

**CITY OF PARK RIVER, NORTH DAKOTA, REGULAR COUNCIL MEETING,
MONDAY, FEBRUARY 8, 2016 AT 7:30 P.M.**

The City of Park River held their regular meeting of the Park River City Council on Monday, February 8, 2016 at 7:30 P.M.

Mayor Stenvold called the meeting to order with the following present: Council members Mike Lorton, Kyle Halvorson, Arvid Knutson, Robert Lundquist III, Dwight Byron, and Keith Anderson, City Attorney Tracy Laaveg City Coordinator Jolene Halldorson, Public Works Director (PWD) Dennis Larson and City Auditor Ann Berg. Absent: None.

Additions to agenda as follows; Sales Tax Committee-\$50 payment to WC Recorder and \$73,290.00 payment for capital improvement engineering fees to Advanced Engineering. New business additions; Fire Department expansion and future water projects.

Lorton moved and Halvorson seconded to approve the minutes from the January 11, 2016 Regular Council meeting. Upon roll call vote, all voted aye. M/C.

Anderson moved and Byron seconded to approve the minutes from the January 28, 2016 Special Council meeting. Upon roll call vote, all voted aye. M/C.

Knutson moved and Lundquist seconded payment of the following bills for the General Fund, Special Funds, Debt Service, and Municipal Utilities. Upon roll call vote, all voted aye. M/C.

General Fund

28887	NDPERS	\$74.17
88	Aflac	\$26.63
89	Discovery Benefits	\$56.05
28890	NDPERS	\$64.32
91	NDPERS	\$844.15
92	BC/BS of North Dakota	\$1,020.81
93	Sillers, Laaveg, & Wenzel	\$750.00
94	Avenet, LLC	\$450.00
95	Ann E Berg	\$115.60
96	Cardmember Service	\$599.21
97	Productivity Plus Account	\$179.08
98	Jolene Halldorson	\$36.72
99	Jim's Super Valu	\$16.78
28900	Lon's Hardware	\$26.95
01	Montana Dakota Utilities	\$727.28
02	Municipal Government Academy	\$25.00
03	Municipal Judges' Assoc	\$25.00
04	Northdale Oil, Inc	\$609.35
05	North Star Coop	\$548.31
06	Polar Communications	\$458.56
07	Quill Corporation	\$63.07
08	Glenn Rost	\$250.00
09	Samson Electric LTD	\$9,501.00
28910	True North Equipment	\$338.07
11	Walsh County Auditor	\$15,850.98
12	Walsh County Press	\$846.82
13	WDAZ	\$1,419.99
28914	WSI	\$3,804.90

1706	Salaries	\$66.69
AW	EFTPS	\$603.36
AW	Municipal Utilities	\$3,660.22
AW	ND St Tax Comm	\$184.83
<u>Municipal Utilities</u>		
33302	NDPERS	\$308.45
3	General Fund	\$3,660.22
4	Postmaster	\$305.33
5	Aflac	\$374.67
6	Discovery Benefits	\$282.27
7	NDPERS	\$318.30
8	NDPERS	\$4,898.17
9	BC/BS of North Dakota	\$7,484.84
33310	Advanced Engineering &	\$230.00
11	PRAHS After-Prom Party	\$50.00
12	American Legion	\$121.50
13	AmeriPride Services, Inc	\$216.38
14	Angie`s Embroidery Shoppe	\$120.00
15	Aqua-Pure Inc.	\$3,037.64
16	Bank of North Dakota	\$5,025.00
17	Bank of North Dakota	\$6,510.00
18	Cardmember Service	\$496.07
19	City of Fargo	\$28.00
33320	Productivity Plus Account	\$53.06
21	Consolidated Waste, LTD.	\$16,796.70
22	Discovery Benefits, Inc	\$22.00
23	Ethanol Products, LLC	\$1,141.83
24	Hawkins Inc	\$1,021.67
25	Jey-Way Multiple Services	\$2,.50
26	Jim's Super Valu	\$570.40
27	KBM, Inc	\$15,935.50
28	Liberty Business Systems, Inc	\$58.68
29	Light & Water Dept	\$3,993.30
33330	Lon's Hardware	\$65.75
31	MMUA	\$1,623.50
32	Municipal Government Academy	\$25.00
33	ND Sewage Pump Lift Station	\$19,850.00
34	NDWPCC	\$40.00
35	NDPERS	\$22.10
36	Northdale Oil, Inc	\$132.19
37	North Star Coop	\$241.23
38	Polar Communications	\$199.92
39	Prairie Rose Property, LLC	\$100.00
33340	Samson Electric LTD	\$436.50
41	US Bank	\$153.39
42	Water Bond Fund 05	\$4,830.00
43	Water Rev Bond Fund Phase II	\$3,450.00
44	Water Sur-Charge Fund	\$5,000.00
45	Water System Repair & Replace	\$1,500.00
46	Water Tower Fund	\$10,989.50
47	Water Treatment Fund	\$7,334.96
48	Walsh County Press	\$19.60
49	WSI	\$3,692.53

