CITY OF PARK RAPIDS
CITY COUNCIL MEETING
MARCH 25, 2014, 6:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota

1. CALL TO ORDER: The March 25th, 2014 Regular Meeting of the Park Rapids City Council was called to order at 6:00 p.m. by Mayor Pat Mikesh, and everyone present recited the Pledge of Allegiance.

2. ROLL CALL: Present: Mayor Pat Mikesh, Councilmembers Rod Nordberg, Erika Randall, and Paul Utke. Absent: Councilmember Dave Konshok. Staff Present: Administrator John McKinney, Public Works Superintendent Scott Burlingame, Treasurer Angela Brumbaugh, Liquor Store Manager Scott Olson, Planner Dan Walker, and Clerk Margie Vik. Others Present: Dick Rutherford 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 additional information for Items 6.16 and 8.1.

4. APPROVAL OF MINUTES:

4.1. City Council Special Minutes-March 11, 2014: A motion was made by Randall, seconded by Nordberg, and unanimously carried to approve the March 11th, 2014 City Council Special Meeting minutes as presented.

4.2. City Council Regular Meeting Minutes-March 11, 2014: A motion was made by Utke, seconded by Nordberg, and unanimously carried to approve the March 11th, 2014 City Council Regular Meeting minutes as presented.

5. FINANCE:

5.1. Prepaids: A motion was made by Utke, seconded by Randall, and unanimously carried to approve the prepaids in the amount of $39,636.19.

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

6.1. Approve Plumber's Permits to Work in the City of Park Rapids in 2014 for Lindow Plumbing Inc, and A+ Plumbing LLC.

6.2. Approve Backhoe Operator's License to Work in the City of Park Rapids in 2014 for Minnesota Energy Resources.

6.3. Approve Receipts for January 2014.

6.4. Approve Pay Request #8 in the Amount of $192,508.71 to Di-Mar Construction for Professional Services Pertaining to the Water Treatment Facility.

6.5. Resolution #2014-48 Approve the Renewal of an On Sale 3.2 Beer License for Headwaters Softball League Inc. in the City of Park Rapids.

6.6. Approve Taxi Cab License for Raymond Rick Holman d.b.a. P.R. Taxi for January 1st, 2014 to December 31st, 2014.

6.7. Resolution #2014-49 Relating to Financing of Proposed Riverside Area-Phase One Street and Utility Reconstruction Project to be Undertaken by the City of Park Rapids Establishing Compliance with Reimbursement Bond Regulations Under the Internal Revenue Code.

6.8. Approve Job Description for Liquor Store Lead Clerk, and Authorize Staff to Advertise and Interview for the Open Position after the Required In House Ten (10) Day Posting in Accordance with UFCW 1189 Labor Agreement.

6.9. Resolution #2014-50 Approving a Wage Adjustment and Step Increase for Full Time Public Works Mechanic Fran Hauber.

6.10. Approve Payment of Invoice #002014000475 in the Amount of $949.59 to TKDA for Airport Runway 18/36 Project.

6.11. Approve Payment of Invoice #43414 in the Amount of $12,029.00 to Ulteig for the Heartland Trailhead Project.

6.12. Approve Purchase Order in the Amount of $18,940.08 to Ferguson Waterworks for Water Meters/Parts/Etc.

6.13. Approve Purchase Order in the Amount of $5,394.15 to SM Inc. for Concrete Sealer for Main Avenue.

6.14. Approve Purchase Order in the Amount of $9,520.00 to Brock White for Street and Airport Crack Sealant.

6.15. Resolution #2014-51 Approve Minnesota Lawful Gambling LG220 Application for Exempt Permit for Ducks Unlimited-Headwaters Chapter 27.

6.16. Resolution #2014-52 Authorizing Proper City Officials to Execute the Cooperative Agreement for the Heartland State Trail-T.H. 71 to Fishhook River Crossing Segment by and between the Minnesota Department of Natural Resources and the City of Park Rapids.

END OF CONSENT AGENDA

7. COMMENTS FROM CITIZENS: Dick Rutherford stated I'd like to compliment the Council for sticking to your guns on the armory. I don't think my grandchildren or anybody else want to pay for it down the road. I really think that we are doing the right thing by not taking it back.

8. PLANNING:

8.1. Resolution Amend the Joint City of Park Rapids/Henrietta Township OAA-1288 Orderly Annexation Agreement: Walker stated the City Council and the Henrietta Township Board met in 2013 regarding possible amendments to the Orderly Annexation Agreement (OAA) between the city and the township. There were a number of issues raised by the township members regarding the annexation agreement. We've been working with the township officials going through the remaining pieces of the 2017 annexation area and looking at opportunities for us to retain parcels that are important for our development, and then looking at the possibility of returning some of the parcels that in the short or medium term could be returned back to the township at their request.

We did meet with the township officials in February 2014 to discuss the proposed map amendments and directed them to present the information at their annual township membership meeting which was held on March 11th, 2014. The full township membership directed the township board to approve a resolution in support of the proposed amendment to the OAA, a copy of which is attached along with a map and narrative explaining the proposed amendments. All of the parcels shown in crosshatch would be excluded from the agreement and returned to the township, and the remaining parcels would remain as part of the agreement with annexation scheduled for 2017. All other provisions of the OAA would remain intact.

