

COUNCIL PROCEEDINGS

July 26, 2005

The City Council of Thief River Falls, Minnesota, met in regular session at 5:10 p.m., on July 26, 2005 in the Council Chambers of City Hall. The following Councilmembers were present: Kajewski, Holten, Worker, Carlson, Blacklance, Cullen, Schmalz, and Mayor Wennberg. No Councilmembers were absent. Mayor Wennberg chaired the meeting.

APPROVAL OF COUNCIL PROCEEDINGS

The City Council reviewed the July 12, 2005 Council Proceedings. Following discussion, Councilmember Schmalz moved, being seconded by Councilmember Cullen, to approve the July 12, 2005 Council Proceedings as presented. On vote being taken, the Chairman declared the motion unanimously carried.

RESOLUTION NO. 7-145-05: APPROVAL OF PAYMENT OF BILLS

Councilmembers Cullen and Schmalz indicated they reviewed the bills prior to the meeting. Following discussion, Councilmember Schmalz introduced Resolution No. 7-145-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to authorize payment of the second half of July bills in the amount of \$221,076.23, the July 11-15, 2005 prepayments in the amount of \$475,820.22 and the July 18-22, 2005 prepayments in the amount of \$433,590.19. A printout of the bills approved for payment is attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-146-05: AUTHORIZING SUBMITTAL OF GRANT REQUEST TO THE FAA FOR AIRPORT MASTER PLAN DEVELOPMENT

A Public Works Committee recommendation was presented. Following discussion, Councilmember Schmalz introduced Resolution No. 7-146-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Public Works Committee's recommendation to authorize the Public Works Director to submit a grant request to the Federal Aviation Administration for the development of an Airport Master Plan.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-147-05: APPROVAL OF EMPLOYMENT OF BRIAN BENITT AS A PUBLIC WORKS MAINTENANCE (STREETS/SANITATION) EMPLOYEE

A Public Works Committee recommendation was presented. Following discussion, Councilmember Kajewski introduced Resolution No. 7-147-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Public Works Committee's recommendation and approve the employment of Brian Benitt as a Public Works Maintenance (Street/Sanitation) employee. Mr. Benitt will be placed at Step 3 of the Public Works Maintenance (Street/Sanitation) salary schedule for a starting salary of \$14.63 per hour effective August 8, 2005 subject to Mr. Benitt's successful completion of a pre-employment background check and required drug/alcohol testing.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-148-05: APPROVAL OF CONDITIONAL USE PERMIT FOR PROPERTY LOCATED ON THE SOUTHEAST CORNER OF 8TH STREET AND DEWEY AVENUE

A Planning Commission recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 7-148-05, being seconded by Councilmember Kajewski, that:

WHEREAS, pursuant to proper notice, the Planning Commission conducted a public hearing on a Conditional Use Permit request submitted by Marc Hanson, 18302 140th Avenue NE, Thief River Falls, MN 56701 on property located at the southeast corner of 8th Street and Dewey Avenue. Mr. Hanson proposes to rebuild the existing structure to conduct business office activities; and,

WHEREAS, following the hearing, the Planning Commission recommended that the City Council approve the Conditional Use Permit based on the fact that the request met all eight of the Criteria for Granting Conditional Use Permits.

NOW, THEREFORE, BE IT RESOLVED, based on the above and following information, the City Council hereby accepts the Planning Commission's recommendation and grants a Conditional Use Permit to Marc Hanson on property legally described as Lot 1 of Block 6 in Riverside Addition, to allow for operation of an office building with the stipulation that the project must follow the Site Plan, dated June 30, 2005.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-149-05: APPROVAL OF RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-6 THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR

BE IT RESOLVED by the City Council (the "Council") of the City of Thief River Falls, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. The City Council (the "Council") of the City of Thief River Falls (the "City") has heretofore established Development District No. 1 and adopted a Development Program

therefor. It has been proposed by the City that the City adopt a Modification to the Development Program for Development District No. 1 (the "Development Program Modification") and establish Tax Increment Financing District No. 1-6 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan"); all pursuant to and in conformity with applicable law, including *Minnesota Statutes*, Sections 469.124 to 469.134 and Sections 469.174 to 469.1799, all inclusive, as amended, (the "Act") all as reflected in the Program and Plan, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Program and Plan and has caused the Program and Plan to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program and Plan, including, but not limited to, notification of Pennington County and Independent School District No. 564 having taxing jurisdiction over the property to be included in the District, a review of and written comment on the Program and Plan by the City Planning Commission and the holding of a public hearing upon published notice as required by law.

1.04. Certain written reports, including the Tax Increment Financing Application from the proposed developer, Midwest Minnesota Community Development Corporation, (the "Reports") relating to the Program and Plan and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program and Plan. The Reports include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.05. The City is not modifying the boundaries of Development District No. 1.

Section 2. Findings for the Adoption and Approval of the Program and Plan.

