

CITY OF GRAND RAPIDS COUNCIL MEETING
MONDAY, SEPTEMBER 8, 2008 – 5:00 P.M.
CITY HALL COUNCIL CHAMBERS – 420 NORTH POKEGAMA AVENUE
GRAND RAPIDS, MINNESOTA

CALL TO ORDER: Pursuant to due notice and call thereof a Regular Meeting of the Grand Rapids City Council was held on Monday, September 8, 2008 at 5:00 p.m.

CALL OF ROLL: On a Call of Roll the following members were present: Mayor Jim Millis; Councilmembers: Gary McInerney, Dan Erkkila, Larry Schlauderaff and Dale Adams. Absent: None.

Others Present: City Administrator Shawn Gillen, City Attorney Chad Sterle, City staff: Lynn DeGrio, Rob Mattei, Steve Flaherty, Leigh Serfling, Jeff Davies, Marcia Anderson, Cindy Hendrickson, Tom Pagel, Dale Anderson, Eric Trast.

PRESENTATIONS/PROCLAMATIONS: None.

PUBLIC FORUM: None.

COUNCIL REPORTS:

- Councilman Erkkila reminded the public that filing for City elections are open through September 9th until 5:00 p.m.
- Mayor Millis stated the League of Minnesota Cities Board of Directors has recognized Senator Tom Saxhaug for his support and work on committees related to environmental policy and spending.

APPROVAL OF MINUTES:

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN McINERNEY, TO APPROVE THE MINUTES OF AUGUST 25, 2008 AT 5:00 P.M. AS PRESENTED. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

CONSENT AGENDA:

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN SCHLAUDERAFF, TO ADD CONSENT AGENDA ITEM 13A AND APPROVE 1-13A AS PRESENTED.

1. Approve Change Order #4 with Hammerlund Construction in a total amount of \$6,418.27 related to CP 2001-6, 21st Street SE Improvements.
2. Approve the Balancing Change Order and final pay estimate with Casper Construction in a total contract amount of \$509,707.00 related to CP 2004-1B, 6th Avenue SE Improvements.

3. Approve Change Order #2 with Casper Construction in an amount of \$5,445.00 related to CP 2007-7, 9th Avenue NE Improvements.
4. Approve part-time intermittent maintenance worker Andy Paul for an extension to the 2008 spring/summer maintenance season.
5. Adopt Resolution 08-106 – approving the inscription and accepting the donation of \$1,541.06 for the cost of a park bench.
6. Adopt Resolution 08-107 – accepting the \$45.00 donation from the McVeigh Dun Post 60 American Legion to be used for the Safety Seat Program.
7. Adopt Resolution 08-108 – accepting the \$500.00 donation from the Grand Rapids Cap Baker Lions Club to be used for the Safety Seat Program.
8. Authorize the solicitation for quotes for an Express Checkout unit for the library. This is a budgeted item in the Capitol Improvement Plan for 2008.
9. Approve hiring Ryan Dumm as a part-time Coach at the Civic Center beginning September 2, 2008 at \$7.00/hour. These wages are covered in the annual operating budget.
10. Authorized accepting low bid of \$13,840 from Keller Fence Co. to install fencing at the new outdoor rink complex and adopted Resolution 08-109 – transferring \$8,000 from the Recreation Program fund and \$4,840 from the Park Land Dedication Account to cover the expense.
11. Adopted Resolution 08-110 – establishing a public hearing for CP 2001-1, Hospital Utility Extensions, on Monday, October 27, 2008 at 6:00 p.m. in Council Chambers.
12. Adopted Resolution 08-111 – declaring the cost to be reassessed and ordering the preparation of proposed reassessments for CP 2001-1, Hospital Utility Extensions.
13. Terminate lease for Granny's Doll Closet and approve new lease for Art Book Nook effective September 15, 2008.
- 13A. Approve hiring Brett Matzdorf as a part-time Maintenance worker at the Civic Center beginning September 9, 2008.

The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis; and the following voted against same: None, motion passed.

SETTING OF REGULAR AGENDA:

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN ADAMS, TO APPROVE THE REGULAR AGENDA AS AMENDED. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

ACKNOWLEDGE BOARD AND COMMISSION MINUTES:

- Housing and Redevelopment Authority – July 16, 2008

DEPARTMENT HEAD REPORT:

Rob Mattei, Community Development Director, provided his semi-annual report to the Council highlighting:

- Code enforcement
- Community Planning/Zoning
- Economic Development

The full report has been made a part of the agenda packet.

