

CITY COUNCIL AGENDA

Monday, August 9, 2010

5:30 p.m.

Council Chambers, 315 N. Broadway

1. Call to Order
2. Agenda Additions or Deletions
3. Approval of Minutes – 07-27-10
4. Approval of Accounts Payable Listing
5. Financial Report
 - Bond Refinancing – Monte Eastvold – Northland Securities
 - Clerk’s Recap and Investment Reports
6. Library Report
7. Police Chief Report
8. Street/Park Superintendent Report
9. Utility Superintendent Report
10. West Central Initiative Fee Schedule Change - Administrator Don Solga
11. Liquor Store Project Update
 - Pay Request No. 2 - \$39,719.29
12. Chamber of Commerce – Director & Finances – Everett Ballard
13. LMC Regional Meeting – 09-23-10 - Dalton
14. Public Hearing on Improvement No. 77 – 08-16-10 – 7:00 p.m. – City Hall
15. Council Filings Opened 08-03-10 – Will Close 08-17-10
16. 2011 Preliminary Budget and Proposed Tax Levy – 08-31-10

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -08-09-10

The City Council of Pelican Rapids met in regular session at 5:30 p.m., on Monday, 08-09-10, 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, Police Chief Jeff Stadum, Utility Superintendent Brent Frazier, Library Director Annie Wrigg, Monte

Eastvold of Northland Securities, Liquor Store Manager Bob Leslie, Everett Ballard, Julie Meyer and Louis Hoglund from The Press were also present.

Mayor Woessner called meeting to order. All present stood, addressed the flag and said the Pledge of Allegiance.

City Hall Lease and Commercial Tax Rate Application were added to the agenda. Motion by Foster, seconded by Ballard to approve the agenda with the additions. Motion passed unanimously.

Motion by Ballard, seconded by Peterson to approve the minutes of 07-27-10 as presented. Motion passed unanimously.

Council considered the Accounts Payable Listing of 08-09-10. Liquor Store credit card fees in the amount of \$1388.65, payable to Wells Fargo Credit Card Center were added to the Liquor Store Bill Listing. Motion by Waller, seconded by Foster to approve the 08-09-10 Accounts Payable Listing in the amount of \$59,197.81 for City bills, \$2,782.77 for Library bills and \$181,971.39 for Liquor Store bills with the addition of Wells Fargo Credit Card Center. Motion passed unanimously.

City Bond Consultant Monte Eastvold of Northland Securities presented information on refinancing several bond issues. The savings in refinancing would amount to net savings \$78,025. Motion by Waller, seconded by Foster to authorize the preparation of preliminary documents for the proposed refinancing issue. The bond counsel fee, registration and other costs are anticipated to be about \$15,000. The underwriter's fee would be about \$23,000 for total issuance costs of \$38,000. Motion passed unanimously.

Clerk-Treasurer Glenys Ehlert presented the 07-31-10 Financial Reports.

Library Director Annie Wrigg reported that 40 children finished the Summer Reading Program with 38,000 minutes read by children or read to them. The library is waiting to hear about the 4-day school week because that will affect the library's plans for fall operations.

Police Chief Jeff Stadum reported on the Safe and Sober Program which is reflected in additional miles driven by the department. Fines were \$1,390.37. Chief Stadum has been working on the ATV Ordinance changes he recommends and will have that done next month.

Administrator Don Solga presented information on the Street and Park Superintendent Report. After completing 98 blocks of crack sealing, Superintendent Olson plans to follow up with a seal coat project next year. Seal coat monies are set aside from previous years' budgets. Other items to be considered in future include \$5,000 to \$6,000 for street safety signs and a total of \$20,000 to \$40,000 to replace street name signs. Superintendent Olson would like to lease a vacuum to clean out the manholes and storm drains. He recommends renting a machine for \$1250 for City crew to clean out. Motion by Peterson, seconded by Ballard to authorize rental of the vacuum trailer at an approximate cost of \$1250 to clean manholes and storm drains. Motion passed unanimously.

Administrator Don Solga said Superintendent Olson researched the cost of spraying for mosquitoes for the 2011 budget. A one-time application is \$2317 for a fly over. The City of Rothsay does three fly overs a season and is very happy with the results. Three or four applications probably are more realistic so costs would range from \$7500 to \$10,000.

The pool was closed on 08-04-10 due to an imbalance in the chemical mix because of a broken probe. The problem was corrected and the pool was reopened on 08-05-10.

Motion by Waller, seconded by Foster to have Administrator Don Solga check into costs for a bridge to replace the white bridge in Veterans' Memorial River Park. Motion passed unanimously.

