

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
APRIL 23, 2013, 6:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota**

1. CALL TO ORDER: The April 23rd, 2013 Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Mayor Pat Mikesch, and everyone present recited the Pledge of Allegiance.

2. ROLL CALL: Present: Mayor Pat Mikesch, Councilmembers Rod Nordberg, Erika Randall, and Paul Utke. Absent: Councilmember Dave Konshok. Staff Present: Treasurer Angela Brumbaugh, Planner Dan Walker, Police Chief Terry Eilers, Liquor Store Manager Scott Olson, and Clerk Margie Vik. Others Present: Ulteig Engineer Brian Hiles, TIF Consultant Traci Ryan, Donna Petty, Mary Kotowski, and Anna Erickson from the Enterprise.

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

Consent Agenda:

#7.23. Resolution Appointing Thomas Juberian as Part Time Rapids Spirits Liquor Store Clerk for the City of Park Rapids.

#7.24. Resolution Appointing Mark Peterson as Part Time Rapids Spirits Liquor Store Clerk for the City of Park Rapids.

4. PUBLIC HEARING AT 6:00 PM:

4.1. Modification of Tax Increment Financing District No. 1-9: A motion was made by Randall, seconded by Nordberg, and unanimously carried to open the public hearing at 6:05 p.m.

Traci Ryan, with David Drown Associates, stated we're here to consider the modification of TIF #1-9. We started this process once and we didn't get the publications right so we're going back to correct that action. This should be the last time you look at this.

Ryan stated TIF #1-9 was a very large, broad, redevelopment district. The map shows the boundaries of the redevelopment district. The solid black line is the municipal redevelopment district #1 and the five TIF districts that fall within that redevelopment district are shaded grey. There were so many parcels within this district when it was created. As a general rule that's not a bad idea. It costs a lot of money to create a TIF

district so you want to look into the future and try to see what could be happening here. The city was going through some redevelopment efforts at the time this was created, like redoing your Main Street. That caused your previous TIF consultant to take a broad look at what was going on and include a lot of property. There were almost one hundred parcels included when it was created. With the downturn in the economy the market values of those properties have been dropping instead of increasing. It's causing that district to eat itself (the increment). Where you do have projects, like the grocery store, which was an excellent project as it cleaned up some substandard properties, and its generating increment because of the increase in property value. All of the properties where nothing happened on were losing value and that was consuming some of the increment that was intended to go towards the payment to the grocery store.

Ryan stated it was important to get on this as quickly as possible and modify the district and get those parcels out. Normally when you remove parcels from a TIF district you don't have to hold a public hearing. If you just remove the parcels without the hearing they'd come out at their current value and you would lock in the cannibalization of the increment. We did some research and found a way in TIF law that says if you hold a public hearing, you can request that these parcels are decertified at their original values by eliminating the cannibalization of the TIF district.

Ryan stated we talked about what parcels should remain in the district and where there might be potential development. I talked to Walker about some opportunities and where there were potentially some opportunities they were not even in the original district or the projects weren't readily on the horizon to happen. I pulled out all of the parcels in the district that there wasn't development that was actually happening. One example, Nordberg's property was left in just to square out that block of property. It should have no real impact on the ownership or the value of that property. The upside of leaving that in and squaring it off, then you can easily follow the borders of this district, and should there come a time where you might want to improve or sell, by leaving it in the TIF district, funds could potentially be used to assist with that relocation. It looks like there's a lot of stuff going on around you. How long you want to stay is up to you. It's not left in there to chase you off.

Ryan stated we wrote a resolution that addresses what we're doing and why. You can approve that at the close of the public hearing. It's a resolution to approve the removal of all but eight parcels. Normally we would list what parcels to remove, but this district has been in place long enough that there could have been lot splits that we may have missed. To simplify this I listed the eight parcels that are proposed to remain in the district.

Questions/Comments:

Mikesh requested questions from the public. There were none.

Nordberg stated I intend to abstain from voting on this because my property is included in the TIF district. I was not consulted before our property was included the first time. I have never spoken to her about whether we should or should not be included in this version. I am not in any development agreement with anyone. I don't know how this affects me, it would be long term if anything. But I will abstain.

Ryan stated if it were to impact you, you would have been notified. There's no impact. Your property will still be taxed as it's always been taxed. It doesn't change any influence the city has on the property. The only potential impact is should you choose to do

something with your property, it's in a TIF district and it could be assisted. I have not communicated with you from that perspective on purpose. Because I don't want there to be any thought that I was leaving your property in because you're a Councilmember and there was some financial benefit. For the record, I have not spoken with Mr. Nordberg.

A motion was made by Randall, seconded by Utke, and unanimously carried to close the public hearing at 6:10 p.m.

