

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

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, September, 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 Nancy Thompson, Public Works Director (PWD) Dennis Larson and City Auditor Ann Berg. Absent: None. Others present: Daryle Nickerson, Jeff Longie, Joseph Fietek, Leroy Monson, Dean Skjerven, Leah Skjerven, Carol Monson, Bruce Torfin, Deena Lorton, Dale Pecka, Russell Johnson, Stacie Sevigny-Red River Regional Council and Walsh County Deputy CJ Ochoa.

Comments and Questions From Citizens: Eleven residents appeared before the Council to express their concerns on the following issues: 1. Utility bills for structures with electric, water and sewer services available but not connected; 2. Why no money has been set aside for updates to the infrastructure; 3. Has the City looked into grants to offset the upgrade costs; 4. Why with utility bills going up did the Council cut their utility rates by giving themselves a credit; 5. What are the base rate increases being used for? Answers: 1. Infrastructure update costs need to be shared by everyone. Raising the base rate is more cost effective than special assessing everyone's property. 2. Previous Councils thought they were doing the property owners a favor by keeping rates low and did not put money aside for all of the upgrades needed. 3. The City has pursued grants from the State and Federal governments however there are no grants available at this time. The City was fortunate to have received 65% funding on the water tower project. 4. Mayor Stenvold stated the issue will be addressed later in the meeting. 5. The increase in utility base rates is strictly being used to make the payments on the loans/bonds used to pay for infrastructure upgrades to the electric substation & circuits along with water and sewer upgrades. The water upgrades are necessary to bring the lines up to code for fire protection. Residents were very unhappy that in the past they were not charged base charges for the past several years and now they are being charged. Stenvold mentioned that the Council would like to see houses fixed up and rented, sold or if in un-repairable condition torn down to open up a lot for someone to by and put a dwelling on. The upgrades are a benefit to the entire City rather than for one individual and that all property owners need to help pay for the upgrades.

Stacy Sevigny from Red River Regional Council presented an update to the Council on the CDBG Housing Rehabilitation project. Currently several of the homes that qualified for the program might not have the necessary upgrades completed due to low property valuations. This means the work needed to bring the property up to code cost more than the 75% threshold. Example: Home assessed at \$8,828 needs \$44,800 worth of exterior updates which come out to a 507% cost vs. assessment which does not fall within the 75%. Many of the properties in the City are under their correct assessed value. The city is taking corrective action later in the meeting to address the under valuation of properties.

Joe Fietek appeared before the Council to question if the Council has ever considered at large representation vs. ward representation and there might be more people running for Council and a better pool of candidates if opened up citywide. Fietek questioned the Council's justification in increasing their pay from \$60 prior to 2014 to \$200 after June 2014 and in 2016 adding the \$75 utility credit which means the Council is not cost sharing in the upgrade costs. You also gave yourself a raise by getting paid for special and committee meetings while committees that other people from within the City volunteer for because it is in the best interest of the City and for which you are getting paid. Fietek is asking the Council to reconsider their wages, to remove the pay for the special and committee meetings

and rescind the \$75 utility credit. Mayor Stenvold stated the issue will be addressed later in the meeting.

Changes to agenda: Under VIII Unfinished Business change item #1 “Abandoned” to Vacant; under IX New Business, remove item #7 “2015 Audit Report” and move to October agenda.

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

Knutson moved and Lorton seconded to approve the minutes from the September 7, 2016 Special Council meeting. Upon roll call vote, all voted aye. M/C.

