

**CITY OF PARK RAPIDS  
CITY COUNCIL MEETING  
OCTOBER 22, 2013, 6:00 PM  
Park Rapids Public Library-Lower Level  
Park Rapids, Minnesota**

**1. CALL TO ORDER:** The October 22<sup>nd</sup>, 2013 Regular Meeting of the Park Rapids City Council was called to order at 6:05 p.m. by Acting Mayor Paul Utke, and everyone present recited the Pledge of Allegiance.

**2. ROLL CALL:** Present: Acting Mayor Paul Utke, Councilmembers Dave Konshok, Rod Nordberg, and Erika Randall. Absent: Mayor Pat Mikesh. Staff Present: Administrator John McKinney, Public Superintendent Scott Burlingame, Treasurer Angela Brumbaugh, Public Facilities Maintenance Superintendent Chris Fieldsend, Planner Dan Walker, Liquor Store Manager Scott Olson, Fire Chief Donn Hoffman, and Clerk Margie Vik. Others Present: Ulteig Engineer Brian Hiles, Dick Rutherford, and Anna Erickson from the Enterprise.

**3. APPROVAL OF AGENDA:** A motion was made by Nordberg, seconded by Randall, and unanimously carried to approve the agenda with the following changes: McKinney removed from the agenda Item #9.1.B. Resolution Authorizing Proper City Officials to Execute the Labor Agreement by and between the City of Park Rapids and the Minnesota Teamsters Public and Law Enforcement Employees' Union, Local No. 320 Representing the Public Works Employees.

**4. PUBLIC HEARING AT 6:00 PM:**

**4.1. Presentation of the Capital Improvement Plan for the City of Park Rapids:** A motion was made by Nordberg, seconded by Randall, and unanimously carried to open the public hearing at 6:06 p.m.

Brumbaugh stated this is a five year plan, starting in 2014, ending in 2018. According to state statutes, the city is required to hold a hearing to present the plan to the public and offer them an opportunity to comment on it. The capital improvement plan (CIP) is a tool used for scheduling, planning, and financing large construction projects and the purchase of major equipment. It gives the Council, city staff, and citizens a look at what projects and purchases will happen in the next five years.

McKinney stated the plan being presented tonight is the same CIP that the Council reviewed at their last workshop. Brumbaugh stated the only difference is that all the constructions costs have been increased 10% to account for expected inflation. Also, after speaking with the city's financial advisor, Monte Eastvold, the bonding expenses and how they will affect the city's levy have been adjusted. The CIP is not cast in stone. It can be revised at any time. It is a planning tool. The Council has the choice to order or not order any of these projects or purchases.

Brumbaugh stated the CIP is reviewed annually by department heads, They submit potential new projects and equipment. We prepare cost estimates for the new additions and revise costs for things previously on the list. The Council reviews the preliminary draft plan, and then they hold a public hearing. Once the plan is finalized, it is adopted by the Council.

Brumbaugh stated the total cost for the proposed projects on the five year plan is \$19,902,383.00. That is an average of \$3,980,476.60 per year. The breakdown of the total costs are 5% for equipment, 64% for construction, 23% for improvements, 6% for buildings, and 2% is for other things. The liquor reserve fund is used for many of the items on the CIP, for a total of \$1,301,393.00 over the five year period. The airport will receive approximately \$562,173.00, parks will receive \$451,400.00, and streets will receive \$125,320.00. When combining all sources of revenue for CIP expenses, the airport has 22.01% of the expected expenses, 50.46% is for construction, and 9.76% for the water department.

Brumbaugh stated the larger projects in 2014 include the water treatment facility at \$1,942,750.00, paving of the crosswind runway at \$2,729,913.00, and the Riverside Avenue Project-Phase I at \$1,100,000.00. The total cost of the proposed project in 2014 is \$6,895,863.00. Konshok stated the airport has received both federal and state grants for the runway project. Brumbaugh stated these total expenses by departments are not broken out by how we fund them.

Brumbaugh stated the highlights of the 2015 projects include the Todd III Annexation Area Project, Riverside Avenue-Phase II Project, and the North Main Avenue Project. Total expenses for 2015 are \$4,298,700.00. 2016 projects include the Riverside Avenue-Phase III, the Northwest Area-Phase I Project, and street sealcoating/overlays. Total costs in 2016 are \$2,800,000.00.

