

**CITY OF PARK RIVER, NORTH DAKOTA, REGULAR COUNCIL MEETING,
MONDAY, FEBRUARY 12, 2018 AT 7:30 PM.**

Published Subject to the Governing Body's Review and Revision

The City of Park River held their regular meeting of the Park River City Council on Monday, February 12, 2018 at 7:30 PM.

Mayor Stenvold called the meeting to order; upon roll call the following were Present: Council members Kyle Halvorson, Arvid Knutson, Robert Lundquist III, Dwight Byron, and Keith Anderson, City Attorney Tracy Laaveg, Public Works Director (PWD) Dennis Larson, Coordinator/Auditor Nancy Thompson, and Assessor/Deputy Auditor Ann Berg. Absent: Mike Lorton. Others present: David Svobodny, Dean Skjerven, Kenny Dusek, Susan Degner, Jon Markusen (Engineer with KLJ), Joe Fietek and Eugene Bossert.

Comments and Questions From Citizens: None.

Additions and changes to agenda: To New Business add #2. After Prom party donation.

Approval of Minutes: Knutson moved, and Lundquist seconded to accept the minutes from the January 8, 2018 regular meeting as presented. Upon roll call vote, all voted aye. M/C.

Unfinished Business:

Assessor's Report: Berg reported she received an abatement request on 701 5th St W from David & Rebecca Svobodny asking for a \$56,970 reduction in true & full value from \$114,070 to \$57,100 due to the school improvements which he felt negatively affected his property's value. Berg asked Grafton City Assessor Ed Sevigny to help with the assessor's visit and valuation report. Berg reported the valuation report prepared after the visit does not support Svobodny's request but rather shows a valuation of \$166,340 and recommends denying the request. Svobodny informed the Council the school addition has reduced the use of his outdoor space due to the noise generated from the larger electrical and HVAC equipment and shades his deck and sunroom. Svobodny gave the City until noon Friday to do something or he will be forced to act against the City. Laaveg felt Svobodny was implying he would be taking legal action against the City. Knutson moved to approve the Assessor's recommendation to deny the Svobodny's abatement request. The motion died due to lack of second. Lundquist moved, and Halvorson seconded to table the matter until next month, so they could go over the figures. Laaveg informed the Council that the only action they need to take is approve or deny the abatement request as presented. Upon roll call vote all voted nay to table the request. M/C. Knutson moved, and Anderson seconded to deny Svobodny's request for abatement. Upon roll call vote, the following voted aye; Knutson, Lundquist, Anderson & Halvorson with Byron voting nay. M/C. David Svobodny left at 7:52 PM.

Berg reported she received an abatement request on 108 Hill Ave S from Susan Degner asking for a reduction in true & full value from \$112,560 to \$80,000. Degner provided an appraisal to Berg and scheduled an on-site assessor's visit. Berg requested Sevigny's help with the valuation report. Berg spoke with Degner regarding the valuation report and is recommending denying Degner's \$32,560 reduction request and to approve a \$12,060 reduction from \$112,560 to \$100,500 as per the valuation report. Byron moved, and Halvorson seconded to approve Berg's recommendation. Upon roll call vote all voted aye. M/C. Degner and Dusek left at 7:55 PM.

Berg reported she received an abatement request on 142 North Star Drive from Ronald and Rita Beneda asking for a \$38,650 reduction in true & full value from \$360,750 to \$322,100. Berg reported their property is new and at full market value and the 12% increase was inadvertently added to their property when the county implemented the across the board increase. Berg is recommending Beneda's request be

approved. Halvorson moved and Lunquist seconded to approve the recommendation. Upon roll call vote all voted aye. M/C.

Berg reported she received an abatement request on 138 North Star Drive from Mary Jo Olson asking for a \$25,110 reduction in true & full value from \$234,410 to \$209,300. Berg reported the property is new and at full market value and the 12% increase was inadvertently added to the property when the county implemented the across the board increase. Halvorson asked if these were the only two properties affected by the increase. Berg replied yes. Berg is recommending Olson's request be approved. Halvorson moved and Lunquist seconded to approve the recommendation. Upon roll call vote all voted aye. M/C.

