

## COUNCIL PROCEEDINGS

April 6, 2010

The City Council of Thief River Falls, Minnesota, met in regular session at 5:00 p.m. on April 6, 2010 in the Council Chambers of City Hall. The following Councilmembers were present: Cullen, Erickson, Holten, Kajewski, Lee, and Schmalz. Councilmember Bendickson and Mayor Nordhagen were absent. Acting Mayor Lee chaired the meeting.

### **APPROVAL OF AGENDA**

Councilmember Schmalz motioned, being seconded by Councilmember Kajewski, to approve the agenda with the addition of one item. On vote being taken, the motion was unanimously approved and the agenda adopted.

### **PROCLAMATIONS**

- RIDE TO WORK DAY. June 21, 2010 has been designated as "Ride To Work Day" to highlight the positive daily use of ATV's, scooters, and motorcycles. Introduced by Schmalz, seconded by Kajewski. Chair declared motion approved.
- EAGLE SCOUT RANKING HONORS – CASEY BRAASTAD, ISAAC CARLSON, BENJAMIN DAHL, BILL LEWIS, AND GRANT SPEARS. Eagle Scout Court of Honor Ceremony on April 10, 2010. Introduced by Cullen, seconded by Erickson. Chair declared motion approved.

### **RESOLUTION NO. 4-58-10: APPROVAL OF COUNCIL PROCEEDINGS**

Presented as part of the Consent Agenda, Councilmember Kajewski introduced Resolution No. 4-58-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to approve the March 16, 2010 Council Proceedings, the March 25, 2010 Hearing Proceedings, and the March 29, 2010 Adjourned Council Proceedings.

On vote being taken, the resolution was unanimously passed.

### **RESOLUTION NO. 4-59-10: APPROVAL OF PAYMENT OF BILLS**

Presented as part of the Consent Agenda, Councilmember Kajewski introduced Resolution No. 4-59-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to authorize payment of bills and disbursements in the total amount of \$1,522,489.25. A printout of the approved payments and disbursements is attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-60-10: ACCEPTANCE OF RESIGNATION OF DALLAS BOTHUM, PART-TIME LIQUOR STORE CLERK**

Presented as part of the Consent Agenda, Councilmember Kajewski introduced Resolution No. 4-60-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the resignation of Dallas Bothum, part-time Liquor Store Clerk, effective May 3, 2010.

The City Council would like to thank Mr. Bothum for his service with the City of Thief River Falls.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-61-10: APPROVAL OF PROGRESSION RAISE FOR MICHAEL OLSON, PARKS/ARENAS MAINTENANCE EMPLOYEE**

Presented as part of the Consent Agenda, Councilmember Kajewski introduced Resolution No. 4-61-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to approve a progression raise for Michael Olson, Parks/Arenas Maintenance employee. Mr. Olson shall progress to Step 5 (top) of the Grade Level 4 (post 2006 hire) Parks/Arenas Maintenance Salary Schedule, effective April 4, 2010.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-62-10: APPROVAL TO DECLARE 1979 FORD FIRE TRUCK AS SURPLUS PROPERTY**

Presented as part of the Consent Agenda, Councilmember Kajewski introduced Resolution No. 4-62-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to declare a 1979 Ford Fire Truck, VIN # W91XVEB3626, a Rural Fire Association Fire Truck, as surplus property.

On vote being taken, the resolution was unanimously passed.

**FIRST READING OF WIND ENERGY ORDINANCE**

The City Council reviewed changes to a proposed Wind Energy Ordinance. Following discussion, Councilmember Kajewski called for the first reading of the ordinance, being seconded by Councilmember Cullen. On vote being taken, the Chair declared the motion carried. City Attorney Ihle then read the proposed ordinance. No action was taken at this time.