A. Resolution Approving Modification #2 of Tax Increment Financing District No. 1-9 to Remove Parcels and Adoption of the Modified Tax Increment Financing Plan Relating Thereto: A motion was made by Utke, seconded by Randall, to approve Resolution #2013-76 Approving Modification #2 of Tax Increment Financing District No. 1-9 to Remove Parcels and Adoption of the Modified Tax Increment Financing Plan Relating Thereto.

The vote was called.

The following Councilmember voted in favor: Mikesh, Randall, Utke.

The following Councilmember abstained: Nordberg.

The motion carried 3-0.

5. APPROVAL OF MINUTES:

5.1. City Council Regular Meeting Minutes-April 9, 2013: A motion was made by Randall, seconded by Utke, and unanimously carried to approve the April 9th, 2013 City Council Regular Meeting minutes as presented.

6. FINANCE:

6.1. Payables & Prepaids: A motion was made by Utke, seconded by Nordberg, and unanimously carried to approve the payables in the amount of \$58,718.37, and the prepaids in the amount of \$231,893.02, for a total of \$290,611.39.

7. CONSENT AGENDA: Utke removed Items #7.1. and #7.2. from the consent agenda. A motion was made by Nordberg, seconded by Utke, and unanimously carried to approve the following consent agenda items:

7.1. *Removed from the consent agenda.*

7.2. *Removed from the consent agenda.*

7.3. **Approve Backhoe Operator's License to Work in the City of Park Rapids in 2013 for Backhoe Pete LLC.**

- 7.4. Resolution #2013-77 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Headwaters Humane Society.**
- 7.5. Resolution #2013-78 Accepting the Resignation of Full Time Park Rapids Police Officer Mitchell Nelson.**
- 7.6. Resolution #2013-79 Authorizing Proper City Officials to Execute the Paperwork Associated with the Amended Farm Lease No. 4 for the City of Park Rapids.**
- 7.7. Approve Public Facilities Use Permit for the Park Rapids Chamber of Commerce to Close Monico Lane, Main Avenue, and Fifth Street on July 4th, 2013 from 1:00 p.m. to 4:30 p.m. to Conduct the Fourth of July Parade, and to Waive the Fee.**
- 7.8. Approve Public Facilities Use Permit for the Park Rapids Chamber of Commerce to Close the Intersection of Main Avenue and Second Street on August 8th, 2013 from 4:00 p.m. to 6:00 p.m. for the Legends and Logging Days Water Wars, and to Waive the Fee.**
- 7.9. Approve Public Facilities Use Permit for the Park Rapids Chamber of Commerce to Close Block Two of Main Avenue on November 29th, 2013 from 3:30 p.m. to 9:00 p.m. for the Yuletide Sampler and Christmas Tree Lighting, and to Waive the Fee.**
- 7.10. Approve Public Facilities Use Permit for the Park Rapids Chamber of Commerce to Close Main Avenue (Blocks 1-3) and Second Street (Park Avenue to Pleasant Avenue) on May 8th to the 12th, 2013 for the Governor's Fishing Opener, and to Waive the Fee.**
- 7.11. Resolution #2013-80 Approve a Temporary On-Sale Liquor License for the Park Rapids Chamber of Commerce in the City of Park Rapids, and to Waive the Fee.**
- 7.12. Approve a Fireworks Permit for Zambelli Firework, from Pequot Lakes MN, for Friday, May 10th, 2013.**
- 7.13. Approve the Tax Classification of Tax-Forfeited Land, PID #32.19.04400, as Non-Conservation Based on the Best and Highest Use of the Parcel for Private Commercial Development.**
- 7.14. Approve Pay Request in the Amount of \$2,000.00 to TKDA for Architect Fees for the 2011 Terminal Area Improvements.**

- 7.15. Approve Pay Request in the Amount of \$5,158.94 to TKDA for Professional Services Pertaining to the Runway Design Part II.
- 7.16. Approve Pay Request in the Amount of \$7,544.14 to Headwaters Regional Development Commission, Sathre Title & Abstract, and NW MN Multi-County HRA for Services Associated with the Small Cities Development Grant.
- 7.17. Approve the Annual Purchase of Meters/Parts/etc. from Ferguson Waterworks in the Amount of \$20,238.90 (plus tax) for the Public Works Water Department.
- 7.18. Approve Public Facilities Use Permit for the Park Rapids Lakes Area Arts Council to Use Pioneer Park on Friday, August 16th, 2013, from 12:00 noon to 6:00 p.m. for the Youth Music and Arts Showcase V.
- 7.19. Approve Pawnbroker's Permit for Royce Holland d.b.a. Fuller's Gun & Pawn at 223 Main Avenue South, for May 1st, 2013 to April 30th, 2014.
- 7.20. Resolution #2013-81 Appointing Patricia Haataja as Temporary Seasonal Part Time Public Works Employee for the City of Park Rapids.
- 7.21. Approve Advertising and Interviewing a Temporary Seasonal Part Time Public Works Employee.
- 7.22. Approve Pawnbroker's Permit for Nathan Turnquist d.b.a. North Country Gold & Silver Company at 619 First Street East, for May 1st, 2013 to April 30th, 2014.
- 7.23. Resolution #2013-82 Appointing Thomas Juberian as Part Time Rapids Spirits Liquor Store Clerk for the City of Park Rapids.
- 7.24. Resolution #2013-83 Appointing Mark Peterson as Part Time Rapids Spirits Liquor Store Clerk for the City of Park Rapids.