Walker stated the township has petitioned the city and their letter is in the packet. They have proposed to accept all expenses related to the preparation, recording, and filing of any amendments should you choose to amend the agreement. The city would be responsible for our own legal opinion of the prepared documents. We would recommend that you consider amending the orderly annexation agreement with the township as presented, knowing that we do have another opportunity after we have our attorneys

review it to have a final decision on it. This would basically direct the township to begin those proceedings.

Nordberg questioned, in general, would you say this changed because of development expectations since 2008? Walker stated from the township's prospective, and from our prospective, a lot of that development has changed. I believe with this amendment we'll protect the most important parcels that are close to our services or they're in a commercial corridor where we are better suited to protect with our zoning. We'll retain those. The remaining parcels are either non-conformities or they are already subdivided and could present challenges for us to service in the future. Some are larger lots with two to three hundred feet of frontage which would be very expensive to service.

Utke stated I was looking at the map and it's the three parts that have crosshatched lines that we would be eliminating.

Nordberg questioned do you see any big tax consequences or changes after 2017, or what would have happened after 2017? Walker stated that is something that we could consider. Obviously there is going to be some tax benefits for having those parcels in. What those numbers are exactly we didn't factor that in. If you'd like us to look at that we could. Nordberg stated if I remember, after 2017, the taxes phase into the city. There's nothing sudden. Utke stated that's correct. It could also be an expense with extending services, if there was to be that. Walker stated we also have the responsibility of road maintenance, and also 169th Avenue is in pretty bad shape. We would be liable for our share of that as well.

Mikesh stated it's probably a smart move to get rid of some of it. For a while Henrietta bucked a lot on this. It's time we put it to bed. It's been going on since I came onto the Council. I appreciate the work that's been done on this.

McKinney stated as indicated in their letter there are certain additional legal documents that need to be prepared and approved. We will bring those back to you when they are ready. Walker stated this is just to authorize them to proceed. We will have another opportunity to have our attorneys review it, and then we will officially have to adopt those changes.

A motion was made by Utke, seconded by Nordberg, and unanimously carried to approve Resolution #2014-53 Authorizing an Amendment to the Henrietta Township/Park Rapids City Orderly Annexation Agreement OAA-1288.

9. CITY ADMINISTRATOR UPDATE: McKinney stated we're continuing to have problems with the water service lines. Public works has done an excellent job of doing what we can for the people. That will go on for a while. Burlingame stated the number of new incidents has leveled off.

McKinney stated there are three meetings that I call your attention to. The Finance Committee meets Thursday at 2:00 p.m. That will be in the upper level of the armory because this meeting room and the conference room at city hall are already booked by someone. The Personnel Committee will meet on Wednesday at city hall. The E.D.A. meeting is on Tuesday, April 1st at 6:00 p.m. I'll remind the Councilmembers that if there is a committee meeting of two Councilmembers, that's all we can have. If you show up, we have been advised that other Councilmembers can be present, but you cannot participate, vote, or comment. You can sit in the room and observe. That's okay. In the case of the

Finance Committee meeting, it is a committee meeting, not a Council meeting. That means we would not be compliant with the Open Meeting Law if you get in there and participate if you are not one of the stated members of the committee. The subject of that meeting is the additional financial data on the armory proposal. That information would also be presented at the E.D.A. meeting a week from tonight.

Mikesh stated I do plan on being at the Finance Committee meeting on Thursday because it's hard to get something thrown in your lap and then try to evaluate it and make a judgment on it. McKinney stated my understanding is that you certainly can be there.

10. DEPARTMENT HEAD UPDATES: Burlingame stated the water plant isn't up and running yet. They are still waiting for a part called a voltage filter. That should be here tomorrow. It could be on line by the weekend. We have had some training on it. Nordberg questioned has any of it been tested for nitrates? Burlingame stated we have tested for that a long time ago. It doesn't have any nitrates in it yet. Once we start pumping it is the true test.

Burlingame stated we will be bringing forth to the Council another issue, we have to redo our wellhead plan. We will begin that in April. I've contacted Dave Hume, the hydrologist, that we've worked with before, and Mike Strodtman from Minnesota Rural Water. We have to delineate the recharge zone because it's all changed now because we have a different well. Our old plan is ten years old now, so we'd have to do it again anyway. We'll get all the data together and get the plan approved by the Minnesota Department of Health.

Scott Olson stated in April we will be participating in a program sponsored by Miller-Coors to try to raise some money for the local animal shelter. We'll give customers the opportunity to donate. We have all the bottles and shelves washed, and on April 13th we'll be stripping and waxing the floors to get ready for summer.

11. COMMENTS FROM COUNCIL: There were no comments.

12. ADJOURNMENT: **A motion was made by Utke, seconded by Randall, and unanimously carried to adjourn the meeting at 6:20 p.m.**

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Mayor Pat Mikesh

ATTEST:

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City Clerk Margie M. Vik