

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
SEPTEMBER 25, 2012, 7:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota**

1. CALL TO ORDER: The September 25th, 2012 Regular Meeting of the Park Rapids City Council was called to order at 7:00 p.m. by Mayor Nancy Carroll, and everyone present recited the Pledge of Allegiance.

2. ROLL CALL: Present: Mayor Nancy Carroll, Councilmembers Dave Konshok, Patrick Mikesh, Sue Tomte, and Paul Utke. Absent: None. Staff Present: Interim Administrator John McKinney, Public Works Superintendent Scott Burlingame, Treasurer Angela Brumbaugh, Police Chief Terry Eilers, Planner Dan Walker, Liquor Store Manager Scott Olson, and Clerk Margie Vik. Others Present: Dick Rutherford, Bradley Peterson, Julie Snow, Jeanne Troge, Brad VanBuskirk, Alesia Hasbrouk, Donna Petty, Donna Lord, Larry Hoganson, Colin Perry, Cynthia Jones, Jay Echtenkamp, Rod Nordberg, Alan Zemek, and Anna Erickson from the Enterprise.

Mayor Carroll introduced the new Interim City Administrator John McKinney.

3. APPROVAL OF AGENDA: A motion was made by Tomte, seconded by Mikesh, and unanimously carried to approve the agenda with the following addition:
10.1. City Administrator Update.

4. APPROVAL OF MINUTES:

4.1. City Council Regular Meeting Minutes-September 11, 2012: A motion was made by Utke, seconded by Mikesh, and unanimously carried to approve the September 11th, 2012, City Council Regular Meeting minutes as presented.

5. FINANCE:

5.1. Payables & Prepaids: A motion was made by Konshok, seconded by Tomte, and unanimously carried to approve the payables in the amount of \$54,796.51, and the prepaids in the amount of \$135,435.97, for a total of \$190,232.48.

6. CONSENT AGENDA: Tomte stated the date on Item #6.3. should be changed to September 28th. A motion was made by Tomte, seconded by Konshok, and unanimously carried to approve the following consent agenda items:

- 6.1. Resolution #2012-149 Authorizing Proper City Officials to Execute the Independent Contractor Agreement by and between John F. McKinney Jr. and the City of Park Rapids.
- 6.2. Resolution #2012-150 Amending Designated Authorized Signatures for the Year 2012 for the City of Park Rapids.
- 6.3. Approve Public Facilities Use Permit for John Schmacher d.b.a. the Park Rapids High School to use Helton, Fair, Fifth, Main, and Pearle Streets for the Park Rapids High School Homecoming Parade on Friday, September 28th, 2012 from 2:00 p.m. to 3:00 p.m.
- 6.4. Approve Training Reimbursement Award from the Minnesota Board of Firefighter Training and Education for the Park Rapids Fire Department in the Amount of \$2,730.00.
- 6.5. Approve Purchase Order in the Amount of \$1,293.52, for the Public Works Department to Purchase Cutting Edges and Curb Bumper from Kris Engineering Inc.
- 6.6. Resolution #2012-151 Approve a Temporary On Sale Liquor License for the Park Rapids Chamber of Commerce in the City of Park Rapids.
- 6.7. Resolution #2012-152 Calling Public Hearing on the Proposed Business Subsidy to SDG Properties II, LLC.
- 6.8. Resolution #2012-153 Approve Authorization to Execute Pay Request for the 2011 Maintenance of Effort for the Kitchigami Regional Library System on Behalf of the City of Park Rapids.
- 6.9. Approve Finance Committee Recommendation to Sandblast and Paint Public Works Equipment at a Cost of \$3,100.00 to Eagle Vision Machining.
- 6.10. Approve Finance Committee Recommendation to Purchase Police Radios from Mid-States Wireless for a Cost up to \$45,000.00.

- 6.11. **Approve Finance Committee Recommendation to Purchase Software Module for Utility Billing in the Amount of \$295.00 for Disconnect Notices along with Forms.**
- 6.12. **Approve Payment to TKDA in the Amount of \$671.30 for 2011 Terminal Project.**
- 6.13. **Approve Payment to TKDA in the Amount of \$4,533.03 for Runway 18-36 Design Project.**
- 6.14. **Approve Receipts for August 2012.**
- 6.15. **Approve Payment to Ulteig Engineers in the Amount of \$1,260.00 for Riverside Area Improvements/Red Bridge Parking Lot.**

END OF CONSENT AGENDA

7. COMMENTS FROM CITIZENS: Alesia Hasbrouk stated I live at 515 Court Avenue. My grass has lots of thistles and its all dead, my whole lawn. The city paid money for that sod. Carroll stated that project was two years ago. She questioned is this something that we need to look at? Burlingame answered no. Petty stated mine's dead and they didn't do a thing about it. Donna Lord stated mine is too. Carroll stated my yard is dead too but that's because we didn't get any rain this summer. Lord stated mine died right away after the project. Brad VanBuskirk stated it had nothing to do with the summer. The sod was put in late October. It was dead and it never came back. I brought this up at the last meeting. Carroll stated your issue is on the agenda and the staff has looked at that. Hasbrouk stated mine is three times worse. Burlingame stated I'll look at it, but I don't know why. You have to take care of it and water it. Everyone else in the project area that took care of their sod, it looks great. For the ones who didn't, it died. Hasbrouk questioned how can you water it if you guys said you can only water it Tuesdays and Thursdays. We needed to water it more. Carroll stated we're covering the same ground as with the item that is already on the agenda. These were all done as part of the same project. We'll discuss this more as part of #9.6.

Jeanne Troge stated I attended the Planning Commission meeting last night. I received a notice that the RV Park was going to be developed across from where I live. I expressed some concerns last night and I'd like to express them again today. After I expressed my concerns I was told I should have sympathy for the developer in that he has waited several years to be able to develop this property. Carroll stated I'm going to stop you now. That item will be discussed later. Walker stated the conditional use permit won't be discussed until October 9th. Carroll stated on the agenda is the first reading of the ordinance to change the zoning. We won't bring the conditional use part of it on the agenda until October 9th, at our next meeting. Walker stated Troge was notified and she was at the meeting last night. We addressed the conditions, and if she has other issues, she needs to take those up with me. The conditions they approved last night are the ones that they are going to recommend to the City Council.

