

October 9, 2008

CITY COUNCIL AGENDA

Monday, October 13, 2008

5:30 p.m.

Council Chambers, 315 N. Broadway

1. Call to Order
2. Agenda Additions or Deletions
3. Approval of Minutes
4. Approval of Accounts Payable Listing
5. Police Chief Report - Personnel
6. Utility Superintendent Report
 - Certification of Water Supply Plan
 - WWTF – Phosphorus Reduction Project Re-Bid Report
7. Street/Park Superintendent Report – Equipment Purchase
8. Library Report
9. Financial Report
 - Fire Department Tanker Fund Request
 - TIF Reports
10. Planning Commission Report
 - Outdoor Sales Lot Ordinance
 - Building Permit Fees
11. Airport Taxiway Project – Engineering Expenses Request for Payment
12. Loretel Update on Rebuild and Upgrade Cable TV – Tom Sund, Joel Smith
13. Consider Assessment Hearing Date for Improvement Projects No. 72 and 73
14. Old Fire Hall
 - Update
 - Requests for Use of Old Fire Hall
 - Float Preparation – Audrey Wifall
 - Garage Rental

15. Set Council Meeting Date to Canvas General Election Vote
16. Water Plant Control Project
 - Public Facility Authority Agreement
 - Resolution for Financing as Taxable Bonds
17. Hangar Land Lease
18. Community Sign
19. Review EDA Actions

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -10-13-08

The City Council of Pelican Rapids met in regular session at 5:30 p.m., on Monday, 10-13-08, in Council Chambers, City Hall. Mayor Wayne Runningen, Council Members David Gottenborg, Ben Woessner, Richard Peterson and John E. Waller, III were present. No one was absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert, Police Chief Jeff Stadum, Street and Park Superintendent Brian Olson, Utilities Superintendent Brent E. Frazier, Library Director Annie Wrigg, City Engineer Jon Olson, Steve Foster, Tom Sund, Greg Sjostrom, Alan Johnson, Peter Hart, Roger and LuAnn Schleske were also present.

Mayor Runningen called meeting to order.

No items were added to or deleted from the agenda.

Motion by Peterson, seconded by Gottenborg to approve the minutes of 09-08-08, 09-22-08 and 09-30-08 as corrected. Motion includes amending the 09-30-08 minutes regarding purchase of the vacuum bubble technology (VBT) to include the name of the regional dealer, Custom Marketing Co. (CMC), to read as follows: Motion by Peterson, seconded by Gottenborg to accept the recommendation of Engineer Alex Schwarzhoff, of Interstate Engineering, to accept and approve the proposal from Advanced Aeration, Inc., and their dealer, Custom Marketing Co., (CMC), for vacuum bubble technology aeration system subject to Administrator Don Solga's receipt of the proposal in writing. Motion to correct and approve the minutes passed unanimously.

Council reviewed the Accounts Payable Listing of 10-13-08. Motion by Waller, seconded by Gottenborg to approve the Accounts Payable Listing of 10-13-08 with the additions of FFHRA, SCDP Administration in the amount of \$3411.09 and Cullens Home Center, SCDP Rental Rehab in the amount of \$23,356. Listing includes Library and Liquor Store bills. Motion passed unanimously.

Administrator Don Solga reported that the City is running an ad offering the Old Fire Hall for sale. He said that he has had some inquiries about the property.

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Greg Sjostrom of Wells Fargo, asked to decorate a float for the Lighted Horse Parade in the Old Fire Hall on 11-24-08. Council questioned what would happen if the building sold prior to 11-24-08. Greg said if the building sells, they'll find a different place to work on the float. Motion by Gottenborg, seconded by Peterson to approve Wells Fargo's request to use the Old Fire Hall for float preparation with the stipulation that if the building is sold, it will not be available. Motion passed unanimously.

Administrator Don Solga said an individual has inquired about renting the building as cold storage. Council discussed the possibility of selling the building before it snows or renting the building for the winter. Council directed Administrator Don Solga to draw up a draft rental agreement.

