

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
APRIL 23, 2019, 6:00 PM
Park Rapids City Hall Council Chambers
Park Rapids, Minnesota**

1. CALL TO ORDER: The April 23rd, 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, and Robert Wills. Absent: Councilmember Liz Stone. Staff Present: Treasurer Angela Brumbaugh, Liquor Store Manager Scott Olson, Fire Chief Terry Long, Planner Andrew Mack, Sergeant Rob Gilmore, Police Officer Colter Diekmann, and Clerk Margie Vik. Others Present: Sue Tomte, Nancy Newman, Cynthia Jones, Tanya Jo Boyer, Richard Ohm, Jerry Grudem, and Robin Fish from the Enterprise.

3. APPROVAL OF AGENDA: A motion was made by Conway, seconded by Wills, and unanimously carried to approve the agenda with the following addition: **#9.3. Approve the Subordination of the Small Cities Loan by and between the City of Park Rapids and Luke and Molly Luther.**

4. APPROVAL OF MINUTES:

4.1. Joint Park Rapids City Council/Planning Commission Special Worksession Minutes- April 9, 2019: A motion was made by Randall, seconded by Conway, and unanimously carried to approve the April 9th, 2019, Joint Park Rapids City Council/Planning Commission Special Worksession minutes as presented.

4.2. City Council Regular Meeting Minutes-April 9, 2019: A motion was made by Randall, seconded by Wills, and unanimously carried to approve the April 9th, 2019, City Council Regular Meeting minutes as presented.

4.3. Park Rapids City Local Board of Appeal and Equalization Meeting Minutes-April 10, 2019: A motion was made by Randall, seconded by Wills, and unanimously carried to approve the April 10th, 2019, Park Rapids City Local Board of Appeal and Equalization Meeting minutes as presented.

5. FINANCE:

5.1. Payables & Prepaids: A motion was made by Randall, seconded by Conway, and unanimously carried to approve the payables in the amount of \$48,143.35, and the prepaids in the amount of \$1,636,970.90, for a total of \$1,685,114.25.

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

- 6.1. Resolution #2019-90 Approving Ordinance No. 589 Rezoning Land to R-3 and P in the City of Park Rapids, PID #32.19.00300.
- 6.2. Ordinance No. 589 Rezoning to R-3 and P in the City of Park Rapids, PID #32.19.00300.
- 6.3. Approve Golf Cart/ATV Licenses in Drive in the City of Park Rapids in 2019 for Richard Harsha-ATV.
- 6.4. Approve Pay Request in the Amount of \$1,572.71 to Ackerman Plumbing and Heating for Permanent Repairs to the Fire Hall Office Furnace.
- 6.5. Resolution #2019-91 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Kinship of the Park Rapids Area.
- 6.6. Resolution #2019-92 Accepting the Resignation of Rapids Spirits Part Time Liquor Store Clerk Jeffery Olesen.
- 6.7. Approve Advertisement and Interviews for Two (2) Additional Part Time Rapids Spirits Liquor Store Clerks.
- 6.8. Approve Pawnbroker's Permit for Royce A. Holland d.b.a. Fuller's Gun & Pawn, at 223 Main Avenue South, for May 1st, 2019, to April 30th, 2020.
- 6.9. Resolution #2019-93 Appointing Tanya Jo Boyer to Serve on the Park Rapids Planning Commission.
- 6.10. Resolution #2019-94 Accepting Resignation of Park Rapids Planning Commission Thomas Petschl.

