

**CITY OF PARK RAPIDS
CITY COUNCIL MEETING
AUGUST 11, 2015, 6:00 PM
Park Rapids Public Library-Lower Level
Park Rapids, Minnesota**

1. CALL TO ORDER: The August 11th, 2015 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: None. Staff Present: Administrator John McKinney, Public Works Superintendent Scott Burlingame, Planner Ryan Mathisrud, Treasurer Angela Brumbaugh, Public Facilities Superintendent Chris Fieldsend, and Clerk Margie Vik. Others Present: Dick Rutherford, Nancy Newman, Sue Tomte, Cynthia Jones, Bernie Gartner, and Kevin Cederstrom from the Enterprise.

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

4. APPROVAL OF MINUTES:

4.1. City Council Workshop Minutes-July 28, 2015: A motion was made by Nordberg, seconded by Randall, and unanimously carried to approve the July 28th, 2015, City Council Workshop minutes as presented.

4.2. City Council Regular Meeting Minutes-July 28, 2015: A motion was made by Utke, seconded by Randall, and unanimously carried to approve the July 28th, 2015, City Council Regular Meeting minutes as presented.

5. FINANCE:

5.1. Payables & Prepaids: A motion was made by Utke, seconded by Nordberg, and unanimously carried to approve the payables in the amount of \$24,343.89, and the prepaids in the amount of \$224,441.19, for a total of \$248,785.08.

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

- 6.1. **Resolution #2015-123 Accepting the Resignation of Park Rapids Planning Commissioner Janice (Tridrick) Carnell.**
- 6.2. **Authorize Staff to Advertise for the Open Planning Commissioner Position.**
- 6.3. **Resolution #2015-124 Accepting Donations for the City of Park Rapids.**
- 6.4. **Approve Pay Request in the Amount of \$1,607.30 to MacQueen Equipment for the Repair of Pressure Controls on the Main Broom of the Street Sweeper.**
- 6.5. **Approve Low Quote in the Amount of \$2,309.00 from Leading Edge Mechanical to Replace a Radiant Heat Burner in the Furnace at the Airport Main Hanger Building.**
- 6.6. **Resolution #2015-125 Permitting the Destruction of Aged Documents as Determined by Adopted Minnesota General Records Retention Schedule.**
- 6.7. **Resolution #2015-126 Approving the Employment Status and Acknowledging the Declaration of Park Rapids Police Officer Joseph White.**
- 6.8. **Approve Pay Request in the Amount of \$3,415.75 to Apex Engineering for Professional Services Pertaining to the Fire Hall Expansion Project.**
- 6.9. **Resolution #2015-127 Approve Temporary On Sale Liquor License for the Park Rapids Community Development Corporation in the City of Park Rapids.**
- 6.10. **Approve Public Facilities Use Permit for the Park Rapids Community Development Corporation to Close Second Street West, from Main Avenue South to Park Avenue South, on Thursday, August 27th, 2015, from 3:00 p.m. to 9:00 p.m.**

END OF CONSENT AGENDA

7. COMMENTS FROM CITIZENS: Nancy Newman stated I have a compliant and I'd like some information for other people. Who can residents complain to regarding apartment owners who are slumlords? What recourse does anyone have? I know a lady that is trying to sell property. She has a dispute with the place next door with trash, dogs, etc. She's had opportunities to sell her place but she can't because they don't like the

apartment building next door. Several calls to the owner get her nowhere. She doesn't want to call the police because she doesn't want them over there all the time because she doesn't want to get a bad reputation. Are there any alternatives? Who can she talk to?

McKinney stated the typical enforcement of those kinds of violations is through the police department. If she takes that off the table that removes what we would normally do. Newman questioned so she has to call them every day then? McKinney stated we would hope not. She has her own independent civil remedies if she wants to do that. That would be expensive, probably.

Newman questioned does anyone supervise these cases? McKinney stated we do not control, civilly, that is not criminally. We have a rental inspection, but that isn't I don't think her problem. It's a nuisance, and that becomes a criminal matter, although we do have other alternatives. We'd be happy to sit down and talk to you, but I don't have an answer for you tonight. You can come down to city hall and we'll be glad to talk with you about it. Newman stated okay, thank you.

