

**May 19, 2010**

**CITY COUNCIL AGENDA**

**Tuesday, May 25, 2010 4:30 p.m. Council Chambers, 315 N. Broadway**

1. Call to Order

2. Additions / Deletions to Agenda

3. Approval of Minutes – 05-10-10

4. Approval of Accounts Payable Listing

5. Liquor Store Report

Internal Controls Policy

Personnel

6. Street and Park Superintendent

Pool Personnel

Park Personnel

7. Improvement Project No. 77 – 5th St. SE

Preliminary Engineering Report

Owner/Developer Request to Defer Prior Utility Assessments

8. Liquor Store Building Project Update

Project Financing Report

Construction Contract Status

9. Liquor License – Taqueria El Agave LLC

10. Federal Aviation Administration AT&T Tower Petition Response

11. Public Works Facility Lighting Grant

12. Fire Department FEMA Fire Act Grant

13. City Hall Facility

14. League of Minnesota Cities Board of Directors Opportunities

### **CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -05-25-10**

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 05-25-10, 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, Assistant Clerk Julie Lammers, Liquor Store Manager Bob Leslie, Street Superintendent Brian Olson, Matt Soberg, Kevin Soberg, Gary Peterson, Robert C. Schlieman from Ulteig and Kelly Gorman from the Pelican Rapids Press were also present.

Mayor Woessner called the meeting to order at 4:30 p.m.

Item 15. Application for exempt permit raffle for St. Leonard's Church was added to the agenda. Motion by Waller, seconded by Ballard to approve agenda with addition. Motion passed unanimously.

Motion by Waller, seconded by Ballard to approve the minutes of 05-10-10 as presented. Motion passed unanimously.

Assistant Clerk Julie Lammers presented an additional claim for the Liquor Store. Motion by Waller, seconded by Ballard to approve the 05-25-10 Accounts Payable Listing in the amount of \$23,733.33 for City bills and approve the addition of a Liquor Store bill in the amount of \$4,317 to NF Field Abstract Co., LLC for Liquor Store project finance charges. Motion passed unanimously.

Liquor Store Manager Bob Leslie discussed Internal Controls Policy and asked to increase the limit on the check cashing policy. Administrator Don Solga said he has been contacted about having an ATM machine in new Liquor Store. Leslie said he thinks that would be a good idea. Motion by Waller, seconded by Foster to authorize the liquor store to accept customer checks for no more than \$20 over the amount of the purchase. Motion passed unanimously.

Leslie recommended hiring Steve Jones and Jeremy Osborne at \$8.00 an hour. Motion by Waller, seconded by Ballard to hire Jones and Osborne as part time liquor store employees at \$8.00 per hour. Motion passed unanimously.

Council Member Peterson questioned liquor store purchases being higher for April, 2010 than April, 2009 as shown on the monthly report. Solga said staff would take a look at it and get an explanation as to why the increase.

Street and Park Superintendent Olson recommended hiring the following lifeguards as seasonal employees at the swimming pool: Cody Tullar, Jaclyn Grefsrud, Anna Skow-Anderson, Amy Field, Danielle Kupperus, Jessica Holte, Aylssa Berube, Kirsten Haugrud, Austin Lammers, and Hope Livdahl. Motion by Peterson, second by Foster to hire Cody Tullar, Jaclyn Grefsrud, Anna Skow-Anderson, Amy Field, Danielle Kupperus, Jessica Holte, Aylssa Berube, Kirsten Haugrud, Austin Lammers, and Hope Livdahl as life guards. Motion passed unanimously.

Superintendent Olson recommended hiring Dan Ditch as Park Personnel beginning 06-02-10. Motion by Waller, second by Ballard to hire Dan Ditch for temporary park position. Motion passed unanimously.

Engineer Bob Schlieman of Ulteig Engineers, Inc., handed out preliminary engineering report (full report is part of permanent public record in the City Clerk's Office) for the Utility Street Improvements for Fifth Street SE and Maplewood Drive. Schlieman presented information answering Council questions. Council needs the developer's final plat approved by Planning Commission and Council before approving this Preliminary Engineering Report. Administrator Don Solga said Clerk-Treasurer Glenys Ehlert and Engineer Bob Schlieman can recalculate numbers to reflect the assessments for streets and storm sewer the way the City has in the past if Council would like or in any way they would like to do so. Administrator Solga requested a Council member meet with staff to develop information. Mayor Woessner stated Council would like to see the numbers as they have been in the past and would like to see exactly what curb and gutter is costing. Council questioned Matt and Kevin Soberg on their feelings regarding the assessments. Kevin and Matt Soberg said if they can continue to build twin homes, they are doable but they are very high with single family home. Sobergs continued, "Assessments of anything over \$17,500 is high and they may rather buy a lot outside of town." Discussion will continue at the next Council meeting.

Council discussed deferring prior utility assessments on Rhoda Johnson's property north of Maplewood Drive (for Maplewood Drive water and sewer extension project) until the lots are developed instead of having the assessments due when lots are platted. This needs to be decided before Sobergs can go on with this project and before they can make a final plat. Does the City Council want deferments to start when home is built, lot is sold or on a certain date?

