

September 21, 2017

CITY COUNCIL AGENDA

Tuesday, September 26, 2017

5:00 p.m.

Council Chambers, 315 N. Broadway

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
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 Minutes – 9/12/17 Council Meeting, 9/15/17 Proposed 2018 General Fund Budget
 - b) Approval of Accounts Payable Listing
 - c) Fire Department Calendar
 - d) Liquor Store Report
 - e) Utility Report – People Service
5. City Projects – Debbi Restad
6. Administrative Hearing – Roger Schleske
7. Welcome Festival – Dawn Finn
8. Henry Properties
9. City Hall/Event Center
10. 2018 General Fund Budget
11. Project 87 Street/Utilities Change Order #1
12. Project 86 Water Tower Pay Request #2 – Classic Protective Coatings, Inc. - \$239,613.75
13. Close the Meeting

At This Point the Council Meeting Will be Closed to the Public for Attorney Client Privilege
The Following Items will be Discussed.

A. Project 79 WWTF Pay Request – Greg Larson

14. Adjourn

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 09-26-17

The City Council of Pelican Rapids met in regular session at 5:00 p.m., on Tuesday, 09-26-17 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 CJ Holl

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, City Attorney Greg Larson.

General Attendance: Boy Scout Member Noah Ballard, Debbi Restad, Wayne Bakken, Annie M. Wrigg, Wayne Runningen, Kathy Bergren, Ben and Bev Woessner, Roger and LouAnn Schleske, Clark Flink, Dawn Finn and Lou Hogle 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 led by Boy Scout Member Noah Ballard.

Ben Woessner asked Council to waive an Administrative Penalty he received for a Public Nuisance on his property. Mayor Frazier replied that it would be added to the next agenda so that City staff would be able to look into the matter.

Motion by Holl, seconded by Strand to approve the agenda as presented. Motion passed unanimously.

Motion by Ballard, seconded by Foster to approve the consent agenda.

- f) Approval of Minutes – 9/12/17 Council Meeting, 9/15/17 Proposed 2018 General Fund Budget
- g) Approval of Accounts Payable Listing
- h) Fire Department Calendar
- i) Liquor Store Report
- j) Utility Report – PeopleService Inc.

Motion passed unanimously.

City resident Debbi Restad, 11 SE 6th Street, expressed her concerns about the lack of communication regarding the street and utility project by city engineers and staff. She received the estimated amount of her special assessments and was surprised by the amount. She is concerned about the amount of taxes that she already has to pay, and that doesn't include any additional taxes for City Hall/Community Center.

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 09-26-17

Dawn Finn spoke to Council about a gathering called Together Without Walls during Oktober Fest. The group is looking for feedback from the citizens about what is and is not working in the City. It will be on October 14, 2017 4:00 to 6:00 p.m.

Administrator Solga sent a letter to Mr. Henry regarding his belongings that are being stored on City property. The deadline was June 5, 2017 and as of today, Mr. Henry's property is still on the City's property. Mr. Henry stated that he is willing to work with the City; he just needs a City representative to show him where the property lines are. Mr. Henry stated that his property will be removed by this Friday (September 29).

Roger Schleske requested an Administrative Hearing with Council to discuss an Administrative Penalty that he received on 1300 N Broadway and 327 NW 3rd Street. Mr. Schleske feels that the property was cleaned up before the penalty was applied. Clark Flink (resident of 1300 N Broadway) said that he and Mr. Schleske had cleaned the nuisance up. Mayor Frazier asked Chief Stadum if there were still nuisances present at the properties. Chief Stadum stated that yes there are still items that need to be taken care of at both locations. The Mayor said the administrative penalties are warranted and Council agreed.

Administrator Solga shared with Council the 2017 through 2021 Five-Year Capital Improvement Plan. He also showed the Special Levy amounts for the years 2017 – 2024 which included financing of the City Hall HVAC and the Community Center. If Council decides to move forward on the project, they must make the decision at the October 10, 2017 meeting. He asked Council if there is any other information that they would like answered at the next meeting. BHH will be present to answer any questions that the Public or Council may have. Northland Securities will be there to answer any financing questions that may come up. A letter was sent from City Hall as requested by the Council to all taxpayers in the City.

Administrator Don Solga reported on the proposed 2018 Budget. General Property taxes would be \$684,377 and the Special Levy would be \$239,535.

