

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
February 12, 2019, 6:00 PM
Park Rapids City Hall Council Chambers
Park Rapids, Minnesota**

1. CALL TO ORDER: The February 12th, 2019, Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Mayor Ryan Leckner, and the Pledge of Allegiance was recited.

2. ROLL CALL: Present: Mayor Ryan Leckner, Councilmembers Tom Conway, Erika Randall, Liz Stone, and Robert Wills. Absent: None. Staff Present: John McKinney, Fire Chief Terry Long, Assistant Fire Chief Bob Meier, Police Chief Jeff Appel, Liquor Store Manager Scott Olson, Public Facilities Superintendent Chris Fieldsend, Planner Andrew Mack, Treasurer Angela Brumbaugh, and Clerk Margie Vik. Others Present: Florence Hedeem, Nancy Newman, Sue Tomte, Mary Thompson, Cynthia Jones, and Robin Fish from the Enterprise.

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

#15. CLOSED SESSION:

#15.1. Preliminary Consideration of Allegations Against City Employees, pursuant to Minnesota Statutes 13D.05, subdivision 2(b).

4. EMPLOYEE RECOGNITION: Mayor Leckner stated Stephanie Pazdernik has achieved ten years and Scott Burlingame has achieved twenty-five years of employment with the city. Both of them are out plowing snow and were unable to attend this evening's meeting.

5. APPROVAL OF MINUTES:

5.1. City Council Regular Meeting Minutes-January 22, 2019: A motion was made by Stone, seconded by Wills, and unanimously carried to approve the January 22nd, 2019, City Council Regular Meeting minutes as presented.

6. FINANCE:

6.1. Payables & Prepaids: A motion was made by Stone, seconded by Randall, and unanimously carried to approve the payables in the amount of \$114,205.21, and the prepaids in the amount of \$203,621.90, for a total of \$317,827.11.

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

- 7.1. Resolution #2019-41 Re-Appointing Rod Nordberg to Serve on the Park Rapids Arts and Culture Advisory Commission.
- 7.2. Approve Plumber's Permit to Work in the City of Park Rapids in 2019 for Esser Plumbing & Heating, D. Carlson Plumbing & Excavating LLC, and R&G Plumbing & Heating Inc.
- 7.3. Approve Backhoe Operator's Licenses to Work in the City of Park Rapids in 2019 for T-Ray Construction Co. Inc., Schrupp Excavating LLC, Minnesota Resources (*restricted*), Girtz Excavating LLC, and LarMac LLC.
- 7.4. Approve Tree Contractor's License to Work in the City of Park Rapids in 2019 for AC Construction Tree Service.
- 7.5. Resolution #2019-42 Approving the Renewal of On-Sale/Sunday Liquor License for Royal Bar in the City of Park Rapids.
- 7.6. Approve Transient Merchant License for Chris Ulmer d.b.a. TNT Fireworks for June 20th to July 5th, 2019, to Sell Fireworks in the WalMart Parking Lot at 1303 Charles Street, in the City of Park Rapids.
- 7.7. Approve Use of the Park Rapids Fire Hall to Conduct the Park Rapids Firemen's Ball in 2019.
- 7.8. Approve Pay Request in the Amount of \$1,329.60 to Swanson's Repair for Repair Parts for the Toolcat and the Skidsteer for the Public Works Department.
- 7.9. Resolution #2019-43 Appointing Justin Dennis to the Position of Volunteer Firefighter for the City of Park Rapids.
- 7.10. Resolution #2019-44 Appointing Jason Horton to the Position of Volunteer Firefighter for the City of Park Rapids.

- 7.11. **Approve Pay Request in the Amount of \$2,775.00 to Banyon Data Systems for Data Support on our Computer Software Modules.**
- 7.12. **Approve Pay Request in the Amount of \$2,660.00 to Med Compass for Fire Department SCBA Medical Exams.**
- 7.13. **Approve Pay Requests in the Amount of \$1,706.35 and \$2,768.69 to Heiman Fire Equipment for Replacement and Outfitting of Fire Department Uniforms.**
- 7.14. **Approve Pay Request in the Amount of \$2,400.00 to Northland Securities for the Continuing Disclosure Report.**
- 7.15. **Approve Pay Request in the Amount of \$1,032.85 to Lee Davis Electric for Repairs of Street Lights on Highway 34 by Thielen Motors, Riverside Avenue, and Pleasant Avenue.**
- 7.16. **Approve Adoption of the MNDCP Roth 457 Plan Option in Order for Employees to Elect to Contribute a Portion of their Pay “after-tax” Dollars to a Deferred Compensation Fund.**
- 7.17. **Resolution #2019-45 Authorizing Proper City Officials to Execute the Amendment of License No. 3 No. L-291 by and between the Minnesota Department of Natural Resources and the City of Park Rapids.**
- 7.18. **Authorization to Advertise and Interview for Two (2) Part Time Liquor Store Clerks.**
- 7.19. **Resolution #2019-46 Accepting the Resignation of Park Rapids Library Board Member Thomas Petschl.**
- 7.20. **Resolution #2019-47 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for St Joseph’s Area Health Services.**