8. PLANNING:

8.1. First Reading of Ordinance to Amend Chapter 151 Zoning, Section 151.062 R-2, Single, 2-Family and Townhouse District, (C) Conditional Uses to Include (19) Recreational Camping Area: Walker stated this request is being considered in concurrence with a conditional use permit request contingent on the approval of the zoning amendment, and will be brought to the City Council at the October 9th, 2012 meeting. As part of Northern Lake's request, they would like to expand the existing facility from sixteen existing independent sites to forty independent camping sites, which would not be permitted under the current zoning requirements for the R-2 District, which does not allow a recreational camping area. From the city attorney, they gave us three remediation actions. It was agreed that the third option was the preferred, which would be to amend the zoning ordinance for the R-2, Single, Two Family, and Townhouse District in order to allow recreational camping areas listed under conditional uses. This would allow us to hold public hearings in the future for any other additional, similar requests. We're also recommending that three additional parameters be included under the conditional use. The first would be they must meet all Minnesota Department of Health general requirements for recreational camping areas. They must be a minimum of ten acres, and the use does not exceed 25% impervious lot coverage. The Department of Health general requirements also further regulate minimum site size, setbacks, water and sewer standards, refuse control, and internal signage as they do with other campgrounds located in the state. Also, additional conditions can be added as part of the conditional use permit process. This type of use would be compatible with the intent of the R-2, Single, Two Family, and Townhouse District and would be similar to other intensity of uses that are allowed as permitted or conditional uses listed under the R-2 District. The Planning Commission did recommend approval of the request under the three parameters.

A motion was made by Utke, seconded by Mikesh, and unanimously carried to approve the first reading of the Ordinance to Amend Chapter 151 Zoning, Section 151.062 R-2, Single, 2-Family and Townhouse District, (C) Conditional Uses to Include (19) Recreational Camping Area.

9. GENERAL BUSINESS:

9.1. CGMC Update: Bradley Peterson stated I'm an attorney and lobbyist with the firm of Flaherty and Hood in St. Paul. We do the legislative advocacy and the organizational management for the Coalition of Greater Minnesota Cities, which currently stands at eight-one members. We try to visit every one of our members after the legislative session, and before the next one starts.

Peterson stated the Coalition has members from across the state. We focus primarily on five issue areas. Local government aid (LGA) and property taxes, economic development, annexation and land use, transportation, and environmental regulation, specifically and exclusively from a Greater Minnesota perspective. The story for LGA and property taxes really starts in 2011. The agreement that ended the special session and the

shutdown and resolved the budget crisis last year, was the legislature repealed the market value credit, which created a lot of chaos in the property tax system. It shifted a lot of tax levy burden from residences unto other commercial businesses, apartments, and non-city areas, like farmlands. Overall in Greater Minnesota cities, as opposed to metro areas, your property tax increase was 6.6% versus 2.6%. That holds true across every property tax classification. We've been holding steady since 2010 on LGA payments at about \$426 million. That's what's also expected in 2013. We expected 2012 to be a quiet year when it came to LGA, but one of the things that we discovered when we looked more closely was, what was coming forward was the allocations for cities have been frozen. The formula is not functioning. The law says that the formula would kick back on, which meant that you'd have a lot of cities going up and a lot of cities going down based on a formula that used to have \$100 million more in it as well as a lot of changing property values since 2008, the last time the formula actually functioned. For Park Rapids, in 2012 you're getting \$314,000.00. According to the formula, had current law continued, the City of Park Rapids would have gotten \$297,000.00. The Coalition took the position this year that no city should lose LGA. Because next year it's going to be a budget year and there's going to be a lot of changes to the tax system. Given all of the heartache that the cities have gone through in the last seven years, we thought, let's get everybody to 2013, nobody should lose money. The state ended up saying if you're a city under 5,000 and expecting an increase in 2013, we'll give you that and that cost the state about \$2 million. Going into 2013, there's going to be a lot of discussion about LGA and the formula as well as our tax structure.

Peterson stated Governor Dayton has had his commissioner of revenue traveling the state talking about tax reform. The governor wants to reform the whole system. Income taxes, property taxes, sales tax, balance out the burden between those three in terms of providing services at the local and state level. From his prospective, he'd like to raise more revenue, so he's going to come out with property tax reform in December or January. We've also had two working groups, working on LGA specifically. One, appointed by the legislature. On that group, there are a number of mayors, senators, representatives. The Coalition has a representative on that, Steve Peterson, who's our policy analysis. He's currently working on ideas for a new formula. The other group was appointed by Governor Dayton and includes many of our mayors from the Coalition. They've been working with the Commissioner of Revenue and the Department of Revenue on LGA formula ideas. The Coalition has five mayors on that group. We're very well represented in this discussion.

Peterson stated in terms of the state budget, the Department of Management and Budget, which is responsible for making the forecast, is predicting for the 2014-2015 biennium we're going to have a \$1.1 billion deficit. It's our structural deficit. If you added inflation to that, you're up to \$2.16 billion. As part of the 2011 budget resolution we borrowed a whole bunch of money from the schools. If you add that on top of it and you're looking at about \$4.5 billion that they're either going to be in the hole, is inflation, or we're going to owe somebody. That's what the legislature is going to be dealing with next year. There will be a lot of challenges. The CGMC is well positioned to play a pretty important role in that discussion going forward.

Carroll questioned why is that inflation figure so high? We're doubling the deficit because of inflation? Peterson stated that takes into account not only the deficit but all the other stuff we're paying for in state government. Our general fund budget is about \$35

billion. Inflation on that is going to be that extra \$1 billion. It's not only what we're in the hole, but it's the rest of the state budget.

Donna Petty stated you said they borrowed from the schools. You took it from the school. You didn't actually borrow it with the intent to give it back. It's nice talk. If people borrow from me, they pay me back with interest. I don't think that's what you mean. Peterson stated it wasn't my policy. The intent is that they will pay it back. But, the last time they did this type of borrowing from the school it took nearly a decade to pay it back in full. Petty stated I don't think they will ever pay it back. Peterson stated that would be a subject to take up with your representative. Usually in law, there is a mechanism for paying it back the next biennium. That's not there. Technically, you're right. They will not have to replace this money in 2013-2014. That's going to be part of their discussion. I personally don't think it's very realistic that it will be resolved in the next budget session.

Peterson stated last summer we engaged with the membership on a discussion about what should the Coalition be doing on the front of economic development. We always had a modest program where we've supported the Greater Minnesota Business Development Grant Program and a few other initiatives. But we really wanted to broaden the discussion with the membership, our cities, local EDA's, Chamber of Commerce's. We did a survey of what tools do you need in your tool box to help grow jobs in Greater Minnesota, retain the businesses that you have, and do economic development.

