

August 26, 2010

**CITY COUNCIL AGENDA**

**Tuesday, August 31, 2010                      4:30 p.m.                      Council Chambers, 315 N. Broadway**

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1. Call to Order
2. Additions / Deletions to Agenda
3. Approval of Minutes – 08-09-10
4. Approval of Accounts Payable Listing
5. Bond Refinancing Resolution
6. Liquor Store Report
  - Project Update
7. WWTF Capital Improvements - Ulteig
8. Improvement Project #77 – SE 5<sup>th</sup> St. & Maplewood Dr. – Plans & Specs
  - Resolution Approving Plans and Specifications and Ordering Advertisement for Bids
9. Plumber Registration
10. Certify Unpaid Utility Bills
11. 2011 Preliminary Budget and Proposed Tax Levy
12. LMC Regional Meeting – 09-23-10 – Dalton
13. Energy Efficiency Grant

**CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 08-31-10**

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 08-31-10, in Council Chambers, City Hall. Acting Mayor John E. Waller, III, Council

Members Steve Foster, Kevin Ballard and Richard E. Peterson were present. Mayor Ben Woessner was absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert, Utilities Superintendent Brent E. Frazier, City Engineer Bob Schlieman and Lou Hogland of The Pelican Press were also present.

Acting Mayor Waller called meeting to order.

Administrator Don Solga requested that Building Official be added to the agenda. Motion by Ballard, seconded by Foster to approve the agenda with the addition of Building Official. Motion passed unanimously.

Motion by Foster, seconded by Ballard to approve minutes of 08-09-10 as presented. Motion passed unanimously.

Council reviewed the Accounts Payable Listing of 08-31-10. Motion by Ballard, seconded by Foster to approve the 08-31-10 Accounts Payable Listing in the amount of \$66,883.04 for city bills. Motion passed unanimously.

Administrator Don Solga reviewed the Liquor Store Balance Sheets.

Administrator Don Solga presented the new liquor store project update. The floor has been poured. It is going to be a sealed, colored, polished floor. The steel roofing installation should start this week as well as finish work to exterior walls.

Council Member Peterson arrived at 4:40 p.m.

Administrator Don Solga said he has received a list of sub-contractors for the Liquor Store Project. The main contractor, Sundance Exteriors Unlimited, is still looking for sub-contractors for acoustical ceiling, ceramic tiles and painting.

The City and Sundance Exteriors Unlimited, contractor, have discussed a Liquor Store Project Change Order for concrete in lieu of asphalt. The quote for this change is almost \$6,000. Administrator Solga said the slope is good there and asphalt should not be a problem. Motion by Peterson, seconded by Foster to stay with the asphalt as originally specified for the Liquor Store Project and reject the proposed Change Order No. 2. Motion passed unanimously.

Otter Tail Power recommends that the underground electrical service be encased in conduit. The proposed cost is \$1,086 for this Project Change Order for approximately 50 feet of 4 inch conduit. The cost is in line with \$15 per foot that the architect has experienced in other projects. Motion by Foster, seconded by Ballard to forego the conduit and bury the wire in the ground, rejecting proposed Change Order No.1. Motion passed unanimously.

Clerk-Treasurer Glenys Ehlert reviewed the Resolution Relating to General Obligation Refunding Bonds, Series 2010A. The purpose of this resolution is to refinance a number

of bond issues to take advantage of lower interest rates. Preliminary estimates indicate that the City of Pelican Rapids would have a net savings of approximately \$78,000 by refinancing. Motion by Ballard, seconded by Foster to introduce the following written resolution, entitled **RESOLUTION APPROVING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010A**. (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.

Utility Superintendent Brent Frazier reviewed the Wastewater Treatment Facility (WWTF) Rotating Biological Contactors (RBCs). The existing system contains three RBCs that are utilized to provide secondary treatment. The existing RBCs were installed in the mid 1980s. Their age and condition have resulted in increasing maintenance costs. City Engineer Bob Schlieman of Ulteig Engineers, Inc., said that they have reviewed the RBC units, as well as need for screening and grit removal. Schlieman reported that there are more efficient and cost effective treatment systems available today that may be a better fit for the WWTF. One alternative to the RBCs is a moving bed biofilm reactor (MBBR). Ulteig is proposing to prepare a Project Memorandum, which is a brief document that would provide more detailed information on the items discussed. Schlieman said the Memorandum would answer the questions: Is it going to work and what will it cost? The estimate for this study would be \$3,000.