PR Park Board members Andrew Lindell, Kathryn Loewen and Rhonda Gaarder joined the meeting at 8:00 PM. Lindell, President of the PR Park District, is asking if the City could deed Block 2 of Green Acres Addition to the PR Park District for current and future recreation development. Anderson stated city parks belong to the citizens and even if deeded to the PR Park District they still belong to the citizens. Laaveg stated the City would deed and transfer Block 2 of Green Acres Addition to the PR Park District with the provision the land be used for recreational purposes and if not used for such will revert back to the City. One reason for the request is so the PR Park District can pursue grant opportunities available for park district land. The other parks in the City will be addressed in a lease agreement between the City & PR Park District. Byron moved, and Anderson seconded to approve the request and deed Block 2 of Green Acres Addition to the PR Park District with the above-mentioned provisions. Lundquist asked if deeding the land is the right thing to do and if a public meeting with the citizens should be held so they could provide input and felt the City has provided plenty to the infrastructure and money for the comfort station. Halvorson stated the City needed to install the main infrastructure to promote businesses to purchase lots and build and recreational areas to be developed. Upon roll call vote the following voted aye; Halvorson, Knutson, Byron and Anderson with Lundquist voting nay only because he felt a public meeting should be held. M/C.

Byron met with Wally Rygh of Mortenson & Rygh to discuss audit costs. Stenvold asked if the Council wanted to retain Mortenson & Rygh to perform the 2017 audit. Prior to last month's meeting Stenvold had Thompson research what other cities our size are paying for their audits and they are paying significantly less. Lundquist moved, and Anderson seconded to retain Mortenson & Rygh to perform the 2017 audit. Knutson stated there is nothing wrong with bidding audit costs out as we do for engineering. Laaveg informed the Council that even if audit costs are bid out the City does not have to accept the lowest bidder. Upon roll call vote Lundquist and Byron voted aye with Knutson, Anderson and Halvorson voting nay. Motion defeated. Audit costs will be put out for bids.

No one was present at the Public Hearing to oppose vacating the alley. Lundquist moved, and Anderson seconded to approve vacating the alley between Briggs Ave N and Code Ave N on the north side of Vivian St W where First Care Health Center is located. Upon roll call vote all voted aye. M/C.

Committee Reports:

Contracts & Policies: After meeting to discuss the feasibility of the City setting up an animal impound, and it was decided that perhaps Walsh and Pembina counties should meet to discuss setting up some sort of animal impound as this is not just a Park river issue but impacts the entirety of both counties. They also felt the City of Park River could not afford the cost of setting up and running an animal impound.

Streets & Utilities: After meeting to discuss the proposed 2018-1 Street Improvement project engineering proposals the committee is recommending accepting the bid from AE2S. PWD Larson read the proposed engineering and project costs. Advanced Engineering & Environmental Services (AE2S) submitted a summary of fees for surveying, preliminary/final design, bidding and construction for a total

of \$29,500 and estimating the project cost in the \$700-\$800,000 range; KLJ submitted a summary of fees for preliminary engineering including surveying, design engineering including bidding and construction engineering for a total of \$62,500 and estimating the project construction cost at \$570,000; Widseth Smith Nolting (WSN) submitted a summary of fees for plans and specifications at \$44,580 with fees for staking and inspection based on an hourly basis not to exceed \$44,580 (total engineering not to exceed \$89,160) and estimating the project construction cost at \$884,170. Berg questioned Larson if AE2S's \$29,500 bid was for the entire project from start to finish. Larson responded yes unless problems were discovered and extra work was added to the project. The street project will consist of approximately 30 blocks and will be special assessed to the property owners. There are no sewer or water line issues in the 2018 street project area. 2019 projects include Harris Ave S between 5th and 6th streets West and Hilltop Drive. Stenvold asked Jon Markusen (KLJ) if he had any comments or questions. Markusen felt that perhaps the three engineering bids did not provide the same services as two of the bids were similar with the third one substantially lower and questioned how the engineering firms looked at the RFP as it only stated engineering costs for 33 blocks of mill and overlay without any specifics listed. Lundquist moved, and Byron seconded to award the 2018 street improvement project engineering bid to AE2S for \$29,500. Upon roll call vote Halvorson abstained with Knutson, Lundquist, Byron and Anderson all voting aye. M/C. Markusen left the meeting at 8:24 PM.