- 6.11. **Resolution #2019-95 Accepting Resignation of Housing and Redevelopment Authority of Park Rapids Member Thomas Petschl.**
- 6.12. **Approve Pay Request in the Amount of \$217.22 for BHH Partners for Work Performed Regarding the Access Control System Project.**
- 6.13. **Approve Pay Request in the Amount of \$29,037.50 to Kitchigami Regional Library for the First Half of the 2019 Tax Levy and for the Repair and Replacement Fund.**
- 6.14. **Resolution #2019-96 Approval of a New Off-Sale 3.2 Beer License for Orton Motor Inc d.b.a. Orton's Park Rapids Food Mart in the City of Park Rapids.**
- 6.15. **Approve Pay Request in the Amount of \$2,660.00 to Northland Trust Services for the 2010c General Obligation Refunding Bond.**
- 6.16. **Approve Pay Request in the Amount of \$29,370.00 to Northland Trust Services for the 2012a General Obligation Crossover Refunding Bond.**
- 6.17. **Approve Pay Request in the Amount of \$44,506.25 to Northland Trust Services for the 2015a General Obligation Improvement and Refunding Bond.**
- 6.18. **Approve Pay Request in the Amount of \$44,448.75 to Northland Trust Services for the 2016a General Obligation Improvement Crossover Refunding Bond.**
- 6.19. **Approve Pay Request in the Amount of \$9,990.00 to Northland Trust Services for the 2016c General Obligation Improvement and Refunding Bond.**
- 6.20. **Resolution #2019-97 Approve Wage Adjustment and Step Increase for Part Time Rapids Spirits Liquor Store Clerk Roger Hunter.**

END OF CONSENT AGENDA

7. COMMENTS FROM CITIZENS: There were no comments.

8. PLANNING:

8.1. Tabled on 04-09-19 until 04-23-19: Resolution to Approve a Conditional Use Permit to Construct and Operate Seven Self-Storage Buildings in the B-1 Zoning District at 16667 State Highway 34, PID#'s 32.19.03900, 32.49.04000, 32.19.04100, 32.19.04400, 32.19.04500, 32.19.04600, and part of 32.19.04200: Andrew Mack stated I'm disappointed to report to you that this request for a conditional use permit by Mr. Johanneck has been formally withdraw from consideration. The primary reason the \$2.9 million development has given is based upon the projected tax payment for the project once this first phase is completed, which he planned to start this year. He has formally requested that this be withdraw. We are recommending that the Council approve his request to withdraw without prejudice. That would mean that he could at any time resubmit his request for reconsideration. I would do that with the proviso of waiving his application fee. We are still holding escrow. There is a plan for Mary Thompson and I to meet with him to discuss more of the particulars regarding the methodology of the calculation of the tax payment with the city assessor and to look for ways to further provide opportunities for him to develop his project if that is still his wish.

Conway questioned does the \$2.9 million project include the real estate. Mack stated yes. It's about a \$2.4 million construction value. Leckner stated we talked about this at the HCREDC. We wanted you and Thompson to have that meeting to see where the problem is. Anytime a developer turns away like that we want to see if there's something that we can do in the future. Conway stated we want to ensure that we don't have any obstacles for people to set up businesses in the city. Obviously, they have to pay taxes, but we don't want to falsely put obstacles in the way. Mack stated we have set that process in motion.

A motion was made by Conway, seconded by Wills, and unanimously carried to approve Johanneck's withdrawal, without prejudice, of his conditional use permit request at 16667 State Highway 34 (PID#'s 32.19.03900, 32.49.04000, 32.19.04100, 32.19.04400, 32.19.04500, 32.19.04600, and part of 32.19.04200).

8.2. Resolution for Park Rapids City Council Support of Snowmobile Reroute Due to Proposed Round-a-bout on US Highway 71 South: Mack stated this item is a request from the Forest Rider's Snowmobile Club. The maps are in the packet. I've been working very closely with the club for the reroute of the trail where it runs through the new round-a-bout. This requested action is to support two things. One is the operation of the trail for next season. Also, the required approvals by the city for MN DOT to approve a limited use permit (LUP) in the location that is being proposed. We looked at two options. One was too dangerously close to our airport. Staff felt that was the poorest option from a safety standpoint. The preferred option is along a route between the Chamber building and the old J&B Foods and then up to Eleventh Street creating a crossing. MN DOT will have mediums through there that will have curbs. We asking them to include dips so that the sleds and the groomer can get through there safely. It would be signed.