Administrator Don Solga said the City needs all three of these RBCs in the winter months for wastewater treatment. However, he does not recommend continuing to pay thousands of dollars to repair the aging system if newer technology could be implemented in a timely manner. He continued, "If this moving bed technology would work at the WWTF, then we could spend the \$40,000 necessary to repair one RBC to implement the new technology in place of repeated repairs. I'm hoping we can look at this concurrently to see if this technology would work so we could avoid spending thousands on repairs that are not cost effective. Also we could move an aerator from the lagoon since these are not necessary at this time due to reduced loadings from West Central Turkeys. These aerators could be used initially as part of the MBBR and we would just need the media," concluded Administrator Solga.

Engineer Bob Schlieman said the amount of time required to prepare the Project Memorandum will depend on how fast the information can be gathered from suppliers. Schlieman said, "The City of Moorhead is using this new technology and we want to check on how it would work for the City of Pelican Rapids. Also the screening will be important with new media." Motion by Foster, seconded by Peterson to authorize Ulteig Engineering to proceed with the Project Memorandum on an hourly basis at an estimated cost of \$3,000. Motion passed unanimously. Schlieman said they will push the suppliers to get the information back as soon as possible. "We're shooting for the last meeting in September, 09-28-10, to get information to the City Council," he said.

City Engineer Bob Schlieman reviewed SE 5<sup>th</sup> Street and Maplewood Drive improvement plans and specifications. The advertisement went into the Press for publication this week. He reviewed various permit expenses including \$150 to Minnesota Department of Health

for water service connections and \$310 to Minnesota Pollution Control for the sanitary sewer extension permit. Motion by Ballard, seconded by Foster to introduce the following written resolution, entitled **RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS FOR IMPROVEMENT PROJECT NO. 77 FOR SE 5<sup>TH</sup> STREET AND SE MAPLEWOOD DRIVE**. (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 Foster to approve Alan L. Nelson to engage in or work at the business of plumbing through All Service Plumbing and to be added to the Plumber Registration List for the City of Pelican Rapids. Motion passed unanimously.

Clerk-Treasurer Glenys Ehlert reviewed two unpaid utility bills to certify for collection with real estate taxes. Motion by Ballard, seconded by Peterson to approve certifying the unpaid utility bill of \$104.70 to the County Auditor for collection with real estate taxes for parcel number R76000990481000 and \$129.34 to the County Auditor for collection with real estate taxes for parcel number R76000270055000. Motion passed unanimously.

Administrator Don Solga presented information on the 2011 Proposed Budget in the amount of \$1,847,108. The Minnesota Department of Revenue has listed \$1,108,326 for the City of Pelican Rapids 2011 Local Government Aid (LGA). The governor has proposed cutting it to \$800,000. Market Value Homestead Credit Aid (MVHC) has also been reduced from \$64,561 received in 2009 and City will use \$18,000 for anticipated MVHC in the 2011 Budget. General Fund Levy is proposed to be \$590,000 plus a Special Levy of \$135,354. The Special Levy increase is due to repayment schedule for various improvement projects. Budget includes replacing the oldest squad car on a lease-purchase agreement over three years. Budget includes bridge replacement funds of \$5,000, the second of four years to set aside money for the City's portion of the replacement of the culvert bridge west of Broadway. City Hall lease has been extended for one year at no increase in cost. Motion by Foster, seconded by Peterson to accept the 2011 Proposed Budget as presented and set the preliminary levy for 2011 at \$725,354 for General Levy and Special Levy purposes. Motion passed unanimously. A Public Hearing on the Final 2011 Budget will be held at the 12-13-10 City Council meeting at 6:00 p.m., Council Chambers, City Hall.

Administrator Don Solga said the City has been approved for the Energy Efficiency Grant with the State of Minnesota and he has signed it and returned it to the State.

Administrator Don Solga read a letter from City Building Inspector Dave Neisen who will be resigning from his position as building inspector, effective 09-30-10. Neisen will continue as the City's rental inspector. Solga is working with Lake Country Service Coop to explore the possibilities to have the service coop provide this service to several regional communities. Motion by Ballard, seconded by Peterson to accept the resignation of Dave Neisen as building inspector, effective 09-30-10. Motion passed unanimously.

Administrator Don Solga and Council expressed appreciation for the fine work Dave Neisen has done as the City's building inspector.

Motion by Ballard, seconded by Foster to adjourn the meeting at 5:40 p.m. Motion passed unanimously.

Glenys Ehlert, CMC  
Clerk-Treasurer