Administrator Don Solga said there are problems with the Windmill Building doors. Various possibilities are: To replace the frame is \$1200 and use old doors; \$2100 for new doors and frames or \$875 for a roll up door. Administrator Solga said he would be concerned about the durability of the roll up door. Council tabled the item for more information.

Utility Superintendent Brent Frazier said Well No. 2 by Fire Department fill station and Well No. 12 by lagoon were sealed by Thein Well Co. with some funding provided by a Minnesota Department Health grant.

Reporting on the Wastewater Treatment Facility (WWTF), Superintendent Frazier talked about a different technology than RCB's. He continued, "We've stuck tens of thousands of dollars in these units in past years. Proposed bill to get them going again will be \$50,000. The units are 30 years old and life expectancy is 20 years." Frazier reported that there is an outstanding punch list for WWTF with completion scheduled by 08-16-10.

Continuing with the Water Department, Frazier said Wells 5-A, 10-11 and 14 are all submersible wells that will be sealed. Buildings for Well 12 and 14 will have power turned off. Building at Well 2 is used as an additional place to fill station by Fire Department.

West Central Initiative (WCI) Fund is changing from an interest fee schedule to an investment balance fee and would increase the City's costs from about \$380 per year to \$1200 per year. Funds invested are about \$175,000. The new fee will take all the interest earned and may even bite into the capital. Mayor Woessner suggested visiting with the WCI and setting a cap on fees. Fee based on activity is a possibility. Council agreed that there isn't much activity in the City's funds and they don't think it's appropriate to charge a small account for a small entity this much money.

Administrator Don Solga reported that additional fill is being added at the new municipal liquor store and compaction tests are being conducted prior to pouring the floor. Administrator Don Solga recommended payment as requested. Motion by Waller, seconded by Peterson to approve Pay Request No. 2 to Sundance, Inc., in the amount of \$39,719.29 for liquor store construction project, as recommended by Architect Ron Dick and Administrator Don Solga. Motion passed unanimously.

Administrator Don Solga said the cost to remove the Liquor Store signpost is estimated to be \$150.

Liquor Store Manager Bob Leslie reported that he was \$465 short of a \$10,000 day on We-Fest Saturday as reflected on his preliminary tapes.

Everett Ballard and Julie Meyer presented information on the Tourist Information Center. They said \$12,000 of payroll expense goes to Chamber Director, but total payroll is \$25,000. They've gone through two chamber directors in four years. The Chamber relies on volunteers but they are difficult to find. They've talked about cutting the director position and relying on the board members, but people don't have time to volunteer more. They are looking for ideas to fill up that gap. City is basically paying \$4500 to \$5,000 a year to keep the doors open in utilities and maintenance per Administrator Don Solga.

Council Member Peterson suggested that they're looking for an on-going expense to the City. Perham has gone to a regional chamber for Perham, New York Mills and Otter Tail. Many local businesses don't belong to the Chamber probably because of the economy. "We're looking for direction and we need help," Everett Ballard. Mayor Woessner suggested that the Chamber ask each charitable organization running a pull tab operation to donate towards the Chamber.

Rotary Bridge, Library and swimming pool would not be here if not for volunteers. Mayor Woessner questioned whether the charitable organization's fund raising is staying in the community. Chamber membership is up to 150 members, about 50% of the potential 300. State monies available for tourism? There

is some money available for promoting “Explore Minnesota”.

Council Member Peterson said, “We’ll think about it too!”

Mayor Woessner said, “We know you’ve got a problem and the City has funding problems, but maybe we work together.”

League of Minnesota Cities (LMC) Regional Meeting will be 09-23-10 in Dalton.

The Public Hearing on Improvement No. 77 – SE 5th Street and Maplewood Drive will be 08-16-10 at 7:00 p.m. in Council Chambers, City Hall.

Council Filings opened 08-03-10 and will close 08-17-10.

The 2011 Preliminary Budget and Proposed Tax Levy will be discussed at the regularly scheduled meeting, 08-31-10.

Motion by Waller, seconded by Foster to renew City Hall lease with State Bank for one year at the same amount of rent. Motion authorizes Administrator Don Solga to sign the lease on the City’s behalf. Motion passed unanimously.

Administrator Don Solga provided information regarding applying the commercial tax rate application to a business operating in the commercial zone. Administrator Solga said that the Council would need to support the County Assessor’s office on the matter. Solga concluded, “The City is going to go forward as we have done before that where we have mixed use, the tax rate will be different on different uses.”

Another issue is that the merchandise and vehicles cannot be on the boulevard and Administrator Don Solga will send a letter to the property owner regarding compliance with city code.

Motion by Ballard, seconded by Peterson to adjourn the meeting at 7:15 p.m. Motion passed unanimously.

Glenys Ehlert, CMC
Clerk-Treasurer