

**WALKER CITY COUNCIL
REGULAR MEETING MINUTES
WALKER FIRE HALL MEETING ROOM
Monday June 2, 2008**

CALL TO ORDER – Mayor Walhof

- Mayor Walhof called the regular scheduled meeting to order at 7:00 p.m.
- Council members present: Fjelstul, Finney, Worth, Wilkening, Walhof
- Council members absent: None
- Others present during portions of the meeting included:

Terri Bjorklund, Administrator
Will Hoyt, Landecker & Assoc.
Edy Asell, Planning Commission
Terry Freeman, Landecker's & Associates
Shirley Mallory, Shingobee Twp.
Mary Beth Mohr, Walker Resident
Jamie Taage, Chase on the Lake
Diane Kramer, Walker Resident
Wayne Tennis, Police Chief
Cindy Warnarka, Leech Lake Chamber
Willard Arends, Walker Park Board
Ron Geiser, Shingobee Twp.

Sylvia Bakker, City Employee
Dean Morrill, Pilot Independent
John Valen, City Attorney
Ken Bresley, Walker Airport
Bob Mallory, Shingobee Twp.
Sue Sauer, Walker Resident
Lisa Ward, Chase on the Lake
Andy Peek, Walker Airport
Tom Schackman, US Forest Service
Scott Bruns, Walker Resident
Carolyn Upton, US Forest Service

CONSENT AGENDA – Mayor Walhof

M/S Fjelstul, Finney to approve the consent agenda items 1 thru 15 as presented.

1. Approve Walker City Council Regular Meeting Minutes May 5, 2008, with a correction under # 11 which shows \$270,000.00, and should be changed to \$370,000.00 dollars
2. Approve Claim numbers #39764 thru #39802, and Claim number #39804 thru #39918, in the amount of \$123,253.71.
3. Approve Cash Balance Report for the month ended April 30, 2008.
4. Review and file Walker Police Departments Monthly Report.
5. Review and file Walker Housing Authority's Monthly Report.
6. Review and file Conference Committee's 2009 LGA Report.
7. Review and file correspondence from Shingobee Township, and Wayne Waslaski, State of Minnesota.
8. Review and file Executive Summary of the Cass County/Ah-Gwah-Ching Utility Improvements.
9. Approve Community Water Supply 2nd Qtr. Payment of \$818.00.

10. Approve quote in the amount of \$910.00 from Downare Roofing for snow catchers on the Ambulance Building.
11. Approve quote in the amount of \$1,029.00 to buy signs from M & R Signs to direct traffic for local parades.
12. Approve payment in the amount of \$87,482.00 to the League of Minnesota Cities Ins. Trust for Liability, property, and auto insurance.
13. Approve quote in the amount of \$896.25 from Walker Ford to repair the Compressor in Ambulance Unit 200.
14. Approve postponing the Public Hearing scheduled for 6:30 p.m. June 2, 2008.
15. Approve # 6 under Economic Development; consider approval to advertise to conduct a Public Hearing on the proposed road vacation of a portion of Cleveland Blvd with realignment for Thursday June 19th, 2008 at 7:00 p.m. at the Walker Fire Hall Meeting Room.

Motion passed: 5-0

SCHEDULED CITIZEN PRESENTATIONS – Mayor Walhof

- Ken Bresley & Andy Peek – Walker Airport Update, and Grant. Contractor will be starting up again this Wednesday, and laying pavement next week. Council member John Fjelstul asked how long it would take to complete the current project? Andy Peek answered that there was at least two weeks of work, but the Airport would remain open during the process. The Lighting issue has been resolved, and the lights are all functioning like they should.

CITY STAFF COMMENTS/CONCERNS – Administrator Terri Bjorklund

- Terri Bjorklund, City Administrator stated that the Ambulance transition had went well, and we received payment for the Equipment purchase. We are waiting for the rent payment.

PERSONNEL, BUDGET & ADMINISTRATION – Council member Fjelstul

1. M/S Fjelstul, Wilkening to approve transfer of \$1,336.11 from the General Fund Checking Account to the Rock Garden Fund checking Account.