END OF CONSENT AGENDA

7.1. Resolution Approving Ordinance Amending the City Code of the City of Park Rapids, Chapter 151 Zoning, Sections 151.176, 151.178, 151.179, 151.180, 151.181, 151.184, 151.185, 151.187, 151.188, 151.189, 151.190.
(and)

7.2. Ordinance Amending the City Code of the City of Park Rapids, Chapter 151 Zoning, Sections 151.176, 151.178, 151.179, 151.180, 151.181, 151.184, 151.185, 151.187, 151.188, 151.189, 151.190: Utke stated I've had a number of questions poised to me and I'd like to ask Walker about them. The ordinance says we must maintain a six foot path around sandwich board signs. I went out and did some measuring. It looks like six feet covers us on Main Avenue and all of the side sidewalks. Walker stated most of the time the signs on Main Avenue are going to have to be behind the sidewalk. But on Main Avenue you're going to have enough room. The intent of that is not to go out there and measure but to insure that there's enough room so people are able to get down the sidewalk.

Utke stated it came up, particularly on Third Street. A number of them there use sandwich boards. When I actually put a tape measure on them it came out pretty close to six feet. It's a guide. The comments were we haven't measured in the past. Walker reiterated that is not the intent. It's to maintain a path. It could just say to maintain a path. Utke questioned are we better off doing that then to put an actual measurement because we get people saying he's only got five feet clearance. We don't want to create controversy. Walker stated it was put in there just so the path was maintained, not to go out there with a measuring tape.

Utke stated regarding the feather flag signs, the one per parcel rule. There are parcels around here that already use more than one. We shouldn't have any problems with the rules for banners that are affixed to the buildings. There are different things used for advertising. Walker stated the feather flag was actually added because they used to be allowed only by permit. This is now allowing them. The compromise is that they are allowed at one per parcel without a permit. If they want multiples it could be permitted with a temporary sign permit for additional signage. Utke questioned they could get a temporary, short term permit? Walker stated right, if you wanted additional ones. Utke questioned this whole discussion is if they are out away from the building. I don't see a restriction, even on time, if they are on the building during business hours. Walker stated the reason for that is if there is a wind storm at night. The last problem when we had a tornado the signs were all over. It could become a liability for property owners if they are not properly secured. Nordberg questioned is this typically a sign that would be used by car lots? Utke stated McDonalds had one today. I've seen some others. Some are up against the building, which wouldn't fall under here. This is pretty much for those that are out near the side of their property line near the road to draw attention in. It's a new thing within the last few years. They're nice looking signs and businesses buy them and use them to attract customers. We don't want to detract from their ability to attract business. In a lot of places one is acceptable. Look at McDonalds with a half a block with fencing. They are a place where they would be very acceptable. Walker stated if they want to have additional, they could always get a temporary sign permit.

Utke stated the temporary thing bothers me if we tell them three weeks. I hate to put in something that makes them break rules. Walker stated a lot of the things that we already discussed where we're allowing people to have signage but also so we have consistency and enforcement. Also once you start allowing multiple flags it's going to look like a Nascar strip going down Highway 34. At some point if you have too much signage it becomes a distraction for everybody. Rather than an attraction, it's going to start detracting people because the brain can only comprehend so many things when you're trying to drive.

Mikesh stated the signs do have to be on their own property because if they're in the right of way they would be taken out. Utke stated those were the things that were brought up to me and I think we have covered them.

Nordberg questioned I particularly like feather signs. The other kind that car dealers stick in the hood of the cars, every car has a different sign on it. I'm wondering how that effects what we have here. Is that a banner or sandwich sign? Walker stated if it's not listed as one of these types of signs it would be covered under a temporary sign permit. Utke stated those are the types of things they usually put up just during business hours, take them out, close the hood, and go home at the end of the day.