Konshok questioned why are we bonding for sealcoating in 2016? Brumbaugh stated in 2013 we used general funds. If the Council prefers to do it that way, we would just plan for a smaller project. Konshok stated we have budgeted \$75,000.00 per year for that. Brumbaugh stated if you don't want to bond for a sealcoating project, we can pull it off the CIP. Staff didn't know if the Council would want to do a larger project. Burlingame stated sealcoating is a maintenance issue. If funds become tight we usually pull the project. Konshok stated I thought we had made the decision to take it off the CIP and put this expense in the operational budget. I'm surprised to see it included in the CIP. It's an operational and maintenance issue. It didn't work to include it on the capital improvement side because if we didn't bond in any given year, the sealcoating didn't get done. Utke stated it keeps the issue on the table by including it. Konshok stated we're including this expense twice, in the operational budget, and in the CIP.

Konshok questioned what is the financial need for the sealcoating? Are we not achieving our goals? Burlingame stated this is the first year we've done any sealcoating by doing the city's parking lots. Konshok questioned what are we spending the \$75,000.00 on that we budgeted for sealcoating? Burlingame stated we used \$45,000.00 this year. Brumbaugh stated we had very high snow removal costs this year. Konshok stated you're telling me it's not working to budget money for sealcoating, and I don't think that sealcoating the parking lots qualify. Burlingame stated the large amount of snowfall this year was a one time, unavoidable expense. Konshok questioned are you saying that we need more budgeted in that category? McKinney stated we're saying you have the option

to take it out. We understand your concern. It is an operational expense. Konshok stated I thought we already transferred this out of the CIP.

Brumbaugh stated the 2017 projects include garage bay additions at the public works/safety building, Rice Park Improvements, a 16-unit t-hanger, which will be a revenue generating project, the Discovery Circle Project, and the Fifth and Fair Avenue Project. The total for 2017 is \$5,262,820.00. The total for projects in 2018 is \$645,000.00.

Konshok questioned what are the thoughts about the fire hall addition? Hoffman stated our most pressing need is to replace the ladder truck. The truck we purchase will need to fit into the existing space, which has an 11 ½ foot clearance. We can live with a stuffed building for a while. Nordberg questioned there was talk about an east side station. Hoffman stated that would be considered as a last resort. Manning multiple stations would be difficult. It would be double the cost. We are better off staying where we're at. We've looked at some options, but we don't have anything on paper yet. We're estimating an addition would be about \$200,000.00 to \$300,000.00.

Brumbaugh presented the effect to the debt levy if all of the projects are done according to the CIP. In 2014 the levy would be \$670,900.00. It increases over the years, to a levy of \$889,000.00 in 2022.

Konshok questioned is it accurate to say all of the old utilities will be replaced by 2015? Burlingame stated most of them, but we'll still have some cast iron water mains that should be replaced.

**Questions/Comments:** Utke requested comments from the citizens present.

Rutherford questioned what about a new library? McKinney stated this CIP is for five years. At this point the library doesn't have any concrete plan yet. Rutherford questioned what about the city hall remodel? Are you going to kick out your renter? McKinney stated we may require more space. We are going to have a space study done and we don't know what the library wants to do. Rutherford stated the liquor store says they need more space. The library wants more space. Parking is a problem for both of them. The old Pamida building is empty. That would be a perfect location for both of them. Just remodel it. McKinney stated I'm not aware that the library has actively starting the process of relocating. Konshok stated 2018 is a light year, maybe that's when we should talk about combining city hall and the library.

**A motion was made by Randall, seconded by Nordberg, and unanimously carried to close the public hearing at 6:33 p.m.**

**A. Resolution Adopting the 2014 to 2018 Capital Improvement Plan for the City of Park Rapids: A motion was made by Konshok, seconded by Nordberg, to approve Resolution #2013-158 Adopting the 2014 to 2018 Capital Improvement Plan for the City of Park Rapids, as presented, with one exception, remove the sealcoating from 2015 and 2016, as funds will be provided for that in the operational budget.**

**Discussion:** Nordberg questioned what's the goal of that? Konshok stated to make the CIP more exact. That expense has been moved out of the CIP and into the operational budget. We have to make sure that we use those funds correctly. If it's not enough money, staff has to let us know. It's about making the CIP as exact as we can.

Utke stated as I read through the CIP I see a few other things that I'm not certain should be in the CIP. But it's a plan and we may have to move things around. Yet, I do understand what you are saying. Nordberg stated there's more pressure to remove items from the operational budget than there is from the CIP. Utke stated one way or another it's going to get done. Konshok stated it's not getting done. McKinney stated it's an operational expense, not a capital one.