Motion passed: 5-0

2. M/S Fjelstul, Finney to approve Leech Lakes Area Chamber of Commerce’s application to conduct Excluded Bingo during Walker Bay Days.

Motion passed: 5-0

3. M/S Fjelstul, Wilkening to approve Resolution 23-2008, a Resolution requesting a One Million Dollar Liquor Liability Policy for any Liquor License requests.

Roll Call: Ayes: All

Motion passed: 5-0

4. M/S Fjelstul, Wilkening to approve a 1 to 4 day Temporary Liquor License for the Walker Rotary Club for the 4th of July Celebration, contingent upon receiving their current Liquor Liability Policy.

Motion passed: 5-0

5. **M/S** Fjelstul, Finney to approve a 1 to 4 day Temporary Liquor License for the Walker Fire Department for July 18th & 19th, contingent upon receiving their Liquor Liability Policy.

Motion passed: 5-0

6. **M/S** Fjelstul, Wilkening to approve hiring Elhers & Associates as our Tax Increment Financing (TIF) Consultants at a cost of \$2,220.00. This can be paid for from administrative fees from the TIF Districts.

Motion passed: 5-0

7. **M/S** Fjelstul, Finney to approve request from Nate Lebeck, Walker Ambulance Assistant Director to increase Brian Huewe's pay \$1.00 per hour for the period May 13th, 2008 thru May 31st, 2008, as he has completed his Paramedic Certification.

Motion passed: 5-0

8. **M/S** Fjelstul, Wilkening to approve hiring an Appraiser to appraise the Old City Hall/ Liquor Store Building.

Motion passed: 5-0

9. **M/S** Fjelstul, Wilkening to approve Resolution 22-2008, a Resolution authorizing Grant Request, and entering into an agreement with SEH, Inc. in the amount of \$39,300.00.

Roll Call: Ayes: Fjelstul, Finney, Wilkening, Worth, Walhof Nyes: None

Motion passed: 5-0

10. **M/S** Fjelstul, Wilkening to approve moving Landecker & Associates proposal for improvements for the back Parking Lot at City Hall, to Public Works for review, and recommendation.

Motion passed: 5-0

11. **M/S** Fjelstul, Finney to approve going out for bids for propane for the 2008/2009 heating season.

Motion passed: 5-0

12. **M/S** Fjelstul, Wilkening to approve payment in the amount of \$19,827.27 to the Walker Volunteer Ambulance personnel. Administrator Terri Bjorklund stated that this is the pay request for all Volunteer and pager hours for running the Ambulance service for the year, with paging time at \$1.50 per hour, Volunteer runs for EMT's at \$15.00 per hour, and Paramedics at \$17.00 per hour. Council member Wilkening asked if it would be feasible to have them sign off that they received their pay, so nobody could come back and say well I forgot this or I forgot that. City Attorney John Valen said yes it would be feasible. Decision was made to create a form for all Volunteers to sign.

Motion passed: 5-0

13. **M/S** Fjelstul, Wilkening to approve writing off Uncollectible Debt to the Walker Ambulance Service in the amount of \$95,464.78.

Motion passed: 5-0

14. **M/S** Fjelstul, Finney to approve entering into a Records Access Agreement with the State of Minnesota for Deputy Registrar/DL Agents.

Motion passed: 5-0

15. Council member Fjelstul said the last item he had on his agenda was to bring the Council up to speed and the latest developments, and give you a opportunity to