New Business:

Thompson informed the Council she had spoken with Mike Helt, loan officer at First United Bank, about the 7-year \$315,000 loan for Green Acres Drive. The bank will grant the loan to the City and the Sales Tax Economic Development funds will be used to make the loan payments. Byron questioned what the interest rate is on the loan. Thompson had not received the interest rate as Helt was out of town. Lundquist moved, and Anderson seconded to table the meeting until the March 12th meeting, so the interest rate can be added to the record. Upon roll call vote, all voted aye. M/C.

Stenvold asked for a motion to donate \$100 from the Municipal Utilities Electric Fund to the PR After Prom Party. Lundquist moved, and Knutson seconded to make the donation. Upon roll call vote all voted aye. M/C.

Mayor's Comments: Just reminded the Council to make sure to adhere to the open meeting laws.

Public Works:

Byron moved, and Lundquist seconded to approve the following resolution:

NMPA PARTICIPANT, GOVERNING BODY RESOLUTION APPROVING WAIVER
PETITION WITH THE NORTHERN MUNICIPAL POWER
AGENCY FOR QUALIFYING FACILITIES

WHEREAS, The City of Park River Municipal Utilities is receiving wholesale power from The Northern Municipal Power Agency, (NMPA);

WHEREAS, the City of Park River Municipal Utilities requests to participate in NMPA/Minnkota Power Cooperative, Inc's, (Joint System) Qualifying Facilities waiver petition with the Federal Energy Regulatory Commission.

NOW THEREFORE, BE IT RESOLVED that the City of Park River Municipal Utilities will participate in the Joint System's Qualifying Facilities waiver petition with the Federal Energy Regulatory Commission.

Adopted by vote of the City Council in Park River, ND on this 12th day of February 2018. M/C.

Larson is asking permission to purchase the 1987 Chevy pumper truck with 10,000 miles from the PR Fire Dept and have a box and lift installed for hauling gravel and snow removal use. Larson reported it will replace the old blue International truck which has the transmission out. Anderson moved, and Byron seconded to purchase the 1987 Chevy truck from the PR Fire Dept for \$8,000. Anderson moved, and Byron seconded to approve the truck purchase for \$8,000. Upon roll call vote Lundquist abstained with Byron, Anderson, Halvorson and Knutson voting aye. M/C.

Larson is asking permission to purchase a painted 14" truck box installed with a hoist for \$17,899.89 from Safe-T-Pull Knutson moved and Anderson seconded to approve Larson's request. Berg asked which fund will be used to purchase the box and truck. Knutson said Funded Depreciation. Upon roll call vote all voted aye. M/C.

Larson reported he received another bid to stabilize the SW corner of the City owned building located at 120 5th St W (former curling club building). The sidewalk would need to be removed and hydraulic piers would be put in place. The two bids are; Ram Jack from West Fargo, ND would drive 10 piers 50' down for \$34,650. If the piers need to go deeper the cost will be \$15 per foot per pier. Eugene Bossert left at 8:42 PM. Innovative Foundation Supportworks from Rush City, MN would drive 12 piers up to 100' down for \$26,795 in the SW corner. If the SE corner is included 10 more piers would be needed for a total of 22 piers up to 100' down with poly used to lift the foundation/floor for a total of \$47,231.00. 30' of sidewalk will need to be removed to complete the work. To lift 160' of sidewalk on the west side of the building the cost is \$8,758. Larson is recommending Innovative Foundation Supportworks to perform the repairs to the building and sidewalk. Knutson moved, and Lundquist seconded to accept Larson's recommendation repairs to the SW and SE portions of the building for \$47,231 and the sidewalk for \$8,758 with money from Sales Tax Capital Improvements Fund. Upon roll call vote all voted aye. M/C. *(Copies of the estimates are attached to the official minutes).*

Auditor's Report:

Halvorson moved, and Knutson seconded to approve payment of the following bills and pay requests and to accept the Auditor's report into record. Upon roll call vote all voted aye. M/C.

