on that. There's always a reason it's on there. Randall stated it got moved way up to this year and was made a priority because of that funding. Brumbaugh stated the CIP doesn't say where the funding for that project is coming from but 95% of it would be grant funding. It's a huge amount for the project but that's not what the city is budgeting for.

McKinney stated all we are asking for tonight is for approval of the CIP which will be presented at the public hearing. **A motion was made by Randall, seconded by Leckner,**

and unanimously carried to approve the Capital Improvement Plan for 2019 to 2023, as presented, for presentation at the public hearing.

9.2. Resolution Appointing Andrew Mack as the Full Time City Planner for the City of Park Rapids: McKinney stated we lost the services of Ryan Mathisrud who took another position. We are at a time where things are being planned for next year and some that are finishing up this year. It's a position we'd like to fill as soon as we find a suitable candidate. We advertised in the same manner that we have in the past. From those advertisements we received two applications. The one before you is for Andrew Mack. The Council authorized staff to interview for the position, which we did. Tom Conway was present along with staff members. Mack did an outstanding job of responding to questions and made a presentation of his background and his intentions. He grew up in Hopkins, Minnesota. He has a degree in urban affairs from St. Cloud State, and a master's degree from the University of Texas, Arlington. He's been working in Northern Minnesota for most of his recent past. In 2006, he established a consulting operation for planning, and he has maintained that to the present date. In that capacity he worked for several cities. He worked for Bemidji/Silver Bay Urban and Rural Planning Services. He was the community development director for Pine City, Orono, and Burnsville. He was a senior planner for the Greater Bemidji Area Planning Board, and for Rosemount, Minnesota., among other positions. We interviewed him and we are recommending that the Council approve his hiring.

Tom Conway stated I was extremely impressed during the interview for the way he came across. He does have grant writing experience. He seemed like he'd be a team player for the current staff. I think the staff agreed with that during the knowledge share we had after the interview. I'm in full support of moving forward.

Mikesh questioned did you discuss his consulting business and that we would not be second. Conway stated he said he would set that aside if he takes this position. Mikesh questioned did we offer him anything at this point? McKinney stated we told him we would recommend him to the Council. He's agreed to the terms of starting at step one of the six step pay range. We have a start date subject to a background check. Concerning insurance, when a new employee works for thirty days, they then become eligible for coverage on the city's health insurance program. If we start him on December 1st, he will be eligible for insurance on January 1st. He will have December to get up to speed on how we do things here.

A motion was made by Conway, seconded by Randall, and unanimously carried to approve Resolution #2018-168 Appointing Andrew Mack as the Full Time City Planner for the City of Park Rapids.

10. CITY ADMINISTRATOR COMMENTS: McKinney had no comments.

11. DEPARTMENT HEAD UPDATES: Brumbaugh stated the election went very smoothly. Vik does a great job. The next morning, Fieldsend and his staff rented a carpet cleaner and shampooed both the Council Chambers and the library building carpets. So, they also did a good job.

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

13. COMMENTS FROM COUNCIL: Mikesh congratulated everyone that ran for office and were elected. He added thanks for running again.

14. ADJOURNMENT: A motion was made by Conway, seconded by Leckner, and unanimously carried to adjourn the meeting at 6:28 p.m.

[seal]

Mayor Pat Mikesh

ATTEST:

Margie M. Vik
City Clerk