ask questions relevant to the relocation of the Senior Citizen Center, what we know as the Whistle Stop. Last month when I spoke to you I indicated, that the latest estimate that we knew of to put a new building on a site that we were offering them was going to be about \$370,000.00. At that point they didn't have their latest bids in from two people that they requested bids in from. They know have received one of those bids in, and I'm disappointed to tell you that that cost as went up from \$370,000.00 to \$437,160.00. That's a significant issue with us as a City to try and figure out how to deal with that. We are still continuing to meet with them, it's my understanding that one more person has come forward and want's to offer them a bid, we don't know what that is, as we have not seen that yet. The other contactor that they have been requesting a bid from has not submitted his proposal to them yet. We are anxious to get something consummated as soon as possible in terms of a selling agreement/purchase agreement, us purchasing from them and they purchasing the lot from us, that we have offered them. John Valen has been helping us on drafting the proper documents for that, as soon we can come to some sense that it looks like we are going to be able to put something together, we will be having Mr. Valen finalize those agreements and present them to the Senior's for their signature's so that we can move forward. The other issue involved is temporary relocation, because we think it's imperative to development our parking lot, to get them moved out of that present location as early as possible. Since no construction has been started on any kind of building and there doesn't seem to be any means for an existing building that they can purchase, there is going to have to be a temporary relocation somewhere. We are working on getting an agreement on that, there hasn't been a final agreement, there has been an offer to them in writing by the Community Center for something like \$1,350.00 a month, to locate temporary there to use their kitchen for the Nutrition Program which is run out of the Senior Center, utilization of the facilities at the Community Center for a duration of time until the new building is in place. I would think that if we could get these meetings so that we could get construction started somewhere with in the next 30 to 45 days that we would be able to be in it by the end of November. We are not there yet, we will continue work on it, and it's a fine line issue as far as I am concerned to get something done. We do not want to lose that Department of Employment and Economic Development Grant at \$670,000.00 that is a part of the parking lot, and the acquisition of the Senior Center.

Mayor Walhof stated that he had looked over the bid today, and noticed about \$35,000.00 in kitchen equipment there, and if you subtracted that the estimate would still be about \$33,000.00 higher than what we thought it would be last month. I know you are not a contractor or anything, but what is the reason do you think that the bid came in so high? Council member Fjelstul said, "well I have not talked to the Contractor, and that's not our responsibility, but I am told by the negotiating team that I am working with that it's the time lapse since they started working on the first estimate, and as a result costs are going up. Now I don't know if that the case or not, I'm not an expert on building supplies, I don't know if they are going up or down, but I suppose with the price of gas figured in there, I suppose somehow that's a factor, I don't know, but it is a significant issue we got

to get straightened out, because that's a big debt. Your looking at a building that if you add the value of what we're proposing to give them for a lot, at about a \$60,000.00 value on that property, and the \$259,000.00 at is a part of the grant, and you still have a debt of about \$170,000.00 you know they are looking at about a \$600,000.00 facility. It's much better then what they've got now, and we're having a difficult time working it out." Mayor Walhof asked "if their plans had changed in any way from original plans, different windows, different floors?" Council member Fjelstul, said "I'll have to tell you about the plans, it's something I've been expecting, and it's designed to fit within the lot that we are proposing for them. It does have in floor heat, which you know in itself is expensive. It's 2' X 6' construction, well insulated, 44 R rated insulation, and things of that nature. It's a carpeted floor, for the most part, and there's a wood floor in there for a dance floor area, and they've got a kitchen in there. In respect for the kitchen we've had some discussion with Lutheran Social Service, which runs the Nutrition Site through them, and there are some grant opportunities to get some money perhaps for some of that kitchen equipment. However that grant will not be issued if they have already bought that equipment up front and what to use that grant to be reimbursed, so what we have been talking about is taking the existing equipment, that the senior's have at the present facility, moving it into the new facility temporary, until which time that grant becomes available, and that grant process could take anywhere from 6 months to a year to go through the cycle. If they find out they can get the grant to replace old equipment then they can move the old equipment out and move the new equipment in under the grant and essentially have the kind of a kitchen that's necessary to met the Department of Health Standards The present kitchen does not met the Department of Health Standards to continue to serve the Nutrition Site, but they have been extended permission to utilize what they've got until the end of calendar year 08. We, what I mean is the City would rather have them moved out, then redo that kitchen and leave it there. Cause that would give us quite a bit of additional parking if we can relocate them." Mayor Walhof asked, "What did you say the new building would be 2800 square feet?" Council member said yes. Mayor Walhof asked what the current building was. Council member Fjelstul stated about 2400, but the configuration would significantly better utilize the space in there. That doesn't include the asphalt parking lot and so forth. Mayor Walhof asked if there was anyway, and I know that you have spent a lot of time meeting with them, Gary has, and I know Pat has, and I have, is there anyway that we could scale down that square footage on that building and it would be a little more realistic at this time. We're getting to the point that at \$437,000.00 is really starting to become real unrealistic to make up the difference. Council member Fjelstul said that the problem that I keep hearing is that we don't want to move, and if we are going to move we are going to move under the terms that we want, or we are not going to move. Now we can force an action, but we don't want to have to do that, and that's not cheap either, you have to go through the Court process, and not only that but it drags it out. A little more discussion ensued, and Council member Fjelstul said that one of his greatest concerns is we cannot afford to lose that DEED Grant, and that DEED Grant has it in that removal of that location so that