COMMUNITY DEVELOPMENT DEPARTMENT:

16. Consider approval of an escrow agreement with TeriDon Properties, L.L.P., regarding the payment of costs associated with the application and processing of a Conditional Use Permit (CUP), for the redevelopment of property formerly occupied by Wal-Mart Stores, Inc., as provided for under Division 14 of the City Code (Large Scale Commercial Development Standards).

MOTION BY COUNCILMAN ERKKILA, SECOND BY COUNCILMAN ADAMS, TO APPROVE ESCROW AGREEMENT WITH TERIDON PROPERTIES, L.L.P., REGARDING THE PAYMENT OF COSTS ASSOCIATED WITH THE APPLICATION AND PROCESSING OF A CONDITIONAL USE PERMIT (CUP), FOR THE REDEVELOPMENT OF PROPERTY FORMERLY OCCUPIED BY WAL-MART STORES, INC., AS PROVIDED FOR UNDER DIVISION 14 OF THE CITY CODE (LARGE SCALE COMMERCIAL DEVELOPMENT STANDARDS). The following voted in favor thereof: Adams, Erkkila, Schlauderaff, McInerney, Millis. Opposed: None, motion passed.

ENGINEERING DEPARTMENT:

17. Consider adopting a resolution designating CR 902 as a Municipal State Aid State.

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN SCHLAUDERAFF, TO ADOPT RESOLUTION 08-112 – A RESOLUTION REQUESTING THE DESIGNATION OF COUNTY ROAD TURNBACK AS A NEW MSAS ROUTE. The following voted in favor thereof: Erkkila, Schlauderaff, McInerney, Adams, Millis. Opposed: None, whereby the resolution was declared duly passed and adopted.

18. Consider granting and accepting easements related to CP 1999-21 and the redevelopment of Block 37.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN McINERNEY, TO ACCEPT THE EASEMENTS RELATED TO CP1999-21 AND THE REDEVELOPMENT OF BLOCK 37. The following voted in favor thereof: Schlauderaff, McInerney, Adams, Erkkila, Millis. Opposed: None, motion passed.

19. Consider approving a quote from Bloomers Garden Center and Landscaping, Inc., in an amount of \$8,441.55 for landscaping related to CP 1999-21, TH 2 Reconstruction.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN SCHLAUDERAFF, TO ACCEPT QUOTE FROM BLOOMERS GARDEN AND LANDSCAPING, INC., IN AN AMOUNT OF \$8,441.55 FOR LANDSCAPING RELATED TO CP 1999-21, TH 2 RECONSTRUCTION. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

FINANCE DEPARTMENT:

20. Consider adopting the following resolutions:

- 1) A resolution adopting the proposed 2008 levies payable in 2009 and the proposed 2009 Operating Expenditure Budget.
- 2) A resolution setting the date for the "Truth in Taxation" public hearing.

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN ADAMS, TO ADOPT RESOLUTION NO. 08-113 – A RESOLUTION ADOPTING THE PROPOSED 2008 LEVIES PAYABLE IN 2009 AND THE PROPOSED 2009 OPERATING EXPENDITURE BUDGET. The following voted in favor thereof: Adams, Erkkila, Schlauderaff, McInerney, Millis. Opposed: None, whereby the resolution was declared duly passed and adopted.

MOTION BY COUNCILMAN ERKKILA, SECOND BY COUNCILMAN ADAMS, TO ADOPT RESOLUTION 08-114 – A RESOLUTION SETTING THE DATE FOR THE "TRUTH IN TAXATION" PUBLIC HEARING" FOR DECEMBER 8, 2008 AT 6:30 P.M. The following voted in favor thereof: Erkkila, Schlauderaff, McInerney, Adams. Opposed: Millis, whereby the resolution was declared duly passed and adopted.

PUBLIC WORKS DEPARTMENT:

21. Consider authorizing a Maintenance Agreement between the City of Grand Rapids Public Works Department and the State of Minnesota Colleges and Universities for athletic field maintenance and parking lot sweeping at Itasca Community College for an amount not-to-exceed \$2,500.00 and authorize the Mayor to sign the agreement.