Walker stated the thing about signage is we can write this ordinance and tomorrow something else is going to pop up. It's trying to be pro-active and allow people to have the signage. Utke stated it's a guide. It gives Walker some tools, and gives people a guide to what we are looking for, but it's as workable as possible. Walker stated there has to be a balance between promotion and also making sure that we're keeping a good community presentation as well. It doesn't matter what this says. There's going to be an argument over something.

A motion was made by Utke, seconded by Randall, and unanimously carried to approve Resolution #2013-84 Approving Ordinance No. 542 Amending the City Code of the City of Park Rapids, Chapter 151 Zoning, Sections 151.176, 151.178, 151.179, 151.180, 151.181, 151.184, 151.185, 151.187, 151.188, 151.189, 151.190. (and) Ordinance No. 542 Amending the City Code of the City of Park Rapids, Chapter 151 Zoning, Sections 151.176, 151.178, 151.179, 151.180, 151.181, 151.184, 151.185, 151.187, 151.188, 151.189, 151.190.

8. COMMENTS FROM CITIZENS: Donna Petty stated everybody, as far as I was concerned it was okay, everybody voted yes, except you (Mikesh), about delaying putting in the septic system. You didn't even have the courtesy to call us, have a meeting about it, you just made it your way.

Mikesh questioned this is for what? Petty stated we were delaying septic, and everybody was for it. Nancy Carroll left, you came in and suddenly we have a deadline of June 1st. Mikesh stated you had a deadline before that. Petty stated we were talking about that and everybody was okay to let us go year by year. Because I'm going to sell it as soon as I can get it cleaned up. My problem was my sewer has to come half way across the length of my basement, all the way across to the front, coming down my driveway and tearing up all the asphalt and ruining seven big trees. That was the problem. I started in early February to go down in the basement to move the stuff that has to be moved where the pipe can go in. The second day I drop a box on my foot. I cannot walk on it for two months. I can't get up stairs to my bedroom, or downstairs to the basement to clean. I don't see that the winter will be over until mid-May. I can't walk on it until mid-May. I'm asking for a reasonable delay of June 1st. I don't know what happens on June 1st. Do we get penalized if it's not in? Mikesh stated I could be mistaken, but doesn't the city put it in and charge you for it.

Randall questioned could someone bring me up to speed on this. Nordberg stated when Highway 34 was upgraded sewer and water was extended to all the people who had not previously had it. She's one of two properties near the intersection of Highway 34 and

Henrietta Avenue, facing 34. She's been to a number of hearings last year asking for an extension. This was a three year issue under the city's rules. They have three years to connect. Petty stated the three years were up already at that point. Utke stated last year we were too far into fall so we said it's going to go to the summer of 2013 anyway.

Petty questioned I don't understand what changed the vote. Because you said you don't like her let's put a deadline on it? Mikesh stated it was nothing like that Donna. The reason was there was more than just you two with your properties that weren't hooked up. There were other properties. Petty stated you never said how many. They are classified as B-1? Mikesh answered no. Petty stated all we were talking about was the B-1s. Mikesh stated it was brought forth to put yours in with another project that we weren't even sure was going to happen, Green Acres. How could we put you in with that project when we didn't even know if it was going to happen? Petty stated somebody in the city suggested that I go in with Green Acres because they were going to apply for a grant that would pay for part of it. Mikesh stated that project didn't go through, so you're back to square one. There are other people that own property that are not hooked up. We're giving them the same amount of time to hook up as you. Petty questioned are you getting water to them? Mikesh answered yes. We extended it because we knew you ran out of time last year.

Petty stated physically I can't do it by June 1st. I can't pay anybody to go down and clear the basement so the sewer pipe can go in. Only I can do it. That's all I'm asking. I will do it as fast as I can. Nordberg stated this has been going on. You've had over three years now. You knew it was coming. Petty stated I have this broken foot that I can't walk on. Nordberg stated the actual digging of the sewer is likely to be done by a contractor, unless you were going to be digging that yourself. Petty stated I'm not saying that I'm going to be doing the digging. I'm saying that I have to move the stuff to make room for the pipe. It would take me a month to move that stuff. I want to know that I don't get a penalty on June 1st that would be added to the assessment. I never thought that you would think I'd be digging my own septic.

Randall stated there has to be a motion brought before the Council for us to consider this. We can't approve an extension. Nordberg stated we're just hearing the discussion.