Peterson stated we came up with five pieces of legislation that were introduced on a bipartisan basis. One is a tax credit for companies that hire interns in Greater Minnesota, another one had to do with funding for this Greater Minnesota Business Development Grant Program, an enhancement to the Angel Investment Credit that was passed in 2010 where investors invests in companies that are new, innovative startups. They get a tax credit for certain types of investments in those companies. The problem with that was all the investment was happening in the metro area. 90% of the dollars in the businesses that got those investments that are taxpayer funded, were going to the metro area. So we thought it's a statewide program it should work for the whole state. We had an initiative around that gave credit for investments in Greater Minnesota. A job training program that would help companies to pay the cost of training new employees. That's one of the things that we hear, it's not often times a case of there are no jobs, it's we don't have qualified employees to fill the job. We also had an initiative around interchanges in transportation.

Peterson stated we started with here's what we think we need. We worked with legislators on a bipartisan basis to get those introduced. The legislative process is like a big funnel. You narrow down pretty quickly to what's feasible. Of the list of those five, the internship piece, the Angel Investment Tax Credit, and the grant program, were the three that gained the most traction. We ended up getting \$6 million in the bonding bill for the grant program. It's been a great program. It helps cities pay for the infrastructure that goes with some development opportunities. It gets you over the hump of paying the costs, it's a 50/50 match. It's been a great tool for communities, and there's money there. So if you're contemplating a project and you think you might do something, look into the infrastructure grant program.

Peterson stated the two other ones that gained traction were the internship piece and the Angel Investment Credit. Those ended up in a tax bill with a whole bunch of other provisions that got sent to the governor and for entirely unrelated reasons got vetoed. They were good ideas, people liked them, but they were collateral damage when it comes to the

legislative process. But it's given us a good basis to start from. We've gotten a lot of traction from our economic development initiatives over the last year. That's something that the Coalition will carry into 2013.

Peterson stated we did some work on annexation and land use. There was a bill that the townships introduced that would have essentially shut down almost every kind of annexation. It would have given town boards the ability to veto annexations by ordinance, which are those simple run of the mill annexations where there's a very specific criteria set out in law. For instance, if the city happens to own the property in the township, by law you can pass an ordinance to annex it. The bill that the townships put out would have said, no the town board can stop that. Or if the city surrounds a piece of township property for whatever historical reason and you just want to annex it to clean it up, the town board would have been able to stop that. We were able to quash that bill pretty quickly. It never got any traction at the legislature. But it is an issue that we try to maintain a strong influence on. The other issue that we worked on was water regulation and fee structures for water conservation. We worked with St. Cloud area legislators to give cities more flexibility when they're doing their water conservation rates.

Peterson stated our fall conference is coming up in November in Alexandria. That's when we set out legislative policies for the next year. It will be after the election so we'll do an analysis of who lost, who's in a position of power, and what it all means. We will also have a couple of very good speakers. We appreciate your participation in the Coalition. We rely on our member cities to give us input and tell us what you need. 2013 is going to be a big year. All two-hundred and one legislators are up for election. In 2010 there were over fifty new legislators. I'm assuming we're going to have fifty new legislators in 2013 because of redistricting and open seats. There's going to be a big job to do to educate the new legislators on the issues that affect you.

Carroll stated the Coalition is our best representative in St. Paul. I really appreciate what you all do with the legislature because those of us this far north are not able to get down there and see and visit with our legislators. Thank you to those working very hard on our behalf.

9.2. Request to Waive Water/Sewer Bill at 615 Fourth Street W- tabled September 11, 2012: Carroll stated we did have action on this at our last meeting. Tonight is for additional information. We're trying to figure out why the meter kept going. Usually if there's nobody there, or they haven't paid the bill and there's a shut. Staff said the property couldn't be shut off.

Burlingame stated we couldn't find the shut off. It's in an older neighborhood so we don't have any as-builts. Carroll questioned is this something underground? Burlingame stated we shut the water off at the curb stop, but we weren't able to find the curb stop.

Utke stated under normal policy we would have shut it off at that point but we couldn't find it. We should have. At that point it falls back on us. My suggestion is, at that time the bill was \$311.93. I recommend that's what we change the bill to. We'll have to absorb the rest because we couldn't find the shut off. At that point the water continued to run. If we'd have shut it off, that would have ended the problem right there. They would have had to pay the bill and it wouldn't have continued to rise.

A motion was made by Utke, seconded by Mikesh, to reduce the water/sewer bill at 615 Fourth Street West from \$643.98 to \$311.93, which is the amount that would have been accrued under normal conditions.

Discussion: Brumbaugh stated under normal circumstances we would have gotten a shut off fee, and a turn on fee of \$25.00 each, for a total of \$50.00. I believe the account is turned on right now because the owner is taking care of it.

Utke amended his motion to reduce the water/sewer billing at 615 Fourth Street West from \$643.98 to \$361.93, which would include the shut off and turn on fees. Mikesh seconded it. The motion passed unanimously.

9.3. Request to Waive Mandatory Water/Sewer Connection for Donna Petty and Donna Lord- tabled September 11, 2012: Carroll stated I had an initial contact with Tim Flathers from HRDC. We heard something about grants and low interest loans, yet it wasn't clear. Since that time I found out that seniors and low income seniors are sometimes eligible for some of the programs that are administered by the Hubbard County HRA. HRDC is the one administering it. I've printed off some information for Donna Lord and Donna Petty. They should start with Jackie Meisner at HRDC.

Donna Petty stated you were going to check to see how many other people were going to be affected like us, on the west end of town. Carroll stated I'm thinking for you in particular would be to check that out. The other thing that Tim Flathers said was that you could not be included in a future program. These programs that he is familiar with are specific to the homeowner, rather than the project itself. Having you wait for another project, like Green Acres, wouldn't help. You can go ahead right now and apply for these programs.

Petty stated part of the point was that I intend to sell the house within two to three years. We were talking about a delay of three years because it can go commercial from their house to Lords, if she decides to get out of the house. It's becoming a chore to keep things up because there's so much overgrowth of trees or tearing out an asphalt driveway it gets very expensive. I'm asking to wait to see if somebody commercially wants to come in. They were going to check to see if they waived the time for us if it was going to affect somebody else. You can't do it if you're going to have five other people want it waived also.

