

**CITY COUNCIL AGENDA**

August 22, 2019

**Tuesday August 27, 2019**

**5:00 p.m.**

**Council Chambers, 315 N. Broadway**

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1. Call to Order
  - a) Roll Call of Members
  - b) Welcoming Remarks
  - c) Announcements
  - d) Pledge of Allegiance
2. Citizen's Comments. *Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification or explanation, but no council action or discussion will be held on these items.*
3. Additions / Deletions to Agenda (*City Council or City Staff Only*)
4. Approval of Consent Agenda. *The following are non-controversial items intended to be approved with one motion, without discussion. If a council member, staff, or member of the public would like to discuss an item(s), please ask that it be removed and it will be placed elsewhere on the agenda.*
  - a) Approval of Council Minutes – 8/13/19
  - b) Approval of Accounts Payable Listing
  - c) Staff Reports
    1. Liquor Store Report
    2. Utility Report
5. CGMC - Elizabeth Wefel
6. Tax Abatement Public Hearing (In Packet)
  - Resolution 2019-16; Approving Amendment To Property Tax Abatements For Colony Housing, LLC.
  - Tax Abatement Financial Assistance Agreement with Colony Housing LLC
  - Resolution 2019-18; Accepting Bid For Utility And Street Improvements Near 1<sup>st</sup> Ave NW
7. Street Equipment Request
8. Request To Use Municipal Parking Lot – Sarah Pixley
9. Pool Committee, Planning Commission and Park Board Minutes FYI (In Packet)
10. 2020 Budgets
  - Fire Budget
  - General Budget
11. Mayor Report
12. City Administrator Report
13. Adjourn

## CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 08-27-19

The City Council of Pelican Rapids met in regular session at 5:00 p.m., on Tuesday, 08-27-19 in Council Chambers, City Hall.

Mayor Frazier called the meeting to order at 5:00 p.m.

Roll call was taken by Clerk-Treasurer Danielle Heaton.

Mayor Brent E. Frazier and four members of the Council were present at roll call:

Council Member Steve Strand

Council Member Curt Markgraf

Council Member Kevin Ballard

Council Member Steve Foster

City staff present: Administrator Don Solga, Clerk-Treasurer Danielle Heaton, Street and Park Superintendent Brian Olson, Police Chief Jeff Stadum, Liquor Store Manager Maggie Johnson, City Attorney Greg Larson and City Engineer Bob Schlieman.

General Attendance: John Ohman Sarah Pixley, Susan Kiehl, Rodney Kiehl, Wayne Stein, Nick Leonard, Amy Baldwin, John Waller III, Wayne Johnson, Dena Johnson, Dawn Finn, Andrew Ducheneau, Skip Duchesneau, Pete Hart, Jamie Stromberg, Richard E. Peterson, Judy Tabbutt, Kate Martinez, Lee Rogness, Dan Husted, Lee Livdahl, Judy Dewald, Bradley E. Dewald, Donna Mattern, Ben Sytsma, Kary Sytsma, Keith Stromberg, Renee Stromberg, Gerry Langseth, Wayne Bakken, Alan Martinson, Milton Haugrud, Donna Stenholm, Ben Woessner and Lou Hoglund from the Pelican Press were also present.

The Mayor welcomed everyone to the Council Meeting and announced upcoming events in the community.

All present stood and said the Pledge of Allegiance.

Motion by Strand, seconded by Foster to approve the agenda with the addition of No. 14 Police Personnel and delete No. 5 CGMC – Elizabeth Wefel and No. 8 Request To Use Municipal Parking Lot – Sarah Pixley. Motion passed unanimously.

Motion by Foster, seconded by Ballard to approve the following consent agenda items:

- a) Approval of Council Minutes – 8/13/19
- b) Approval of Accounts Payable Listing
- c) Staff Reports
  1. Liquor Store Report
  2. Utility Report

Motion passed unanimously.

Superintendent Brian Olson requested a few street equipment items. He would like to purchase a skid lift for \$11,200. There is \$15,000 in Streets Capital funds that could be used for the purchase. Motion by Markgraf, seconded by Foster to approve the purchase of the lift. Motion passed unanimously.

Olson would like to purchase the following items: air compressor for \$2,200, snow bucket for \$2,000, 6 foot high snow blower for skid-steer for \$5,500 and pallet racking for \$1,200. The total of these expenses would be \$10,600. He is asking for excess Liquor Store funds to pay for these items. Motion by Foster, seconded by Strand to approve the purchase of the air compressor, snow bucket, snow blower and pallet racking. Council Member Ballard asked if the remaining 2019 street capital funds be used up before using liquor store funds. Motion passed unanimously.

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Olson reported that the pay loader needs some repairs but there are funds in R & M Service. Installation on the railing for the pedestrian bridge started today. It should be completed by next week.

Council Member Markgraf spoke with Liquor Store Manager Maggie Johnson. She is having scheduling issues because some of the part-time liquor staff are out on medical leave. She would also like to create a job description for an assistant manager position. Motion by Ballard, seconded by Markgraf to advertise for part-time Liquor Store positions. Motion passed unanimously.

Pool Committee, Planning Commission and Park Board Minutes were included in the packet for Council.