END OF CONSENT AGENDA

8. COMMENTS FROM CITIZENS: There were no comments.

9. PLANNING:

9.1. Resolution Authorizing Deferment of a Variance Request for Installation of a Fire Suppression Alarm and Sprinkler System, by Scott Rech, Owner of Park Avenue Apartments, Located at 210 Park Avenue S, 113 3rd Street E, and 117 3rd Street E, by the City of Park Rapids City Council to the State Fire Marshal's Office:

City Planner Andrew Mack stated this pertains to the Park Avenue Apartments at 210 Park Avenue South. This resolution is a recommendation issued from staff and your city attorney in response to a request from the landowner over a variance to the requirement for the installation of a fire suppression alarm and sprinkler system in the building. This order originally was placed on the property by the state fire marshal's office. They have authority over the fire code in Park Rapids due to the fact that we do not have a certified fire inspector or fire marshal in the city. On that basis we are recommending that you defer this request to the state fire marshal's office for their procedures, based on the fact that they have expertise to handle this type of matter in the state when these issues do arise.

Stone questioned who originally placed this. Mack stated the state originally made the order for corrective actions to add the sprinkler system in.

Leckner stated this is a resolution for a variance. We're referring it to the fire marshal who has the authority to do that. Do you think it would be helpful at all to have a letter of acknowledgement from the city that we are not in favor of a variance? Randall stated I want to make sure that we are not sending a resolution to give a variance to them. We want them to look at the request that is being made by the property owner. We are not supporting the request. Mack stated we certainly can draft a letter with the mayor's signature if that's the Council's wishes. Randall stated my position is I do not support this request. Stone stated that's the message I want to send as well. Conway stated I agree.

Leckner questioned should the motion approving the resolution include a letter that goes along with it? Randall questioned this is something that the state fire marshal's office may not even support. McKinney stated I've checked with them. They are willing to receive it. It's just they want this action from the Council to clarify how it got to them. I think a letter of explanation accompanying this would be helpful.

A motion was made by Conway, seconded by Randall, and unanimously carried to approve Resolution #2019-48 Authorizing Deferment of a Variance Request for Installation of a Fire Suppression Alarm and Sprinkler System, by Scott Rech, Owner of Park Avenue Apartments, Located at 210 Park Avenue S, 113 3rd Street E, and 117 3rd Street E, by the City of Park Rapids City Council to the State Fire Marshal's Office, and to refer to staff to draft a letter, to the state fire marshal, with the mayor's signature, for non-support of this resolution.

9.2. Pay Request in the Amount of \$3,210.00 for Ron Dick d.b.a. Municipal Inspections LLC: Mack stated regarding the Park Avenue Apartments, on January 22nd, 2019, the City Council voted to remove this item from the agenda. It's for enforcement, inspections, correspondence, and attending various meetings regarding corrective measures for the same property. Ron Dick has outlined all of the charges. As a response to this invoice, and my research of the legal fees associated with the enforcement actions, the invoice was sent to the owner of the property, Scott Rech. He

has received that invoice as part of a personal meeting with him, and it was mailed to his place of business in Litchfield, Minnesota. There was no indication from Mr. Rech that he would not pay it, but he didn't offer to immediately pay it, so we're certain that he will make good on the payment of this. The city attorney recommended that it's a part of the original work order for corrective measures to the property that the city building official identified that he would be responsible for these outside consulting services provided to the city since they are direct out of pocket expenses. Basically, it's a pass through. The city attorney indicated if there is any failure to pay for the services they can be assessed against the property. We do have an assurance from our city attorney if that would become necessary, we would follow those procedures like we did for any assessment that is levied against property. We do recommend that you approve payment of the invoices for services from Mr. Dick.

A motion was made by Randall, seconded by Conway, and unanimously carried to approve payment in the amount of \$3,210.00 for Ron Dick d.b.a. Municipal Inspections LLC for inspections services for the Park Avenue Apartments.

