

November 7, 2008

CITY COUNCIL AGENDA

Monday, November 10, 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. Library Report
6. Police Chief Report
7. Utility Superintendent Report
8. Street/Park Superintendent Report
 - Alley Lighting Request
9. Fire Department
 - Personnel
 - Old Fire Hall Update
10. Financial Report
 - Water Controls Pay Request No. 1
 - WWTF Pay Request No. 1
11. Planning Commission Report – Outdoor Sales Lot
12. Improvement Project 72 and 73 Special Assessment Hearing – 6:00 p.m.
13. Building Inspection Service Contract
14. Pelican River Walking Trail
15. Certification of Unpaid Curb Stop Repair Bill
16. Safe Routes to School Grant – Project Memo & Engineering Services

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -11-10-08

The City Council of Pelican Rapids met in regular session at 5:30 p.m., on Monday, 11-10-08, 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, Utility Superintendent Brent Frazier, Street and Park Superintendent Brian Olson, City Attorney Greg Larson, City Engineers Gary Nansen and Jon Olson of Ulteig Engineering, Leon and Arlene Tweeton, Cary and Elaine Johnson, John Grabarkewitz, Janet Restad, Marietta Vohnoutka, Bonnie Onnen, Gary Deschene, Andrew Bradrick, Yelisey Pribyshchuk, Tetyana Pribyshchuk, Harold Engebretson, Marge Engebretson, Margaret Engebretson and Steven Engebretson were also present.

Mayor Runningen called meeting to order.

There were no additions or deletions to the agenda.

Motion by Gottenborg, seconded by Waller to approve the minutes of 10-13-08, 10-28-08 and 11-05-08 as presented. Motion passed unanimously.

Council considered the Accounts Payable Listing. Motion by Waller, seconded by Peterson to approve the 11-10-08 Accounts Payable Listing with the addition of Cortez Bradshaw Consultants for winterizing Old Fire Hall plumbing and heating systems in the amount of \$800. Listing includes Library and Liquor Store bills. Motion passed unanimously.

Clerk-Treasurer Glenys Ehlert reviewed two library employees recommended by Library Director Annie Wrigg and the Library Board. Motion by Waller, seconded by Gottenborg to approve library employees Sarah Davis for Children's Services at Step 1 on the Library Salary Schedule and Melissa Bakken as Library Page at \$7.00 per hour. Motion passed unanimously.

Police Chief Jeff Stadum presented the police department report.

Utility Superintendent Brent Frazier presented his report on the water department: Well 5A has been shut down due to increased benzene levels in the water. Traut Well has capped three monitoring wells by Well No. 15. Wells 10 and 11 appear to be safe to use. Materials have been ordered for the Water Control Improvement Project. At the Wastewater Facility, Gridor Construction is demolishing the trickling filter lift station and is installing de-watering wells.

Street and Park Superintendent Brian Olson reported on various items. The Old Fire Hall is shut down. The street project is completed except for the spring 2009 items. Superintendent Olson reported that a new skating rink area has been leveled off closer to the bike path with the warming house facing west.

Mayor Runningen introduced the request of several property owners to have the City provide alley lighting. Superintendent Olson reported that there are privately lighted alleys in other locations in the City and there are no City lighted alleyways. Motion by Peters, seconded by Waller to deny the request of Lloyd and Ardis Hovland and neighbors for public lighting in an alley. Motion passed unanimously.

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Motion by Peterson, seconded by Waller to approve hiring Brian Borgen and Brandon Narlock as firefighters as recommended by Fire Chief Trevor Steeves. Motion passed unanimously.

Administrator Don Solga reviewed the conversations he has had with people interested in the Old Fire Hall. He has not prepared a lease agreement yet. City Council requested that people interested in purchasing the Old Fire Hall provide written offers at the next City Council meeting.

City Clerk Glenys Ehlert provided Financial Reports for 10-31-08.

Administrator Don Solga reviewed the pay requests for water and wastewater projects. Motion by Gottenborg, seconded by Woessner to approve Pay Request No. 1 in the amount of \$28,728 to Northern Plains Contracting, Inc., for Water Plant Improvement Project No. 74, as recommended by Pat Reisnour of Interstate Engineering Inc.; to approve Pay Request No. 1 in the amount of \$319,410.24 to Gridor Construction, Inc., for Wastewater Treatment Facility Improvements for Phosphorus Management, Improvement Project No. 75, as recommended by Pat Reisnour of Interstate Engineering, Inc., and to approve Interstate Engineering, Inc.'s Pay Request No. 1 in the amount of \$247,000 for the Wastewater Treatment Facility Improvements for Phosphorus Management. Motion passed unanimously.