**The vote was called.**

**The following Councilmembers voted in favor: Konshok, Randall, Utke.**

**The following Councilmember vote nay: Nordberg.**

**The motion carried 3-1.**

## **5. APPROVAL OF MINUTES:**

**5.1. City Council Regular Meeting Minutes-October 8, 2013:** A motion was made by Konshok, seconded by Randall, and unanimously carried to approve the October 8<sup>th</sup>, 2013 City Council Regular Meeting minutes as presented.

## **6. FINANCE:**

**6.1. Payables & Prepaids:** A motion was made by Konshok, seconded by Nordberg, and unanimously carried to approve the payables in the amount of \$126,743.96, and the prepaids in the amount of \$430,623.62, for a total of \$557,367.58.

**7. CONSENT AGENDA:** Randall questioned are we approving Item #7.1 after the event was held? Utke stated yes, it must have come up quick. Fieldsend removed Item #7.11. **A motion was made by Nordberg, seconded by Randall, and unanimously carried to approve the following consent agenda items:**

- 7.1. Approve Transient Merchant License for Kelly Trumpold d.b.a. Farley's Family Restaurant for October 18<sup>th</sup> and 19<sup>th</sup>, 2013 for a Food Wagon at Linda's Recycled Goods.**
- 7.2. Approve Purchase of three (3) full sets of Police Squad Winter Tires from Girtz Tire and Implement at the State Bid Price of \$1,442.56.**
- 7.3. Approve Purchase of a 250 foot Roll of Weather Stripping from McQueen Equipment for the Bid Price of \$1,909.84.**
- 7.4. Approve Pay Request in the Amount of \$1,827.25 to Davis Electric for the Repair of Nineteen (19) Overhead Lights along the Highway 34 Corridor.**

- 7.5. **Approve Pay Request in the Amount of \$2,804.22 to TKDA for Professional Services Pertaining to Private Corporate Hanger Development.**
- 7.6. **Approve Pay Request in the Amount of \$19,608.01 to Ulteig Engineers for Professional Services Pertaining to the Water Treatment Facility.**
- 7.7. **Approve Pay Request in the Amount of \$3,155.00 to Todd Township for Magnesium Chloride for Albert Avenue, as per the Share Road Maintenance Agreement.**
- 7.8. **Approve Pay Request in the Amount of \$10,446.44 to TKDA for Professional Services Pertaining to the Airport Runway 18-36 Project.**
- 7.9. **Approve Pay Request in the Amount of \$2,300.00 to Miller McDonald for the 2012 Fire Relief Association Audit.**
- 7.10. **Approve Pay Request in the Amount of \$6,855.63 for Expenses to Send Four (4) Firefighter's to Napa, California to Inspect a Ladder Truck.**
- 7.11. *Removed from the consent agenda.*

**END OF CONSENT AGENDA**

**7.11. Authorize Staff to Enter into a One (1) Year Contract with AmeriPride for Services such as Uniform Rental, Roll Towels, Wet Mops, and Shop Rags:** Fieldsend stated we originally split the contract between Ameripride and Perham Linen. Ameripride for uniforms and shop towels, and rugs from Perham Linen. Ameripride has matched the price of Perham Linen for the rugs with the stipulation that we agree to sign a two year contract. They agreed that there will not be more than a 2% increase in our cost for the second year. Staff is recommending combining the two separate contracts into one, and signing a two year contract with Ameripride.

Konshok questioned what determines the 2%? Nordberg stated typically things go up every year. Fieldsend stated the city wanted no increase over the two year period, but they wouldn't do that. They wouldn't match Perham Linen's price without a guaranteed increase in year two of the contract. We've had problems with Perham Linen in the past and Ameripride wanted the whole contract package.

**A motion was made by Konshok, seconded by Nordberg, and unanimously carried to authorize staff to enter into a Two (2) Year Contract with AmeriPride for Services, such as uniform rental, roll towels, wet mops, and shop rags, and rugs.**

**8. COMMENTS FROM CITIZENS:** Dick Rutherford questioned who did the Red Bridge belong to when it was first placed over the river? Konshok stated the city. Rutherford stated there were more people from the county at those meetings than from the city. The people from outside the city are the ones that want to keep that bridge. If they want to keep it the county should pay for it. As a city taxpayer, we don't even know what this is going to cost because there have been no bids yet. Utke stated the bridge separates county from city property. Konshok stated what you're saying is not accurate. There are people from the city that want this. The ownership of the bridge has never been in doubt. The city owns it.