General Fund & Municipal Utilities

34652	NDWPCC	\$90.00
53	Postmaster	\$288.19
54	Aflac	\$130.92
55	Discovery Benefits	\$210.00
56	NDPERS	\$436.27
57	NDPERS	\$436.27
58	NDPERS	\$6,018.08
59	2016 Electrical Upgrade	\$8,000.00
34660	Advanced Engineering &	\$590.00
61	BC/BS of North Dakota	\$8,006.50
62	PB Properties III LLC	\$800.00
63	AmeriPride Services, Inc	\$193.45
64	Aqua-Pure Inc.	\$1,317.66
65	Bowl Mor Lanes	\$45.58
66	Butler Machinery Co	\$80.40
67	Cardmember Service	\$490.35
68	City of Fargo	\$28.00
69	City of Grafton	\$0.00
34670	Productivity Plus Account	\$906.73
71	Consolidated Waste, LTD.	\$16,967.95
72	Dahlen Plumbing & Heating	\$379.26

73	Dale's Small Engine Repair LLC	\$295.00
74	Dell Marketing LP	\$0.50
75	Discovery Benefits, Inc	\$11.00
76	Ethanol Products, LLC	\$2,540.24
77	Graymont (WI) LLC	\$6,018.50
78	Hawkins Inc	\$649.80
79	SARAH , HELL	\$100.00
34680	Jim's Super Valu	\$82.23
81	Liberty Business Systems, Inc	\$87.83
82	Light & Water Dept	\$6,331.66
83	Lon's Hardware	\$117.95
84	Montana Dakota Utilities	\$775.41
85	Municipal Utilities	\$615.48
86	Municipal Judges' Assoc	\$0.00
87	ND Dept of Health/Chem-Lab	\$32.96
88	NDPERS	\$15.96
89	Nodak Electric Cooperative	\$6,349.64
34690	North Star Addition T.I.F.	\$38,715.43
91	Northdale Oil, Inc	\$1,747.25
92	North Star Coop	\$863.35
93	Polar Communications	\$338.30
94	Polar Communications	\$1,304.41
95	Postmaster	\$225.00
96	PR Airport Authority	\$3,756.37
97	PR Park District	\$4,749.02
98	PR Public Library	\$3,747.20
99	Quill Corporation	\$337.19
34700	Glenn Rost	\$250.00
1	Samson Electric LTD	\$2,379.52
2	Sillers, Laaveg, & Wenzel	\$750.00
3	NATHAN , SLAMMOD	\$89.64
4	Special Funds	\$159.51
5	ST Improvement Dist #2012-2	\$2,210.24
6	ST Improve Dist #2017-1	\$12,745.14
7	ST Improvement Dist #7	\$4,638.48
8	Dale Stark	\$255.15
9	Stone's Mobile Radio, Inc	\$149.70
34710	US Bank Equipment Finance	\$162.42
11	Verizon Wireless	\$268.50
12	Wat & Sew Imprv Dist #2012-1	\$5,076.00
13	Wat & Sew Imprv Dist #2015-1	\$6,200.00
14	Wat & Sew Imprv Dist #2016-1	\$9,490.00
15	Water System Repair & Replace	\$4,000.00
16	Water Bond Fund 05	\$4,830.00
17	Water Rev Bond Fund Phase II	\$3,450.00
18	Water Tower Fund	\$11,315.00
19	Water Treatment Fund	\$30,478.03
34720	Wayne's Heating & Cooling Inc	\$659.00
21	Walsh County Auditor	\$7,188.75

22	Walsh County Press	\$366.56
23	WC Water Resource District	\$5,050.89
24	WSI	\$4,510.11
25	PRAS After-Prom Party	\$0.00
26	Municipal Judges' Assoc	\$25.00
27	NDPERS	\$436.27
28	PRAS After-Prom Party	\$100.00
8147-67 & 76	Salaries	\$28,648.72
AW	US Treasury	\$10,340.52
AW	ND ST Tax Commissioner	\$1,178.40
AW	NMPA	\$161,460.27
AW	PSN (Payment Services Network)	\$4.95
AW	First United Bank-ACH Charge	\$13.75

Debt Service & Bond Fund

6116	Advanced Engineering &	\$1,100.00
6117	Bank of North Dakota	\$9,600.00
6118	First United Bank	\$6,187.50
6119	US Bank	\$37,418.75
6120	Widseth Smith Nolting & Assoc	\$3,147.50

City administration provided a copy of CDARS with recommended renewal terms. The report covers February to May 2018 CDARS renewals and Thompson is looking for approval of the renewal terms. Knutson moved, and Lundquist seconded to approve the recommended CDARS renewal terms as presented by City administration. Upon roll call vote, all voted aye. M/C.

City Administration is asking for approval of the following budget amendments to the 2017 budgets and 2017 fund transfers.