10. GENERAL BUSINESS:

10.1. Hubbard County Regional Economic Development Commission

Update: Tom Conway stated the HCREDC has been in some turmoil for the last eight months. We are making some changes there. On January 14th, 2019, the HCREDC Board met and elected new officers, myself as Chair, Commission Christiansen as Vice Chair, and Mayor Leckner as Treasurer. On January 21st, 2019, we had a special meeting to make a determination to contract with the Headwater Regional Development Commission (HRDC) for day to day operations and staffing of the HCREDC. I asked Mary Thompson to be here to explain how the HRDC is going to do that.

Randall questioned is that a long-term contract? Conway stated the contract is until December 31st, 2019, with the option to extend for two years.

Mary Thompson stated we have had preliminary approval on the side of HCREDC. Our commission will take action on this next Thursday, the 21st to make the contract official. It is a role that HRDC are accustomed to. We do provide management services for other service organizations, like Hubbard County HRA and Beltrami County HRA. We provide a service package that provides not only leadership but additional staff resources. With the expertise of our staff that will allow for more diversity of services provided. As per the contract I will be acting as the director for the HCREDC, and we'll have other staff who will work on the accounting and secretarial functions. As part of this the existing staff person will be brought on as an employee of the HRDC and will be provided benefits and salary structure within our organization. The contract will be for this year with the option of two years for renewal. We believe that the remainder of this year is a little short to get everything up and running. We fully acknowledge that the HCREDC may want to move in a different direction so we will help with that transition back to where the board wants to go. The effective employment start date will be February 25th. That's when we would start activities under the contract, provided our commission does approve. I don't expect there to be any negativity to the contract from the board.

Randall questioned so we approve the contract? Conway stated we donate as a city to the HCREDC. They are a C6 non-profit organization run by their board. We have two county commissioners and two city councilmembers on the board, along with three at large members. Randall stated we put in for the executive director. McKinney stated we don't designate the funds. Thompson stated my understanding is you have approved an allocation of \$48,000.00 for this year. That official request still has to come before the Council to make that contribution. That goes into the overall budget for the organization. A portion of that budget will be used to pay for the contract with the commission. The HCREDC will have resources within their budget that will allow for other activities that would be so decided by the board. Some of the things that HCREDC may encounter are the existing activities that they are already doing. They work with SCORE and the Leadership Council. It allows them to do some other activities that they have identified as potential. I would expect that HCREDC would have a strategic planning session. The last one they did was in 2008. They will identify the pressing economic development issues that they would like to have me as the director to pursue. That will be our activities that we will undertake for the remainder of this year.

Randall questioned so the payment has to come to the Council for approval? Leckner stated yes. We will have to approve it twice a year. McKinney stated we will get an invoice from them.

Randall stated we approved this 20% increase because we thought we were going to get our own executive director here in our own town. We're not getting that. I still haven't got a straight answer from the county if they approved a 20% increase. Conway stated my understanding from the county is that they had done a one time 20% increase because they were taking the offices away to give us the ability to use that money to do something about the offices. We have now been able to keep the offices in the courthouse. So, I think that the contingent that the 20% was based on has disappeared. McKinney stated I think they are going to use it to remodel the space. Thompson stated they are allowing rent at no charge. The organization will continue to occupy the space it does on the third floor of the courthouse. I will be splitting my office time between Bemidji and Park Rapids. I will be on site providing work here in town. I fully expect that in the next few weeks I'll be visiting as many businesses as I can, starting with those that are already members of the C6, and then branching out and really finding out what the needs, wants, and desires of the community are, and really working hard to find ways to address those.

Randall stated that was a key piece that was left out that you were going to be in the office here. Thompson stated I will physically be here at least two days a week. Leckner stated Carolyn that has worked in the office is going to stay here also, full time. The HRDC will be able to give us better progress reports and a picture of what they are accomplishing with the organization.

Brumbaugh questioned are we going to be paying our money to HCREDC and then they are going to pay HRDC? Our agreement is with HCREDC. Thompson stated correct. They are still an independent organization, and the board dictates the activities of that organization. It will be at their discretion to move the money, and the contract is between those two organizations.

10.2. Comprehensive Insurance Coverage on Certain Vehicles and the

Beach House: Chris Fieldsend stated as part of his due diligence, Dick Bradow has provided us with a list of equipment that is ten years old or more that we still have full coverage on. We looked into the market values of them. The only recommendation that we have is to drop full coverage on the 1998 Dodge pickup truck, and to leave the rest as is. The beach house is valued at \$30,000.00. The insurance coverage is \$350.00 a year. We do have a lot of electrical controls inside. I would recommend that we continue with full coverage on that.