Tom Sund of Loretel provided an update on cable television services. Phase 1 included 8.5 miles of fiber optic and 3 miles of coax cable. Phase 2 included improvements to individual customer residences and they plan to have customers connected in about two weeks. Phase 3 will be completed the end of November or December. More movie and premium channels will be offered and pay per view service will increase. Mayor Runningen told Loretel that the Council appreciated the work they were doing to upgrade the system.

Administrator Don Solga reviewed the Planning Commission's actions regarding the Ordinance for Outdoor Sales Lots general provisions. Peter Hart, Alan Johnson and Roger and LuAnn Schleske discussed requirements with the Council. Questions involved the weight of the vehicles and display and sale of larger trucks. Council requested the Planning Commission discuss these items.

Planning Commission also discussed the Building Permit fees. Administrator Don Solga created a revenue and expense report for building permits. Over a period of five years, the building permit revenues run about \$1500 over the expenses incurred by the City. The Planning Commission discussed whether there was a way to reduce building permit fees. The City is using the 1988 Building Schedule as are other communities in this area. Planning Commissioners were concerned about the costs to home owners for both new construction and maintenance. Motion by Peterson, seconded by Gottenborg to reject the Planning Commission's recommendation to reduce the building permit fee. Motion passed unanimously. Council Member Peterson said maybe the City could look at incentives to encourage growth.

Street and Park Superintendent Brian Olson reported on his departments' activities. They just completed sewer jetting. The sewer jetter did need some repair work which was completed by street personnel. Street project is just about finished up for this year except for digging up two gate valves in the south west part of town. Old Fire Hall needs a shut-off installed and connection for water meter.

Superintendent Olson reviewed the salt and sand agreement with Otter Tail County. Motion by Peterson, seconded by Waller to approve Resolution for Winter Maintenance Agreement with Otter Tail County. Motion passed unanimously.

Superintendent Olson reported that the Airport Taxiway Project is completed.

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Administrator Don Solga explained that the street and park department has been working on a lease/purchase of a loader to replace the existing 1979 loader. Quotes were received from Zeigler (Caterpillar) at approximately \$128,000 and RDO (John Deere) at approximately \$110,000. Trade in for the existing loader from John Deere was \$11,800.00. After tax and other fees, the financed amount would be \$105,086.74. This would result in 5 annual payments of less than \$24,000.00. Administrator Solga's recommendation is to enter into the lease/purchase with RDO to purchase the John Deere loader. Motion by Gottenborg, seconded by Peterson to approve the lease/purchase of the John Deere loader from RDO in the amount of \$105,086.74. Motion passed unanimously.

Administrator Don Solga reviewed the engineering bill for the Airport Taxiway Project in the amount of \$10,000. Motion by Peterson, seconded by Waller to approve payment of \$10,000 for engineering for the Airport Taxiway Project to Ulteig Engineers, Inc. Motion passed unanimously.

Administrator Don Solga reviewed revised Hangar Premises Lease Agreement as recommended by City Attorney Greg Larson. Motion by Gottenborg, seconded by Peterson to approve the Hangar Lease Agreement. Motion passed unanimously.

Council reviewed Police Report. Motion by Waller, seconded by Peterson to approve hiring Ben Johnson as a part time police officer at the rate of pay for Part Time Police Officers, Step 1 and to approve the following resolution, designating Ben Johnson as a Police Officer and entitled: **RESOLUTION DESIGNATING POLICE OFFICER FOR PUBLIC EMPLOYEES POLICE AND FIRE PLAN.** (A complete text of this resolution is part of permanent public record in the City Clerk's Office.) Motion passed unanimously and resolution was declared duly adopted.

Engineer Jon Olson of Ulteig Engineers, Inc. reviewed preliminary assessments for Improvement Project Numbers 72 and 73. Motion by Waller, seconded by Gottenborg to introduce **RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT FOR IMPROVEMENT PROJECT NUMBERS 72 & 73 and RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT FOR IMPROVEMENT NUMBERS 72 & 73.** Resolutions direct the City Clerk to cause a notice of the hearing on the proposed assessment to be published and mailed notice to be given to the owner of each parcel described in the assessment roll. The hearing will be held 11-10-08 at 6:00 p.m. in Council Chambers, City Hall. Motion passed unanimously and resolutions declared duly adopted.