Nordberg questioned what would you propose if it's not done by June 1st? Are you encouraging the city to do it for you? Petty stated the city is going to have to pay for it because I don't have a dime. Utke stated that was the plan. The city would have the work done and it would be added to your taxes as an assessment. Petty stated I don't think the city should choose "good-old-joe". I should be able to be in on the selection of the contractor to do it. I'm paying for it. I want to know if you're hiring your "good-old-buddy" to up his payday. Mikesh stated we put those out for bids. Petty stated as long as I can see the bills. Mikesh stated you'll see the bill at the end when it's done. Petty stated I'll see it because I'll have to pay it. Utke stated once the bids are open that's public information. You're welcome to look at them once they're opened. Petty stated I don't think it's up to you to choose who does my house. Mikesh stated it's not up to just one person.

Petty stated I'm going to need a few weeks. I don't even know if I'm going to walk on my foot once I get the cast off. Utke stated it will take a while to get back into shape. Petty stated I have no one, except Mary who's been helping me. Otherwise I sit in the chair and watch TV. What do you do when you can't get up and do anything? I had surgery on March 8th. It will be May 8th before they even consider taking it off. I'm doing my best to get

there but I can't promise what condition I'll be in when the cast comes off. As soon as I can get down the stairs I'll be working on it.

Mikesh stated I'll look into this to see if there's any penalty. I'll have to look it up. I'll get back to you. Petty stated I'd like to say if you didn't intend to occupy your mayor's office why did you run? Mikesh stated I occupy the office. I don't have a physical office. Petty stated I was there yesterday. You weren't there. That's where I saw Bill Smith. Mikesh stated that's the administrator's office, not the mayor's. Petty stated the girl at the desk called it your office and said you didn't want to use it. Mikesh stated she was probably talking about John McKinney who is the city administrator right now.

Petty stated how dare you charge me for storm water runoff in January and February. It was frozen. I didn't drain off one bit. Would you add up what it cost you to send out those measly bills? You ought to cut it in half. If we have six months of water runoff and I'll physically prove to you that my yard does not run off. It is impossible for it to get to the street and run into your drain. For the life of me I can't understand why you couldn't wait until I got a system in and you charged me for water runoff? It's a joke. Cut it in half to \$15.00 and send out the bill once a year and you'll save yourselves lots of money.

Mary Kotowski stated I'd like to talk about employee parking. I believe you have an agreement that the people that work downtown are supposed to park behind the pawn shop. It's never been defined for me. I'm having an issue with Schwarzwald and Royal Bar. I have that little strip of parking on the west side of my building that I pay taxes on. I try to keep people from parking in there. I've asked nicely. I've put up signs. I even bought \$200.00 worth of nice, new signs, and they were taken out to my house and burned in my driveway. I have an unhappy neighbor somewhere that thinks they should have the right to park there. I disagree. If you look to the south of my building, 99% of that parking is Schwarzwald employees. I like them. They're nice people, but they have to figure out their own parking. I don't care if the restaurant people park there, it's free parking. But not when it comes to employees. When employees take up 90-100% of my front, that's ridiculous. My side parking that comes along with my taxes, is nobody's place to park but mine. But when I do politely ask people not to park there, go and look at the red truck parked there, I reported it to law enforcement, they haven't gotten back to me, but I'm patiently waiting, there are obscenities written on there. Those are the kind of names that I'm called everyday by employees of Schwarzwald. I don't call anybody names. If I have something to say to somebody I go straight to them and say let's talk. I don't need swear words written on my truck. We're still figuring out who did it. I have a clue. Nobody's ever asked me. I've never been interviewed. Never seen a police report. I've called about it three or four times. I know we have better things to do than nit-pick about parking. But until we get some cooperation from the business owners to tell their employees where not to park. If you don't want me parking in front of Schwarzwald, then don't take up my parking.

Kotowski stated if and when I ever get opened, now that we have our hazardous waste site somewhat under control, we have another issue that popped up today. I don't know when, and if, I don't think the city has a clue about the poor assistance that you've gotten from your insurance company, the League of Minnesota Cities (LMC) has turned what should have been a little two week issue, at the most, into a seven month period to where I have been closed down. Not due to anything that I've done, my basement was flooded. There was enough pressure in someone's idea of getting the line unplugged that it

blew my toilet off the hinges. Somebody did a real poor job of unplugging that. The comedy of errors that has ensued with no cooperation from LMC. Mr. Nygaard has been rude. I have been called "Little Lady". He said, "Little Lady, if you see things the way I see things, it can get done real quick. But if you don't agree with me, Little Lady, I can make this thing last forever." His words are true. This is the seventh month. I've been told that there isn't anything that an Indian can make that's worth any kind of money, so I shouldn't be worried about things. I have sacred American items straight from the tribe. Things that should not be in contact with sewage. Many things have been ruined in some of the remediation work in hiring an inexperienced group of people.