Administrator Solga reviewed the major items on the budgets. Liquor Store transfer will increase to \$70,000 for 2018 to help cover the General Levy increase. Increase included: health insurance benefit, Clerks request for software to allow on-line bill payments and updating of the City's website, professional services in the NW part of town and possible road improvements, continued \$20,000 for Library roof, wage and benefits for full-time office police chief, new Lidar radar and Taser, new ADA pool chair, walkway in Peterson Park and shelter in Brown field. Reduced budget in Economic Development by \$20,000 and Professional Services in Parks for money the City has spent for Dam consultants. Also, the Airport well needs to be replaced, but there are funds already available for that.

Motion by Holl, seconded by Strand to approve the General Fund Budget Levy in the amount of \$684,377 and the Special Levy in the amount of \$239,535, and to set the time and place of public hearing on 12-12-17, 6:00 p.m., Council Chambers, City Hall. Motion passed unanimously.

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 09-26-17

Council discussed a change order for Project 87 Street/Utilities. Because of the time of year, the parking lot could not be completed this year. The amounts won't change, just the dates. Substantial completion will be July 1, 2018 and final completion will be August 1, 2018. Motion by Strand, seconded by Foster to approve Change Order No. 1 for Project No. 87 Street/Utilities. Motion passed unanimously.

The final assessment hearings for Project No. 87 will be October 2017.

Administrator Solga presented to Council Project No. 86 Water Tower Pay request No. 2 for Classic Protective Coatings, Inc. in the amount of \$239,613.75. There are still a few punch list items left, so there will be another pay request. Motion by Foster, seconded by Ballard to approve Pay Request No. 2 for Classic Protective Coatings, Inc. for \$239,613.75. Motion passed unanimously.

Mayor Frazier read the following statement:

"The meeting will now be closed so that the City Council of the City of Pelican Rapids, Minnesota, and its attorney may discuss matters related to allegations and claims of SHORT ELLIOT HENDRICKSON INC with regard to the Wastewater Treatment Facility Project involving Contractor Gridor Construction and the grounds permitting said closed meetings are based on the attorney-client privilege contemplated in Minnesota Statutes Section 13D.05."

"When balancing the purposes of the attorney-client privilege with regard to the City Council openly discussing the strategies involved with regard to responding to the allegations of SHORT ELLIOT HENDRICKSON INC and/or the impact of the City's response to said allegations as they relate to the Wastewater Treatment Facility Project worked on by Gridor Construction, Inc., such open discussions of the said Council outweigh the purpose of the open meeting law, and, therefore, demonstrates the need for absolute confidentiality."

"The Council must actually communicate with its attorney at the closed meeting."

"The meeting should be closed and the Council believes that the disclosure of the strategy and analysis behind the response to said allegations of SHORT ELLIOT HENDRICKSON INC would be harmful to addressing other issues involved with the Wastewater Treatment Facility Project, including but not limited to any disputes with Gridor Construction Inc. relating to the City's claims for liquidated damages related to said project and the preservation of any claims, if any, arising prior to today's date, against SHORT ELLIOT HENDRICKSON INC, relating to section 13.06 of the Standard General Conditions of the Construction contract pertaining to Project 79."

"The next agenda item for this meeting is being closed for attorney-client privilege pursuant to Minnesota Statutes section 13D.05, subd. 3(b). I will now entertain a motion to close this portion of the meeting."

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 09-26-17

Motion by Ballard, seconded by Strand to approve closing the meeting. Motion passed unanimously.

“The time is 6:56 p.m. The City Council will now go into a closed session in Chambers. Only the City Council and authorized City representatives may be in attendance at any portion of the closed session.”

“Following a closed meeting, the City Council meeting is now open. The time is 7:48 p.m.”

Motion by Foster, seconded by Ballard to allow City Attorney Larson to take action on the following three items:

1. To obtain consent from SEH’s Attorney Eric Heiberg for City Administrator Solga to speak directly with Jessica Hedin of SEH with regard to costs that would be remaining relating to work to be completed by SEH to finish Project No. 79.
2. To connect with Attorney Eric Heiberg to seek clarification as to how future services rendered by SEH are to be paid for by the City.
3. To seek clarification as to whether those pre-paid services relate solely to Project No. 79.

Motion passed unanimously.

Motion by Strand, seconded by Foster to adjourn the City Council meeting at 7:51 p.m. Motion carried. Opposed: Holl



Danielle Heaton
Clerk-Treasurer