

March 8, 2012

CITY COUNCIL AGENDA

Tuesday, March 13, 2012

4:30 p.m.

Council Chambers, 315 N. Broadway

1. Call to Order
2. Agenda Additions or Deletions
3. Approval of Minutes – 2/28/12
4. Approval of Accounts Payable Listing
5. Police Chief Report
6. Street/Park Superintendent Report
7. Library Report
8. Utility Superintendent Report
9. Financial Report
10. Project #78 – SE 5th St, T.H. 59 Frontage Rd, etc – Plans & Specs – Ulteig
 - Resolution Approving Plans & Specs and Ordering Advertisement for bids
 - Resolution of Application for PFA Clean Water Revolving Fund
 - Resolution of Application for PFA Drinking Water Revolving Fund
11. Contract Regarding Sale of Old Liquor Store to Mercantile on Main, Ltd
12. Ambulance Subsidy and 2012 Contract for Services
13. Liquor Store Personnel
14. Information Item – Dunn and Scambler Township

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 03-13-12

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 03-13-12, in Council Chambers, City Hall. Mayor Ben Woessner, Council Members James Strand, John Waller, III, Steve Foster and Kevin Ballard were present. No one was absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert, City Attorney Greg Larson, Police Chief Jeff Stadum, Street and Park Superintendent Brian Olson, Library Director Annie Wrigg, Utility Superintendent Brent Frazier, Melanie Michels and Judy Tabbot of Mercantile on Main, and Lou Hogle of Pelican Rapids Press were also present.

Mayor Ben Woessner called meeting to order.

Motion by Strand, seconded by Ballard to approve the agenda as presented. Motion carried.

Motion by Waller, seconded by Strand to approve 02-28-12 minutes as presented. Motion carried.

Motion by Waller, seconded by Strand to approve the Accounts Payable Listing of 03-13-12, in the amount of \$86,528.59 for City bills, \$9,074.30 for Library bills and \$49,259.15 for liquor store bills, and the addition of Frontier Power Sports, \$9,610 for Fire Department ATV, and Gary's Trailer Sales, \$1,895 for Fire Department Trailer. Motion carried.

Police Chief Jeff Stadum presented his February report regarding patrol vehicles, ICR's and other items.

Street and Park Superintendent Brian Olson reported on activities in his department.

Library Director Annie Wrigg reported on the library. They are evaluating the hours the library is open and usage by patrons during those hours.

Utilities Superintendent Brent Frazier reported on his department's activities.

Clerk-Treasurer Glenys Ehlert presented the financial reports for 02-29-12.

City Engineer Bob Schlieman of Ulteig Engineers presented a project status report on Improvement Project No. 78, Utility and Street Improvements – Fifth Street SE, Seventh Avenue SE, Eighth Avenue SE, Fifth Avenue NE and TH 59 Frontage Road. Schlieman said if the City wishes to move ahead with construction the Council should approve a Resolution Approving Plans and Specifications and Ordering Advertisement for Bids with bid opening on 04-19-12 and award of construction contract on 04-24-12,

Motion by Waller, seconded by Ballard to introduce the following written resolution, entitled, **RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS FOR IMPROVEMENT PROJECT NO. 78.** (A complete text of this resolution is part of permanent public record in the City Clerks' Office.) Motion passed unanimously and resolution declared duly adopted.

City Engineer Schlieman provided a proposed project schedule. He recommended that the City continue to pursue funds from the Public Facilities Authority by considering resolutions for

applications for Drinking Water Revolving Fund and Clean Water Revolving Fund for Improvement Project No. 78.

Motion by Strand, seconded by Ballard to introduce the following written resolutions, entitled, **RESOLUTION OF APPLICATION FOR MINNESOTA PUBLIC FACILITIES AUTHORITY DRINKING WATER REVOLVING FUND** and **RESOLUTION OF APPLICATION FOR MINNESOTA PUBLIC FACILITIES AUTHORITY WATER POLLUTION CONTROL REVOLVING FUND**. (Complete texts of these resolutions are part of permanent public record in the City Clerks' Office.) Motion passed unanimously and resolutions declared duly adopted.