**RESOLUTION NO. 4-63-10: ADOPTION OF ORDINANCE #45 AN ORDINANCE ALLOWING ALL-TERRAIN VEHICLES TO OPERATE IN THE BUSINESS DISTRICT**

Councilmember Cullen called for the first reading of a proposed ordinance allowing ATV's to be driven in the business district, being seconded by Councilmember Erickson. On vote being taken, the Chair declared the motion carried. Following the reading of the ordinance by City Attorney Ihle, Councilmember Erickson introduced Resolution No. 4-63-10, being seconded by Councilmember Kajewski, that:

WHEREAS, City Code Section 74.03 currently reads: Operations. Except as otherwise herein permitted, it is unlawful for any person to operate a snowmobile or all-terrain vehicle not licensed as a motor vehicle as follows: (A) on any street within the business district except during an emergency as herein otherwise provided; and,

WHEREAS, the City wishes to allow for all-terrain vehicles to be driven in the business district.

THEREFORE, BE IT RESOLVED, by the City Council, to adopt Ordinance No. 45, an ordinance amending City Code Section 74.03 (A) to read: (A) Except for all-terrain vehicles, on any street within the business district except during an emergency as herein otherwise provided.

Said ordinance shall be published in The Times newspaper and on file in the Office of the City Administrator.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-64-10: ACCEPTANCE OF \$2.097 MILLION STATE BONDING GENERAL OBLIGATION BOND PROCEEDS GRANT FOR THIEF RIVER FALLS REGIONAL AIRPORT**

City Administrator Torkelson presented information relating to a State Obligation General Bond Proceeds Grant for the Thief River Falls Regional Airport. Following discussion, Councilmember Cullen introduced Resolution No. 4-64-10, being seconded by Councilmember Erickson, that:

RESOLVED, by the City Council, to accept a grant in the amount of \$2.097 million from the Minnesota State General Obligation Bond Proceeds for the purpose of the construction of a hangar, apron, and other related appurtenances at the Thief River Falls Regional Airport, as outlined in the grant proposal submitted to the State of Minnesota; and,

BE IT FURTHER RESOLVED, that the City Administrator is authorized to sign documents, as required, indicating that the City of Thief River Falls will fund the \$699,000 required local match of the grant through reserves; and,

BE IT FURTHER RESOLVED, that the City of Thief River Falls has interest in the real property located in the County of Pennington, State of Minnesota, that is legally described as: (to be attached following survey) and all facilities situated thereon ("Restricted Property") and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restrict Property is hereby made subject to the following restrictions and encumbrances:

A. The Restricted Property is bond financed property within the meaning of Minnesota Statute 16A.695 that exists as of the effective date of the grant agreement identified in Paragraph B below, is subject to the encumbrance created and requirements imposed by such statutory provision, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, or its successor, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property; and,

B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that General Obligation Grant Agreement between the Department of Transportation and the City of Thief River Falls, dated

\_\_\_\_\_.

The Restricted Property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for as long as the G.O. Grant Agreement is in force and effect; at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commission of Transportation and the Commissioner of Minnesota of Management and Budget, or their successors, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota of Management and Budget, or its successor.

BE IT FURTHER RESOLVED, that the Mayor and City Administrator are hereby authorized to sign all necessary and required documents in relation to acceptance of this grant, contingent upon approval by the City Attorney.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-65-10: APPROVAL OF CONDUIT DEBT POLICY**

An Administrative Services Committee recommendation was presented. Following discussion, Councilmember Kajewski introduced Resolution No. 4-65-10, being seconded by Councilmember Schmalz, that:

WHEREAS, Minnesota Statutes 469.152 through 469.165 grants the City Council the power to issue pass through, or conduit debt, in recognition of local government's need and responsibility to promote balanced economic and community development. Conduit debt is issued under the City's name on behalf of third parties. The City bears no responsibility for the repayment of conduit debt and it does not constitute a financial obligation in any part by the City; and,

WHEREAS, the City Council is aware of the benefits to the community of industrial development, which provides increased opportunity for employment, business development, housing development, and strengthening of the City's revenue base; and,

WHEREAS, conduit debt may be used to finance the purchase of land, land improvements, buildings, machinery and equipment. It shall not be issued when the nature of the project is primarily to acquire inventory, materials, and working capital.

