

**CITY OF PARK RIVER, NORTH DAKOTA, REGULAR COUNCIL MEETING,
MONDAY, MARCH 14, 2016 AT 7:30 P.M.**

The City of Park River held their regular meeting of the Park River City Council on Monday, March 14, 2016 at 7:30 P.M.

Mayor Stenvold called the meeting to order with the following present: Council members Mike Lorton, , 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: Kyle Halvorson. Others: Alex Hall - Engineer AE2S, Dr. Nicholas Beneda, Todd Forster - Engineer KBM, Jon Markusen - Engineer KLJ.

Additions to agenda as follows; Unfinished business additions; Approve KLJ scope of services for Green Acres Addition. Agenda items #7.4 and #8.1 moved up after #5 Auditors Report.

Knutson moved and Anderson seconded to approve the minutes from the February 8, 2016 Regular Council meeting. Upon roll call vote, all voted aye. M/C.

Knutson moved and Lorton 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

28915	NDPERS	79.28
16	PR Airport Authority	3,100.78
17	PR Park District	5,193.34
18	PR Public Library	3,220.17
19	Special Funds	15,513.27
28920	ST Improvement Dist #2012-2	308.95
21	ST Improvement Dist #7	8,260.04
22	Verizon Wireless	106.04
23	Water & Sewer Improvement	3,135.32
24	Aflac	41.52
25	Discovery Benefits	58.87
26	NDPERS	102.85
27	NDPERS	1,150.96
28	BC/BS of North Dakota	1,333.14
29	Sillers, Laaveg, & Wenzel	750.00
28930	Ann E Berg	327.98
31	Cardmember Service	119.96
32	Casey Carver	45.98
33	Productivity Plus Account	6.62
34	Dale's Small Engine Repair	1,716.26
35	Jolene Halldorson	64.26
36	Jim's Super Valu	83.88
37	Leon's Building Center, Inc	42.31
38	Lon's Hardware	27.45
39	Montana Dakota Utilities	594.07
28940	Municipal Government Academy	125.00
41	NDPERS	74.91

42	Northdale Oil, Inc	332.22
43	North Star Coop	537.22
44	Polar Communications	476.06
45	PR Airport Authority	2,948.58
46	PR Community Club	32.00
47	PR Park District	2,742.73
48	PR Public Library	3,140.08
49	Quill Corporation	107.77
28950	Glenn Rost	250.00
51	JoAnn Sanchez	5.00
52	Special Funds	19,131.07
53	ST Improvement Dist #2012-2	5,870.05
54	ST Improve Dist #2013-1	180,544.00
55	ST Improvement Dist #7	5,431.94
56	Stone's Mobile Radio, Inc	209.70
57	University of North Dakota	112.50
58	Verizon Wireless	106.04
59	Water & Sewer Improvement	26,656.05
28960	Wayne's Variety	28.85
61	Walsh County Auditor	12,846.86
62	Walsh County Highway Dept	660.00
63	Walsh County Press	483.28
64	Advanced Engineering &	1,300.00
1312017E	Sillers, Laaveg, & Wenzel	0.00
1707-09	Salaries	242.52
AW	EFTPS	3,192.96
AW	Municipal Utilities	5,036.75
AW	Main Street Checks	38.58

Municipal Utilities

33350	NDPERS	303.34
51	Nodak Electric Cooperative	6,032.87
52	Verizon Wireless	124.16
53	Aflac	359.78
54	Discovery Benefits	279.45
55	General Fund	5,036.75
56	NDPERS	279.77
57	NDPERS	4,591.36
58	Postmaster	250.16
59	PR Aggie Boosters	200.00
33360	BC/BS of North Dakota	4,386.01
61	Advanced Engineering &	459.50
62	AmeriPride Services, Inc	146.89
63	Aqua-Pure Inc.	1,588.41
64	Border States Electric Supply	396.10
65	Butler Machinery Co	51.00
66	Cardmember Service	580.23
67	City of Fargo	28.00
68	Productivity Plus Account	54.19
69	Consolidated Waste, LTD.	17,648.65

3370	Dale's Small Engine Repair	400.64
71	Discovery Benefits, Inc	22.00
72	Graymont (WI) LLC	5,437.80
73	Hawkins Inc	555.50
74	Jet-Way Multiple Services	1,736.00
75	Jim's Super Valu	353.61
76	KBM, Inc	8,607.66
77	Kringstad Ironworks INC	827.47
78	Liberty Business Systems, Inc	77.33
79	Light & Water Dept	4,083.98
33380	Lon's Hardware	52.43
81	Municipal Utilities	200.00
82	ND One Call Inc.	4.10
83	NDPERS	307.71
84	NDPERS	22.10
85	Nodak Electric Cooperative	5,426.16
86	Northdale Oil, Inc	201.81
87	North Star Coop	47.53
88	Polar Communications	149.91
89	PR Community Club	68.00
33390	Quill Corporation	191.00
91	River Bend Industries	1,294.54
92	Samson Electric LTD	155.00
93	Sillers, Laaveg, & Wenzel	137.80
94	Sunshine Kids Center	200.00
95	US Bank Equipment Finance	153.39
96	Verizon Wireless	159.06
97	Water Bond Fund 05	4,830.00
98	Water Rev Bond Fund Phase II	3,450.00
99	Water Sur-Charge Fund	5,000.00
33400	Water System Repair & Replace	1,500.00
1	Water Tower Fund	11,764.50
2	Water Treatment Fund	6,713.93
3	Walsh County Press	260.60
4	Advanced Engineering	1,300.00
AW	NMPA	141,904.00
AW	First United Bank - Ach Chg	12.70
7566-96	Salaries	37,882.63
AW	EFTPS	11,364.48