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN ERKKILA, TO APPROVE MAINTENANCE AGREEMENT BETWEEN THE CITY OF GRAND RAPIDS PUBLIC WORKS DEPARTMENT AND THE STATE OF

MINNESOTA COLLEGES AND UNIVERSITIES FOR ATHLETIC FIELD MAINTENANCE AND PARKING LOT SWEEPING AT ITASCA COMMUNITY COLLEGE FOR AN AMOUNT OF NOT-TO-EXCEED \$2,500.00 AND AUTHORIZE THE MAYOR TO SIGN SAID AGREEMENT. The following voted in favor thereof: Schlauderaff, McInerney, Adams, Erkkila, Millis. Opposed: None, motion passed.

VERIFIED CLAIMS:

22. Consider approving the verified claims for the period August 19, 2008 to September 3, 2008 in the total amount of \$2,373,642.55, of which \$1,460,000 are investments.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN SCHLAUDERAFF, TO APPROVE THE VERIFIED CLAIMS AS PRESENTED:

ACHESON TIRE COMPANY INC	36.00	GRAND RAPIDS CITY PAYROLL	150,634.03
AMERICAN BANK 585,000.00		GRAND RAPIDS NEWSPAPERS INC	1,320.35
AMERIPRIDE LINEN & APPAREL	25.14	GRAND RAPIDS STATE BANK	400,000.00
AMERICAN PUBLIC WORKS ASSOC	275.00	AURIMY GROOM	106.86
AUNTIE EM'S	101.17	HAMMERLUND CONSTRUCTION INC	29,365.28
AUTO VALUE -GRAND RAPIDS	210.80	HAWKINSON SAND & GRAVEL	122.62
LEAGUE OF MN CITIES INS TRUST	(55.00)	HUSKY SPRING	422.58
BRAUN INTERTEC CORPORATION	3,779.75	ICTV	4,738.11
BRIER CLOTHING	18.00	IDEAL IMPRESSIONS	166.66
BROADWING TELECOMMUNICATIONS	6.23	ITASCA COUNTY FARM SERVICE	59.11
BURGGRAF'S ACE HARDWARE INC	450.03	ITASCA UTILITIES INC	5,181.00
CARQUEST AUTO PARTS	17.83	JAKES QUALITY TIRE INC	640.60
CASPER CONSTRUCTION INC	426,960.30	KIM JOHNSON	8.82
CHILDREN'S FINANCIAL SERVICES	26.10	K-MART CORPORATION	46.90
CHILDRENS HEALTH CARE	131.01	K.E.E.P.R.S. INC	363.95
CHILDRENS HEALTH CARE	282.15	L&M SUPPLY	156.32
CLUSIAU SALES & RENTAL	179.01	LAKE COUNTRY POWER	22.56
COHASSET CONCRETE PRODUCTS	63.90	MPH INDUSTRIES INC	54.22
COLE HARDWARE INC	41.92	MADDEN'S DUTCH ROOM &	37.00
CROWNE PLAZA-RIVERFRONT	685.15	MARKETPLACE FOODS	21.94
D. ERVASTI SALES CO	358.48	MILLER DWAN MEDICAL CENTER	166.89
DEER RIVER HEALTHCARE CENTER	201.78	MINNESOTA DEPT OF ADMN	241.63
DIMICH & STERLE	17,063.00	MINNESOTA ENERGY RESOURCES	4,428.63
DOMINO'S PIZZA	93.17	MN STATE RETIREMENT SYSTEM	1,487.18
DOOR SERVICE INC	285.00	UNIVERSITY OF MINNESOTA	120.00
DULTMEIER SALES	39.22	UNIVERSITY OF MINNESOTA	170.00
EARTHGRAINS -FERGUS FALLS	28.73	MINUTEMAN PRESS	390.38
RON EDMINSTER	106.47	MONTAVON MOTORS SALES & SERV	7.35
EXXON MOBIL FLEET SERVICES	2,993.47	NORD AUTO PARTS	275.48
FASTENAL COMPANY	23.57	NORVEND INC	71.00
FERRELLGAS	693.26	OCCUPATION DEVELOPMENT CENTER	47.50
G & K SERVICES	31.12	OFFICE NORTH INC	522.54
GALL'S INC	1,713.52	TODD R. PEART	800.00
GENERAL PET SUPPLY	52.50	PEPSI-COLA	676.80
GLOBE DRUG/MEDICAL EQUIP	39.90	PIONEER MUTUAL LIFE INS CO	899.44
GOVERNMENT FINANCE OFFICERS	165.00	PUBLIC UTILITIES COMMISSION	61.26
GRAND PLAZA HOUSING	185,036.01	P.U.C.	4,439.74
GRAND ITASCA CLINIC	325.00	QWEST	6.85

