

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
NOVEMBER 10, 2020, 6:00 PM
Park Rapids City Hall Council Chambers
Park Rapids, Minnesota**

1. CALL TO ORDER: The November 10th, 2020, Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Acting Mayor Erika Randall, and the Pledge of Allegiance was recited.

2. ROLL CALL: Present: Acting Mayor Erika Randall, Councilmembers Tom Conway, Liz Stone, and Robert Wills. Absent: Mayor Ryan Leckner. Staff Present: Administrator Betty Thomsen, Fire Chief Terry Long, Treasurer Jeremy Jude, Planner Andrew Mack, Liquor Store Manager Scott Olson, and Clerk Margie Vik. Others Present: Sue Tomte, and Robin Fish from the Enterprise.

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

**Add to General Business: #9.3. Approve Adjustment of Interest Rate from 5.0% to 4.25% on the Revolving Loan for Revel Brewing LLC.
Delete from Agenda: #14. Closed Session.**

4. APPROVAL OF MINUTES:

4.1. City Council Workshop Minutes- October 27, 2020: A motion was made by Wills, seconded by Stone, and unanimously carried to approve the October 27th, 2020, City Council Workshop minutes as presented.

4.2. City Council Regular Meeting Minutes-October 27, 2020: A motion was made by Stone, seconded by Wills, and unanimously carried to approve the October 27th, 2020, City Council Regular Meeting minutes as presented.

5. FINANCE:

5.1. Payables & Prepays: A motion was made by Stone, seconded by Conway, and unanimously carried to approve the payables for October 2020 in the amount of \$219,965.76 and November's in the amount of \$227,653.80, and the prepaids for October 2020 in the amount of \$7,688.04 and November's in the amount of \$79,107.34, for a total of \$534,414.94.

6. CONSENT AGENDA: Scott Olson removed item #6.6. A motion was made by Conway, seconded by Wills, and unanimously carried to approve the following consent agenda items:

- 6.1. Resolution #2020-166 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for St Joseph's Area Health Services.
- 6.2. Resolution #2020-167 Approving Wage Adjustment and Step Increase for Part Time Rapids Spirits Liquor Store Clerk Tina Jenkins.
- 6.3. Resolution #2020-168 Approving Wage Adjustment and Step Increase for Full Time Park Rapids Police Officer Josh Gabriel.
- 6.4. Resolution #2020-169 Approving Wage Adjustment and Step Increase for Public Works Street Maintenance Worker David Susterick.
- 6.5. Authorize Staff to Move Towards Implementation of Third Party Pay for Credit Cards to Submit Utility Payments Online, Effective January 1st, 2021.
- 6.6. *Removed from the consent agenda.*
- 6.7. Approve Golf Cart/Class 2 ATV License to Drive on Park Rapids City Streets in 2020 for Horace C. Gates-ATV.
- 6.8. Approve Pay Request in the Amount of \$3,938.54 to Cummins Sales and Service for Parts, Labor, and other Services Rendered in Regard to Engine 5771 for the Park Rapids Fire Department.
- 6.9. Approve Pay Request in the Amount of \$26,454.00 to Kitchigami Regional Library for the Second Half of the 2020 Levy.
- 6.10. Approve Pay Request in the Amount of \$3,626.38 to Angel Armor for Protective Vests/Gear for the Park Rapids Police Department.
- 6.11. Authorize Staff to Execute the Subordination Agreement for Michael and Kerri Dinkel from a 2012 Small Cities Forgivable Loan.

END OF CONSENT AGENDA

6.6. Authorize Staff to Post, Advertise, and Interview for Two (2) Full Time Rapids Spirits Liquor Store Clerk Positions: Thomsen stated we have to modify this request to advertise for one full time employee for Rapids Spirits. **A motion was made by**

Stone, seconded by Conway, to Authorize Staff to Post, Advertise, and Interview for One (1) Full Time Rapids Spirits Liquor Store Clerk Position.

Discussion: Conway stated the liquor store union representative has asked me this because we've had these two openings to some time. My understanding is that it is contractual that we have those positions. Is that a fair statement? Olson stated yes. I have talked to him twice, so he is aware of what is going on. Randall stated the second position should be posted shortly. There is a procedural thing that has to be taken care of. So, this should hopefully be approved at our next meeting.

The vote was called.

The motion carried unanimously.