Kotowski stated we just discovered that the upstairs has a film of whatever this fogger was to get rid of the mold. We started out at 0 ppm of mold. During the worst of it I had 17,500 ppm. We have been closed. Up until a month ago we weren't even allowed to go in there ourselves because of the hazardous waste in there. I do believe the city has been done a great injustice by the handling of this situation by Mr. Nygaard. I've been told to get an attorney. I got one. I've tried everything I can do to try to get Mr. Nygaard to speak reasonable. He has no comprehension of Native American art history and regalia and the proper care that should be taken with it.

Kotowski stated I don't cotton to be called Little Lady. My name is Mary, Miss Kotowski, or Mrs. Van Wert, anything but Little Lady. I'd like a little respect. I want my building to be open and I'd like someone that has some power to speak to Mr. Nygaard and tell him that if you continue to hire inferior people that do an inferior job and then you don't meet the state qualifications for an open building when you have to go over and over again with these little companies that have no training or expertise.

Kotowski stated now I'm into the seventh month and I don't see any hope in sight to be open for the summer season. My season is not the summer like everyone else's is. My season is with non-profits. Most non-profits get their funding October through March. That's my most important time of the year. I could care less about the summer. That's why I don't care if you close down my Second Street. Go ahead. The whole rest of the year I can be absent and be doing all sorts of other things that are way more fun than sitting here for the summer.

Kotowski stated I have been extremely polite to Mr. Nygaard. I have acquiesced to every single objection that he has had, and every time I've done that it's going to cost you folks more money because he hires inferior, untrained workers. You have a person working to clean up the spill and it took him six weeks just to get the carpet out. We went from a moderately moldy situation to two feet deep mold growing up the walls. The air quality is gone. I've been in the hospital twice. We need to get a move on this. I realize that it's in the hands of the attorneys. What could have been a \$10,000.00 to \$15,000.00 booboo, has escalated. I have asked from day one for Mr. Nygaard to be considerate and look at it because he's calling it a residence. It's not a residential problem, it's a business. This is who is representing you folks.

Kotowski stated I'm going to miss out on the one event that I do care about, meeting the governor. We have things planned, but I can't bring him into the building and show him the Native American art that is from this area. We're being treated like a bunch of hobo drunks. I would like someone to take an interest in this because my building isn't going to improve. My ability or willingness to pay taxes isn't going to improve. My attitude of going to non-profit, now that's going to improve. I pay six times more taxes than anyone per

square foot. I pay for my own parking. Nobody else in town pays for their own parking. If someone does pay for their own parking, do you want me parking in it then? Do you want to be called the names that I've been called on a daily basis because I politely put up signs that said please don't park here? I have not towed anyone. I've threatened to tow people. My signs were burnt at my house. People knew they were my signs. I did not get any comment from law enforcement. The words are still on my pickup truck. I have a list of three people. They came inside my own building and borrowed a magic marker and then wrote on my truck.

Utke stated you have two issues with your parking. Part of it is the business owners and employees parking around your place. We've had many meetings with the downtown businesses. The writing on your vehicle and the illegal stuff is a law enforcement issue. But the fact that these other businesses park on the street out in front of you, that's an ongoing issue that requires communication with those businesses. Kotowski stated I like the idea of parking in the Fuller lot. It's completely empty. There isn't enough parking on Main Street for everybody. So the courtesy to each and every one of us is, I park on my grass because there's room and I can get in and out of my car. I don't even take up a free spot. I'm asking to get this settled before summer. I don't need any more of my vehicles written on, windows broken, signs burned, or to be called names.

Mikesh stated I have to cut you off. This is something that we'll have to look into more. We're not resolving anything by going on and on. Kotowski stated maybe if I go on and on you'll hear it. Mikesh stated we'll discuss it and get back to you on it.

9. PLANNING:

9.1. Resolution Ordering Preparation of Plans and Specifications for the Red Bridge Park/Beach Road/Washington Avenue Improvement Project in the City of Park Rapids: Walker stated staff is requesting City Council authorization to allow Ulteig to begin preparing plans and specs for the Red Bridge Parking and Trailhead Project, which includes the street and utility reconstruction scheduled for Beach Road and Washington Avenue listed in the Capital Improvement Plan (CIP) for construction in 2013, and will be completed in coordination with the DNR's Red Bridge replacement project.

Walker stated Ulteig will also be preparing easement documents including land surveying, legal description, drawings, and the valuation for an eight foot wide easement along the south edge of the Rivers Edge Condo Association to accommodate the Heartland Trail and Beach Road. The city will obtain the easement and then sell it to the DNR in the future in order to keep the project on track. Because of the time frame that it takes the DNR to obtain the easement, they have suggested that we obtain them through Ulteig, and then sell that back to them for the Heartland Trail. This is just to keep the project on track.