7556-65	Salaries	\$12,530.60
AW	EFTPS	\$4,215.93
AW	NMPA	\$147,582.97
AW	NMPA	\$155,162.98
AW	First United Bank	\$12.60
AW	ND St Tax Comm	\$981.96
AW	Job Service ND	\$95.90

Special Funds

100026	Advanced Engineering &	\$73,290.00
100027	PR Economic Development Corp	\$7,500.00
100028	Walsh County Recorder	\$50.00
100029	Hospital Building Fund	\$14,211.86

Water Tower Fund

10057	US Bank	\$37,925.00
-------	---------	-------------

Knutson moved and Lundquist seconded to accept the Auditors Report into record. Upon roll call vote, all voted aye. M/C

The Sales Tax Committee is recommending the following items for the Council's approval:

The PR Economic Development Corporation is requesting 2016 operating funds of \$7,500 from the Sales Tax Economic Development Fund Anderson moved and Byron seconded to approve the \$7,500 request from the PR Economic Development Corporation for 2016 operating funds. Upon roll call, all voted aye. M/C.

City Administration is requesting a \$50.00 payment from Economic Development funds to pay the WC Recorder's office to record the Green Acres Plat. Halvorson moved and Lorton seconded to approve the \$50.00 payment to the WC Recorder's office to record the plat. Upon roll call, all voted aye. M/C.

City Administration is requesting a \$73,290.00 payment from Capital Improvement funds for payment to Advanced Engineering for engineering services for the water, sewer and street improvements to Railroad Ave W/Harris Ave N/Code Ave N and Wadge Ave N. The funds will be paid back later this year when financing for the projects is completed. Lundquist moved and Knutson seconded to approve the request. Upon roll call, all voted aye. M/C.

The PR Economic Development Corp is recommending that commercial and industrial lots in the Green Acres Addition be set at \$8,500.00 per lot. This price is competitive with what neighboring cities are charging. Halvorson moved and Anderson seconded to approve the recommendation of \$8,500.00 per commercial and industrial lot. Upon roll call, all voted aye. M/C.

Engineer Alex Hall of Advanced Engineering and Environmental Services (AE2S) asked the Council for permission to start advertising for bids on the Water and Sewer Improvement District #2016-1.

**CITY OF PARK RIVER, NORTH DAKOTA
RESOLUTION APPROVING ENGINEER'S REPORT AND
DIRECTING PREPARATION OF DETAILED PLANS AND SPECIFICATIONS
WATER AND SEWER IMPROVEMENT DISTRICT NO. 2016-1**

BE IT RESOLVED by the governing body of the City of Park River, North Dakota, as follows:

1. The governing body of the City of Park River, having received the engineer's report as to the general nature, purpose, and feasibility of the proposed improvement in and for Water and Sewer Improvement District No 2016-1, this report is hereby approved and the same shall be forthwith filed in the office of

the City Auditor and shall remain on file in the City Auditor's office subject to inspection by anyone interested therein.

2. The engineer's report as to the general nature, purpose and feasibility of the proposed improvement does contain as required by statute (i) a separate statement of the estimated cost of the work for which proposals must be advertised and (ii) a separate statement of all other items of estimated cost not included under (i) which are anticipated to be included in the cost of the improvements to be specially assessed against benefited property.
3. The engineer planning the improvement is hereby authorized and directed to prepare detailed plans and specifications for construction of the improvement.

Dated and adopted this 8th day of February, 2016

CITY OF PARK RIVER, NORTH DAKOTA

Mayor

ATTEST:

City Auditor

The governing body of the political subdivision acted on the foregoing resolution on February 8, 2016 as follows:

Knutson moved and seconded by Byron.

Upon Roll Call Vote the Following Voted:

"Aye" Lorton, Halvorson, Knutson, Lundquist, Byron and Anderson;

"Nay" None;

Absent None;

Abstain None;

After the vote, the Mayor declared the resolution adopted.

CITY OF PARK RIVER, NORTH DAKOTA

A RESOLUTION DIRECTING ADVERTISEMENT FOR BIDS FOR WATER and SEWER IMPROVEMENT DISTRICT #2016-1

WHEREAS, the City of Park River, North Dakota (the "City") has taken all preliminary steps necessary for the creation of Water and Sewer Improvement District 2016-1 and has had plans and specifications and estimates prepared for the paving improvements in the District and the city having decided that such improvement in the District are necessary.

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the City as follows:

1. The City Auditor, in consultation with the project engineer, is directed to cause publication of Advertisement for bids for the work and materials needed for the water and sewer improvements for Railroad Ave West, and the Code/Harris/Wadge Ave's N in the Walsh County Press, the official newspaper of the City, calling for bids to be opened on the 10th day of March, 2016, at 1:30 o'clock P.M. in the City Council Room in the City of Park River, North Dakota.
2. The City Auditor is directed to cause the Advertisement for Bids to be published in the February 17, 2016, February 24, 2016, and March 2, 2016, Walsh County Press. The date of the first publication

must be at least 14 days before the date of bid opening.

3. The Advertisement for Bids shall be in substantially the form attached hereto. Each and all of the terms and conditions for the attached Advertisement for Bids are hereby adopted as the terms and conditions for the award for the contract for the making of the improvements.