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

GENERAL FUND

29159	NDPERS	35.74
29160	Aflac	25.29
61	Discovery Benefits	38.63
62	NDPERS	69.89
63	NDPERS	1,036.37
64	Sillers, Laaveg, & Wenzel	750.00
65	BC/BS of North Dakota	1,424.91
66	Ann E Berg	314.23
67	Productivity Plus Account	152.90
68	First Care Health Center	37.00
69	Jim's Super Valu	15.98
29170	Kringstad Ironworks INC	89.00
71	Lon's Hardware	169.43
72	Loren's Appliance & AC Repair	426.00
73	Montana Dakota Utilities	92.61
74	Municipal Government Academy	50.00
75	NDLC	40.00
76	Northdale Oil, Inc	971.12
77	North Star Coop	861.13
78	Polar Communications	457.03
79	PR Airport Authority	42.54
29180	PR Park District	35.19
81	PR Public Library	36.40
82	Quill Corporation	37.36
83	Glenn Rost	250.00
84	Sillers, Laaveg, & Wenzel	1,482.70
85	Special Funds	7.88
86	Stone's Mobile Radio, Inc	209.70
87	Team Laboratory Chemical Corp	1,470.00
88	Verizon Wireless	143.42
89	Walsh County Auditor	10,179.08
29190	Walsh County Press	1,146.92
AW	Municipal Utilities	6,932.10
AW	EFTPS GFMU	2,248.55
AW	Main Street Checks	37.11

MUNICIPAL UTILITIES

33719	Postmaster	340.57
33720	General Fund	6,932.10
21	Aflac	255.95
22	Discovery Benefits	299.69
23	NDPERS	275.23
24	NDPERS	4,543.07
25	2016 Electrical Upgrade	8,000.00
26	Adapco, Inc	2,850.00
27	AmeriPride Services, Inc	146.89
28	Aqua-Pure Inc.	1,698.87
29	Banyon Data Systems, Inc	795.00
33730	BC/BS of North Dakota	5,148.59
31	Ann E Berg	82.59
32	Border States Electric Supply	614.58
33	Cardmember Service	2.08
34	City of Fargo	28.00
35	Grand Forks Utility Billing	5.00
36	Productivity Plus Account	196.73
37	Consolidated Waste, LTD.	17,139.25
38	Dakota Supply Group	648.67
39	Discovery Benefits, Inc	16.50
33740	Ethanol Products, LLC	1,266.82
41	Ferguson Waterworks #2516	755.53
42	Hawkins Inc	535.40
43	Josh Irvine	44.28
44	Kringstad Ironworks INC	100.00
45	Leon's Building Center, Inc	9.93
46	Liberty Business Systems, Inc	81.99
47	Light & Water Dept	3,174.65
48	Lindell's Mowing	1,000.00
49	Lon's Hardware	114.00
33750	Mary Jensen & Arnold Braaten	86.87
51	Municipal Utilities	313.13
52	ND One Call Inc.	40.20
53	Nodak Electric Cooperative	4,735.60
54	Northdale Oil, Inc	1,047.70
55	North Star Coop	572.29
56	Polar Communications	151.87
57	Quill Corporation	253.71
58	Riteway Business Forms	126.33
59	RODNEY & MARY COLLINS	100.00
33760	Samson Electric LTD	11.82
61	Sensus USA	1,665.98
62	Team Laboratory Chemical Corp	809.00
63	Titan Rentals	4,049.17
64	US Bank Equipment Finance	157.59
65	Verizon Wireless	122.13
66	Wat & Sew Improv Dist #2015-1	3,700.00
67	Wat & Sew Imprv Dist #2016-1	9,477.00

68	Water System Repair & Replace	1,500.00
69	Water Bond Fund 05	4,830.00
33770	Water Rev Bond Fund Phase II	3,450.00
71	Water Sur-Charge Fund	5,000.00
72	Water Tower Fund	12,090.00
73	Water Treatment Fund	19,560.30
3006280	Northern Municipal Power Agency	140,540.72
7706-7733	Salaries	27,483.10
AW	EFTPS MU	7,636.54
AW	First United Bank-ACH Chg	13.00
<u>Special Funds</u>		
100051	City of Park River	14,814.67
AW	Main Street Checks	42.42
<u>Hospital Bldg Fund</u>		
1057	Hospital Bldg Fund	148,514.53
<u>St Improve Dist #2012-2</u>		
5035	St improve Dist #2012-2	23,361.71
<u>St Improve Dist #2013-1</u>		
3041	St Improve Dist #2013-1	223,933.42
<u>Water & Sewer Improve Dist #2012-1</u>		
1022	Water & Sewer Improve Dist #2012-1	31,919.92
<u>Water Tower Fund</u>		
10061	Water Tower Fund	65,377.75