we can use it for parking. If we lose that Grant cause we don't meet the conditions of that, and then at a later date we want to move the Senior's, can arrange something, then it's all at the expense of the City. We don't have that \$259,000.00 Grant money, and we really can't afford to lose this. This is the only opportunity I think that we have got to decide how we are going to do this. Council member Wilkening discussed the size of the building for the lot size, and trying to put a building of that size on the lot would require a variance, and he wasn't sure the Planning Commission would be in favor of giving them the variance on a building that's not designed for the lot it's going to set on. He stated that there was going to have to be some reconfiguration on the building anyway so making it smaller should save some money. Mayor Walhof said that's the point I was trying to make. If they can get by with 2400 square feet, right now, and want to build a 2800 square foot building, and the estimate comes out at \$437,160.00, I mean can't they be realistic and scale things back a little bit, and leave room on one side for an addition at a future date, if they want to raise some funds. I understand that they want a beautiful new facility, but we're trying to be realistic, I think they have to be a little bit realistic too, in that there's not all this money falling from heaven. More discussion ensued. Council member Fjelstul, said that that proposed price for \$437,160.00 didn't leave any contingencies built into it for any kind of changes, and I have never known of a major construction project that didn't have changes. Now they tell us that they are going to have an agreement with the Contractor that there won't be any changes, but you know how that goes. When we sign off on some kind of an agreement, that's got to be it as far as the City is concerned. We are not in the position that we want to keep re-negotiating, so that will have to be one of the conditions that we will have to have in our purchase and our sales agreements. It's not going to be an easy thing to get through, but we'll try it. Mayor Walhof, asked Council member Fjelstul what his suggestion would be since you have been at every meeting. Council member Fjelstul, said, it's not football we can't punt, we have to keep working at it, and hope that we can reach an understanding with them. We are continuing to have conversations about how we can fill the gap, whether it be contributions from Townships you may be interested at some point in time, cause not all the Senior citizens that use that facility live in Walker. The present membership as I understand it is 99, and 39 of them are Walker residents, so there are quite a few of them that come from surrounding areas. I have had some minimal conversations with Townships, feeling that if they can do anything they will take a look at what they can do, but again they are in a budget cycle, but they will take a look at anything that comes up that they might be able to do, but we will continue to have conversations in that regard. What I'm continue looking for is a way to fill gaps in funding so that we can get it nailed down, as early as possible so we can get that parking lot started this summer, and into the fall. If anyone has any good suggestions, get in touch with me, or talk to the Senior's.

ECONOMIC DEVELOPMENT/LIQUOR STORE – Council member Wilkening

1. M/S Wilkening, Finney to approve the review and file of the Walker Planning Commissions Regular Meeting Minutes of Monday May 19th, 2008.

Motion passed: 5-0

2. **M/S** Wilkening, Fjelstul to table Resolution 20-2008, a Resolution for vacating a portion of Cleveland Blvd. and Railroad Street between 5th Street and 6th Street.
Postponed
3. **M/S** Wilkening, Worth to re-approve Resolution 19-2008, a joint powers agreement with Cass County, with the addition of 4.5, under # 4. To charge operating rates and connection fees the same as other municipal customers.