Dated and adopted this 8th day of February 2016.

CITY OF PARK RIVER, NORTH DAKOTA

Mayor

ATTEST:

City Auditor

The governing body of the political subdivision acted on the foregoing resolution on February 8, 2016 as follows: Adoption moved by Knutson moved and seconded by Byron. Upon Roll Call Vote the Following Voted: "Aye" Lorton, Blake, Knutson, Lundquist, Byron and Anderson; "Nay" None; Absent None; Abstain None; Upon roll call vote, all voted aye. M/C.

Hillcrest Country Club, Inc presented a Liquor License application along with a check for \$600.00 to the City Council for approval. Anderson moved and Halvorson seconded to approve the Liquor License for the Hillcrest Country Club, Inc. Upon roll call vote, all voted aye. M/C.

Anderson moved and Lundquist seconded to donate \$50.00 to the PR Area School After-Prom Party. Upon roll call vote, all voted aye. M/C.

In August 2015 Mayor Stenvold appointed a committee to research funding options for infrastructure costs for Water and Sewer Improvement District #2015-1 and other upcoming improvement projects. The committee members are Daryl Larson, Bob Lundquist, Jon, Markusen, Steve Rehovsky, Leon Schmitz, City Attorney Tracy Laaveg, City Coordinator Jolene Halldorson, Public Works Director (PWD) Dennis Larson and City Auditor Ann Berg. The committee stated that in the past not much has been done to upgrade water/sewer infrastructure and the streets throughout the City. Funds that have been put aside towards the replacement costs of the infrastructure will be needed for loan reserve and projects will need to be funded by rate increases and special assessments. Halldorson presented information from the February 4th funding committee. Estimated costs and debt service for the project are approximately \$750,000 with a timeline for bids to begin in February with construction beginning in April or May. It is critical to get the infrastructure in place so the campground can be operational this summer. The infrastructure is an asset to the entire community of Park River as it will bring in more opportunity for growth of recreational activity and economic growth for commercial and industrial businesses. Based on preliminary estimates of terms and rates, the annual debt service with a fixed rate of 2.5% for 20 years will be approximately \$30,000. Funding options presented from the committee are; special assessment of the entire city or increase the sewer base rate by \$5.00. There is also the possibility of receiving aide in the form of CDLF funds or a lower interest loan from the ND Infrastructure Loan Fund. After discussion it was decided the special assessment option would take too long to have the infrastructure in place this year. The sewer base rate is currently at \$2.00 and the \$5.00 increase would raise it to \$7.00 per utility customer. Byron moved and Halvorson seconded to increase the base sewer rate by \$5.00 per utility customer starting April 1, 2016 to fund the Water and Sewer Improvement District #2015-1 project. The following voted aye; Lorton, Halvorson, Knutson, Byron and Anderson. Lundquist voted nay. M/C.

Minnkota Power Cooperative has informed the Northern Municipal Power Agency, the City's electric

power supplier, that the wholesale power rate will increase approximately six percent effective March 2016. The reason for the increase is the rising cost of operations. PWD Larson informed the Council that the electrical infrastructure needs updates to the substation, lines and 100 plus year old breakers sooner rather than later at approximately \$550,000. Currently the money set aside yearly for funded depreciation is not enough to fund the upgrades needed. PWD Larson presented a recommendation to the Council, that in order to cover the wholesale rate increase incurred by the City, and fund the upgrades needed, retail rates will need to be raised thirteen percent effective March 2016. Halvorson moved and Anderson seconded to approve the first reading to amend the schedule of fees to increase all retail electric rate components thirteen percent effective with the March 2016 billing as presented by PWD Larson with \$40,000 of the increase added to the yearly funded depreciation. Upon roll call vote, all voted aye. M/C.

Halldorson, on behalf of the Renaissance Zone Committee, informed the Council the blocks added to the zone have been approved at the State level.

Halldorson informed the Council that Red River Regional Council has money available through the CDBG Housing Rehabilitation Program for owner occupied homes. The program is based on family income and replaces windows, electric, doors, siding, shingles, and furnaces to qualifying participants, bringing the residents home up to code. The City of Grafton participated in the program and 20 to 30 families in the community were helped. The cost to the City would be approximately \$30,000. Options to fund the program could be split between different organizations. Halldorson is seeking the Council's approval to pursue the program as applications for the program open in March with work starting in late fall or early next spring. The program uses local contractors to perform the work. Lundquist moved and Halvorson seconded to approve the request to pursue the CDBG Housing Rehabilitation Program. Upon roll call vote, all voted aye. M/C.

The fire departments is looking to repair or replace their northern most building and are looking for the Council's blessing to look into alternative options of expansion and funding. The Council gave their blessing.

Halvorson asked if the City has any long range water and sewer projects in the works as the State is looking to Cities for this information. PWD Larson responded that projects through the next couple of years have been submitted for the State consideration.

Being no further business, the meeting adjourned at 8:36 PM.

Dan Stenvold, Mayor

ATTEST:

Ann Berg, City Auditor