1. The City of Park River Public Library Fund incurred costs for summer reading program not included in the original budget along with money towards carpet replacement. Requesting a \$7,100 increase amending the budget from \$13,500 to \$20,600.
2. The Municipal Highway Fund incurred additional costs for street repairs not included in the original budget. Requesting a \$150,000 increase amending the budget from \$55,047 to \$205,047.
3. The Airport Fund incurred additional costs for a hanger project not included in the original budget. Requesting a \$524,000 increase amending the Fund budget from \$56,000 to \$580,000.00.
4. The Sales Tax Fund incurred additional costs for a hanger project not included in the original budget. Requesting a \$242,000 increase amending the budget from \$386,250 to \$628,250.
5. The City of Park River Hospital Bond Fund incurred costs for debt service not included in the original budget. Requesting a \$3,000.00 increase amending the City of Park River Hospital Bond Fund budget from \$0.00 to \$3,000.00.
6. The Special Funds Special Assessments Fund incurred costs for expenses not included in the original budget. Requesting a \$500 increase amending the budget from \$0.00 to \$500.
7. The General Funded Depreciation Fund incurred costs not included in the original budget. Requesting a \$23,000.00 increase amending the budget from \$0.00 to \$23,000.00.
8. The St Improvement District #2017-2 Fund (Green Acres Drive) incurred costs not included in the original budget for a new street. Requesting a \$312,000 increase amending the budget from \$0.00 to \$312,000.
9. The SouthView Addition TIF Fund incurred costs for loan payback not included in the original budget. Requesting an \$8,000 increase amending the budget from \$11,075 to \$19,075.

10. The St Improvement District #2017-1 Fund (RR Ave W & Vivian St W, Code, Harris & Wadge Aves N) street project incurred costs not included in the original budget. Requesting a \$594,000 increase amending the budget from \$0.00 to \$594,000.00.
 11. The Water & Sewer Improvement District #2012-1 incurred costs for loan payments not included in the original budget. Requesting a \$8,400 increase amending the budget from \$0.00 to \$8,400.
- A. General Fund to Municipal Utilities \$77,372.71 for payroll; to GF Depreciation \$20,000 for yearly transfer.
 - B. Sales Tax Fund to St Imprv Dist #2017-2 \$2,671.60 for street project; to St Imprv Dist #2017-1 \$3,030.59 for street project.
 - C. General Funded Depreciation to Special Highway Fund for tractor lease payment \$12,061.52 and front mount for snow blower \$10,800.
 - D. Southview Addition TIF to General Fund \$7,933.83 and to \$North Star Addition TIF Fund \$.14 to close out fund.
 - E. Municipal Utility Electric Fund to General Fund \$77,372.71 for payroll and \$50,000 for operating transfers; to Municipal Funded Depreciation \$40,000 for yearly transfer.
 - F. Municipal Utility Sewer Fund to Municipal Funded Depreciation \$5,000 for yearly transfer.
 - G. Municipal Utility Sanitation Fund to Special Highway Fund \$78,483.88 for street sweeper purchase.
 - H. Water Sur-charge Fund to MU Water Fund \$293.68 and to Water System Repair & Replacement Fund \$5,009.27 to close out fund.
 - I. Municipal Funded Depreciation to Electric Upgrade 2016 \$40,000 for debt service; to MU Electric Fund \$34,450 for new pickup; to Municipal Funded Depreciation checking t r a n s f e r \$8,000; to MU Water Fund \$5,000 to purchase 308 Prospect Ave N property; to MU Sewer Fund \$3,000 for lift station repairs.
 - J. Water System Repair & Replacement Fund to MU Water Fund \$10,318 for invoice.
 - K. Water Treatment & Joint Powers Reserve to MU Water Fund \$488,141.86 for water treatment expense reimbursement.
- Byron moved, and Anderson seconded to approve the 2017 budget amendments and fund transfers. Upon roll call vote all voted aye. M/C.

The Council asked Laaveg to research and prepare information for possible legal action from David Svobodny against the City. A Special meeting is scheduled for Wednesday, February 14 at 7:00 AM to discuss Laaveg's findings.

Being no further business, Lundquist moved to adjourned at 9:04 PM.

Dan Stenvold, Mayor

ATTEST: _____
Ann Berg, Deputy Auditor