8. PLANNING:

8.1. Comprehensive Plan Revision and Zoning District Boundary Amendment from Gartner-Johnson Construction Inc. at 603 Central Avenue N., to Rezone Four Parcels from R-1 (Single Family Residential District) to I-1 (Light Industrial District):

Mathisrud stated the request is to rezone four parcels from R-1, Single Family Residential, to I-1, Light Industrial. The applicant brought this request to the Planning Commission to rezone .45 acres. He's currently using this as part of his construction company, Gartner-Johnson Construction. His company, or a construction company, has been in that location for a number of years. The types of uses that have existed in that location actually pre-date the zoning ordinance. He's currently operating his business as a legally non-conforming use, meaning his zoning is R-1, residential. However, he has certain protections there being that it was established for a fairly long period of time. He can continue to use it as such because it's residentially zoned property. Once it's sold, the new use has to be conforming to the zoning ordinance. That basically prompted this request. His property is currently built out as a commercial/industrial type property, not as a residential facility. So converting it to a residential use poses some challenges. Often, what happens with a property like this, once the use changes they tend to remain vacant if nobody can establish at the location.

Mathisrud stated our comprehensive plan was put together in 2008 and it showed this area being a residential use in the future. After reviewing this the Planning Commission felt that changing the use in the comp plan to industrial use would better reflect what is already in that location. Their recommendation is to change this area, consisting of four parcels to light industrial, and that would be consistent with the historical uses and appropriate for the future. They also recommend changing the zoning for these parcels from R-1 to I-1 to be consistent with the comprehensive plan.

Nordberg questioned what happens to the four single parcels that are in the northwest corner of your map. Mathisrud stated those particular parcels are already zoned I-1 so they already have industrial zoning, however that's in conflict with our current comp plan which shows it as being residential in the future. This proposed change would make

those existing industrially zoned properties conform with the comprehensive plan and it would also bring this residentially zoned property that's being used industrial and making that conforming to the zoning ordinance and the comp plan. Nordberg stated I'm talking about the four yellow squares in the northwest corner on the map on page 54. Mathisrud stated those parcels are not being used as industrial. I'm not asking that they be changed. This would not change the zoning of any other parcel or any other uses from what they currently are. This district would be fairly small, but basically make all the uses that are there conforming.

Mikesh stated maybe we aren't talking about the same thing. We have two businesses next to Gartner-Johnson. Mathisrud stated those current businesses already have industrial zoning. His is the only business there that is zoned residential. By changing the zoning here to industrial it would make it similar to those other uses that are existing so that they would all be the same. McKinney questioned the parcels in purple shown on page 54 aren't all Gartner's? Mathisrud stated correct. That land use map consists of all the properties that are currently zoned industrial as well as the applicant's property. McKinney questioned even if they were to decide not to proceed the rezoning there is still going to be some light industrial zoning there? Mathisrud answered yes. There are already three parcels zoned I-1 there in that location.

Nordberg questioned it looks like there is one parcel that has no access to the street other than through the industrial area? Mathisrud stated that one is currently zoned residential. There are no commercial buildings on it. Some of these parcels are contiguous and each one has their own access off of a main road. They are just assembled kind of funny on the parcel map. McKinney stated those are lot parcels. They're not showing ownership. Nordberg stated I just didn't want it to be isolated there, land locked. McKinney stated what you're doing tonight wouldn't change that even if it was.

Mathisrud stated the action tonight would be changing the comprehensive plan by resolution, and then approving the first reading of the rezoning ordinance. At your next meeting the change in the rezoning would be finalized.

A. Resolution Adopting the Second Amendment to the Future Land Use Map to the 2008 Park Rapids Comprehensive Plan: A motion was made by Utke, seconded by Randall, and unanimously carried to approve Resolution #2015-128 Adopting the Second Amendment to the Future Land Use Map to the 2008 Park Rapids Comprehensive Plan.