**9. GENERAL BUSINESS:**

**9.1. Labor Agreements:** McKinney stated the Labor Negotiating Committee consisted of me, Erika Randall, Pat Mikesh, and Angela Brumbaugh. We met on two occasions with the police and public works representatives. We have agreed to terms. The police union has ratified the labor agreement at a meeting this afternoon. I believe this three year agreement is fair and equitable. The matter of insurance was left open because we don't know how that will play out until we see more development. We had a healthy discussion with the union members and we are recommending that the Council authorize the execution of the police labor agreement.

**A. Resolution Authorizing Proper City Officials to Execute the Labor Agreement by and between the City of Park Rapids and the Minnesota Teamsters Public and Law Enforcement Employees' Union, Local No. 320, Representing the Police Department Employees:** Nordberg questioned how many employees does this cover? Brumbaugh stated nine sworn police officers. The police secretary is a non-union employee.

**A motion was made by Randall, seconded by Konshok, to approve Resolution #2013-159 Authorizing Proper City Officials to Execute the Labor Agreement by and between the City of Park Rapids and the Minnesota Teamsters Public and Law Enforcement Employees' Union, Local No. 320, Representing the Police Department Employees.**

**Discussion:** Nordberg stated the contract says the police officers will receive another floating holiday. How many paid holidays do they have? Randall stated they were receiving one less than everyone else. Brumbaugh stated they will now get twelve total that includes two floating holidays. McKinney stated the police didn't get the Friday after Thanksgiving off like the rest of the employees did.

**The vote was called.**

**The motion carried unanimously.**

**B. Resolution Authorizing Proper City Officials to Execute the Labor Agreement by and between the City of Park Rapids and the Minnesota Teamsters Public and Law Enforcement Employees' Union, Local No. 320 Representing the Public Works Employees:** *Removed from the agenda.*

**9.2. Red Bridge Park Relocation:** Chris Fieldsend stated the Council needs to decide where they want the bridge, and how they are going to fasten the structure to the ground. You need to authorize the engineer to give a recommendation as to what is needed for placing it permanently in the park. McKinney stated we need your preference of location and the specifications for the base. Fieldsend stated we need an engineering study done, the cost for the work, and how it's going to be paid for.

Utke questioned what is the weight of the bridge? Fieldsend stated I don't know. Rutherford stated the bridge came out beautifully. Hiles questioned what do you wish to accomplish with the bridge? Do you want a walking path on the bridge because currently it sits up one and a half feet off the ground? Do you want it flush with the ground? Konshok stated it's meant to be used as a photo feature. Hiles stated you can call the crane operator to ask the weight of the bridge, then we can determine what we'll need for concrete if you want it for pedestrians. What do you want to do with it?

McKinney stated to be consistent you should refer this to the Park Board for their input. Utke stated the Council doesn't put the parks plan together, the Park Board does. We determine how this is going to be paid for. Konshok stated the Parks Board has done their due diligence. We should refer this to staff. Utke stated we're either going to have to have it ramped, or we're going to have to drop it down to ground level so it's easy to walk across. Konshok stated it is easy to walk across right now, I did it. Utke stated it doesn't meet the proper criteria. Konshok stated we can put in foundation slabs and build some steps. It doesn't need to be handicapped accessible. It's an art object, a photo feature.

McKinney stated the Council will have to authorize an engineering study. Utke questioned how are we going to pay for it? Konshok stated it's up to us to determine that. We usually turn to the liquor fund for any unfunded expenses. We have \$79,000.00 set aside for the Red Bridge Park. McKinney stated we can take the needed funds from the Parks Board fund.

**A motion was made by Konshok, seconded by Nordberg, and unanimously carried to authorize staff to order a comprehensive engineering study for the placement of the Red Bridge in the Red Bridge Park, said study will include the plan and the cost to execute it.**

**10. CITY ADMINISTRATOR UPDATE:** McKinney stated we are grateful for the assistance on negotiating the labor agreement. We have one in the box, which is a good start. We still have to complete the public works and the Rapids Spirits employee agreements.

McKinney stated the Council authorized me to work with the organizers of the armory project. They are not very far along on what will be a very complex project. I will keep the Council abreast to any new developments.

**11. DEPARTMENT HEAD UPDATES:** Burlingame stated work has begun on the airport project. They are prepping by moving the dirt. The water treatment project is on schedule. Hiles stated everything is looking good. The filters will be on site in November. We think we can bring the facility on line in February and then start the testing. The well drilling is complete. Everything is on schedule.

Burlingame stated our new employee has been working for three weeks now. He's doing well.

Walker requested Hiles talk about the Red Bridge Project. Hiles stated as part of the DNR project, they have to move the overhead electric lines about three to four feet. They have started that process this week. Konshok questioned, regarding the poles that are on the street, are they going to bury the lines? Hiles answered yes. One pole has been removed. There are now three poles. The pole that connects Beach Road to Washington Avenue is still there. There's nothing overhead from there. The meter will be on that pole.