7. COMMENTS FROM CITIZENS: There were no comments.

8. PLANNING:

8.1. Resolution Approving Rezoning Application for City of Park Rapids Requesting to Amend the Comprehensive Plan Future Land Use Map from Residential to Multiple Family for Thirty-Five (35) Parcels in the City of Park Rapids:

Andrew Mack stated we have a number of items involving rezoning. Rezoning requests are preceded by an amendment to the comprehensive plan future land use map. The original application for this started with David Bitker. After further review of the requested rezone and amendment to the comp plan for his parcel it was identified that the Planning Commission would initiate a re-guiding of this area from single family to multiple family. This was reviewed by the Planning Commission at their October 26th meeting. For the additional thirty-five properties we are recommending that the comprehensive land use map be amended with the adoption of the presented resolution to provide for increased density in this location.

Conway questioned have you had public meetings for this to give the neighbors what they want? Mack stated there wasn't a meeting conducted in the neighborhood, but for the public hearing everyone was notified by mail. We held the public hearing and we did have some comments for citizens, principally questioning what plans were involved in the area. In addition to Bitker who'd like to remodel a garage into a single dwelling, so he'd have a duplex and a single, we have one indication in this area that a single-family dwelling that is currently zoned R-2, has been remodeled and has the potential of being converted into a duplex. That is the only other indication of other activity in the area. There is no big push for redevelopment or anything of that nature. We also have some vacant land area that the city owns, next to River Heights. There are no plans for any additional apartment or townhome construction there, but this would set the stage. It's already guided for duplexes, but the guiding of the property would set that up for future multi-family. We are just taking a longer term look at the area based upon the current uses in the area that are higher than single family.

Conway stated I didn't catch that it was a garage being renovated on the same property as a duplex. Nobody dissented about that? Mack stated no. There's plenty of room on the lot and no variances involved. It's been a long-term plan of the gentleman that

owns the property and he's just getting around to taking action on it. There would be a proposed addition to the garage as well. Conway questioned and it would meet all of the building requirements? Mack answered correct.

A motion was made by Stone, seconded by Wills, and unanimously carried to approve Resolution #2020-170 Approving Rezoning Application for City of Park Rapids Requesting to Amend the Comprehensive Plan Future Land Use Map from Residential to Multiple Family for Thirty-Five (35) Parcels in the City of Park Rapids.

8.2. First Reading of Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.44.40100: Mack stated this is the request by Mr. Bitker to rezone his parcel. The Planning Commission held a public hearing on this. There was some discussion on this and the questions were answered at the hearing. The Planning Commission and city staff are recommending approval of the first reading of the ordinance, which includes the findings of facts, for the rezoning of this property from R-1 to R-3.

A motion was made by Wills, seconded by Stone, and unanimously carried to approve the first reading of the Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.44.40100.

8.3. First Reading of Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.45.52000: Mack stated as a result of the application from Bitker we took a closer look at some of the uses in the area. The subject property that is now being considered for amendment for Mr. Halik is currently operated as a tri-plex. There's three dwelling units in a converted older single-family dwelling. The property would currently be considered legal non-conforming. An opportunity was extended to the landowner, given the rezoning that was being considered here and the amendments to the comp plan to petition to rezone to bring the property into conformance with the current use of the property. The landowner, Mr. Halik, agreed to initiate that request. The Planning Commission and staff are recommending this parcel be rezoned from R-1 to R-3 to permit that three dwelling unit to become a conforming use of the property. No expansions or changes are proposed for the structure at this time.

A motion was made by Stone, seconded by Wills, and unanimously carried to approve the first reading of the Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.45.52000.

8.4. First Reading of Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.45.52200: Mack stated this request is petitioned by James and Beverlee Hallaway d.b.a. MLRAE Corporation. This owner has a number of rental properties in the city. It's a similar situation here. The parcel is currently zoned R-1. We've now re-guided this for multi-family/medium density. There is currently a duplex on this site, a two-family dwelling unit. Rezoning it to R-3 would bring the current use of the property into conformance with the zoning change, thereby eliminating the non-conforming use and making the property a conforming use. The Planning Commission conducted a public hearing and is recommending, along with city staff, approval of the first reading of the ordinance rezoning this property, located at 607 Riverside, from R-1 to R-3.

A motion was made by Wills, seconded by Stone, and unanimously carried to approve the first reading of the Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.45.52000.

8.5. First Reading of Ordinance Rezoning Land to R-3 in the City of Park Rapids PID #32.25.07081, PID #32.25.02032, and PID #32.45.52100: Mack stated as a part of the look at the larger area, we currently are proposing to rezone the River Heights property, which is owned by the Park Rapids HRA. It is currently zoned R-2. Under the current zoning a multi-family apartment building is a non-conforming use. We are looking to bring the current zoning of the property into conformity with the zoning ordinance requirements. We have included, not the entire areas that we are re-guiding for multiple family, we are specifically creating a uniform boundary of the district to the R-3. These three properties, River Heights, the vacant city parcel that has a lift station on it, and the property owned by Carol Snelling at 603 Riverside, all parcels to be rezoned from R-2 to R-3, and R-1 to R-3, to create a uniform district boundary for the R-3 district, which will reflect the current use. The Snelling property is currently a single-family residence. There's no plans or proposals to modify that to higher density, but the single-family residence is approved as a permitted use in the R-3 district, and it would remain as a conforming use of the property. The Planning Commission and staff are recommending approval of a zoning change for these three parcels from R-2 and R-1 to R-3.