B. First Reading-Ordinance Rezoning Land to I-1 in the City of Park Rapids, PID #32.52.00500, PID #32.52.00511, PID #32.52.00600, and PID #32.52.00610: A motion was made by Nordberg, seconded by Mikesh, and unanimously carried to approve the first reading of the Ordinance Rezoning Land to I-1 in the City of Park Rapids, PID #32.52.00500, PID #32.52.00511, PID #32.52.00600, and PID #32.52.00610.

8.2. Discussion Regarding Point of Sale Amendment to the Septic Ordinance: Mathisrud stated the Council asked me to bring to you some additional information on a point of sale septic system ordinance provision. I've research that and put together some of my thoughts on it. We have a number of septic systems in our

community. Septic systems, just like city sewers have a certain useful life where they provide benefit to the owner, but they all eventually fail. Septic systems should be periodically inspected to see if they are operating correctly and protecting our water. If they are failing they should be replaced. Some property owners regularly maintain their systems, and some do not. Right now, at the point where property is being transferred to another party there is not an actual requirement to have an inspection completed. There is a state required disclosure that the seller fills out that discloses what they know about their system. If they haven't had an inspection, or if they don't know, there's nothing to disclose. Basically it puts it on the buyer to request that the information be obtained and disclosed.

Mathisrud stated in thinking about this, I have two questions. One is how big is the septic system problem in Park Rapids? We don't really know at this point. The second question is, is the city doing enough to make sure people are operating compliant systems? Over the years we have completed a number of annexations and have brought more land into the community and more septic systems. I don't have the exact number for the septic systems that we have. It's likely in the area of one-hundred and twenty-five to one-hundred and fifty. Once Discovery Circle is completed with sewer and water extensions that will provide services to fifty additional systems that are in the community, and those would presumably hook-up within three years.

Mathisrud stated our new septic system ordinance that we adopted mirrors the county's ordinance. It requires that septic system inspections occur at several trigger points when various conditions occur. Number one is when there is a permit to modify an existing system. If someone is changing the design of the system they are required to have a compliance inspection to make sure it's operating. Number two is when there is an addition to the building, like additional bedrooms. If they are served by a septic system it requires a compliance inspection. Number three is if there is a change in use of the property, like if they are converting from residential to commercial, which would impact if the system is big enough. That would require a compliance inspection as well. There are a number of opportunities to obtain inspections. Once we have those inspections then we can follow up with enforcement actions if necessary if someone has a failing system. Adding a point of sale inspection would add another stop to make sure people have compliant systems. To administer that, if we did do it, it would basically be a stop at the recorder's office. Before a title is recorded they would submit a copy of their inspection form and they can't transfer the property without that.

Mathisrud stated I was asked to find out what other cities in Minnesota are doing and how they are handling this. Most counties are the ones that initiate these points of sale inspection programs. Most of them in the Twin Cities area do have a point of sale provision. There are some in Greater Minnesota, St. Louis County for example is one. Generally, the cities fall under that and adopt the same standards.

Mathisrud stated there is an alternative to the point of sale that I have identified. That is to do a simple city-wide inventory to identify where all our systems are, and then do a compliance inspection on them. Once we have that done then we'd be able to get an idea of the magnitude of the problem in Park Rapids, if there is a problem. It would also give us the ability to complete some enforcement actions if necessary. We'd have that information. We'd also be able to start a tracking system for the septic systems and to make sure they remain in compliance. Looking at the original questions, how big is the problem, my recommendation is to pursue a city-wide inventory, and once we know the

scope of the problem we'll be able to put together an additional policy to reach that end if that's necessary.

Nordberg questioned do you have someone in mind to do the inspections, and an idea of how much it might cost, and the time it would take? Mathisrud stated as a ballpark figure, you can estimate about \$100.00 per system for compliance inspections. It may be significantly less if you're doing them in volume. I would recommend if we pursued that route putting together an RFP for city-wide inspections, and you might be surprised at how cost effective it is. Nordberg questioned this is not something that our current building inspector could do? Mathisrud stated we currently subcontract all of our septic inspections through AI Winterberger Inspections. Randall stated I had my septic inspected by Mr. Winterberger two years ago and it was \$175.00.