Special Funds

100030	Hospital Building Fund	14,585.71
100031	City of Grafton	12,500.00
100032	Sillers, Laaveg, & Wenzel	13.30
AW	Main Street Checks	38.58

St Impr Dist 2012-2
(NS Add)

5033	St Impr Dist 2013-1	97,230.00
AW	Main Street Checks	38.58

Wat & Sewer Impr Dist
2012-2 (NS Add)

AW

Main Street Checks

38.58

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

Engineer Alex Hall of Advanced Engineering and Environmental Services (AE2S) presented the results from the March 10th bid opening for the 2016-1 Water & Sewer Improvement project. Hall informed those present that eight bids were received with the low bidder Utility Systems of America submitting a bid of \$1,021,774.70. The estimated project cost, including engineering, totals \$1,491,524.70. Hall reported that AE2S has had favorable experience working with Utility Systems of America on past projects in the western portion of ND. AE2S is recommending the City award the construction contract to Utility Systems of America and approve the total project costs. Knutson moved and Lundquist seconded to approve the AE2S recommendation and award Utility Systems of America the Water and Sewer Improvement District #2016-1 project contract for \$1,021,744.70 and the AE2S total project cost estimate in the amount of \$1,491,524.70. Upon roll call vote, all voted aye. M/C

Engineer Todd Forster of KBM, Inc. asked the Council for permission to start advertising for bids on the 2016 Electrical Equipment and Materials and Park River Substation Circuit Exit Remodel. Costs are estimated at \$259,422 for materials and \$208,421 for construction for a cost of \$467,843. Forster is looking for approval to advertise for bids with a bid opening date of April 11th for the materials and April 18th for the substation remodel construction. The projected project completion date is November 25th. Knutson moved and Lundquist seconded to approve the advertisement of bids for the material and substation remodel construction with bid opening dates as listed. Upon roll call vote, all voted aye. M/C. A Special Council Meeting will be held on April 18th at 5:00 pm to approve/award the bids.

The Sales Tax Committee is recommending the following items for the Council's approval: A \$5,000 housing incentive payment to the PR Economic Development Corporation for Jesse & Julie Chalich from the Economic Development Fund; The 18th of 20 annual payments in the amount of \$12,500.00 from the Economic Development Fund to the City of Grafton for the Marvin Windows commitment; To pay Red River Regional Council \$25,000 from the Capital Improvements Fund to go towards the admin cost of the CDBG Housing Rehab Program. Lundquist moved and Byron seconded to approve the above mentioned Sales Tax Committee recommendations. Upon roll call vote, all voted aye. M/C

Halldorson informed the Council that 22 applications for the CDBG Housing Rehabilitation Program have been received. This round covers the lower income residents. Halldorson would like to expand the program to a 2-year project with the second year geared toward medium income families. The Red River Regional Council admin expense for the two year project would total \$42,000 plus an estimated \$462,000 of granted work to update homes making the project total approximately \$504,000. The City and PR Eco Dev Corp have currently committed money for the admin fees.

At the February meeting discussion on the sewer base rate increase resulted with the following action: to increase the base sewer rate by \$5.00 per utility customer to fund the Water and Sewer Improvement District #2015-1 project. Halldorson informed the Council that in order to raise money for operating expenses and put money in reserve an additional \$5.00 base rate increase would be necessary to move forward with additional projects in the future. This would raise the sewer base rate from \$2.00 to \$12.00. Anderson moved and Knutson seconded to approve a resolution increasing the sewer base rate

to \$12.00 and upon roll call vote the following voted “Aye” Knutson, and Anderson with Lorton, Lundquist, and Byron voting “Nay”. Motion denied. After additional discussion the following resolution was presented:

**CITY OF PARK RIVER, NORTH DAKOTA
RESOLUTION INCREASING SEWER BASE RATES**

BE IT RESOLVED by the City Council of the City of Park River, North Dakota (the “City”) as follows:

1. That the City of Park River has established ordinances governing sewer and water utility service within the city (Ordinance 27, et al.); and
2. The City of Park River has need to increase the base rate for sewer service within the city to pay for additional sewer and water repairs and improvements that will benefit the entire city; and
3. The City Council has determined that an increase of \$8.00 per month to the utility sewer base rate will raise sufficient funds to pay for the cost of the necessary repairs and improvements and operating expenses. This will result in a current base rate of \$10.00 per month for each Sewer utility service provided within the City of Park River.
4. That Said increase shall be incorporated into the Schedule of rates and fees which is included in the Park River Municipal Ordinances.