Administrator Don Solga provided a Liquor Store Building Project Update. He explained the City has received several documents regarding financing the liquor store project for Council's consideration. The City Attorney has reviewed all of the documents and they are all in order for the project. Administrator Don Solga reviewed the following documents to be authorized by the resolution: Purchase Agreement; Arbitrage and Tax Certificate (money can only be spent for building); Escrow agreement (establishing account); Exhibit B (assigning leasing rights) and Information Return for Tax-Exempt Governmental Obligations.

Motion by Foster, seconded by Ballard to introduce the following written resolution, entitled, **RESOLUTION RELATING TO LEASE-PURCHASE AGREEMENT NO. CIT3260-101 GIVING APPROVAL TO THE ISSUANCE THEREOF; AND APPROVING THE FORMS OF CERTAIN DOCUMENTS RELATING THERETO.** (A complete text of this resolution is part of permanent public record in the City Clerk's Office.) Mayor Woessner, Council Members Foster, Waller, Peterson and Ballard voted yes. No one voted no. Motion passed unanimously and resolution was declared duly adopted.

Motion by Peterson, seconded by Waller to authorize Mayor Woessner and Administrator Don Solga to sign the Officers' Certificate and financial paperwork for Liquor Store project. Motion passed unanimously.

Motion by Ballard, seconded by Foster to authorize Administrator Don Solga to sign as owner of the Liquor Store on behalf of the City. Motion passed unanimously.

Motion by Waller, seconded by Foster to authorize Administrator Don Solga to sign the cooling and security system agreements on behalf of the City. Motion passed unanimously.

Motion by Ballard, seconded by Foster to approve an On-Sale Intoxicating Liquor and Sunday On-Sale License to Taqueria El Agave LLC for the license period beginning 07-01-2010 through 06-30-2010. Motion passed unanimously.

Mayor Woessner reviewed a letter from the Federal Aviation Administration (FAA) regarding the City's request to review the AT&T Tower proposed to be located near the City's airport. The FAA determined that the proposed structure would exceed obstruction standards in Title 14, Code of Federal Regulations, part 77, but was not found to have a substantial adverse effect. In response to the City's petition on 04-02-10, the FAA's Obstruction Evaluation Services Team found that the proposed location is outside the traffic pattern airspace and would have no adverse impact. The City's turf runway has no instrument approaches and is limited to visual flight rule operations only. FAA recommends the structure be marked and lit in accordance with their guidelines so it would be conspicuous to pilots operating nearby.

Administrator Don Solga reviewed the Public Works Facility Lighting Grant he applied for prior to Council meeting in order to meet the deadline. The project would replace present shop lighting with energy efficient lighting. Cost of the project would provide \$5593.20 of lighting. If the City receives the 50/50 grant combined with a \$1542.00 rebate would put project cost at \$2225.60. The grant money must be used by July, 2011. Annual savings of \$1300 a year would provide a pay back in 4.5 years. Administrator Solga said the City will attempt to sell the lighting removed using the League of Minnesota Cities internet site. Motion by Peterson, seconded by Foster to approve the Public Works Facility Lighting Grant application and authorize payment of the city's share of the grant if awarded. Motion passed unanimously.

Administrator Don Solga reviewed the Fire Department's application for a FEMA Fire Act Grant. Fire Chief Trevor Steeves applied for \$41,500 for cost of replacing extrication equipment and thermo imaging camera. The Fire Department's share of the grant if awarded would be \$2050 that will come out of gambling funds previously donated by the firemen. Motion by Waller, seconded by Foster to approve the FEMA Fire Act Grant application and authorize payment of the Fire Department's share of the grant if awarded out of donated gambling funds. Motion passed unanimously.

Administrator Don Solga reviewed the current lease on City Hall Facility. It has been extended for one year until 12-31-10, and it may be time to look into what we want to do for City Hall. Solga asked for thoughts. Council Member Peterson asked what the City is paying for rent. The lease cost is \$36,000 a year (\$3000 a month). Options include: buy this facility, build new on land across the street, Historic City Hall, Old Liquor Store Building, buy empty lot or remodel empty building. Council perspective is to examine ideas about what would the money we are already budgeting accomplish if spent on a different option? The City may want to look at combining a Community Center with City Hall.

Council Member Foster returned to previously discussed proposed improvement project and stated, "We have to have some kind of system with water, sewer and streets. We need to have some discussions about how we are going to do this. We need to be able to go beyond just this one project." Other questions he posed were: "What does housing generate in tax revenue; should we change the way we do roads; and should we always put curb and gutter in?"

Council reviewed the information from the League of Minnesota Cities about positions open on the Board of Directors.

Motion by Waller, seconded by Ballard to approve the application for exempt permit raffle for St. Leonard's Church to be conducted on 07-18-10 at 36 1<sup>st</sup> Ave. NE. Motion passed unanimously.

Motion by Ballard, seconded by Peterson to adjourn the meeting at 7:05 p.m. Motion passed unanimously.

Julie Lammers, CMC  
Assistant Clerk