RAPIDS BODY SHOP	457.95	STOKES PRINTING COMPANY	29.35
RAPIDS HYDRAULIC & MACHINE INC	24.40	3D SPECIALTIES	417.66
RAPIDS PLUMBING & HEATING INC	100.90	TDS Metrocom	1,262.05
RAPIDS RENTAL	441.73	TURF AND TREE INC	3,062.26
RAPIDS WELDING SUPPLY INC	4.79	UNITED PARCEL SERVICE	120.82
RAY JOHNSON STUMP GRINDING	262.00	TIMBERLAKE LODGE	650.46
RURAL CELLULAR CORPORATION	1,374.21	VIKING ELECTRIC SUPPLY INC	267.33
SEH-RCM	48,415.86	VILLEANEUVE DEMOLITION AND	1,000.00
ST. PAUL RADIOLOGY PA	8.20	VOLUNTEER FIREMANS BENEFIT	33.00
SAMMY'S PIZZA	1,002.80	WELLS FARGO -GRAND RAPIDS	475,000.00
SANDSTROM COMPANY INC	680.08	WELLS FARGO BANK NA	375.00
SHERWIN-WILLIAMS	121.30	WESCO RECEIVABLE CORP	1,377.66
SILVERTIP GRAPHICS & DESIGN	68.96	WILLIAMS STEEL & HARDWARE	93.26
SIM SUPPLY INC	62.05	DAVID SCHROCK	40.00
SPRINGSTED	1,113.20	EMPOWER MX	10.00

The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

RECESS REGULAR MEETING FOR 6:00 P.M. SCHEDULED PUBLIC HEARING:

23. Conduct a public hearing to consider the rezoning of one 40 acre parcel from R-1 ((One-Family Residential) to I-1 (Industrial Park), the location of which can be generally described as ½ mile south of Co. Road 61 and approximately 1 mile east of State Hwy 38.

Mayor Millis stated this is the time and place according to law to conduct a public hearing to receive public input regarding the rezoning of one 40 acre parcel from R-1 (One-Family Residential) to I-1 (Industrial Park), the location of which can be generally described as ½ mile south of Co. Road 61 and approximately 1 mile east of State Hwy 38. Interim City Clerk Alto noted all required notices have been met.

Rob Mattei provided background information stating the subject property is located in Orderly Annexation Area No. 6, which is scheduled to be annexed into the City as of January 1, 2010, and which has been under the City's zoning jurisdiction since July of 2005. Being subject to annexation, this area is classified as R-1 (One-Family Residential) and would remain as R-1 until such time as action is taken by the City to reclassify it.

Mr. Mattei continued stating Trout Enterprises has plans to expand the use at the existing gravel pit located in the NW/SW by adding an asphalt emulsion handling and dispensing tank. The existing gravel operation was permitted under Itasca County's Zoning Ordinance prior to July of 2005, and, thus, it is considered a grandfathered Class 1 nonconforming use. The expansion of this existing long term mining operation, or in this instance, the addition of the desired storage facility use triggers a need, under Section 30-458(b), to establish a zoning classification that allows the use.

MOTION BY COUNCILMAN SCHLAUDERAFF, SECOND BY COUNCILMAN ADAMS, TO OPEN THE PUBLIC HEARING FOR PUBLIC COMMENTS. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

No one wished to speak. Clerk Alto stated no written documentation was received therefore the following motion was made.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN McINERNEY, TO CLOSE THE PUBLIC HEARING FOR COUNCIL DISCUSSION AND ACTION. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

RECONVENE REGULAR MEETING: Mayor Millis reconvened the regular meeting.

24. Consider the recommendation of the Planning Commission regarding the adoption of an ordinance pertaining to the rezoning of property legally described as NW SW, Section 3, Range 25 West, Township 55 North from R-1 (One-Family Residential) to (-1 (Industrial Park).