Motion by Waller, seconded by Strand to authorize the submittal of the following permits: Water Main Extension Permit (Minnesota Department of Health) – \$150
NPDES General Storm Water Permit for Construction Activity (Minnesota Pollution Control Agency - \$400. Motion carried.

Administrator Don Solga reviewed his recommendation and that of City bond consultant, Monte Eastvold of Northland Securities, of bonding for remaining costs of \$360,000 for Improvement Project No. 78 as well as several other approved project: Bridge Replacement Project in the amount of \$100,000; Hwy. 59 Traffic Signal Lights in the amount of \$100,000, and parking lot improvements in the amount of \$408,000 for a total of \$968,000 for 2012 Improvement Bonds. Administrator Solga also recommended refunding 2005A bonds in the amount of \$180,000 and 2006A bonds in the amount of \$210,000.

Motion by Foster, seconded by Strand to authorize additions listed above to Improvement Project No. 78 proposed bonding and consider refunding 2005A and 2006A Bond issues for a approximate issue of \$1,358,000. Motion carried.

Administrator Don Solga reviewed information on proposed Contract for Deed with Mercantile on Main, LLC, for old liquor store building at 25 N. Broadway.

Judy Tabbot of Mercantile on Main questioned abstract costs. City Attorney Greg Larson and Administrator Don Solga recommended that the City provide the current abstract to Mercantile on Main, LLC, for the necessary legal work to update at their expense and with current abstract to be returned to the City of Pelican Rapids.

Judy Tabbot also discussed the Contract for Deed Item No. 19, Personal Guaranty. City Attorney Larson provided an example of a mechanical lien for improvements authorized by the Mercantile on Main, LLC. Melanie Michels said the example of roof repairs helped her see the City's viewpoint. City Attorney Greg Larson discussed the additional terms.

City Attorney Larson and Administrator Solga recommended that the Personal Guaranty remain as part of the Contract for Deed.

City Attorney Greg Larson stated that if the LLC is willing to enter into a Purchase Agreement which will set the closing date and provide time for the purchaser to build an abstract, then he could proceed with drafting a Purchase Agreement between the parties. Mercantile on Main said their organization is willing to continue with purchase along terms reviewed.

City Attorney Larson will draw up the Purchase Agreement. Administrator Don Solga will provide the current abstract on the property to LLC's attorney, Chad Miller, so they can build a new abstract at their cost. The current abstract will be returned to the City.

Council considered what dollar amount to set in the Contract for Deed, Section 19, Additional Terms, that would require the written consent of Seller and provide that Purchaser would obtain lien waivers for the benefit of Seller from any person, partnership, corporation, limited liability company or other provider of labor or materials for such improvements.

Motion by Waller, seconded by Ballard to set the cost at \$5,000, relative to Contract for Deed, Section 19, Additional Terms. Motion carried.

Motion by Ballard, seconded by Waller to authorize City Attorney Greg Larson to draw up the Purchase Agreement as discussed between the City of Pelican Rapids as seller and Mercantile on Main, LCC, as purchaser. Motion carried.

Motion by Strand, seconded by Foster to approve ambulance service agreement for 2012 with Ringdahl Ambulance Service as presented and authorize payment of \$29,675 for annual period of 01-01-12 to 12-31-12. Motion carried.

Administrator Don Solga reported that after review of applications and interviewing five candidates for the position of Liquor Store Manager, the committee recommended hiring Margaret Johnson for the position with a start date of 03-31-12, and level one on the wage schedule. Motion by Ballard, seconded by Strand to approve hiring Margaret Johnson as Liquor Store Manager effective 03-31-12 at level one on the wage schedule for Liquor Store Manager. Motion carried.

Administrator Don Solga informed the City Council that he had attended the special meeting of the Pelican Valley Health Center. He stated that, despite Dunn and Scambler Townships request to discontinue expansion activities until the detachment issue is resolved, the PVHC Board acted to continue forward with the expansion plans.

Motion by Strand, seconded by Ballard to adjourn the meeting at 5:52 p.m.

Glenys Ehlert, CMC, Clerk-Treasurer