Motion by Peterson, seconded by Waller to approve certification of curb stop repair costs in the amount of \$552.48 payable to Egge Construction to Otter Tail County Auditor for collection with real estate taxes for Parcel No. 760002200009000. Motion passed unanimously.

Pursuant to due call and published notice thereof Mayor Runningen called the Special Assessment Hearing for Improvement Project Nos. 72 and 73 to order.

Engineer Gary Nansen presented information on the improvement project. He reviewed the hearing notice and worksheet on the costs of the special assessments as provided to each adjoining property owner. There are special assessment requirements subject to MN 429 process. There was a report prepared in January, 2008 and a preliminary hearing in February, 2008. Subsequent to that bids were received, a contract was awarded and construction began in July through September, 2008. Some final work will be completed in the summer of 2009.

Engineer Nansen reviewed the area improved and work in project. Costs were \$170,100 for 1st Ave. NE project and \$520,880 for other streets, Sections B and C of the project.

City has used 40% assessed to property owners for street reconstruction with City paying 60%. Storm sewer costs are assessed at 20% with the City paying 80%. Costs are generally calculated on a front footage and individual worksheet is intended to describe that. City's policy is to assess a corner lot 100% on front side and the side lot 33% of their footage.

City Engineer Gary Nansen presented a distribution of costs for Improvement Project No. 72. He said \$207,500 was assessed with a total project cost of \$518,700 for the street

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improvement. He presented a summary of assessments. A typical assessment for the project was a 100 ft. lot at a cost of \$3,158.

Clerk-Treasurer Glenys Ehlert reviewed the Notice of Hearing on Proposed Assessment for Improvement Project and noted that two property owners, Cary and Elaine Johnson, and Leon and Arlene Tweeton have provided signed, written objections to the assessments. Property owner Gary Deschene provided a signed, written objection to the street project based project process and length of time to accomplish. Cary Johnson contended that he only has 22 ft. of street improvement on 2nd St. NE. Leon Tweeton asked about the total cost for improving 2nd Ave. NE and whether the alley would be included in his assessment. He uses part of the alley to access his property. Gary Nansen said that the improvement did not go a full 100 ft. on Cary Johnson's property. There are three properties that are accessed by either 2nd Ave. NE or 2nd St. NE even though their lots do not abut the streets for a full 100 ft. A majority of the lots in the improvement area were 100 ft. and it is a judgment call that the owners of irregular lots are benefitting at the same rate as other property owners. That's how the assessment was determined. Cary Johnson asked, "Why not 200 ft.?" Engineer Nansen replied that the lots were not 200 ft. averaged.

Engineer Nansen said, "The facts are clear and the determination is that the benefit is greater than the lineal feet that abut the street." Leon Tweeton said, "I don't think I should pay more than my neighbor with more footage." This was in reference to side yard assessment for 50 ft. on 2nd St. NE. Administrator Don Solga said the side lot the Assembly of God church was calculated at 50 ft. The side yard assessment for 50 ft. was added to a front yard assessment for 100 ft. on 3rd Ave. NE as part of this project for 112 3rd Ave. NE.

Gary Deschene said he didn't receive information on first assessment hearing. He said, "A lot of my questions were answered tonight." Clerk-Treasurer Glenys Ehlert said City records indicate the preliminary hearing notice was mailed to Dechene. Also he said he has semi trucks going by all the time even though it is posted "NO TRUCKS" and he doesn't want heavier vehicles ruining the street he is paying to provide.

Janet Restad asked about interest rate on the assessments and on the bonds. She questioned if interest would start before project is done. Mayor Runningen said that the City has already incurred the majority of the project expenses and will be paying interest prior to the payment of the assessments. The project will be complete at approximately the same time the first special assessment is due. City Clerk-Treasurer Glenys Ehlert said the interest rate on the bonds is 4.6% and it is proposed to charge 6% interest on the assessments. She said the City typically charges 1.5 to 2% over the bond rate on assessments.

Andrew Bradrick spoke on behalf of Yelisey and Tetyana Pribyshchuk and inquired about how the front side of a property is determined. Engineer Nansen said, "We typically use the address side as the frontage." Mayor Runningen said the corner lot policy has been established by the City. Bradrick asked, "Why are the Townhomes not paying the same as the abutting property owners?"

"The reconstruction policy was determined to be the fairest way to handle it," Mayor Runningen said.

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Leon Tweeton said his address is not 2nd St. NE but is 2nd Ave. NE. Engineer Jon Olson said they would change the information on the assessment roll.

Bradrick asked, "Why are corner lots assessed on both sides?" Engineer Nansen said the corner lots are considered to be more desirable than interior lots. Mayor Runningen commented, "That is the policy the City has followed." Janet Restad asked about the amount taxes would go up for the general taxes. Mayor Runningen discussed that the bonds and interest are part of the amount budgeted for the Special Levy. The General Fund taxes are not expected to increase for 2009.