WHEREAS, the Administrative Services Committee has reviewed and recommended approval of a Conduit Debt Policy which includes the policy, guidelines, application process and procedures, and an application.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Administrative Services Committee recommendation to adopt the Conduit Debt Policy.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-66-10: APPROVAL OF CITY OF THIEF RIVER FALLS  
MONITORING AND REGULATING OF FINANCIAL EXPENDITURES**

City Administrator Torkelson presented a resolution indicating that the City is continuing to monitor its financial expenditures. Following discussion, Councilmember Holten introduced Resolution No. 4-66-10, being seconded by Councilmember Kajewski, that:

WHEREAS, the cuts to Local Government Aid that the City of Thief River Falls will receive for 2010 and 2011 has not yet been determined by the Governor and State legislature; and,

WHEREAS, the City of Thief River Falls is required under Minnesota Statute to operate with a balanced budget.

THEREFORE, BE IT RESOLVED, that the City Council instructs department managers to thoroughly monitor and hold down overtime and other premium pays, to only approve travel and training that is mandatory for maintaining necessary licenses and that has received approval by the Budget Committee, and to continue to look for additional efficiencies and savings.

BE IT FURTHER RESOLVED, that the City Council intends to continue scrutinizing capital expenditures and all vacant positions as the City looks at opportunities for long-term budget savings to make the cuts necessitated by Local Government Aid reductions.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-67-10: APPROVAL OF 2009 BUDGET ADJUSTMENTS**

Finance Director Johnson presented an Administrative Services Committee recommendation. Following discussion, Councilmember Kajewski introduced Resolution No. 4-67-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the Administrative Services Committee recommendation to adjust the following General Fund revenue and expenditure budget accounts to reflect actions taken, or not taken, by the City Council on major unbudgeted items in 2009:

The following represents revenue and expenditure budget accounts that should be adjusted to reflect major unbudgeted items for 2009:

**GENERAL FUND**

Adopted 2009 General Fund Budget Balance \$-0-

**LOCAL GOVERNMENT AID – UNALLOTMENT**

The Governor unallotted the City's 2009 Local Government Aid (\$141,368)

**CAPITAL & REVOLVING CAPITAL OUTLAY TRANSFERS**

The City Council postponed capital expenditures and revolving capital transfers for 2009. \$245,200

**TRAVEL BUDGETS**

The City Council requested all travel and training to be only mandatory and necessary for maintaining licenses. \$17,090

**VACANT POSITIONS**

A Patrol Officer, Parks Building & Grounds Supervisor, and Public Works Director positions were not filled. Savings in 2009 were offset by severance payments. \$41,082

**SALARY & HEALTH INSURANCE ADJUSTMENTS**

The City of Thief River Falls negotiated salaries in 2009 and also city employees requested health insurance plan changes. \$39,090

**SALE OF SURPLUS PROPERTY/PURCHASE RUBBER TRACK LOADER**

The City had a city-wide auction sale and also sold a Case payloader as surplus property. The Street/Sanitation Department did some force account work that was reimbursed as part of the 2009 Improvement Project. These funds were transferred to the Revolving Capital Outlay Fund to purchase a skidsteer loader to be used by all departments and to renovate an existing building to be used for salt/sand storage.

\$57,716  
 (\$57,716)

**SALES TAX REFUND**

The City received a sales tax refund for tax paid on city produced utilities sold to other city departments. These dollars were transferred to the Internal Service Fund to be used for future severance payments.

\$57,089  
 (\$57,089)

**WATER FUND TRANSFER**

As part of the 2009 budget, there was a transfer to the Water fund to assist with an anticipated debt service payment. The City did not issue bonds until the fall of 2009, so there were not any debt service payments made.

