

July 22, 2010

CITY COUNCIL AGENDA

Tuesday, July 27, 2010

4:30 p.m.

Council Chambers, 315 N. Broadway

1. Call to Order
2. Additions / Deletions to Agenda
3. Approval of Minutes – 07-12-10
4. Approval of Accounts Payable Listing
5. Liquor Store Report
6. Approve TIF District 8 Site Improvement Expenses
7. TIF District 8 Tax Increment Note
8. Budget 2011 Update
9. Resolution Regarding Council Salaries
10. Commercial Tax Designation – 627 N. Broadway
11. LMC Legislator of Distinction Award
12. Soberg Development – SE 5th Street and Maplewood Dr.
 - Consider Final Plat for Development
 - Resolution Receiving Report and Calling Hearing on Improvement Project No. 77

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES - 07-27-10

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 07-27-10, in Council Chambers, City Hall. Mayor Ben Woessner, Council Members Steve Foster, Kevin Ballard, John E. Waller, III and Richard E. Peterson were present. No one was absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert, City Engineer Bob Schlieman, Kevin Soberg, Matt Soberg, Dan Bonitatibus, Liquor Store Manager Bob Leslie and Lou Hoaglund of The Pelican Press were also present.

Mayor Woessner called meeting to order.

The following items were added to the agenda: 13. Appoint Additional Election Judges; 14. Airport Beacon Contract and Resolution. Motion by Waller, seconded by Peterson to accept the agenda with additions. Motion passed unanimously.

Council reviewed the 07-12-10 minutes. Motion by Peterson, seconded by Ballard to approve the minutes of 07-12-10 as presented. Motion passed unanimously.

Motion by Waller, seconded by Peterson to approve the Accounts Payable List as presented in the amount of \$399,127.99 for City bills and \$3,120 for Library bills. Motion passed unanimously.

Administrator Don Solga reviewed the Liquor Store Balance Sheet for 06-30-10, with information on the checkbook balances and inventories. Regarding construction of the new liquor store, he said things are moving along. The project has been delayed about 12 days, most of this delay due to rain.

The Council reviewed the Development Cost Tabulation for Tax Increment District 8 – Gottenborg Clinic Project. Motion by Ballard, seconded by Foster to approve the Tax Increment District 8 Site Expenses as reviewed and found to be allowable by city tax increment consultant Dick Asleson of Northland Securities. Motion passed unanimously.

The Council reviewed the Tax Increment Revenue Note for Development District 8 (C-Clinic Project). Motion by Waller, seconded by Peterson to authorize the mayor and administrator to sign the Tax Increment Note in the amount of \$37,343 to Dr. David Gottenborg, the developer, in the Tax Increment Finance District No. 8. Motion passed unanimously.

Administrator Don Solga updated Council on the Budget Committee's work on the 2011 budget. Anticipated revenue for Local Government Aid (LGA) is \$807,997 for 2011. This is about \$100,000 less than the amount of LGA expected for 2010. Homestead Credit returned to the City from the State of Minnesota will be reduced from 2010 revenue of \$80,000 to \$18,000. The general levy will not increase for 2011. The special levy will increase by \$3,000.

The Budget Committee feels it is important to put money in the budget for storm water. The benefits and salaries for city employees have not been considered yet in the proposed budget. Almost all of the city's departments have held the line in operating expenses and are coming in

under budget so far in 2010. Administrator Solga said he thinks the City is sitting pretty well for now. LGA is expected to remain about the same through 2013.

Council considered the 2011 salaries for Mayor and Council Members. Motion by Ballard, seconded by Foster to leave council and mayor salaries the same as in past years for 2011. Motion passed unanimously.

Liquor Store Manager Bob Leslie discussed sales at the liquor store.

Administrator Don Solga reviewed the zoning and activities at 627 N. Broadway. Property owner is using a portion of his residential use property for commercial use in the commercial zone. The items that are being sold have extended onto the boulevard. Councilmember Peterson said, "It's not fair that other businesses pay commercial taxes and he conducts a business (while paying residential taxes)." Motion by Peterson, seconded by Foster to contact Otter Tail County assessor about taxing property that is being used commercially at the commercial rate. Motion passed

The League of Minnesota Cities has recognized Senator Dan Skogen as a Legislator of Distinction for 2010.

Administrator Don Solga reviewed the Pelican Place Estates Final Plat for developer Kevin Soberg. Lots 1, 2, 3 of Block 1 do not conform to zoning ordinance which requires a lot frontage of 100 ft. All lots, except Lot 1, Block 2, do meet the square foot requirements for duplexes. The City Council has authority to accept the Final Plat with these variations. Lot 1, Block 2, a 25 ft. lot, will be sold to northerly property owner and combined with his existing lot after Final Plat is approved.

Motion by Foster, seconded by Waller to approve the Pelican Place Estates Final Plat as presented and authorize the mayor and clerk to sign the Final Plat. Motion passed unanimously.

Engineer Bob Schlieman reviewed changes to the Improvement Project No. 77 Preliminary Engineering Report. When the project reaches the one acre impervious surfaces level mandated by the Minnesota Pollution Control Agency, then the City will have to provide a storm water detention basin. The project includes \$12,500 for financing fees for a total estimated cost of \$303,360. In addition to the development improvements and assessments for streets, water and sewer to the lots in Pelican Place Estates, there will also be assessments for street improvements for benefited lots on the south side of Maplewood Dr.

Schlieman estimates Soberg would be able to develop four to five lots before the City would need to build the storm water detention basin. Bob said the detention basin would probably cost about \$20,000 plus piping. The detention basin allows silt and sediment to settle out before it goes into the existing wetland. Administrator Solga said the City needs to get working on this because this is a city drainage issue. "It's not just Pelican Place Estates creating the need for a storm water detention basin; it's the development by Kelly Funk and others in that area," Solga continued.

Motion by Waller, seconded by Peterson to accept the Preliminary Engineering Report as

presented for Improvement Project No. 77. Motion passed unanimously.

Motion by Peterson, seconded by Foster to set hearing for Monday, 08-16-10 at 7:00 p.m., and introduce the following written resolution entitled, **RESOLUTION RECEIVING REPORT AND CALLING HEARING ON IMPROVEMENT PROJECT NO. 77.** (A complete text of this resolution is part of permanent public record in the City Clerk's Office.) Motion passed unanimously and resolution declared duly adopted.

If City decides to go forward with project after the public hearing, engineers will develop plans and specifications for bidding. Schlieman anticipates a very tight schedule to get plans and specs ready for Council to consider at the 08-31-10 meeting. At that time, Council could approve the plans and advertise for bids. Bids would be advertised for three weeks with bid opening in September. He would anticipate it would be the middle of October before construction could begin on the water and sewer improvements with the street improvement construction to occur in spring of 2011.

Motion by Waller, seconded by Ballard to appoint Elaine Johnson and Cary Johnson as additional election judges for the Primary and General Elections. Motion passed unanimously.

Administrator Solga reviewed the Airport Beacon Grant Agreement and resolution to execute the agreement. Motion by Waller, seconded by Peterson to approve the Grant Agreement and authorize the mayor and administrator to sign said document by introducing the following resolution, entitled **RESOLUTION TO PROVIDE AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION.** (A complete text of this resolution is part of permanent public record in the City Clerk's Office.) Motion passed unanimously and resolution declared duly adopted.

Motion by Peterson, seconded by Ballard to adjourn the meeting at 5:30 p.m. Motion passed unanimously.

Glenys Ehlert, CMC
Clerk-Treasurer