Lundquist moved and Byron seconded payment of the following project and pay request bills for the 2016 Electrical Upgrade and the Water & Sewer Improvement District 2015-1. Upon roll call vote, all voted aye. M/C.

Debt Service and Bond Fund

6001	Dakota Supply Group	4,084.50
6002	Kadrmass Lee & Jackson, Inc	1,292.55
6003	Moorhead Electric, Inc	11,666.26
6004	Widseth Smith & Nolting	6,112.84

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

Ward Reports: Lundquist noted that something needs to be done with the ATV ordinance as there have been many underage youths riding around as he almost backed into one. Laaveg felt a notice in the paper would suffice reminding residents that ATV drivers must be licensed drivers.

The Employee Relations Committee is recommending Auditor Berg be appointed as the City Assessor and Deputy Auditor and appoint City Coordinator Thompson as Auditor on an interim basis for six months. Byron explained that with low valuations on most properties in the City, something needs to be done. To hire an outside company to come in and re-assess the properties could run as high as \$76,000 which the City cannot afford. The Walsh County Tax Director is proposing another across the board increase, which would cause properties currently at their correct assessment value to be overvalued. Currently some properties on the CDBG housing rehabilitation grant project are so undervalued that they will not qualify to have the much needed work done. Lundquist felt an outside company should be hired to do the assessing, as they could come in and get it done quickly and would be a neutral party which would take ill feelings and negative feedback off the office staff. Mayor Stenvold appointed Berg as the Assessor and Deputy Auditor and City Coordinator Thompson as interim Auditor for a period of

six months. Byron moved and Knutson seconded to approve the appointments to be reviewed in six months with the possibility of extending the appointments until the re-assessments are completed. Lundquist moved and Lorton seconded to table the topic until the October meeting and upon roll call vote Halvorson, Knutson and Byron voted yes; with Anderson, Lorton and Lundquist voting no. Mayor Stenvold broke the tie by voting yes. M/C to not table the topic. Upon roll call vote for the original motion of the appointments; Halvorson, Knutson and Byron voted aye; with Lorton, Lundquist and Anderson voting no. Mayor Stenvold broke the tie and voted yes. M/C to approve the appointments as presented. The Employee Relations Committee is also recommending that employee reviews be conducted on an annual basis in May of each year and are looking at how the new Federal Labor Laws, effective December 1, 2016, will affect the City employees compensation. All salaries of appointees will stay as they are until reviews are completed in May.

Mayor Stenvold presented a proposed reorganization of committees. Some of the committees currently on the list have not met in the last ten years or more and Stenvold also felt some of the committees should be combined. Stenvold appointed Halvorson to the W.C.J.D.A. board; and removed PWD Larson from the Joint Powers and took his place on the board. Contracts and policies will include the police committee and building permits which both need to be reviewed and acted upon. The public works will be combined with the street committee. Many of the committees were set up as a temporary committee and are no longer necessary. The list is under revision and Mayor Stenvold is open to suggestions.

Bruce Torfin left at 9:01 pm.

Discussion regarding the proposed registration of vacant building ordinance has some wording which is causing confusion regarding what constitutes a vacant building. Laaveg feels the ordinance is a good alternative to the condemnation process which can turn into a long and expensive process. Mayor Stenvold is sending the ordinance to the Policy & Contracts Committee, Lundquist, Byron and Knutson, for their consideration. Knutson moved and Anderson seconded to table the proposed vacant buildings ordinance until the Policy & Contracts Committee has a chance to review the paperwork and submit a recommendation. Upon roll call vote all voted aye. M/C.