\$40,000

**POLICE RELIEF ASSOCIATION TRANSFER**

The transfer to the Police Relief Association needs to include the designated State Aid that is received for this purpose.

(\$3,128)

**TRANSFER 2009 MAINTENANCE/SUPPLY BUDGET FOR FUTURE COMPLETION**

The council room cameras, Street Department roof installation and Class #5/sand purchase were not done in 2009. These dollars will be set aside in the Revolving Capital Fund for completion in the future.

(\$40,700)  
 \$40,700

**ADJUSTED 2009 GENERAL FUND BUDGET BALANCE**

\$237,966

The City will be able to place \$237,966 into reserves at the end of 2009. This allowed the City to recover the \$166,246 of Local Government Aid that occurred right at year end 2008 and place \$71,720 into reserves to deal with the uncertainty of Local Government Aid for 2010 and beyond.

Detailed line item adjustments are attached for your information.

**AIRPORT FUND**

Adopted 2009 Airport Budget Balance \$37,560

**CAPITAL OUTLAY**

The City Council postponed capital outlay for 2009. Therefore, no State and Federal grants or need for General Fund transfer. (\$355,000)  
 \$355,000

**AIRPORT IMPROVEMENT GRANT**

The City received a grant to complete a Runway Rehab Feasibility and Extension Justification Study; Apron Repairs; and a Wildlife Hazard Assessment. A portion of this grant was completed in calendar year 2009. \$42,529  
 (\$44,768)

**ADJUSTED 2009 AIRPORT BUDGET BALANCE**

\$35,321

This amount will be applied to the remaining balance due on the Crosswind Runway, with the final allocation being made with the 2010 budget.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-68-10: APPROVAL OF DESIGNATION OF POLLING PLACES FOR THE PRIMARY AND GENERAL ELECTIONS**

City Administrator Torkelson presented a change in the polling location for the elections held in the City of Thief River Falls. Following discussion, Councilmember Schmalz introduced Resolution No. 4-68-10, being seconded by Councilmember Kajewski, that:

WHEREAS, Minnesota Election Law Section 204B.16 requires the city council of every municipality to designate the place of holding an election for each precinct; and,

WHEREAS, Minnesota Election Law Section 204B.16, Subd. 1, Polling Places, permits the city to change the location of the city's polling places; and,

WHEREAS, the City of Thief River Falls, in compliance with the Help America Vote Act (HAVA), seeks to provide polling places that are easily accessible to all eligible voters; and,

WHEREAS, the City of Thief River Falls intends to lessen confusion over where residents vote in the city; and,

WHEREAS, using one location will reduce the cost of each election.

THEREFORE, BE IT RESOLVED, that the City Council of the City of Thief River Falls does hereby designate the Ralph Engelstad Arena, 525 Brooks Avenue North, Thief River Falls, as the Polling Place for the City of Thief River Falls.

BE IT FURTHER RESOLVED, that the designation of the new polling place shall take effect beginning with the 2010 Primary Election.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-69-10: APPROVAL OF A FIRE PROTECTION AGREEMENT BETWEEN THE CITY OF THIEF RIVER FALLS AND THE RURAL FIRE ASSOCIATION**

The renewal of a Fire Protection Agreement was presented to the City Council. Following discussion, Councilmember Cullen introduced Resolution No. 4-69-10, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City Council, to authorize and direct the City Administrator and Mayor to enter into a Fire Protection Agreement between the City of Thief River Falls and the Rural Fire Association, (consisting of the Townships of Rocksbury,

North, Excel, Norden, Smiley, and Silverton) whereby the City of Thief River Falls Fire Department shall furnish fire service and fire protection to all property within the townships area as outlined in the agreement. Effective date of the agreement is April 1, 2010 through March 31, 2013.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-70-10: APPROVAL OF JOINT POWERS AGREEMENT WITH STATE OF MINNESOTA FOR DIRECT ACCESS TO THE MINNESOTA STATE PATROL RADIO SYSTEM AND ACCEPTANCE OF PATROL VEHICLE COMPUTER SYSTEMS**