A motion was made by Randall, seconded by Stone, and unanimously carried to discontinue full insurance coverage on the 1998 Dodge pickup truck.

11. CITY ADMINISTRATOR COMMENTS: McKinney stated the armory project is winding down. We have a punch list of things to be accomplished to satisfy the state to move forward with closing the grant. We're in communications with the developer and we're coming to an agreement on what we will deduct from the proceeds of the grant which are our expenses for the project. We're hoping for a May 1st closing date. The developer has done a lot of the things that we were concerned about. He's paid the 2018 taxes. That enabled him to record the registered land survey, which they did. I understand he had negotiated financing to complete the HVAC, which the last remaining big construction item. I'm told he is cooperating fully with us.

McKinney stated there is a meeting on Friday at 10:00 a.m. at the request of HRDC to look at encouraging workforce housing issues in the city. All of the Council has been invited.

12. DEPARTMENT HEAD UPDATES: Brumbaugh stated there is a memo in the packet that talks about donations from the city.

Fieldsend stated we've had to repair some of the snow removal equipment. We've had three or four accidents so far. Our oldest dump truck went over a curb and broke the transmission. It's been in the shop for the past five days. The loader backed into one of the trucks. We repaired everything on that except some cosmetic stuff. That one is back on the road. We hit a window on Main Avenue. Leckner questioned is the broken transmission repaired in house? Fieldsend stated we towed that to the repair shop because the motor had to be pulled. The department has been doing a good job with snow removal.

Mack stated I had a discussion with the Planning Commission Chair regarding the possibility of having a joint work session between the Planning Commission and the City Council. It sounds like there is some interest in discussing a list of topics that the Planning Commission would like to work on for updating the zoning ordinance. We could plan a joint work session prior to a regular City Council meeting. It would be a posted meeting for both bodies. **After discussion the City Council set a Joint Work Session of the City Council and the Planning Commission for Tuesday, April 9th, 2019, at 4:30 p.m.**

Terry Long stated our ladder truck is back in service. We put two new guys on the department. Bob Meier moved up from training officer to the assistant chief position. Between myself, Meier and the other Assistant Chief Ben Cumber, you'll see one of us at these meetings.

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

14. COMMENTS FROM COUNCIL: Liz Stone stated the Arts and Culture Advisory Commission has been busy looking at lighting for the sculpture walk in Red Bridge Park. They have passed on their ideas to the Parks Board for their approval. It's nice to see communication between those two committees. We're making good progress.

Tom Conway stated I attended a five-year planning session with the Transit Authority.

15. CLOSED SESSION:

15.1. Preliminary Consideration of Allegations Against City Employees, pursuant to Minnesota Statutes 13D.05, subdivision 2(b): Leckner stated this agenda item is preliminary consideration of allegations against City of Park Rapids employees, under Minnesota Statutes, section 13D.05, subdivision 2(b). The employees are John McKinney and Angela Brumbaugh. The employees have requested the meeting remain closed. This portion of the meeting will be closed pursuant to Minnesota Statutes, section 13D.05, subdivision 2(b). The City Council will now go into a closed session here in the City Council Chambers. Only the City Council may attend any portion of the closed session.

A motion was made by Conway, seconded by Randall, and unanimously carried to close the regular meeting and open a closed session at 6:37 p.m.

Date: 02-12-18, Time: 6:37 p.m. Location: City Council Chambers at 212 Second Street West. Present: Councilmembers Tom Conway, Ryan Leckner, Erika Randall, Liz Stone, and Robert Wills. The closed session is for the preliminary consideration of allegations against City of Park Rapids employees, under Minnesota Statutes, section 13D.05, subdivision 2(b). The closed session was electronically recorded pursuant to Minnesota Statutes, section 13D.05, subdivision 1(d).

A motion was made by Conway, seconded by Wills, and unanimously carried to close the closed session and to reconvene the regular meeting at 8:10 p.m.

Once the regular meeting was reopened and the following motions were made:

A motion was made by Conway, seconded by Randall, and unanimously carried to direct John McKinney to repay the amount of salary overpaid to him from January 1st, 2017 to February 12th, 2019.

(and)

A motion was made by Conway, seconded by Stone, and unanimously carried that the City Council reaffirm that John McKinney be paid a salary as established in Resolution #2016-184, as approved by the City Council on December 13th, 2016.

16. ADJOURNMENT: The meeting was adjourned at 8:15 p.m.

[seal]

Mayor Ryan Leckner

ATTEST:

Margie M. Vik
City Clerk