Utility Superintendent Brent Frazier reviewed his departments' activities. The City is working with the State regarding the items that need to be corrected and/or completed for Well No. 15.

Superintendent Frazier reported that the City completed the three year program to sample the lead and copper at selected properties and all properties passed.

Administrator Don Solga reviewed the Water Supply Plan. He said there has been very little change in the demand over the past twenty years. The second part of the plan included an Emergency Response Plan which includes a list of various triggers for

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implementing water restrictions. City Council presently has authority to implement water restrictions. Motion by Gottenborg, seconded by Waller to approve certification of Water Supply Plan and authorize Mayor Wayne Runnigen to sign and submit the plan. Motion passed unanimously.

Motion by Gottenborg, seconded by Waller to authorize the Mayor and Clerk to sign the Wastewater Treatment Plant Improvements for P Management Agreement with the Public Facility Authority (PFA) for financing. Motion passed unanimously.

Motion by Woessner, seconded by Gottenborg to introduce a resolution entitled, **RESOLUTION ACCEPTING THE OFFER OF THE MINNESOTA PUBLIC FACILITIES AUTHORITY TO PURCHASE A \$6,152,869 GENERAL OBLIGATION SEWER REVENUE NOTE OF 2008, PROVIDING FOR ITS ISSUANCE, AND APPROVING EXECUTION OF A PROJECT LOAN AGREEMENT.** Motion passed unanimously and resolution was declared duly adopted.

Administrator Don Solga reviewed Gridor Construction, Inc.'s request to pledge security in the amount of \$215,000 in the City's name instead of the City retaining a portion of their construction payments. Administrator requested the City Attorney review the proposal and PFA Project Manager Stephen LaFontaine has no objections to this method. Both approved and Administrator Solga recommended authorizing the Alternative Form of Retainage. Council discussed various concerns with the alternate method. Motion by Gottenborg, seconded by Peterson to approve the Alternative Form of Retainage. Mayor Runnigen and Council Member Gottenborg voted yes. Council Members Peterson, Woessner and Waller voted no. Motion failed to carry.

Library Director Annie Wrigg reported on the Library. The heating, cooling system is working well and the 2009 Budget has been prepared.

Motion by Peterson, seconded by Waller to authorize the Mayor and Clerk to sign the Water Plant Infection Controls Improvement with the Public Facility Authority for financing. Motion passed unanimously.

Motion by Waller, seconded by Peterson to introduce a resolution entitled, **RESTATED RESOLUTION ACCEPTING THE OFFER OF THE MINNESOTA PUBLIC FACILITIES AUTHORITY TO PURCHASE A \$306,555 GENERAL OBLIGATION WATER REVENUE NOTE OF 2008, PROVIDING FOR ITS ISSUANCE, AND APPROVING EXECUTION OF A PROJECT LOAN AGREEMENT.** Motion passed unanimously and resolution was declared duly adopted.

Motion by Waller, seconded by Peterson to approve payment to Hanson's Plumbing & Heating for the Fire Hall Eye Wash Station out of the Fire Department Tanker Fund. Motion passed unanimously.

Motion by Peterson, seconded by Waller to Canvas General Election Vote at 7:45 a.m. on 11-5-08. Motion passed unanimously.

Administrator Don Solga reviewed the Community Sign agreements and the balance in the reader board sign account. Replacement of the sign would be \$18,000 and the life of the sign is expected to be 12 years or 8 more years. Administrator Solga recommends

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setting the sign fee at \$500 per year for the next three years. Council discussed. Motion by Woessner, seconded by Peterson to offer sign contracts at a fee of \$750 per year for three year agreement. Motion passed unanimously.

Motion by Waller, seconded by Peterson to approve the Economic Development Authority's actions to approve the minutes of 07-29-08 and the Accounts Payable Listing of 10-13-08. Motion passed unanimously.

Meeting adjourned at 8:13 p.m.

Glenys Ehlert, CMC
Clerk-Treasurer