Walker stated the Red Bridge Inn has expressed some frustration. If this is a city project why don't we get the opportunity to look at the plans? The power lines are still there. We have the opportunity now to improve the area. The power lines will still be hanging over the park. Doesn't the Council agree that it should be fixed? McKinney questioned who's contract is it? Hiles stated it's a DNR project. Nordberg stated this does involve our parking lot project. McKinney questioned why Walker was asking the Council to fix this. You're the planner, go talk to them. The DNR has made a decision, and if you don't agree with it, go talk to them. Utke stated it would be more expensive to bury the lines. Konshok stated they are burying the lines in the park. Hiles stated the lines belong to Minnesota Power and Light and to Charter Communications, so we're dealing with two entities. Rutherford stated the DNR has Legacy Funds. Let them pay for it. Hiles stated they are willing to relocate the lines without any expense to the city. But to bury them all, someone needs to pay for that. The city could put some pressure on them. Burlingame stated we're not paving Beach Road until next spring. Walker stated the poles should be relocated to a different area. McKinney stated this is a staff problem, not a Council problem.

Hiles stated he could get ahold of MPL to investigate it and tell them the city is interested in going underground with the lines. The pole is scheduled to be removed this week. McKinney stated the issue could be addressed that the Council would like the lines underground to see if they are willing to fund it. If not, ask what the costs would be to do it. Hiles stated this could be accomplished in the spring. Utke stated I don't want to spend any money on this. We have a lot of things that we need to spend our money on. Hiles stated there are two separate, phased lines there. The answer will probably be that it's too expensive. Rutherford stated the people at the Red Bridge Inn won't be happy.

Fieldsend stated the new carpet for the library basement has been ordered. It will be installed in November.

Hoffman stated the preliminary reports regarding the ladder truck in Napa, California, are not good. The damage was severe. Our truck committee has located a different, but similar truck in Speedway, Indiana, that could be purchased using a bidding situation. We're requesting the Council authorize us to go there and examine, and possibly purchase it. We'd send three firefighters this time. We'd have Jeff Voigt from the airport fly them over there. Two people would drive the truck back. Hopefully there would be no issues. The trucks are one year apart in age. If this truck is not good, then we can wait to see how the truck in Napa turns out. If the repairs are too high, then we wouldn't want to have to pay for that. Either one of these trucks would suit our needs.

McKinney stated it would be proper to send a crew there to examine the truck before we start bidding on it. Burlingame stated we would fly out early on Thursday morning. We're estimating that it will cost about \$2,000.00 for fuel. McKinney stated our problem is to replace our ladder truck, a new one is outside of our financial ability to

purchase, so we are forced to buy a used truck and we don't know if the truck is worth purchasing until we look at it. This Indiana location is at least closer. The source of funding would be the same. Utke stated this is part of buying used equipment. It's an investment that we need to make. Hoffman stated a new unit would cost approximately \$1.2 million. There's no way we can purchase a new one.

Nordberg questioned do we have any obligation to Napa? Hoffman stated no, we knew the reserve amount on that truck. We don't know that on this one. If we meet the reserve while bidding, then we are obligated. We can't exceed our fund of \$85,000.00.

**A motion was made by Konshok, seconded by Randall, and unanimously carried to authorize the travel expenses to Speedway, Indiana for representatives of the fire department to examine the ladder truck, and to make the purchase if the truck meets expectations.**

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

**13. COMMENTS FROM COUNCIL:** Konshok stated the Red Bridge will make a nice feature in the park. In addition to the bridge, the Park Board approved a bike sculpture for Red Bridge Park and they are selling raffle tickets to raise money for it. Everything is happening as we hoped it would. They have done a good job updating the CIP.

Nordberg stated next Thursday the Senate Committee is going to be touring the armory to see if they will include it in the state bonding package. This is not a private meeting. It will be open to the public. There will be displays. We're hoping for a positive event.

Nordberg stated Pat Mikesh may have to resign from his position on the Headwaters Regional Development Commission Board. He has suggested me as his replacement. I'm willing to step in as the city's representative. It's the mayor's obligation to appointment someone. McKinney stated Mikesh may want to advise us of that at our next meeting.

**14. ADJOURNMENT:** A motion was made by Randall, seconded by Konshok, and unanimously carried to adjourn the meeting at 7:34 p.m.

[seal]

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Acting Mayor Paul Utke

ATTEST:

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Margie M. Vik  
City Clerk