Walker stated the city project is estimated to cost \$250,000.00 and will be funded by matching State and Federal Grants along with money from the sewer and water enterprise funds, as listed in the CIP.

Utke questioned this project would only take place at the same time as the bridge going in? Is the bridge project certain for this summer? Walker stated it's dependent on the funding. Hiles stated at the last meeting that we had with the DNR, they were still working

on getting the funding for this fiscal year. The state's fiscal year is through July 1st to June 30th. If not this fiscal year, they do have the money set aside for next fiscal year, according to the DNR. Their plan is that at the latest to bid the project shortly after July 1st when the new fiscal year starts. Under that schedule, they'd be cutting it pretty close as far as getting the bridge manufactured and getting everything done this year. So it may go into next year. They are looking at starting construction mid to late summer and into the fall, and if they have to finish up next year. We want to be in conjunction with DNR's design. As they are finishing up their design we want to be able to implement that into our design and make sure that everything meshes. That's why we're doing the plans and specs now versus down the road when they're further into it. There's a possibility that we'll do the utility portion of the project this fall to get the sewer and water in so we can allow that road to settle over the winter, and then do the surface improvements for the trail, parking lot, and street next spring. The reason we coming to you with this now is that we want to be ready to go whenever DNR is ready.

Nordberg questioned do we have an estimate for the design costs and what Ulteig's costs will be? Hiles stated the estimated engineering costs are \$33,000.00 for design and construction engineering, and then we're at about \$5,000.00 on the land surveying for the easement document preparation and the evaluation. It's a little more than a normal evaluation because you have to follow the DNR's rules since they will be taking it over.

Nordberg questioned are we using Ulteig because you're the city engineer or because it's lower than a requirement for a bid? Hiles stated we've done all of the work already as far as laying out what's going to be needed. We have a lot of background on the project. Nordberg questioned is that included in the \$33,000.00? Hiles answered yes.

Nordberg stated if it's a \$250,000.00 project, and we only have \$138,000.00 grants, that's \$112,000.00 left. Do we know if we have enough reserves for all of that in the sewer/water enterprise fund? Walker stated I believe that was budgeted as part of the CIP. Hiles stated the last cost estimate that we have, we're looking at about \$220,000.00 for a cost estimate. \$137,000.00 of that would be covered by the grant. We're looking at about the \$70-80,000.00 range from the sewer/water fund. It divides out pretty equally between sanitary and water mains.

Nordberg stated I have a long term concern. When we first talked about this parking lot before the city owned it, the rule was the city requires parking lots to be paved for any owner, including the city. It seems like there are ways to make parking lots pervious that are better looking than pavement, which would violate our present city rules. Do we need to think about changing the city rules to allow a non-paved parking lot? Hiles stated the only consideration for that is the cost. Nordberg stated I understand it costs a little more now. Hiles stated with the size of this parking lot and the area that is being drained it's not going to create a lot of additional runoff in that area. We are doing things with swales to try to keep some of that on site and not dump it directly into the river. Nordberg stated aside from the runoff, my concern is the looks. It would not look natural. It's a park and then it's got a parking lot. Hiles stated the nice thing with the parking lot is it's tucked to the side from where the park is. There will be green space around it so we'll be able to do plantings to improve the aesthetics of the area. The mature tree line on the south side will remain as is.

Nordberg stated so you're saying it has to be a paved parking lot. Walker stated that's what the ordinance says. Nordberg stated I'm asking if we can change the

ordinance. Walker stated it can be changed. Nordberg stated it seems that going natural is a trend that we could encourage being a place for tourists and natural sites. Utke questioned what is the product that looks natural? Nordberg stated gravel, sand, or wood chips. Utke stated I saw something recently that looked like tar but it's porous so the water goes down through it. Walker stated that is an acceptable pervious surface to do that. Nordberg stated I've been in state parks where they have big parking lots that are not all paved. Maybe this is a conversation for another day.

Randall questioned isn't this where the bike trail is? People are going to be going there with their bikes. People don't want to ride their bikes through gravel or wood chips. Nordberg stated they don't ride in the parking lot. Hiles stated that's where they are going to be starting. They'll be taking their bikes off their vehicles and starting to bike from the parking lot. Mikesh stated it's the trailhead. Utke stated maintenance would be an issue. Anything other than tar, when they do snow removal they'll be scraping everything up. Hiles stated maintenance is one issue, and the other issue is it's hard enough getting people to park in between stripped parking spaces. If there's nothing there, you'll lose a lot of parking spaces. People will pull in sideways and you'll end up losing space in there.

Mikesh stated this goes back to the question I brought up when we bought this piece of land. It's going to just be a parking spot for that apartment building. That's something that we're going to have to police. Hiles stated you can post it for no overnight parking and have the police check on it.