McKinney stated we were asked to look into the question to be part of the Green Acres Project. You have indicated that they cannot. The policy questioned was whether or not the city's policy should be amended, extended, or accepted in the case of these homes where there is a potential commercial development. Staff recommendation is that opens a Pandora's box. There's no history of doing that in the past. They've had three years. Petty stated there's a first time for everything. McKinney stated I understand that but what I'm being asked to say is what have we done up to this point. The city has not granted these kinds of extensions. The Council certainly has the authority to make an exception to that, but I want to point out that it would be an exception. It wouldn't be the routine.

Petty stated if the city wants to pay they can go ahead and hook up. But I don't have a dime that I can put down on it. McKinney stated that's why the mayor was sharing with

you some other options. Not whether you should or should not do it, but if it's done, how do you pay for it.

Petty stated our water tests better than your water. You're asking us to shut it off and drink your water. It doesn't taste very good. It doesn't test very good either. McKinney stated historically, there have not been exceptions to the three years you have to hook up. The Council can decide they want to make an exception, and to whom, and how many. Staff is recommending that they not make an exception. If we don't make an extension, and you hook up, how do you pay for it if you don't have a way to do that. That's what the mayor is trying to share with you, other options available to you to help pay for it. Petty stated this grant, if we get anything, is not going to happen overnight. Certainly, it's not going to be possible to happen this year. Carroll stated I have no idea about timing.

Donna Lord questioned is the Tomte house hooked up? Tomte answered no. The State Bank has asked for an exception also. Carroll stated the request is from Marty Peterson requesting a waiver from the mandatory utility connection for the property that the bank owns at 1201 East First Street.

Carroll stated this was part of the Highway 34 Project. Are they all at the same deadline? Burlingame stated there are a lot on the west side of town that are planning to hook up yet this fall because the deadline is approaching. Carroll stated many others hooked up right away. Burlingame stated many were already hooked up. For others, it wasn't available prior to the project. The three year time period is up so that's where we're at today. When we came through with the project we just reconnected many to the new line until we got to the areas of town that were not previously served. Utke questioned where did we start on the west side with the new hook ups? Burlingame stated basically at Fair Avenue.

Utke questioned how many are not hooked up? Burlingame stated I'd have to talk to the utility billing clerk. Petty stated that's why we postponed this, to find out how many others would be asking for exceptions. Burlingame stated only State Bank, and you two have asked. Everyone on the west side is hooking up. Mikesh stated I've received information today that says if this goes through many will be in tomorrow asking for the same thing. Burlingame agreed that would be true.

Petty stated I just can't possibly, mentally do it this winter. I just can't. I have too many problems with my health. I don't want to hookup before December. I can't handle it. Burlingame stated for people with financial issues, we've done it ourselves and put it on their taxes. Carroll stated the city would contract for it. If it goes on the property taxes then the city becomes the bank for the project. If they would qualify for some additional funding, how would that work? Burlingame stated I don't know how that would work after the fact.

Petty questioned what is the big rush to do it this year? Carroll stated we're at the end of that three year period. Petty stated you have the power to say start next spring, and get it done next summer. I don't know what's so hard about voting and saying wait. Why is it so important when you're putting bans out, and putting bad water out with more nitrates than we drink, that you demand that we do it this fall. I don't understand the problem. Forget the three years, just give us the winter to get through.

McKinney stated she's suggesting a specific timeframe. I don't know if you want to take that into consideration or not. You're saying you'd like to have six months. Petty stated the city can pay for it now or in six months. I won't have an extra dime next spring either. Mentally, I cannot handle it this winter. The cheapest way is for me to go through

my basement with city sewer and out the front of my house, and either tear up all my trees, or all the asphalt. It has to meet in the front yard where they put the meter. Coming down the driveway is not the best idea. I don't see how the trees are going to manage. I can't afford to pay someone to chop up these enormous trees. My lawnmower man told me I have the best looking backyard in town and I never turn a water faucet on. It happens to be the trees that shade it so it doesn't dry out. I have never watered my grass to keep it alive. When you're ready to pay for it call somebody and go ahead and do it because I can't pay for it.

Carroll stated because we are providing some additional information about potential financial support with the HRA, and assuming it's going to take some time to process an application, would it be possible to extend for a particular amount of time for these properties? We would be very specific about the extension time period and the reason why. That way I don't know that we're opening the door entirely or setting a precedent. How many properties would be in exactly the same conditions? Mikesh stated there are others. Carroll stated people that are also low income seniors? Mikesh stated because you are suggesting extending that hook up time.

Petty questioned is the big rush because you want to charge me for the sewer and water bill? Does the city need the money? Carroll answered no. Tomte stated its policy. What is the penalty for someone who doesn't comply with the three year rule? McKinney stated the options for the city could be as stringent as removing the occupancy permit from the property. I don't know if you've ever done that or even want to, but that is one option. Another option would be as suggested by public works.

Carroll stated one of the things that has been done in the past is that the city contracts for the hook up and the costs are put on the property owners taxes. Burlingame stated we have done that before. Carroll questioned is it paid off like an assessment over a period of years? McKinney stated It becomes a lien on the property if the taxes aren't paid. Angela stated it's the same as a special assessment. There's interest and it's paid over a certain period of years. Petty stated that's the same way the first one went. I have an assessment. I jumped from \$215.00 to \$916.00 twice a year. Lord stated my assessment for one little lot was \$8,600.00. Carroll stated so you're already paying those. Petty stated the only way I can afford it whether now or in the spring is through an assessment. I have no savings. I'm managing to stay above water but you can drown me anytime. Carroll stated when you sell those assessments are carried forward to the new buyer.

Konshok stated it's clear that the city has through our actions, we intend for that to be a commercial zone. I'm not sure what the point of this is. I understand that it could potentially open a Pandora's box, but we tend to do that all the time anyway. This area is pretty clear. We don't see it as having a future as residential property. I'm not sure why we would force them to hook up. Petty stated I don't see it either. I'm just hoping that the market will go a little bit up. I'd have been out of there years ago. Konshok questioned is there any way we could put a covenant on it that if these properties sell and grandfather in a continued residential, they'd be required at that time to hook up to the city. Right now I don't see the point of hooking up these four houses that most likely are going to sell commercial, probably to one buyer. That really is the only issue to me. The financial hardship is a side issue. The issue is what's going to happen with those properties. They're zoned commercial. You can potentially sell them as residential. In that case, on

the sale of the property, they'd have to hook up at that time. I don't see the point of putting in four brand new potential connections if it goes commercial.