A motion was made by Stone, seconded by Conway, and unanimously carried to approve the first reading of the Ordinance Rezoning Land to R-3 in the City of Park Rapids, PID #32.25.07081, PID #32.25.02032, and PID #32.45.52100.

9. GENERAL BUSINESS:

9.1. Resolution Approving Policy to Authorize Department Heads to Submit Grant Applications for the City of Park Rapids: Betty Thomsen stated that only allows them to do that to expediate the process. Sometimes department heads hear about a grant, and the deadline for submission doesn't coincide with coming to the Council. It's only in the event that the city does not have to spend one cent toward it. If it's a true grant from them they can get permission to go ahead and fill out the grant work, if there is no financial commitment to the city. Randall stated it's also conditioned on the city administrator's approval prior to submission. I do think there are some grants that we shouldn't necessarily be applying for. It depends on what the funds are going to be used for. Thomsen stated that's why it's restricted to the administrator's approval. An example was the one at the last Council meeting from the police department. It gives us the opportunity to get some money without passing it up, with no expense to us. Conway stated once the Council approves the application, then you have to approve accepting the funds. Thomsen stated that would be the other thing. This doesn't authorize staff to run out there and look for every source out there. It's only if it's a pass-through grant. We did get grant money to buy the armory. Great wonderful project. But now the city owns the building we have to come up with the depreciation on it. Sometimes there might be a way to get the money, but we're probably not going to say yes to it because in the end it's going to hit us big time.

A motion was made by Conway, seconded by Wills, and unanimously carried to approve Resolution #2020-171 Approving Policy to Authorize Department Heads to Submit Grant Applications for the City of Park Rapids.

9.2. Resolution Authorizing Proper City Officials to Execute the Paperwork to Certify Special Assessment for PID #32.62.01100: Vik stated Kent Brock

came to the Council asking what could be done to prevent his utilities from freezing. Council referred it back to staff. Public work's recommendation was to fix the utility lines. The city does have a policy within the city code that we can certify the amount of the repairs to the property owner's taxes. It helps him to fund the repairs. The city isn't paying for it, we are going to charge it back to Brock.

Randall questioned has all this been discussed with him? Vik stated yes.

A motion was made by Wills, seconded by Conway, and unanimously carried to approve Resolution #2020-172 Authorizing Proper City Officials to Execute the Paperwork to Certify Special Assessment for PID #32.62.01100.

9.3. Approve Adjustment of Interest Rate from 5.0% to 4.25% on the Revolving Loan for Revel Brewing LLC: Thomsen stated the last time this was presented there was an oversight by Sarah Linda regarding the interest rate. She submitted it at 5% and it should have been 4.25%. She needs authorization from the Council to correct the interest rate.

A motion was made by Conway, seconded by Wills, and unanimously carried to approve an adjustment to the interest rate from 5% to 4.25% on the Revolving Loan for Revel Brewing LLC.

10. CITY ADMINISTRATOR COMMENTS: Thomsen stated we received \$311,607.00 in CARES funding, and we will be returning \$2,492.48 to the county. We did a pretty good job of using it for needed things in the city. A big thanks to the staff for tracking all of that and going back into the invoices that had already been paid before. If by some chance that we get money again they're planning on setting up a separate line item for that so it will be easier to track.

11. DEPARTMENT HEAD UPDATES: Mack stated we have been working with the Chamber of Commerce. We have the redevelopment project under way for Simonson Stationstore and car wash. There was an article brought to my attention that ten years ago we had placed a time capsule in Main Street during the reconstruction project. We've assembled another time capsule and Arch Simonson has consented to have that buried on his site, also along with a groundbreaking ceremony being organized by the Chamber. Any Councilmembers that are available this Friday at 3:00 p.m. show up and grab a gold shovel and helmet. If your schedule permits please join us.

Conway questioned when are they expecting to be open for business. Mack stated in the spring sometime. Not before they complete the flat work, once all of the concrete surfaces are finished and in place.

Terry Long stated it's been an interesting year for fire calls. We had fifteen calls from the first of January until the end of July. Now we've had about fifteen per month since then. We are going to be ahead of normal. It's been really busy lately.