Richard Ohm stated we have been working with MN DOT. This was probably an oversight on MN DOT's part. This trail has been there under an LUP. MN DOT did the engineering and the design for the round-a-bout and never included anything for the trail. When I became aware of that we decided we needed to do something. It was a poor

crossing to begin with because of all of the traffic on Highway 71 and CSAH 15. I extensively looked at options, the airport area, the corridor. I liked the north option because of the speed reduction on Highway 71 will make it easier for snowmobiles to cross. The other advantage is the chamber parking. It gives people the ability to park at the chamber and unload snowmobiles and take off from there. I think it's a win-win. But we have to work with MN DOT. We need the city's approval on a resolution so that we can get them to move forward and reengineer what needs to be done to make this happen. The construction season is going to start soon. There needs to be a big push to get MN DOT to do this. I have already contacted the MN DOT District 2 Engineer and they are aware of this oversight on their part. Normally, when there is a recreational trail in place they will put that design into their engineering. Nothing was done here. If the city approves this, then Jon Olson can take that to MN DOT and they can start the process, and hopefully get something in place.

Mack stated I've been working closely with Jon Olson to deal with MN DOT. He is the lead contact for the city and this permit is a requirement. The Urban Forestry Committee has also been working with MN DOT through Olson on the landscaping plan for this area. Randall stated I appreciate the initiative on the part of the snowmobile club on this.

A motion was made by Randall, seconded by Conway, and unanimously carried to approve Resolution #2019-98 for Park Rapids City Council Support of Snowmobile Reroute Due to Proposed Round-a-bout on US Highway 71 South.

8.3. Resolution to Authorize Submission of a Minnesota Power Foundation Grant Application for the City of Park Rapids: Mack stated we are still working to wrap up the project at Red Bridge Park. It involves the installation of a lighting system for accent lighting over the sculpture path along the Heartland Trail. Ryan Mathisrud got started on this but didn't complete the work. It was an idea that was brought forward and in speaking with the electrician the ideas that were being considered, a ground mounted flood, was not going to last very long because of moisture, and snow cover. They need something mounted up higher in the air so we get a better accent light. We found a good solar light that can sit on top of a pole. I'll be bringing a purchase authorization to your next meeting. Because of costs associated with the vandalism to the sculpture pads that occurred last Memorial Day weekend, we have to replace them at an additional cost. The Arts and the Park Boards are recommending that we pursue an additional funding source to help pay for this specialty lighting. It might also be a good public relations thing for Minnesota Power which supplies the electricity to the city area, for them to consider something through their foundation as a grant for this lighting. We're requesting approval tonight to submit a grant application in the amount of \$3,199.00, which is a percentage of the total project for the Art Walk and to wrap up the prior grant that the city still has on deposit from Region 2 Arts Council. We got an extension on that grant until August 1st, 2019, to wrap up the lighting project. We look forward to getting that completed. We recommend that you approve the submission of this grant.

A motion was made by Randall, seconded by Conway, and unanimously carried to approve Resolution #2019-99 Authorize Submission of a Minnesota Power Foundation Grant Application for the City of Park Rapids.

9. GENERAL BUSINESS:

9.1. Approve Creation of a Permanent Part Time Facility Maintenance

Position for the Public Works Department: Brumbaugh stated in the budget for this year a permanent part time position was included. That still has to come before the Council for a vote of approval. This issue went to the Personnel Committee. A job description has been put together, and a list of items for that person to be doing. After a lot of discussion of concerns, this position will be part time, 1,040 hours. We will be watching that to make sure it doesn't go over the allotted 1,040 hours. It would be a union position because it's part of public works and according to our personnel policy they would get prorated benefits. The position doesn't get any insurance benefits. They would get PERA, which is mandated, and prorate vacation and sick time. This position would take the place of a seasonal position. Instead of three seasonal positions, it would be two seasonal and one part time position. We looked at \$15.00 an hour for a starting wage. We haven't talked to the union yet so that has to be done.

Randall stated my understanding is that this takes the place of the public works part time position. Brumbaugh stated correct. That has not been requested.

Leckner questioned are you saying that the union could have a say in this? Brumbaugh stated potentially they could. The \$15.00 per hour wage is approximately 75% of a full time position starting wage. Randall questioned in your experience are they usually okay with that? Brumbaugh stated the last time they talked about seasonal employees it was for a lot less pay than this. I'm hoping that they will be receptive to this, at 75%. Conway questioned does the part time position belong to the union? Brumbaugh stated they would because they are working over fourteen hours per week. They have an option of joining the union. Conway stated technically we'd have to negotiate that wage. Brumbaugh answered yes. That is something that we have to talk to them about. We wanted to make sure the Council were in agreement with it before we went any further with the union. Randall questioned would it be brought back to us if the union did not approve it? Brumbaugh stated that is correct.