Petty stated the kitchen isn't insulated. It has tarpaper siding. I'm on a budget plan. I'm \$147.00 to 1 electric, and \$145.00 a month. That's almost \$300.00 a month that I've been paying for three years. Just this month it dropped to \$70.00. I want out because it's not worth taking the sheetrock out and reinsulating. Konshok stated they are older properties that would need updating.

Carroll stated if we are creating a real exception, there are things that are happening with these particular properties that would not be happening on the west side. They are either business or zoned commercial. McKinney questioned would it be helpful if we were to try to come up with a criteria for an extension. One of my problems is if you leave it without a drop dead date, or a renewal, then you lose track of what's going on. I would suggest that we put some conditions in it like their septic system has to remain compliant, and the well has to be okay. As long as those conditions are met and it's in residential use in the commercial zoning, there could be a year extension that could be renewed. That way if something happens we don't have to go back and do this fact finding again, then we can say the conditions are the same and we'll extend it. Konshok stated that's good. The other stipulation is if they sell residential to residential, they immediately upon sale, have to hook up. Petty stated no one in their right mind, after I tell them I have no insulation is going to buy it. Konshok stated it could happen. In that case we need that stipulation.

McKinney stated perhaps we can get together and draft the kind of agreement that is being suggested here. You look at it, if you agreed to it, we'll bring it back to the Council at the next meeting. Petty stated that sounds fine. McKinney stated as a practical matter, by the time we talk and get it back to the Council, it will be too late to do it anyway.

Konshok stated this could potentially affect any homes that are in a non-residential district. McKinney stated I assume you are talking about conditions where there are residential uses in commercial property and they have not previously been hooked up. There were some that had water and sewer before, and that's not the condition that you're talking about? Konshok answered right. McKinney stated they have to do a complete retro-fit for it to work.

McKinney stated we'll be glad to work on something with you to bring back. Petty thanked the Council.

A motion was made by Konshok, seconded by Tomte, to table the request to waive the mandatory water/sewer connection for Donna Petty and Donna Lord for a staff referral.

The following Councilmembers voted yes: Carroll, Konshok, Tomte, Utke.

The following Councilmember voted no: Mikesh.

The motion carried 4-1.

Discussion: Mikesh questioned didn't we already have a staff recommendation once? McKinney questioned, to clarify, are you referring it for a recommendation, or for us to put something together for you to consider? Konshok stated the recommendation would be to look at residential property in commercial or business zones. I don't think that was specifically addressed. That's why I suggest re-tabling it. We got sidetracked on some of

the other issues. Carroll stated both Donna Petty and Donna Lord are included in this, as well as the bank owned property. Tomte stated it wouldn't apply to the bank. Carroll stated that is a commercial use already. It's just for the two properties. It's very specific.

Mikesh stated Tiny Blanchard did say to me that if something like this went through tonight, he wanted it to be put on record that he and five people on the west side want some type of forgiveness, or the same consideration that they (Petty and Lord) are getting. Carroll stated I'd say he could be considered, but is it exactly the same case? Utke stated looking at the issue with State Bank by asking them to hook up to a vacant building, I think we'll be talking about this again. It's not going to go away.

9.4. Approve Resolution Authorizing Proper City Officials to Execute the Paperwork Associated with the Labor Union Agreement for the Park Rapids Public Works Employees:

Utke stated we have a tentative agreement. The employees have voted in favor of it. There are eight changes to the contract. They include an increase of the hourly wage for 2012 of \$0.15, retro-active to January 1st, 2012, an increase of \$0.25 per hour for 2013, delete the frozen wage schedule for any new hires on Step One and Two, the health insurance contribution stays the same for 2012, an increase to \$625.00 per month, with an additional amount not to exceed \$200.00 per month for dependent coverage for the health insurance contribution for 2013, a \$25.00 increase for the clothing allowance in 2012, a \$25.00 increase for the clothing allowance in 2013, and a request to cash out compensatory time must be submitted to payroll by December 1st, instead of the previous date of December 15th. The contract now needs to be ratified by the Council. These are the same numbers that we did for the liquor store employees. **A motion was made by Utke, seconded by Mikesh, and unanimously carried to approve Resolution #2012-154 Authorizing Proper City Officials to Execute the Paperwork Associated with the Labor Union Agreement for the Park Rapids Public Works Employees.**

9.5. Long Grass and Dead Sod at 400-402 Sixth Street W: McKinney stated we have not physically viewed this property. Burlingame stated the grass that was placed was part of a project that was done two years ago. McKinney stated we reviewed the contract. When the work was done the contractor had to water and maintain the sod until accepted by the engineer. The contractor replaced any dead or damaged areas back at that time. Based on the engineer's recommendation the Council accepted the work on October 11th, 2011. Therefore, the contractor is not responsible for the replacement of any sod or seed in the area. One question was if there is a problem can we go back to the contractor? In accordance with this contract, staff has reported that the contract was in compliance at the time. In October of 2011 the engineer reported that they had complied with this contract. From that point on the property owners are required to water it. The problem is it wasn't watered, then there's no relief going against the contractor. So if the city wants to take any action, it's the city's baby. Perhaps on the dead sod issue we need to come back to the next meeting with a report on that.

Konshok questioned when we accepted on October 11th, 2011, that was a full year after the completion of the project? The project completed in the fall of 2010. We went through the winter and well into the next year. Burlingame stated you can table the issue of the dead grass. We can go look at it. It's a decision of whether or not the city wants to

replace it. We can't go against the contractor. McKinney stated the time involved was the thirty days that the contractor had to maintain it. He did. The actual acceptance of the contract and payoff, that happened in October of 2011.

Brad VanBuskirk stated it was late fall when it was laid, and then in the spring, it was watered, but it was dead already. It should have been replaced immediately. Carroll stated it was laid in 2010. VanBuskirk stated it wasn't completely dead, but winter came on, spring came, they watered it, it didn't do any good, because it was already shot. The sod should have never been done at that time. It was too late in the fall. Carroll stated it's too late to go back on the contractor. I think everybody is in agreement on that. VanBuskirk stated it isn't just my place. The whole street, Front and Sixth Street, looks terrible. The rest of the lawn looks great because it wasn't touched. Whatever they touched is dead.

Carroll questioned have we had this problem in the past? Burlingame stated we haven't sodded before. We seed. If it's watered properly you get a better product. Carroll questioned if they planted it too late, would we have accepted it? VanBuskirk stated they watered it about three times and that was it. It has to be torn up. What we're getting is thistles and weeds.