Long stated we have had a few issues with the truck that we are using for our grass rig. It's a 1982 model. It's a loaner from the DNR. Their program is to loan out trucks. They retain the ownership of it, but they loan them to mutual aid departments that help them with the idea of having better equipment. Our part of that is to maintain it. We're starting to see a lot of mechanical things going wrong with it, to the point that as a group we started talking about what we should do next. We received a \$10,000.00 donation from the Wolf

Pack to help us replace that truck. We have some other grant money coming back from the dryer that we purchased. We have a fair amount of that we'd like to put toward replacing that. We formed a committee to decide what's the best way to do it. At this point, we're going to use donation money to purchase something newer.

Randall questioned you'll bring that to the Council for approval before you make the purchase? Long stated I'm bringing it to you now with the idea that I want to avoid the problems that we've had in the past so that you are aware of what we are doing. Randall stated we ran into this when the hummer was purchased without Council approval. My understanding and it's our expectation that these things do come before the Council for approval. Because, the city ultimately does bear the cost of the maintenance and the insurance for these vehicles. I understand that the pool of money that you are using to purchase is different, but it ultimately is a city-owned vehicle that we are responsible for. I think it does need to get on the agenda for formal approval. Long stated the funds are donated, and I agree with the maintenance, but with this one we are replacing something that you already maintain. Randall stated I understand, but there is still the insurance. This goes back to the hummer that was dropped on the city and we were expected to pay for the insurance. We want to know what's out there and what the city owns and is responsible for.

Thomsen questioned are you requesting tonight to purchase something? Long stated right now we are in the shopping process. I don't have one picked out. We want to look at what's available to us. We looked at extending the newer DNR model, but most of that doesn't go through the same program as before. It's probably going to be something that we buy. But I want you aware that we are shopping.

Randall stated I'll defer to the Council on whether we need this to come back. My opinion is it needs to come back because we need to set a precedent that this is what we want, that it should come to us on the agenda so there is some background and the need for the vehicle. We ran into issues this year, and found out the hard way, that we had a few vehicles that weren't even insured because we aren't aware of things that we own. We need to make sure that we are keeping track of this. That's my opinion. I'd like to see this process gets started moving forward.

Conway stated I would agree, as long as it's brought to the Council before the purchase is made. Randall stated I understand that you are shopping. There needs to be a record that we are going to be adding another vehicle to our fleet. Long stated we're replacing one that is already here, it's not an addition. Randall stated it's about making sure that we have the right insurance on it. We found out the hard way that there were vehicles out there that were replaced and the insurance was not right. Long stated I understand that. At this point what I wanted to do was to avoid any hard feeling that we had with the hummer. Randall stated I appreciate that you brought it to us. That was an example of why the process needs to be followed.

Scott Olson stated we had a very busy September. It was the busiest September that we have had in ten years. October is also up 22%. The trend is still continuing.

Jeremy Jude stated Thomsen and I had a long conversation with the FAA and TKDA regarding the airport's CIP. In the next five to seven years there is going to be some substantial capital investments out there. The budgeting process falls at the end of the year and we scramble to do that. I'm proposing that our consultant and TKDA come in and address the Council to discuss these projects that are coming up and the capital requirements. There are some large maintenance items and wish list items. The city is going to have to make some calls on priorities on what they want to spend those funds on.

The city's portion is probably \$2 million over the next five to seven years. There is substantial state and federal money involved too, but the city would have to spend some capital. I think the Council should be involved in the planning, rather than what do we have to spend next year. They could come for a work session or a meeting so you could see where they are heading with that stuff out there.

Randall stated we have our Airport Commission meeting on December 2nd. I'll leave it to you and Thomsen to see when they could come.

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

13. COMMENTS FROM COUNCIL: Stone stated I'm excited to see that we are getting an official Zoom license.

Conway stated the fourth phase of the business assistance grant has been done. The HLDC distributed slightly over \$1.4 million in assistance throughout the county. With that I'd like to thank all of the townships and cities in the county for contributing the money. We are one of the top counties for distributing a larger percentage to businesses in our county. We have received thank you's from several businesses regarding the fact that this is going to get them through. There's not enough that can be said about thanking the governmental agencies for rather than hanging onto that money, they use it to help the business folks. The HLDC Board voted, and I gave the HRDC formal notice on November 3rd that we were terminating the contract with them. We will no longer be administered by HRDC. We will be a standalone Economic Development Commission. That is effective on Friday.

14. CLOSED SESSION: *Deleted from the agenda.*

15. ADJOURNMENT: A motion was made by Wills, seconded by Conway, and unanimously carried to adjourn the meeting at 6:45 p.m.

[seal]

Acting Mayor Erika Randall

ATTEST:

Margie M. Vik
City Clerk