MOTION BY COUNCILMAN ERKKILA, SECOND BY COUNCILMAN ADAMS, TO ADOPT ORDINANCE 08-09-08 – AN ORDINANCE OF THE CITY OF GRAND RAPIDS, MINNESOTA, APPROVING THE REZONING OF PROPERTY FROM R-1 (ONE-FAMILY RESIDENTIAL) TO I-1 (INDUSTRIAL PARK), BASED ON THE PLANNING COMMISSION’S FINDINGS OF FACT:

- The proposed rezoning would not affect the character of neighboring area.
- The change would foster economic growth in the community.
- That the change would be in keeping with the spirit and intent of the Zoning Ordinance.
- That the change would be in the best interest of the general public.
- That the change would be consistent with the Comprehensive Plan.

The following voted in favor thereof: Adams, Erkkila, Schlauderaff, McInerney, Millis. Opposed: None, whereby the ordinance was declared duly passed and adopted.

RECESS FOR 2ND SCHEDULED PUBLIC HEARING:

25. Conduct a public hearing to receive public input on the proposed final assessments for City Project 2008-1, City Wide Overlays.

Mayor Millis stated this is the time and place according to law to conduct a public hearing to receive public input regarding the proposed final assessments for City Project 2008-1, City Wide Overlays. Interim City Clerk Alto noted all required notices have been met.

Tom Pagel, City Engineer, provided background information on the Project describing project costs, assessment calculations, interest rate and length of assessment. Clerk Alto noted that no written documentation was received.

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN ADAMS, TO OPEN THE PUBLIC HEARING FOR PUBLIC COMMENT. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed unanimously.

Tim Skelly – Parcel Number 91-008-4104 and 91-008-4102. Mr. Skelly indicated that he did not agree with the assessable footage that had been applied to his properties. City Engineer Tom Pagel, informed the Council that his assessable footages were generated in accordance with the City Assessment Policy.

No one else wished to speak therefore the following motion was made.

MOTION BY COUNCILMAN SCHLAUDERAFF, SECOND BY COUNCILMAN ADAMS, TO CLOSE THE PUBLIC HEARING FOR COUNCIL DISCUSSION AND ACTION. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

Mayor Millis reconvened the regular meeting.

26. Consider adopting a resolution adopting final assessments for CP-2008-1, City Wide Overlays.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN ERKKILA, TO ADOPT RESOLUTION 08-115 – A RESOLUTION ADOPTING ASSESSMENTS FOR CITY WIDE OVERLAYS – CITY PROJECT 2008-1. The following voted in favor thereof: Erkkila, Schlauderaff, McInerney, Adams, Millis. Opposed: None, whereby the resolution was declared duly passed and adopted.

RECESS FOR THIRD SCHEDULED PUBLIC HEARING.

27. Conduct a public hearing to receive public input on the proposed final assessments for City Project 2003-20B, 1st Avenue NW Reconstruction.

Mayor Millis stated this is the time and place according to law to conduct a public hearing to receive public input regarding the proposed final assessments for City Project 2003-20B, 1st Avenue NW reconstruction. Interim City Clerk Alto noted all required notices have been met.

City Engineer Tom Pagel provided background information on the project describing project costs, assessment calculations, interest rate and length of assessment.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN McINERNEY, TO OPEN THE PUBLIC HEARING FOR PUBLIC COMMENTS. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

No one wished to speak and no written documentation was received therefore the following motion was made.

MOTION BY COUNCILMAN McINERNEY, SECOND BY COUNCILMAN SCHLAUDERAFF, TO CLOSE THE PUBLIC HEARING FOR COUNCIL DISCUSSION

AND ACTION. The following voted in favor thereof: McInerney, Adams, Erkkila, Schlauderaff, Millis. Opposed: None, motion passed.

Mayor Millis then reconvened the regular meeting.

28. Consider adopting a resolution adopting the final assessments for CP 2003-20B, 1st Avenue NW Reconstruction.

City Engineer Pagel provided the Council with a draft resolution for their consideration and a complete list of property owners and their proposed final assessments.

MOTION BY COUNCILMAN ADAMS, SECOND BY COUNCILMAN ERKKILA, TO ADOPT RESOLUTION NO. 08-116 – A RESOLUTION ADOPTING ASSESSMENTS FOR 1ST AVENUE NW RECONSTRUCTION – CITY PROJECT 2003-20B. The following voted in favor thereof: Schlauderaff, McInerney, Adams, Erkkila, Millis. Opposed: None, whereby the resolution was declared duly passed and adopted.

ADJOURN:

There being no further business the regular meeting of September 8, 2008 was adjourned at 6:58 p.m.

Respectfully submitted:

Karen Alto, Interim City Clerk