2.01. The Council hereby finds that the Program and Plan, are intended and, in the judgment of this Council, the effect of such actions will be, to provide an impetus for development in the public interest and accomplish certain objectives as specified in the Program and Plan, which are hereby incorporated herein.

Section 3. Findings for the Establishment of Tax Increment Financing District No. 1-6.

3.01. The Council hereby finds that Tax Increment Financing District No. 1-6 is in the public interest and is a "housing district" under Minnesota Statutes, Section 469.174, Subd. 11.

3.02. The Council further finds that the proposed development would not occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from

the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the Tax Increment Financing Plan, that the Program and Plan conform to the general plan for the development or redevelopment of the City as a whole; and that the Program and Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the development or redevelopment of the District by private enterprise.

3.03. The Council further finds, declares and determines that the City made the above findings stated in this Section and has set forth the reasons and supporting facts for each determination in writing, attached hereto as Exhibit A.

Section 4. Public Purpose

4.01. The adoption of the Program and Plan conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the City to provide housing opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

Section 5. Approval and Adoption of the Program and Plan.

5.01. The Program and Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are hereby approved, ratified, established, and adopted and shall be placed on file in the office of the City Administrator.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Program and Plan and to negotiate, draft, prepare and present to this Council for its consideration all further plans, resolutions, documents, agreements and contracts necessary for this purpose.

5.03 The Auditor of Pennington County is requested to certify the original net tax capacity of the District, as described in the Program and Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased; and the City of Thief River Falls is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

5.04. The City Administrator is further authorized and directed to file a copy of the Program and Plan with the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 7-150-05: APPROVAL OF VARIANCE FOR MARC HANSON,
OWNER OF PROPERTY LOCATED ON THE SOUTHEAST CORNER OF 8TH
STREET AND DEWEY AVENUE**

A Board of Adjustments and Appeals recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 7-150-05, being seconded by Councilmember Kajewski, that:

WHEREAS, pursuant to proper notice, the Board of Adjustments and Appeals conducted a public hearing on a Variance request submitted by Marc Hanson, 18302 140th Avenue NE, Thief River Falls, MN 56701 on property located on the southeast corner of 8th Street and Dewey Avenue. Mr. Hanson proposes to construct an office building and parking lot; and,

WHEREAS, following the hearing, the Planning Commission recommended that the City Council approve the Variance as requested based on the fact that the request met all six of the Criteria for Granting Variances, the project is utilizing a portion of the existing structure and extensively rebuilding the balance of the structure matching the same footprint as required, and that the proposed use as an office type building will be less intrusive than the previous use as a grocery store.

NOW, THEREFORE, BE IT RESOLVED, based on the above and following information, the City Council hereby accepts the Planning Commission's recommendation and approves a 30' Variance to the 35' Buffer Strip Requirement for the construction of an office building on property legally described as Lot 1 of Block 6 in Riverside Addition, with the stipulation that the project use concrete curb stops along the proposed parking lot facing 8th Street, that the buffer fence be a full fence stopping at the appropriate 25-foot setback along Dewey, and that the owners consult with the City Forester regarding the proposed plantings along the Buffer Strip.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-151-05: RESOLUTION AUTHORIZE EXECUTION OF SAFE AND SOBER COMMUNITIES GRANT AGREEMENT

A Public Safety Committee recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 7-151-05, being seconded by Councilmember Blacklance, that:

RESOLVED, by the City Council, that the Thief River Falls Police Department enter into grant agreement with the Minnesota Department of Public Safety, Office of Traffic Safety, for the project entitled "Safe and Sober Communities" during the period from October 1, 2005 through September 30, 2006.

BE IT FURTHER RESOLVED, that Chief Kim Murphy is hereby authorized to execute such agreement and amendments as are necessary to implement the project on behalf of the Thief River Falls Police Department and to be the fiscal agent and administer the grant.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-152-05: APPROVAL OF PROGRESSION RAISE FOR RYAN BASSETT, PATROL OFFICER, AND GINGER ALBY, PATROL OFFICER

A Public Safety Committee recommendation was presented. Following discussion, Councilmember Worker introduced Resolution No. 7-152-05, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to accept the Public Safety Committee's recommendation to grant the following progression raises:

Ryan Bassett, Patrol Officer, shall progress to Step 3 of the Patrol Officer's salary schedule for a new salary of \$16.83 per hour, effective August 1, 2005; and,

Ginger Alby, Patrol Officer, shall progress to Step 2 of the Patrol Officer's salary schedule for a new salary of \$15.78 per hour, effective August 15, 2005.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 7-153-05: APPROVAL OF BEER IN THE PARK PERMITS FOR KAYS, BENTON, SAFRANSKI & CO., AND FOR VFW POST 2793

The City Council reviewed two applications for Beer in the Park Permits. Following discussion, Councilmember Carlson introduced Resolution No. 7-153-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to approve the following two Beer in the Park Permits:

Kays, Benton, Safranski & Co. at L.B. Hartz Park on August 18, 2005; and, VFW Post 2793 at Oakland Park on August 21, 2005.