A motion was made by Conway, seconded by Wills, and unanimously carried to approve creation of a Permanent Part Time Facility Maintenance Position for the Public Works Department.

9.2. Personnel Committee's Update on City Administrator Search:

Tom Conway stated the Personnel Committee met on Tuesday morning, April 16th, to review the pertinent documents which are in the packet. We are ready to meet with the city department heads tomorrow. We will gather their input on what the ideal candidate would be. We have also requested input from the city. There are surveys at city hall which can be picked up and filled out. If someone wants to give input they can fill out the survey and turn it in to the clerk. The survey deadline is at the close of business on April 29th. We have set the application deadline for May 31st for someone to apply. We will start screening the applications the first week of June. We have to remain a little flexible up to that point once we find out how many applications that we get and how competitive they are before we can determine how long the rest of the process is going to take.

Conway stated the only action for the Council tonight is to approve a change in the wage. We left the starting salary the same. That's not to say the person would start there. It would depend on their qualifications. We did raise the maximum salary from \$87,817.60 to \$91,998.40. The action is to approve the increase of the maximum salary for the city administrator.

A motion was made by Conway, seconded by Wills, and unanimously carried to approve the Five (5) Year Salary Wage Step of the City Administrator from \$42.22 to \$44.23 per hour, or \$87,817.60 to \$91,998.40 annually.

9.3. Approve the Subordination of the Small Cities Loan by and between the City of Park Rapids and Luke and Molly Luther: Brumbaugh stated this request is to subordinate a Small Cities Loan for Molly and Luke Luther. They are working on some refinancing. The Council did actually approve this last year. In the process of all of this it has to be done again. The subordination would put the city in third place instead of second place. This is a forgivable loan and they are over half done with it. The chances of the city losing anything are nil. The loan is completely forgiven over ten years. In order for the Luthers to finish their financing this needs to be done.

A motion was made by Randall, seconded by Conway, and unanimously carried to approve the Subordination of the Small Cities Loan by and between the City of Park Rapids and Luke and Molly Luther, and to authorize city officials to execute the Subordination Agreement.

10. CITY ADMINISTRATOR COMMENTS: The administrator was not present.

11. DEPARTMENT HEAD UPDATES: Brumbaugh stated the EDA Revolving Loan Fund Committee had a meeting today. They are working on a new prospect. They are not yet to the point of bringing it forward to the EDA Board. They will have another meeting in a few weeks after they go back to the people involved to discuss more things.

Scott Olson stated surprisingly with all the snow we had in April, April sales are looking very well. One of my staff members who has been out with a medical issue will be returning, with some restrictions, the first week of May.

Andrew Mack stated there is a workshop scheduled for May 14th, 2019, at 5:00 p.m. That will be dealing with a rental licensing ordinance to strengthen enforcement. There will be a report in your packet and we'll do a presentation. The Planning Commission met last night to work on a number of things from our priority list. The craft brewery licensing provision ordinance change has been moved to high priority by the administrator and I have begun working on that. I'll be sending that off to the city attorney for review.

Mack stated tonight the Council took action to appoint Tanya Jo Boyer as our newest Planning Commissioner, who is here tonight. The Council welcomed her.

Sergeant Rob Gilmore introduced the city's newest Police Officer Colter Diekmann. The Council welcomed him.

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

13. COMMENTS FROM COUNCIL: Randall stated I attended the Firemen's Banquet. Thanks to Terry Long and his crew for the invitation. It was a wonderful night with a wonderful meal. It was nice to see the awards. There is an Action Park Rapids Meeting on Thursday, May 2nd at 9:00 a.m. at the Legion. All are welcome to join.

Conway stated the Hubbard County Regional Economic Development Commission meeting was yesterday. One of the action items was to vote on a new name. They have voted to call it the Heartland Lakes Development Commission. We have also asked Mary Thompson to schedule a Strategic Planning Workshop because there are some other structural things that could be changed to help us move forward.

14. ADJOURNMENT: A motion was made by Randall, seconded by Conway, and unanimously carried to adjourn the meeting at 6:31 p.m.

[seal]

Mayor Ryan Leckner

ATTEST:

Margie M. Vik
City Clerk