A motion was made by Utke, seconded by Nordberg, and unanimously carried to approve Resolution #2013-85 Ordering Preparation of Plans and Specifications for the Red Bridge Park/Beach Road/Washington Avenue Improvement Project in the City of Park Rapids.

10. GENERAL BUSINESS:

10.1. Resolution Approving Plans & Specifications and Ordering Advertisement for Bids for the 2013 Well and Water Treatment Facility Project: Hiles stated the plans and specifications are done for this project to the point where we can advertise. We should be hearing in the next month where we're going to be for funding dollars. One of the requirements is that we need a solid as-built cost. They tie in together. The logical next step is to proceed into the bidding process. I have written the specifications and the bidding documents such that the Council will have sixty days to do anything with them. You'll have time to find out exactly what your funding package is going to be. We're hearing, preliminarily, that it's a very good package. They won't commit to anything yet but I'm hearing up to 75% grant on the project. It's looking really promising as far as that goes. The next requirement from the agencies is to have that bid number to show them. We're looking for the Council to approve this and we'll get the information to the newspaper and it will be published on Saturday. State law requires a minimum of twenty-one days before you can open bids. We're looking at opening the bids on Thursday, May 23rd at 3:00 p.m. at the public works building.

Hiles stated we've decided that we're going to have a pre-bid meeting on May 13th. It will be open to any contractors that are interested in the project to ask questions after their preliminary review of the plans. We'll have the site open and flagged so they can see

what's there now to give them a good idea of what they'll be bidding on. One contractor that I've worked with at previous water plants said there are a lot of companies that are hungry for work, so hopefully we'll get some really good bids.

Utke questioned the sixty day window is to accept or reject? Hiles stated right, you have up to sixty days to do something with the project, whether you move ahead or just reject all the bids and try again or whatever you decide. Hopefully, you'll use the sixty days to get all of the funding in line and get the contract awarded and signed.

Nordberg questioned is the grant money that you're talking about under existing law? It seems like the legislature is discussing more money for these kinds of water projects. Hiles stated this is under money that they already have. \$600,000.00 is through DEED, and that's federal funding, which is in place already. The rest of it is through the Public Facilities Authority in the Drinking Water Revolving Fund. That's under this fiscal year. The money is already there because we are in the current fiscal year. We're not looking for the next fiscal year. That's state money that comes down through the EPA. The revolving funds are set up by EDA. They fund about 80% of the dollars that are in there on a yearly basis. The state has to do a 20% match to that.

Mikesh stated you have been working closely with Scott Burlingame on this. If the Council has any questions you can ask him too. Hiles stated I've been working directly with Burlingame and Christofferson to tweak some of the control issues to make sure they are the way they want them. It's a nice building lay out. I think it's going to be a very nice plant for those guys to operate and work with on a daily basis. We've tried to make it as operator friendly as we can. It will have a flat roof that's twenty-two feet high. The roof system will have a good pitch on it. The insulation is a minimum of twelve inches thick on the outside and it's all sloped so it drains off.

Nordberg questioned is this a completely new building to the present treatment plant? Hiles stated it will incorporate and be built right adjacent to the existing building. The south wall of the existing building will be incorporated into the new building. The south wall is where the new building will start and then the east walls will match up. A copy of the plans are at the public works building so you can stop in there and look at them.

A motion was made by Randall, seconded by Nordberg, and unanimously carried to approve Resolution #2013-86 Approving Plans & Specifications and Ordering Advertisement for Bids for the 2013 Well and Water Treatment Facility Project.

10.2. Discuss Date for Meeting with Henrietta Board of Supervisors Regarding the Orderly Annexation Agreement: The City Council set the meeting date with the Henrietta Board of Supervisors for Tuesday, May 21st, 2013 at 6:00 p.m.

11. CITY ADMINISTRATOR UPDATE: The Administrator was not present.

12. DEPARTMENT HEAD UPDATES: Scott Olson stated he received an email from the executive director of the Minnesota Beverage Association. They are watching proposed legislation regarding a tax bill that could have some significant changes for the liquor industry's excise taxes.

Terry Eilers stated he is working on the Governor's Fishing Opener procedures so it will run smoothly. We're working on plans to fill the open position of the officer that is resigning. We do have some part timers that are in place and being trained. I'll work with McKinney and the Personnel Committee to see if they'd want to slide someone into that open position or go through the whole hiring process.

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

14. COMMENTS FROM COUNCIL: There were no comments.

15. ADJOURNMENT: A motion was made by Randall, seconded by Utke, and unanimously carried to adjourn the meeting at 7:18 p.m.

[seal]

Mayor Pat Mikesh

ATTEST:

Margie M. Vik
City Clerk