On vote being taken, the resolution was unanimously passed.

MAYOR WENNBERG VACATED CHAIR FOR PARKS AND RECREATION DISCUSSION

At this time Mayor Wennberg vacated the chair to Vice-Mayor Carlson during discussion of Parks and Recreation Committee business.

RESOLUTION NO. 7-154-05: APPROVAL OF RENTAL FEE FOR RALPH ENGELSTAD ARENA MAIN FLOOR AND UPPER CONCOURSE

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Blacklance introduced Resolution No. 7-154-05, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation and establish a fee of \$500 per day for rental of either the Ralph Engelstad Arena dry main floor or rental of the upper concourse area, effective immediately.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

RESOLUTION NO. 7-155-05: APPROVAL OF CONCESSION STAND AGREEMENT WITH TRFAHA

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 7-155-05, being seconded by Councilmember Kajewski, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to authorize and direct the Mayor and City Administrator to execute a reimbursement agreement with Thief River Falls Amateur Hockey Association (TRFAHA), whereby the City shall reimburse TRFAHA an amount equal to 13% of gross sales-net of sales tax for concession stand events staffed by TRFAHA at the Ralph Engelstad Arena and Huck Olson Memorial Civic Center, effective August 1, 2005 through July 31, 2006.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

RESOLUTION NO. 7-156-05: APPROVAL OF SCANDIA HOUSE LEASE AT THE RALPH ENGELSTAD ARENA AND HUCK OLSON MEMORIAL CIVIC CENTER

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Schmalz introduced Resolution No. 7-156-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to authorize and direct the Mayor and City Administrator to execute a lease agreement with Scandia House, whereby Scandia House will lease a space in the Ralph Engelstad Arena and Huck Olson Memorial Civic Center to operate an espresso/specialty coffees kiosk. Said lease shall be effective August 1, 2005 through July 31, 2006. Scandia House shall pay the City an amount equal to 25% of the revenue-net sales tax collected by Scandia House from sales generated.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

RESOLUTION NO. 7-157-05: APPROVAL OF FAR OUT NUTS LEASE AT THE RALPH ENGELSTAD ARENA AND HUCK OLSON MEMORIAL CIVIC CENTER

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Schmalz introduced Resolution No. 7-157-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to authorize and direct the Mayor and City Administrator to execute a lease agreement with Far Out Nuts, whereby Far Out Nuts will lease a space in the Ralph Engelstad Arena and Huck Olson Memorial Civic Center to operate a portable kiosk selling specialty nuts. Said lease shall be effective August 1, 2005 through July 31, 2006. Far Out Nuts shall pay the City an amount equal to 25% of the revenue-net sales tax collected by Far Out Nuts from sales generated.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

RESOLUTION NO. 7-158-05: APPROVAL OF ARENAS MARKETING AND EVENTS MANAGER JOB DESCRIPTION

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Schmalz introduced Resolution No. 7-158-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to approve the Arenas Marketing and Events Manager job description and its evaluation as a MAPS Grade Level 8 position.

BE IT FURTHER RESOLVED, that the City shall open the position to the public for filling.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

RESOLUTION NO. 7-159-05: APPROVAL OF REVISED PARKS AND RECREATION DIRECTOR JOB DESCRIPTION

A Parks and Recreation Committee recommendation was presented. Following discussion, Councilmember Worker introduced Resolution No. 7-159-05, being seconded by Councilmember Blacklance, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to approve revised Parks and Recreation job description. It should be

noted that the position was reevaluated and was determined to remain as a MAPS Grade Level 11 position.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

RESOLUTION NO. 7-160-05: APPROVAL OF ADOPTING NEW ORGANIZATION CHART UNDER PARKS AND RECREATION

As a result of the creation of a new MAPS position, the City Council reviewed changes to the organizational structure of the Parks and Recreation Division. Following discussion, Councilmember Blacklance introduced Resolution No. 7-160-05, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Parks and Recreation Committee's recommendation to adopt a revised organizational chart of the Parks and Recreation Division, incorporating the new position of Arenas Marketing/Events Manager under the direction of the Parks and Recreation Director and overseeing the arena events staff.

On vote being taken, the resolution was passed by a seven-yes vote, with Mayor Wennberg abstaining.

MAYOR WENNBERG RESUMED CHAIR

At this time Mayor Wennberg resumed the Chair for the remaining Council business.

ADJOURNMENT

There being no further discussion, Councilmember Cullen moved, being seconded by Councilmember Carlson, to adjourn the meeting until 4:55 p.m. on August 9, 2005. On vote being taken, the Chairman declared the motion unanimously carried and the meeting adjourned.

Dale Wennberg, Mayor

Attest: _____
Jodie R. Torkelson, City Administrator