Discussion regarding the utility increases passed in June took place. Laaveg advised Mayor Stenvold to send the topic to the Streets and Utilities Committee for further review and have them meet to discuss the utility base rate charge on unoccupied structures and to see if removing these charges would affect the debt service.

Bruce Torfin left the meeting at 9:01 pm.

Lorton moved and Halvorson seconded to approve the following transfer of liquor licenses; The Club Bar & Lounge to the City Hall for wedding receptions/dances on 10-1-16 for Berg/SanGrait and 10-8-16 for Orey/Erickson and the American Legion to the Coliseum on 10-8-16 for Anderson/Oppegard. Upon roll call vote, all voted aye. M/C.

The Ordinance relating to Council pay was brought up for discussion. Byron moved and Anderson seconded to rescind the energy credit starting with the next billing period. Upon discussion Halvorson moved and Byron seconded to rescind the utility credit and remove the pay for committee meetings because there are some committees on which the public serves and they do not receive pay. Upon discussion Lundquist felt if the \$75 energy credit is removed then the \$75 should be added to the regular meeting Council pay. Lundquist amended and moved and Lorton seconded to add \$75 to the regular meeting Council pay bringing their pay to \$275 per regular meeting, keep the Special meeting & Committee meeting pay and that attendance is necessary to get paid. Upon discussion Halvorson asked

for clarification on the Committee meeting pay, if only Council members get paid or if everyone serving on the committee gets paid. Laaveg stated it could be changed to cover appointed and elected officials. Lundquist explained the reason he is for the utility credit is that the City produces and supplies its own electricity and water and therefore it would not cost the City like paying the additional \$75 would. Upon roll call vote the following voted aye, Lundquist, Lorton and Knutson with Byron, Anderson and Halvorson voting no. Upon the tie Mayor Stenvold voted no. Motion denied. Lundquist moved and Lorton seconded to table the issue until next month. Laaveg instructed the Council to identify which committee meetings they feel everyone should get paid for. She cautioned the Council that the Library Board does not have a lot of money and would not be able to pay committee members for meetings. Thompson suggested only paying committee meetings of which Council members are the only members and not get paid for meetings on which public individuals also are members. Laaveg suggested have a list of committees sent the Council members to vote on which committees they should get paid for. Laaveg suggested that Thompson will prepare a ballot type list of committee meetings and e-mail them to the Council members to vote on and return the ballots to Thompson. The voting results will be presented at the next meeting.

Mayor Stenvold brought up at large Council representation rather than by Ward. Laaveg's recommendation to the Council was to refer the issue to Policy and Procedures committee. The ward boundaries were drawn many years ago and the City has added a substantial amount of property and developments since those boundaries were established. Laaveg felt if the City goes to a council at large we should look at redefining the ward boundaries. In the past wards were set up by population. Laaveg informed the Council that there could be one representative from each ward and the other representative could be at large and that if new boundaries are established it should be done by census. Knutson felt this is something that could be checked into and discussed in the future. Byron felt that perhaps changing to a one representative from each ward and the other representative at large might not be a bad idea. Knutson stated that the only issue with at large representation is that all members elected could be from one area of town thus leaving the rest of the City with no representation.

City property valuation procedures will be decided after Berg meets with Walsh County Tax Director Todd Morgan.

A notice will be posted in the official newspaper for a Public Hearing to be held on Monday, October 3, 2016 at 7:00 pm where citizens will have an opportunity to present oral or written comments regarding the property tax levy and a special meeting will be held for the purpose of approving the 2017 Final Budget after completion of the public hearing.

Being no further business, the meeting adjourned at 9:28 PM.

Dan Stenvold, Mayor

ATTEST: _____
Ann Berg, City Auditor