Dated and adopted this 14th day of March, 2016

Dan Stenvold, Mayor

Attest:

Ann Berg, City Auditor

The governing body of the political subdivision acted on the foregoing resolution on March 14, 2016 as follows:

Adoption moved by Byron; Seconded by: Anderson

“Aye” Lorton, Knutson, Lundquist, Byron and Anderson

“Nay” None Abstain None Absent Halvorson

After the vote, the Mayor declared the resolution adopted.

At the February meeting discussion on the electric utility increase resulted with the following action: 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. PWD Larson presented additional information to the Council and is asking to decrease the rate increase to a five percent rate increase and add \$10 to the residential electric base charge and \$25.00 to commercial and industrial base rates stating that electrical rates have not been increased since 2011. Upon additional discussion the following resolution was presented:

CITY OF PARK RIVER, NORTH DAKOTA

RESOLUTION INCREASING ELECTRICAL BASE RATES

BE IT RESOLVED by the City Council of the City of Park River, North Dakota (the “City”) as follows:

1. That the City of Park River has established ordinances governing Electrical utility service within the city (Ordinance 27, et al.); and
2. The City of Park River has need to increase the base rate for Electrical service within the city to allow for necessary repairs and additional costs to purchase and supply said service to city residents; and
3. The City Council has determined that an increase of \$10.00 per month to the electrical utility base rate for residential service will raise sufficient funds to pay for the cost of the necessary repairs and improvements. This will result in a current base rate of \$17.00 per month for each residential Electrical utility service provided within the City of Park River; and
4. The City Council has determined that an increase of \$25.00 per month to the electrical utility base rate for each commercial/industrial account will raise sufficient funds to pay for the cost of the necessary repairs and improvements. This will result in a current base rate of \$50.00 per month for each commercial/industrial Electrical utility service provided within the City of Park River; and
5. The City Council has determined that an increase of 5% per kwh usage to the electrical utility rate which will raise sufficient funds to pay for the cost of the wholesale increase from Minnkota Power. This will result in a 5% per kwh increase to the electrical utility rate for all Electrical utility services provided within the City of Park River.
6. These Said increases shall be incorporated into the Schedule of rates and fees which is included in the Park River Municipal Ordinances.

Dated and adopted this 14th day of March, 2016

Dan Stenvold, Mayor

Attest:

Ann Berg, City Auditor

The governing body of the political subdivision acted on the foregoing resolution on March 14, 2016 as follows:

Adoption moved by Byron and Seconded by Lundquist

“Aye” Lorton, Knutson, Lundquist, Byron and Anderson.

“Nay” None Abstain None Absent Halvorson

After the vote, the Mayor declared the resolution adopted.

Dr. Nicholas Beneda left the meeting.

At the Public Hearing held at 7:15 pm for Jana Hankey of “Hankey Apts, LLC” Renaissance Zone tax exemption application, no one present objected to the application. Byron moved and Lorton seconded to approve Jana Hankey’s “Hankey Apts, LLC” Renaissance Zone tax exemption application. Byron moved and Lorton seconded to approve the Renaissance Zone tax exemption application for Jana Hankey’s “Hankey Apts, LLC” project. Upon roll call vote, all voted aye. M/C.

Engineer Jon Markusen of KLJ, Inc. arrived to present information on the scope of services to be performed by KLJ, Inc on the Water & Sewer Improvement District #2015-1 in the Green Acres Addition. Services include project management and coordination; assistance with bidding process; preliminary engineering and preliminary plan review; and changes to plan documents. The deliverables provided by KLJ, Inc include ground survey, preliminary plans and preliminary opinion of costs, final plans, specifications, opinion of cost and bid documents. The following resolution was presented for approval:

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. 2015-1**

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 2015-1, 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 14th day of May, 2016

CITY OF PARK RIVER, NORTH DAKOTA

Mayor

ATTEST:

City Auditor

The governing body of the political subdivision acted on the foregoing resolution on March 14, 2016 as follows:

Adoption moved by Byron and Seconded by Anderson.

“Aye” Lorton, Knutson, Lundquist, Byron and Anderson.

“Nay” None Abstain None Absent Halvorson

After the vote, the Mayor declared the resolution adopted.

Lundquist moved Lorton and seconded to donate \$200.00 from the Municipal Utility Fund to the Sunshine Kid's Center Easter Carnival. Upon roll call vote, all voted aye. M/C.

Being no further business, the meeting adjourned at 8:21 PM.

Dan Stenvold, Mayor

ATTEST:

Ann Berg, City Auditor