Burlingame questioned if it was dead the following spring why didn't you bring it up then? VanBuskirk stated because we thought the city was going to do something about it. There was a deal in the paper that the city was going to take care of the dead grass. So we let it go and nothing was done.

McKinney stated we answered the question that it's up to the city's program. There's nothing that we've reviewed in the contract that allows us to go back on the contract. The timing has expired. Utke stated it's been much too long. It's been accepted.

Carroll questioned does the city have any history of trying to take corrective action later on for sod in the right of way? VanBuskirk stated it's basically all of the right of way. Burlingame stated we could talk to a contractor and get some estimates. It's not in our budget. Maybe it's something that we could look at for next year. Utke stated we could look at it now and gather data, plan through the winter, with a spring application. VanBuskirk stated I don't expect anything to be done now. Utke requested these three properties be looked at and to bring that data back to the Council.

A motion was made by Utke, seconded by Mikesh, and unanimously carried to table the dead sod issue at 400 and 402 Sixth Street W, and 515 Court Avenue, for a staff report.

VanBuskirk questioned what about the long grass issue. Carroll stated the procedure to take corrective action against a property owner for a violation of the nuisance ordinance is in the City Code, Chapter 92. Unmowed grass would be considered a nuisance. The first thing that is done is a notice is sent to the property owner. If the grass is not mowed after the letter goes out, the property owner may be prosecuted. Or as an alternative the Council could order the lawn to be mowed, and then certify the charges against the property.

VanBuskirk questioned have they ever been notified? We have called the city several times to have something done about it. Carroll stated I heard one of the staff say it was visited but the grass had been mowed. VanBuskirk stated I mowed it. Carroll stated that leaves us with a problem. VanBuskirk questioned why wasn't something done when I

called the city? Nothing has been done over the last three years. I took it upon myself to clean it up. It was terrible.

Carroll stated the city would incur a cost to certify the charges against the property. It is not known at this time how much that would be because the charges are based upon the size of the assessment roll. The property owner has never been sent a long grass letter, therefore the city cannot take any corrective action. Mr. VanBuskirk was not authorized by the city to enter Donna Stone's property for any reason, therefore the city has no official obligation to Mr. VanBuskirk.

VanBuskirk questioned what do I do? Just leave it go again? McKinney stated the problem is you're too good a citizen. You're over there cutting somebody else's grass, and you need to make us do our job. By that I mean you need to call us before you go out there. We have the problem to deal with according to our process. VanBuskirk stated you were called three or four times and nothing was ever done. McKinney stated I can't reconstruct that history. I can tell you there is a process for the city to deal with it. It never got triggered for the reasons that we just discussed. But it would be triggered if it were to happen today. We're not telling you there isn't a process to deal with this, it just didn't get triggered because he cut the grass. We can't intervene in that situation, but we can do our job according to the code.

VanBuskirk stated my wife called four times to the city and talked to one of these ladies and nothing was ever done. Burlingame stated we spoke about this at our meeting this morning. You called city hall, she went out there more than once, and the grass was cut. VanBuskirk stated I got tired of waiting for a response when I didn't hear anything back. McKinney stated I know the frustration you must have about that, but I can't change that. I can tell you call us and quit mowing it and we'll take care of it. He questioned what's the state of it right now? VanBuskirk stated it looks pretty darn nice. I was going to mow it again, but I'm not going to touch it right now.

9.6. EDA Recommendations: Carroll stated we have a recommendation from the EDA to approve the recommendation of the loan committee, with the terms as stated, with the exception of the eighteen months. The EDA decided to recommend a twenty-four month term.

McKinney stated there were two exceptions to your policy that Zemek asked you to consider. Zemek asked you to consider a larger amount which will exceed your total lending limit, and the other was to approve twenty-four months instead of eighteen months. The recommendation of your loan committee was eighteen months, and when the EDA met, you recommended twenty-four months, which is also an amendment to your policy, which you have the authority to do.

A motion was made by Tomte, seconded by Konshok, and unanimously carried to approve the Revolving Loan Fund application for Alan Zemek d.b.a. Armory Square Management Corporation, as per the Economic Development Authority's recommendations.

9.7. Update on Downtown Camera Bids: Eilers stated I filled McKinney in on all of the background surrounding the cameras. The original idea came up during the downtown renovation. For some reason it got deleted from that whole process. In the meantime we were asked to bring forward some more ideas for cameras. The bids that

were gotten by Mr. Smith, prior to him leaving, ranged from \$2,000.00 to \$22,000.00. We need to figure out exactly what we want and who's going to pay for it.

McKinney stated the chief and I agree that we were asked to get bids on something that there wasn't complete understanding on our part as to what it is, and what the end result should be. There's all kinds of options which explains why you have bids up to \$22,000.00. Our recommendation is to allow us to seek advice and prepare a plan for what we want before we start taking bids on implementing it. The plan would include how we would fund it. We need authorization from the Council to do that. Eilers stated that would get us to where we should be.

Carroll questioned are you working with the Downtown Business Association on the placement of the cameras? McKinney stated that's what we want to do, is to get someone that knows what we want. Eilers stated I've talked to other entities that would like to get involved if we can do add on cameras. The parks would like to climb on board also. Once we get a plan put together on how we want to use it, then we can get an official bid, that would include who is going to pay for it, where's the money going to come from. I will do some more checking with Jon Olson on the engineering part of it to see what's been done on other cities.

McKinney stated we're basically recommending that we put together a plan for what would be done, and then we'll get your approval before we do anything further. The plan as simply stated is that we need cameras. Well, where, what do they do, we're not comparing apples to apples when you compare these bids. I think we can come back to you with a plan that we would also want to get input from other citizens.

Konshok questioned have we established the need for this? Eilers stated that would be part of the plan. Konshok stated my first question is do we really need this? Utke stated we have a problem with Main Avenue. We also may want to look at some other problem areas. There are challenges on Main and that's how this really started. One of the ideas were for cameras to help out. Cameras could be good tools. But then we'd need someone to sit and watch it and how do we use that data. That has to be part of the plan, how do we make this an efficient process to try and solve some problems. Konshok stated we could check other cities and see what kind of impact cameras have had. It sounds like it could be a good idea but what really is the impact of it. Does it make a difference or not? I can see spending a lot of money on this and then in a couple of years we say that didn't do any good.

McKinney stated we would expect to bring back to you a statement of purpose. Dick Rutherford stated Fargo just put in three of them. You could check with them to see how they are working, what kind of cameras they got, and the cost. They had a problem on three blocks.