Randall stated I appreciate the time you put into this but I still think that we should do a point of sale. Doing a city-wide inspection could open the flood gates by finding a bunch of non-compliant systems for current owners. I think they are in a better position when they go to sell it to negotiate how that system is going to be upgraded. It would give people a reason to hook up to the city system, like in Discovery Circle.

McKinney questioned was your suggestion that the Council authorize an inventory of existing systems, but not do inspections, just identify where they are? Mathisrud stated my recommendation was to authorize an inventory of existing systems and do a compliance inspection. Utke questioned wouldn't we want to know what our inventory is first? We only have a ballpark idea of the total number. Mathisrud stated staff could put together a rough inventory of existing systems through researching our existing files. At that point we would be able to make an educated guess. Nordberg questioned wouldn't it show on the quarterly water/sewer bills who pays for sewer and who doesn't? Brumbaugh answered yes. McKinney stated to really know the magnitude of the situation we need to do some kind of an inventory, which has not been done.

Mikesh stated instead of wasting money on an inventory and inspections, just put it back on the homeowners when it comes to the point of sale. Randall stated if we have a bunch of non-conforming lots on Discovery Circle, those folks are already concerned about the ability to sell their houses with all the special assessments that they'll be getting. Then they'll get this, and are we prepared for the enforcement of this? Are we prepared for the bill for the cost to have our city attorney do the enforcement? Because it's not going to be cheap. People don't respond kindly. A point of sale seems more friendly than this approach. I'm not trying to make things more difficult on the homeowner right now. I'm trying to make sure that we are doing what we can to catch it at the right time, at any time.

Nordberg stated I think it would be good to have an inventory, but I agree that enforcement would be an issue. We'd get into the same questions that we've had on other types of construction projects. Randall stated the best thing about a point of sale is they are going to be the ones negotiating a failing system.

Utke stated I think this issue is being taken care of already when a place changes hands. I still believe that.

Mathisrud stated the alternative to what I suggested was to draft a point of sale ordinance and bring that forward for review. Would that be the appropriate route? Randall stated that's what I'd like to see. Mikesh agreed. We'd be looking at \$175.00 per unit to have someone inspect every system. Mathisrud stated that is absolutely a concern. We can certainly do that. I can draft a point of sale ordinance. It would be brought to the

Planning Commission for review and comment, and then I'll bring it to the City Council. It would take, likely, two or three months to work through that process.

Nordberg questioned did you like Wright County's point of sale ordinance? Mathisrud stated there's a couple of ways of doing the actual ordinance. One is to just require the inspection, another is to require an inspection and then to escrow funds if there is an upgrade required. Hubbard County used to require an inspection, and if there was an issue with the system they would go back and follow up after a ten month period to replace that system. But Wright County has a provision where it actually triggers an escrow of funds to make sure there are funds available to upgrade that system. It's less onerous on the staff to do that follow up stuff. That might be an effective way of doing that.

The Council directed staff to draft a point of sale ordinance for the Council's review.

9. GENERAL BUSINESS:

9.1. Council Vacancy: McKinney stated you received the resignation of David Konshok at your last meeting. You have a resolution before you that officially declares the vacancy exists, which is a required step in the process. We have been lead to believe through discussions that what you would do is to advertise the vacancy, invite applicants, and the Council would appoint someone for the remainder of Mr. Konshok's term, which is December 31st, 2016. The alternative would be to call a special election. If we've understood your intentions, you would authorize staff to advertise the vacancy in the newspaper.

McKinney stated also each Councilmember has been appointed to certain committees. With the resignation of a Councilmember, there are vacancies in those positions as well. The action, which doesn't need to be taken now, at some point, you need to think about how a newly formed Council might accept those appointments. Konshok was on the Airport Commission, Finance Committee, Fire Relief Association, and the Parks & Beautification Board. The Finance Committee is important, but also the timing as such that we have to have the preliminary budget adopted by you at the first meeting in September. We're preparing that now. Staff does the first part of it and then presents it to the Finance Committee, and then to the full Council. We point out to you that the committee is short one member and we're going into a really busy time for that. Airport Commission meets four times a year. We have a lot going on in the parks department right now working on plans for next year. The Fire Relief Association meets quarterly, and we are just advisory to it. If one of the existing Council or several of you want to take one of these positions and abandon one we'd need to know what that is. It's in the packet for you to think about.