Roll Call: Ayes: Fjelstul, Finney, Wilkening, Worth, Walhof Nyes: None

Motion passed: 5-0

4. Council member Wilkening updated the Council on his meetings with representatives from Tianna Country Club, and the Walker-Hackensack-Akeley School District on the City of Walker's easement request for the water/sewer lines proposed for the Ah-Gwah-Ching property.
M/S Wilkening, Fjelstul to approve the easement on City Property to run the parallel water/sewer lines to Ah-Gwah-Ching.

Motion passed: 5-0

5. Carolyn Upton spoke to the Council about the US Forest Service's proposal for a New Complex, Visitor's Center, and Bike Trail and the meetings that they have had with representatives of the City.
M/S Wilkening, Finney to approve the City Administrator writing a letter of intent to Carolyn Upton, indicating the City's willingness to vacate Factory Street, to make way for a new Forest Service Complex, so the Forest Service can get back on the Federal list for funding.

Motion passed: 5-0

Carolyn Upton discussed with the Council a piece of property, which is known to the Forest Service as the West Branch property.
M/S Wilkening, Worth to send a letter to the Forest Service that the City has no interest in a piece of property known to the Forest Service as the West Branch Property.

Motion passed: 5-0

6. **M/S** Wilkening, Worth to approve advertising to conduct a Public Hearing on the proposed road vacation of a portion of Cleveland Blvd, with a realignment for Thursday June 19, 2008 @ 7:00 p.m. at the Walker Fire Hall Meeting room.

Motion passed: 5-0

PARKS & RECREATION/LIBRARY – Council member Worth

1. **M/S** Worth, Finney to approve the review and file of the Walker Park Board Meeting Minutes of May 27, 2008.

Motion passed: 5-0

2. **M/S** Worth, Wilkening to approve Walker Park Board's recommendation to allow the sand left over from Walker Bay Days Big Dig to be spread onto the beach.

Motion passed: 5-0

3. **M/S** Worth, Wilkening to approve Walker Park Board's recommendation to approve application from Walker Rotary Club to use the Park on July 4th, 2008, for the 4th of July Celebration.

Motion passed: 5-0

4. **M/S** Worth, Finney to approve Walker Park Board's recommendation to allow Otto Ringle to move forward with fundraising for the Pathway of Time, by presenting it to the Walker Area Foundation.

Motion passed: 4-0 Opposed: Wilkening

5. **M/S** Worth, Fjelstul to approve Walker Library Board's recommendation to appoint Elsie Nelson to fill a term on the Walker Library Board.

Motion passed: 5-0

PUBLIC WORKS & SAFETY/CEMETERY – Council member Finney

1. **M/S** Finney, Wilkening to approve bid in the amount of \$63,511.29 from Metro Fire for the SCBA gear for the Walker Fire Department FEMA Grant.

Motion passed: 5-0

2. **M/S** Finney, Fjelstul to approve quote in the amount of \$19,500.00 from Alex Air Apparatus, Inc. for the Compressor Unit and attachments on the FEMA Grant.

Motion passed: 5-0

3. **M/S** Finney, Fjelstul to approve the application for use of the Walker Fire Hall, with non-profit organizations receiving the usage free of charge, and other organizations paying a fee of \$100.00 per day.

Motion passed: 5-0

4. **M/S** Finney, Fjelstul to approve Resolution 21-2008, a resolution accepting donations made to the City of Walker thru May 2008. Mayor Walhof publicly thanked the Sally Crookshank Family for their donation, which was used to host the Ambulance Department's Open House.

Roll Call: Ayes: Fjelstul, Finney, Wilkening, Worth, Walhof Nyes: None

OTHER BUSINESS – Mayor Walhof

- All items for the July Council packet must be into the City Administrator's Office no later than 10:00 a.m. on July 1, 2008.
- City hall and the DMV Offices will be closed on July 4th, 2008 in observance of Independence Day.

ADJOURNMENT – Mayor Walhof

Mayor Walhof adjourned the regular scheduled meeting at 8:14 p.m.

Bradley J. Walhof, Mayor

Attest: _____
Terri Bjorklund, Administrator