A motion was made by Utke, seconded by Konshok, and unanimously carried to direct staff to put together a proposal for downtown cameras.

9.8. City Administrator Search Process: Carroll stated I could only find two search firms that are doing business in Minnesota. One is Springstead. They are currently working with Swift County to find an administrator, Sibley County, and a city administrator search for a small city in Wisconsin. They also did the Beltrami County and the Brainerd search. The second company is Brimeyer/Fursman LLC. They specialize in executive searches. The company that the City of Park Rapids contracted with last time

has been sold. The principle of that company has retired and sold to the people who are operating the company and providing the same service. They are working with Waverly, Iowa, Eagan, Wayzata, Olivia, Chaska, and Crookston, all in Minnesota. Both of these companies do work in Minnesota. It's the same process. They come into the community, ask for information for a community profile and create an ad based on what our requirements are and what we're looking for. That involves the Council and staff being interviewed for details. They do a search. The position is posted in several locations. Then they bring us candidates. We decide from the large group how many we'd like to interview. Once we determine who we're going to interview, those are the finalists. We as a Council interview them. The school just did this and they invited a community group to participate also. I think that would be very helpful to us. At the end of the interview process, selection is made. Then we get them started. It takes a large amount of time, possibly two months.

McKinney stated in terms of process, if you're using a consultant, they are accustomed to responding with a proposal that gives their background. Maybe if you come up with a list, you can invite them to send you something to look at. That would be helpful. It's difficult for them to give you a timeline if they don't know what you want or how you want to proceed. You need to find some common ground and comfort with whoever's going to do it and then let them outline the process. The timing is difficult to predict until they know who you are and what your expectations are. We could get you some names of people who are willing to respond to that, to give you a proposal. Carroll stated they could do that in a pretty short period of time, by the next meeting.

Utke stated we talked about the other option of reviewing the names of the finalists of the Brainerd city administrator search. The other option is to do something on our own, to find those names and collect them. A lot of the time, administrators are not throwing their names in a hat. They go through a channel of being anonymous until the final so no one knows they are applying for anything. People have told me that search firms are a better deal, but who knows.

Tomte stated using a search firm takes off the responsibility of doing it locally. They are going to bring recommendations in. If we have the time to actively do that we save money. Do we have a budget for this endeavor? McKinney stated we have made an estimate of the money you save by using me instead of Mr. Smith of about \$10,000.00. That's all we have in the budget. The Council needs to address some funding to get through this thing. We have enough to get started and that's about it. Tomte stated that would limit some of the choices of what we do to get a new person because of the financial restrictions.

Carroll stated certainly money is a factor, but the advantage of a search firm is having them recruiting as well as receiving the applications. I don't know if any of us have any particular expertise in hiring administrators, or finding the time. I had very little time to research what I did.

Konshok stated being one of the Councilmembers in on the hiring process last time, and also being one of the participants since I resigned and applied for the city administrator job, I was absolutely not impressed with the firm we had. Without equivocation, I cannot recommend, even though Jim Brimeyer has retired, hiring that firm again. Both being a participant and being a Councilmember I saw very little value. I didn't see them doing anything. Springstead does a lot of this as well. It's a sideline business for them. Possibly they could do a better job on it. I think we tend to over think this process.

Several of us have hired people. One of the challenges for Park Rapids is that we are on the edge, size-wise. Cities that are smaller than us don't use these search firms. They will say send a resume into the city clerk. They have a local committee and they make a local hiring decision. I assume it's because of the money. Cities that are larger than us, of course use search firms. If you're a city of 100,000 people, you have a budget of \$100 million dollars. That makes more sense. The last I checked we have twenty plus people on staff and an operating budget of \$2 million and a capital budget of \$10 million. I handled those amounts for the federal government when I was a lieutenant. I wonder if we aren't over blowing this process. Particularly in a down economy there are a lot of talented, experienced folks out there. One of my concerns will be if we do the hiring process, is looking for only those with a strong administrator background. With our last job hunt search if you didn't have that particular experience you didn't get very far. That's not just me talking, Bill Smith has that same experience with Brimeyer because he was coming from a hospital background. I wonder if the gene pool they are looking at is too shallow. Not to belittle the position, I don't think it's as unique a management position as these firms make it out to be. I would be concerned that we cast the net wide enough and look at people from other firms if they are interested in applying for the position. That would be a question I have for any search firm we hire. I would be pessimistic on hiring a firm and spending the money unless we feel like it's going to be of great benefit and that we'd get a good person in the process that we wouldn't otherwise get going it on our own. I do believe that we can go on our own. I'm not saying it's easy and that it won't take time. That is a viable option that we tend to quickly write off.

Carroll stated narrowing the field and only looking at city managers is if in your job description it says preferably a master's degree in finance or public administration that's what you're going to get, people who are already in the field. If you broaden that experience out, open it up more, it would encourage people from other fields to apply. Utke stated that's very important, to be written such that it's broader. Too many times it's just the education part and not experience.

Carroll stated we should make a decision on how to proceed. Otherwise time is going to slip away. Our recommendations from the people in our community that we contacted, they were unanimous with recommending a search firm to handle it. I do not argue at all about our last experience. It was by far the worst. I wouldn't want to rule out all search firms. I'd like to think that was a unique situation. It could be a very valuable investment if we're successful in finding that outstanding candidate through a search firm. Whatever we do, we want the best outcome.

Tomte stated the bottom line is time. Do we have the time or the inclination of the people to do what it takes to get the ads out, contacts made, and get interviewees in? Carroll stated I do not. Tomte stated I don't. Carroll stated as much as I value it, I'm not going to have the time in the next few months to do this. Konshok stated I think for the things that are important you make time. As Council people I don't know a more important thing that we do in our term than hiring key personnel. I'm not sure what we're talking about in terms of time. Frankly, we're going to put a large amount of the burden on city staff. Carroll stated that's the advantage of the search firm because you don't want to be putting it on the staff that's already spread thin with the missing administrator while trying to get their own jobs done.