Motion by Peterson, seconded by Woessner to close the hearing. Motion passed unanimously.

Mayor Runningen said the next thing the Council needs to discuss is whether to act on the comments and set the interest rate.

Council will address 1st St. NE, Improvement Project No. 73. Council Member Gottenborg stepped down from the Council with the comment that he owned property affected by Improvement Project No. 73. Council Member Peterson said he would not be voting on Improvement Project No. 72 because he owns property in the project.

City Clerk-Treasurer Glenys Ehlert confirmed that the bond rate of interest is 4.6% and the proposed assessment rate of interest is 6%.

Motion by Peterson, seconded by Waller to accept and adopt the Improvement Project No. 73 Assessment Roll as presented and introduce the following resolution, entitled **RESOLUTION ADOPTING ASSESSMENT FOR IMPROVEMENT PROJECT NO. 73**. Resolution set the interest rate at 6% and term of assessments at 15 years. Mayor Runningen, Council Members Woessner, Peterson and Waller voted yes. No one voted no. Council Member Gottenborg abstained. Motion carried and resolution declared duly adopted. (A complete text of the resolution and assessment roll is part of permanent public record in the city clerk's office.)

Council Member Peterson remarked regarding Improvement Project No. 72 that the City is dealing with a unique situation. He continued, "For the sake of discussion we could divide the improvements on 2nd Ave. NE between five property owners and on 2nd St. NE we could divide the improvements by four property owners."

Engineer Gary Nansen said that the assessments were not divided by project or neighborhood, but were assessed as a whole.

Motion by Gottenborg, seconded by Woessner to accept and adopt the Improvement Project No. 72 Assessment Roll as presented and introduce the following resolution, entitled **RESOLUTION ADOPTING ASSESSMENT FOR IMPROVEMENT PROJECT NO. 72**. Resolution set the interest rate at 6% and term of assessments at 15 years. Mayor Runningen, Council Members Woessner, Gottenborg and Waller voted yes. No one voted no. Council Member Peterson abstained. Motion carried and resolution declared duly adopted. (A complete text of the resolution and assessment roll is part of permanent public record in the city clerk's office.)

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City Attorney Greg Larson said that those people who filed an objection with the clerk prior to this meeting or at the beginning of the meeting may file an appeal by serving notice to the City Clerk or Mayor.

Administrator Don Solga reviewed the Planning Commission's actions on Outdoor Sales Lots proposed ordinance. He spoke on various aspects of the sales lot including that all vehicles and sales items will be considered discarded and disused if they remain unsold on the sale lot for one year. Administrator Don Solga discussed that the total display area on sales lot will be disclosed. The dealer needs 300 sq. ft. per item less than 25 ft. in length or less than 12,000 GVW and 500 sq. ft. per item if item is greater than 25 ft. in length and/or greater than 12,000 GVW.

Council Member Gottenborg commented that they were good changes. Administrator Solga recommended approval. Motion by Waller, seconded by Peterson to introduce the following resolution, entitled **ORDINANCE NO. 08-05, AN ORDINANCE AMENDING BUILDING AND LAND USE REGULATION ORDINANCE, PART 5 ZONING ORDINANCE TO AMEND CITY CODE SECTION 905.07 PROVISIONS SEVERABLE TO 905.08 AND ADD CITY CODE SECTION RELATING TO OUTDOOR SALES LOTS REGULATION AS 905.07**. Motion passed unanimously and ordinance and will be in full force and effect after publication. (A complete text of this ordinance is part of permanent public record in the city clerk's office).

Motion by Gottenborg, seconded by Waller to approve the contract for Building Inspection Services with David Neisen for the term of two years. Motion passed unanimously.

Administrator Don Solga said he has been reviewing the process for the consulting services for Pelican River Walking Trail. Administrator Solga and Consulting Engineer Gene Miller have added some mapping time. The total dollar amount is the same, but the change needs approval. Motion by Peterson, seconded by Waller to approve the adjustment to the proposal for consulting services for the Pelican River Walking Trail. Motion passed unanimously.

Administrator Don Solga provided an update on the Safe Routes to School Grant. The State said the City could have Ulteig Engineers, Inc. provide the study for the Safe Routes to School Grant since it is only \$20,000 rather than go through the bidding process. Motion by Waller, seconded by Woessner to authorize Ulteig Engineers, Inc. to draw necessary plans for the Safe Routes to School Grant at a cost not to exceed \$20,000. Motion passed unanimously.

Meeting adjourned at 7:45 p.m.

Glenys Ehlert, CMC
Clerk-Treasurer