Police Chief Murphy presented a recommendation to approve a Joint Powers Agreement with the State of Minnesota. Following discussion, Councilmember Schmalz introduced Resolution No. 4-70-10, being seconded by Councilmember Kajewski, that:

WHEREAS, the City of Thief River Falls Police Department applied for, and was awarded, three computers and docking stations for patrol vehicles which will allow for direct access by City patrol officers to the Minnesota State Patrol Radio System; and,

WHEREAS, the direct access to the Minnesota State Patrol will greatly reduce dependency on local dispatch by enabling the patrol officers to immediately submit and receive information directly to and from the Minnesota State Patrol and other local law enforcement agencies, thereby greatly improving communications between all law enforcement agencies.

THEREFORE, BE IT RESOLVED, by the City Council, to accept three in-squad computer systems from the Minnesota State Patrol at no cost, but with the understanding that there may be overtime expenses for all officers to receive the mandatory training to use the computer system. Other expenses will be "air cards" to operate the system, installation costs, and miscellaneous equipment purchase required to install the computers in the police vehicles.

BE IT FURTHER RESOLVED, to authorize and direct the Mayor and City Administrator to execute a Joint Powers Agreement between the City and the State of Minnesota (State Patrol Division), authorizing the City of Thief River Falls direct access to the Minnesota State Patrol Radio System, effective January 1, 2010 through December 31, 2011. The monthly cost of operation to utilize the Minnesota State Radio System is being covered by a Federal Grant at this time.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-71-10: RESOLUTION ORDERING THE 2010 IMPROVEMENT PROJECT AND PREPARATION OF PLANS AND SPECIFICATIONS**

Engineering Services Director Borseth presented information regarding the 2010 Improvement Project. Following discussion, Councilmember Erickson introduced Resolution No. 4-71-10, being seconded by Councilmember Cullen, that:

WHEREAS, pursuant to Resolution No. 3-44-10 adopted on March 2, 2010 a date was established to conduct a public hearing on the following proposed assessments:

- 1) Water main replacement: State Avenue - 3<sup>rd</sup> Street to 7<sup>th</sup> Street;
- 2) Water man replacement: Duluth Avenue - 4<sup>th</sup> Street to 6<sup>th</sup> Street;
- 3) Replace seven existing water main gate valves in Noreen's First Addition (Southtown).
- 4) Storm sewer repair: 11<sup>th</sup> Street between LaBree Avenue and Horace Avenue;
- 5) Bituminous paving adjacent to Street Department salt/sand storage;
- 6) Reclaim and resurface: Brooks Avenue - 3<sup>rd</sup> Street to 6<sup>th</sup> Street;
- 7) Bituminous edge milling and resurfacing: East Greenwood Street – Spruce Avenue to Hanson Drive;
- 8) Reclaim and resurface: Spruce Avenue - 1<sup>st</sup> Street to Greenwood Street; and,
- 9) Reclaim and resurface: Nora Street – Spruce Avenue to Pennington Avenue.
- 10) First Street water main replacement: Crocker Avenue to Spruce Avenue, and Crocker Avenue water main replacement: First Street to Third Street.

WHEREAS, ten days' mailed notice and two weeks' published notice of the hearing was given, the hearing was held at 7:00 p.m. on the 25th day of March, 2010 at which time all persons desiring to be heard were given an opportunity to be heard thereon.