The Mayor reported that since the last Council meeting he attended: a MN Woman planning committee meeting, police interviews, meeting with WCT, budget committee meetings, Pool Committee meeting and a community garden meeting. He also wrote a letter in support of PartnerSHIP 4 Health.

Administrator Solga reported that since the last city council meeting he has; held department head meetings; work on gathering materials and setting city council agenda; did city code research as a response to a potential business owner's inquiry; met with staff and rental property inspector in order to kick start the rental property application process; continued activities related to City vs Gridor Construction lawsuit; had telephone conversations with city attorney, Northland Securities, Kutak Rock and developer D.W. Jones in order to finalize draft of the city/developer agreement for Colony Housing LLC; met with Lakes Country Service Coop to review and discuss the Health and Safety Service Contract; prepared for and completed 2 days of patrol officer interviews; met with budget committee and staff as part of budgeting process, then worked on fire and general budget in preparation for presentation of draft 2020 budget to city council; met with property owner regarding river park land transfer to city; met with Lakes Country Service Coop regarding the PBX phone system install; met with West Central Turkey's plant manager, Todd Kampstra, to discuss city/industry inactions related to staffing, housing, utilities, etc.

Pursuant to due call and published notice thereof, the City Council of the City of Pelican Rapids, Minnesota, held a public hearing at 5:30 pm on the proposal that the City abate property taxes levied by the City on the property identified as tax parcel numbers:

76000210004001

76000220016004

The total amount of the taxes proposed to be abated by the City for up to a 15 year period is estimated to be not more than \$472,315.00.

Skip Duchesneau of DW Jones explained the process that he and the City have gone through over the last three years since the project began. He explained the housing studies that were conducted and the results showing that Pelican Rapids is still in need of housing. He reviewed the details of the apartment and the amenities. The population of the apartment building could be 36 to 110 people. He reviewed the grant from MN Housing Finance that will pay for the extension of the infrastructure across Highway 108 and open the area up for future development. At a previous tax abatement public hearing, the City approved \$377,000 for tax

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abatement. Because the school did not pass the tax abatement, he requested the additional funds from the City. Mr. Duchesneau then answered questions from the public.

Administrator Solga explained the tables that were supplied in the packet regarding tax abatement. The abatement does not affect the City Tax Rate.

OTC Auditor-Treasurer Wayne Stein explained that there will not be changes to resident's tax amounts due to the tax abatement.

All interested persons at the public hearing were able to present their views.

Mayor Frazier closed the public hearing at 6:33 pm.

Motion by Foster, seconded by Strand to introduce Resolution 2019-16 entitled: **RESOLUTION NO. 2019-16; RESOLUTION APPROVING AMENDMENT TO PROPERTY TAX ABATEMENTS FOR COLONY HOUSING LLC.** (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion passed and resolution declared duly adopted. Aye: Strand, Ballard, Foster, Frazier. Opposed: Markgraf

The developer and financial assistance agreement was reviewed by Financial Advisor Tammy Omdal, Attorney Greg Larson, DW Jones, Bond Counsel Steve Rosholt, Administrator Solga and provided in the Council packet. Motion by Strand, seconded by Foster to approve the Tax Abatement and Financial Assistance Agreement with Colony Housing LLC. Motion passed unanimously.

City Engineer Bob Schlieman reviewed the Colony Apartment Complex Utility and Surface Improvement Project 89. Resolution 2019-18 would accept the low bid received by Hough, Inc. upon receiving approval from the Minnesota Housing Finance Agency regarding the grant money. MHFA will meet on August 29. Motion by Foster, seconded by Strand to introduce Resolution 2019-18 entitled: **RESOLUTION NO. 2019-18; RESOLUTION ACCEPTING BID FOR UTILITY AND STREET IMPROVEMENTS NEAR FIRST AVENUE NW (TRUNK HIGHWAY 108)** (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion passed and resolution declared duly adopted.

Chief Stadum recommended Council hire a part-time officer and a full-time officer. Mayor Frazier, Administrator Solga and Chief Stadum conducted interviews and recommended hiring Travis MacLeod as full-time officer and Cory Backhaus as part-time officer pending the background check. Motion by Strand, seconded by Markgraf to approve the hire pending background check results. Motion passed unanimously.

The budget committee, Chief Steeves and Administrator Solga met to discuss the 2020 Fire Department Budget. Administrator Solga reviewed changes to the budget. The total budget is \$249,877. Motion by Strand, seconded by Ballard to approve the 2020 Fire Department Budget at \$249,877. Motion passed unanimously.

Council discussed the Proposed 2020 General Fund Budget. Some increase in the budget are: Library roof repair, IT services, three computers, elections, engineering for planning the NW land and 3<sup>rd</sup> Street NW extension, tree removal and park playground equipment. The Library has asked for an increase to cover COLA for the library wages in 2020. To help keep the levy

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down, the budget committee recommended transferring \$100,000 of liquor store funds to help with the increase to the levy. It will be discussed further at the next council meeting.

Motion by Ballard, seconded by Strand to adjourn the Council meeting at 7:48 pm. Motion passed unanimously.



Danielle Heaton, MCMC  
Clerk-Treasurer