A. Resolution Declaring Vacancy in the Position of Councilmember on the Park Rapids City Council: A motion was made by Randall, seconded by Utke, and unanimously carried to approve Resolution #2015-129 Declaring Vacancy in the Position of Councilmember on the Park Rapids City Council.

B. Authorize City Staff to Advertise for the Open City Council

Position: Nordberg stated the deadline for submissions is August 20th which is a pretty short time frame. McKinney stated it's not something that hasn't been known. We've talked about this before you took action that this is what you were going to do, and we really do need to get someone on board. **A motion was made by Nordberg, seconded by Randall, and unanimously carried to authorize city staff to advertise for the open City Council position.**

C. Resolution Appointing Councilmembers to Various City

Committees, Boards & Commissions: Nordberg stated without having had anyone apply, so there's nothing personal involved I think we should think about having a present member on the Finance Committee before inducting a new person. I think it requires some experience. It took me a while to get to understand the budget. As good as Brumbaugh is, the budget is long and complicated. Utke stated I've been on the Finance Committee in the past and I would do it again. Randall stated I would agree to be appointed to the Airport Commission. Nordberg agreed to accept the Fire Relief Association appointment. Mikesh stated I will accept the Parks Board appointment.

A motion was made by Nordberg, seconded by Randall, and unanimously carried to approve Resolution #2015-130 Appointing Councilmembers to Various City Committees, Boards & Commissions.

Discussion: McKinney stated the form of notice has been included in your packet. The applicants will submit a letter and any other supportive documents that would be helpful to you. We will prepare the information for you. The deadline for submission is the 20th so that we can get it in the packet for you to have over that weekend. On the 25th, you'll have that information should you wish to proceed. The applicants will be invited to be at that meeting. If you follow past practice you give them the opportunity to talk and ask questions.

10. CITY ADMINISTRATOR UPDATE: McKinney stated the armory task force is doing very well. We've assigned a lot of tasks to consultants and they are working on them. They had a very successful event with the West Side Story. Soon we'll get back the appraisal, and some engineering stuff. The task force is developing a letter of intent which will set out the intentions of the purchase versus the sales agreement. When we get that figured out we'll come to you for your review. If you think it's worth pursuing, then that will lead to a purchase agreement, which will be the official document. It would be a non-binding letter of intent. We are not there yet. That's what we are working on. At the same time, should we proceed, we will need a user/management agreement. Once we get the letter of intent approved by you we would be contacting Minnesota Management and Budget. They prepare the grant agreement. We would probably talk to them about submitting a draft for you to look at when we get that far.

11. DEPARTMENT HEAD UPDATES: Burlingame stated Third Street has been paved. They are supposed to be back Thursday or Friday to finish the paving. On

Thursday they are supposed to mill North Main, and next week they should have that paved in. Hopefully within the next week we can have most of the work completed. Utke questioned once they put that tar down then they're done until next spring? Burlingame stated right. They'll leave the wear course until next year through a freeze and thaw cycle. When the soft spots come through then they can fix those. It makes for a better end product. Jon Olson and I are going to meet with the contractors on Thursday and hopefully come to a resolution on what to do with the grass situation. There are a lot of weeds. Most of the boulevards are going to have to be reseeded but July was not a good time to plant grass. Hopefully, we'll get a better product for that this fall. McKinney stated several residents have raised that point and we are working on the issue.

Fieldsend stated we are still working on the parks project. The architect still has not submitted his plans for the public works building. I called him this morning, but he hasn't returned my calls. He told me he would be done about two weeks ago so I have to get him moving.

Mathisrud stated I've been discussing a few projects with developers. There are some exciting things, but nothing to bring forward yet.

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

13. COMMENTS FROM COUNCIL: There were no comments.

14. ADJOURNMENT: A motion was made by Randall, seconded by Utke, and unanimously carried to adjourn the meeting at 6:50 p.m.

[seal]

Mayor Pat Mikesh

ATTEST:

Margie M. Vik
City Clerk