THEREFORE, BE IT RESOLVED, by the City Council, that:

- 1) Such improvements are necessary, cost-effective, and feasible as detailed in the Feasibility Report;
- 2) Such improvements are hereby ordered as proposed, with the exception of:
  - a) Reduce original scope by 50%: Bituminous paving adjacent to Street Department salt/sand storage;
  - b) Delete: Reclaim and resurface: Brooks Avenue - 3<sup>rd</sup> Street to 6<sup>th</sup> Street;
  - c) Delete: Bituminous edge milling and resurfacing: East Greenwood Street – Spruce Avenue to Hanson Drive;
  - d) Delete: Reclaim and resurface: Spruce Avenue - 1<sup>st</sup> Street to Greenwood Street; and,
  - d) Delete: Reclaim and resurface: Nora Street – Spruce Avenue to Pennington Avenue.
- 3) The Engineering Technical Services Division shall assist Widseth, Smith, & Nolting, as the designated engineers for these improvements. They shall

- 4) prepare plans and specifications for the making of such improvements; and, The City Council declares its official intent to provide interim financing of the improvements through the use of reserves and/or outside funding.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-72-10: APPROVAL OF JADCORE, INC. AND DYNA-PAK, CORP. QUOTES FOR PLASTIC REFUSE BAGS**

The City Council reviewed the quotes received for plastic refuse bags. Following discussion, Councilmember Erickson introduced Resolution No. 4-72-10, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, to accept the low quote submitted by Jadcore, Inc. for the purchase of plastic refuse bags in the total amount of \$28,123.37. One other quote was received from DYNA-PAK, Corp. in the amount of \$29,157.59.

BE IT FURTHER RESOLVED, to approve the quote from DYNA-PAK, Corp. in the amount of \$848.26 for 4,000 1.8 mil thick bags in 50-bag rolls.

On vote being taken, the resolution was unanimously passed.

**RESOLUTION NO. 4-73-10: RESOLUTION OF SUPPORT FOR ESTABLISHING A GRASS-BASED BIOENERGY ECONOMY IN NORTHWEST MINNESOTA PROJECT**

The City Council reviewed a proposed project by the Pembina Resource Conservation and Development Association. Following discussion, Councilmember Cullen introduced Resolution No. 4-73-10, being seconded by Councilmember Schmalz, that:

WHEREAS, renewable energy produced from conservation-based biomass presents a powerful opportunity to enhance our regions' abundant natural resources by increasing wildlife habitat, building capacity for floodwater retention, and improving surface and ground water quality. A functional renewable energy industry also promises to strengthen and diversify the economic base of our community by offering new business opportunities for local entrepreneurs and rural landowners. In addition, Northwest Minnesota boasts some of the most innovative and entrepreneurial communities in the State.

THEREFORE, BE IT RESOLVED, that the City Council of Thief River Falls does support establishing a Grass-Based Bioenergy Economy in Northwest Minnesota, a project sponsored by the Pembina Resource Conservation and Development Association.

On vote being taken, the resolution was passed by a five yes vote, with Councilmember Kajewski abstaining.

**UPCOMING MEETINGS**

- Board of Appeal and Equalization – April 12, 2010 at the Pennington County Board Room at 9:00 a.m.
- Public Utilities Committee Meeting – April 12, 2010 at 4:30 p.m.
- Public Safety/Parks & Recreation Committee Meeting – April 13, 2010 at 4:30 p.m.
- Public Works Committee Meeting – April 14, 2010 at 4:30 p.m.
- Administrative Services Committee Meeting – April 15, 2010 at 4:30 p.m.
- Budget/Finance Committee Meeting – April 19, 2010 at 4:30 p.m.
- City Council Meeting – April 20, 2010 at 5:00 p.m.

**ADJOURNMENT**

There being no further discussion, Councilmember Cullen moved, being seconded by Councilmember Erickson, to adjourn the meeting at 5:52 p.m. On vote being taken, the Chair declared the motion unanimously carried and the meeting adjourned.

\_\_\_\_\_  
Steve Nordhagen, Mayor

Attest: \_\_\_\_\_  
Jodie R. Torkelson, City Administrator