McKinney stated part of your situation is you're an entry level city administration position. You also have a form of government that's not particularly appealing to the aggressive, professional manager, because you don't have a manager. The person administrates. That's a stepping stone or a fallback position for people who haven't been able to crack it. You have to be very careful in your screening process. One of the problems today is that former and current employers are very, very cautious about giving you any information, because of liability. They confirm that so and so worked here on certain dates and that's it. Whether you use the firm to go out and get them, or you get them, you need the assets to check people out. Another potential problem is you have an election coming up. Nobody is going to be focusing on this until November, so you want to use this time to select a process. You have a great staff here but you're not paying them to be headhunters. They can't take the time to do this stuff. If it would be helpful, we can put together a list of people that have enjoyed good rapport with their clients. You can look at it, send out requests for proposals. If that doesn't seem like the way that you want to go, we'll come up with another approach. I would guess that it's going to be difficult for any of the Council to do it, as well as staff to do it. I'd be glad to get you a list of names and a draft RFP. I think you need to build up a confidence level with whoever it is.

Konshok stated if we go through this process, one of the concerns is making sure that we advertise well and thoroughly locally. I don't think these firms do a good enough job beating the bushes surrounding the local area, which could be your greatest potential. I'd really like, in a city administrator, someone who will stay around longer than five years. Part of the problem is our process, which has been using search firms. I don't think they bring us those type of candidates.

Tomte stated this is a stepping stone too. If someone wants a small town experience they would get it and move on. Konshok stated that's the problem. I would much rather have homegrown talent. They have to meet the requirements. There are a lot of people in the area that would have the basic requirements, and I'm not sure these firms do a good job of communicating to and recruiting. I think it's because they have an insulated bias of sticking inside the city administrator as a career field. I was surprised to hear that was a career track.

Carroll stated that's the way it is. Everything is specialized. Konshok stated I don't agree with that, especially for the role as administrator. It requires a person with a broad background not a specific, narrow, technical background, not someone with a lot of letter designations behind their name, just because they've done a lot of online courses. The problem is for someone on the up and coming, frankly, our \$75,000.00 a year that we offer isn't enough to keep them here for the long haul. But someone who was raised in the local area, has experience, has managed people, probably \$75,000.00 a year with benefits is a darn good job. I think it's more attractive than we think it is.

Carroll stated we had three local candidates last time that were interviewed. However we do it, if we want that, we have to express that. It has to be part of what we say we want to do. We are in charge of getting things set up, and they go out and find people to apply. Konshok stated but if they are located in Minneapolis or Virginia, it's difficult for them. I'll have to see how they are going to overcome that obstacle of distance. McKinney stated that could be reflected in their costs too.

Carroll stated McKinney has offered a potential next step. It would get us moving along. It would be to get us RFPs. McKinney stated I would get you a list, and you tell me

which ones you want an RFP from. I could work with the Personnel Committee. I think we can deal with questions about parameters in the RFP. We can have a list back to you by next week. **A motion was made by Tomte, seconded by Mikesh, and unanimously carried to direct staff to compose a list of potential search firms for the city administrator position.**

10. DEPARTMENT HEAD UPDATES: Walker stated the DNR has contacted me and we are working on the Red Bridge Project. We talked about having a public meeting to give information and to get input before the DNR works on their final design. We're looking at the 16th, 17th, or 18th of October. We'll look at options for the meeting venue. We'll do a presentation with the regional DNR staff and also the state staff to answer questions. On October 6th we'll be doing a tree planting event from 9:00 a.m. to noon. We'll meet at the American Legion. We have thirty-five trees to plant.

10.1. City Administrator Update: McKinney thanked the Council for letting him do this job. I've met with all the staff. They are a great bunch of people to work with. They've been very helpful. I was asked by the executive committee of COLA to invite the Council to their program on September 17th at the Northwoods Bank Community Center at 5:30 p.m. They're bringing in the Executive Director of Minnesota Lakes and Rivers to speak at a public presentation on how important the lakes are and the challenges faced with invasive species.

McKinney stated during the course of my first week some questions have come up on how we staff certain functions, like the city attorney or engineer. In our past experiences, Ulteig has satisfactorily done some provision of those kinds of services. Everybody got to know Jon Olson during the street project. There're a lot of engineers that don't survive those projects professionally and he did a very wonderful job of PR as well as engineering. He is now with another company called APEX Engineering Services. They called on us and they would like for us to know that they're available for general type of engineering that may come up, so he could do what he's done in the past. They did not suggest in any way, nor would I have accepted something to do away with the work that Ulteig is doing now. They are doing what is our biggest job, the water treatment plant. I'm reporting to you that Jon Olson is available through APEX, if you want to use him.

McKinney stated we had an organizational meeting of the governor's fishing opener. Dan Walker is our liaison and is on the executive committee. He's taking the lead. Anything you can do to show support of the city would be appreciated. Everyone that showed up at the meeting seemed to be enthusiastic.

McKinney stated Dave Collins and some others made a proposal that you authorized them to work on the project that is going on right now. Bond consul was included in the minutes. I contacted Briggs & Morgan and had them send us their scope of duties and fees, which they have done. At some point, we need to be more formal in these relationships so we can hold people accountable. They agreed to review the documents, which wasn't stated in her scope of ability. As I understand it, the people we use regularly as city attorneys don't do TIF. These people will give us their legal opinion. They will sign off on the process. I don't know if you intended that when you made that motion two weeks

ago, but that's how we will proceed. They are working on the developer's agreement and are in the process of finalizing a proposal.

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

12. COMMENTS FROM COUNCIL: Tomte stated I will not be able to attend the next Council meeting.

Konshok stated referencing McKinney's comments on Jon Olson, previously in our legal consul, upon retirement of John Masog, we competed our legal services. In my background with the federal government, all contracts of that nature are competed on some type of regular basis. Maybe every three to five years. That included engineering services. As an example, on the airport we are required by the State of Minnesota and the FAA to compete that engineering contract every five years. You invite proposals from any and all firms that are interested and you make a selection. It's not based purely on cost because it's not that type of relationship. It is a very common business practice for cities and governments of all sizes. I'm surprised that we don't do that. Recent events over the past couple of years have highlighted the need to do that, for any professional services. The time has come to go out and formally solicit proposals for engineering services. Whether we want to specify the number of years we do that, or do it just this once. The time is long past for us to do that. We've had contact from a number of engineering firms. We should take a serious look at the free and open competition that RFPs would bring in. We have to face the fact that Ulteig is not Larson-Peterson and has not been for quite some time. They are a firm that is going in a different direction. They are going away from municipal business and that concerns me. I don't want us to be the last one on the bus and get put off at the last stop. We need to be good stewards of the public dollar in every area, and technical services is one of those.

13. ADJOURNMENT: A motion was made by Tomte, seconded by Carroll, and unanimously carried to adjourn the meeting at 9:10 p.m.

[seal]

Mayor Nancy J. Carroll

ATTEST:

Margie M. Vik
City Clerk