

February 7, 2013

CITY COUNCIL AGENDA

**Tuesday, February 12, 2013**

**4:30 p.m.**

**Council Chambers, 315 N. Broadway**

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1. Call to Order
2. Agenda Additions or Deletions
3. Approval of Minutes – 1/29/13
4. Approval of Accounts Payable Listing
5. Police Chief Report
6. Utility Superintendent Report
7. Street/Park Superintendent Report
8. Financial Report
  - Folder/Inserter Equipment - Utility Billing and Newsletter
9. Library Report
10. Peoples' Services Presentation
11. Certify Unpaid Utility Bills to Property Taxes
12. Chamber of Commerce Raffle Permit – 2/23/13 – VFW

## CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 2-12-13

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 02-12-13, in Council Chambers, City Hall. Mayor Ben Woessner, Council Members James Strand, Kevin Ballard, John E. Waller, III, and Steve Foster 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, Paul Christensen, Chris Gutschow and Greg Stang of PeopleService, Inc., Paul Haberman and Todd Kampstra of West Central Turkeys (WCT), Jordan Plotz, Carmen Plotz and Lou Hoglund of the Pelican Rapids Press were also present.

Mayor Woessner called meeting to order at 4:30 p.m. All present stood, addressed the flag and said the Pledge of Allegiance.

Motion by Strand, seconded by Waller to approve the agenda with no additions. Motion carried.

Motion by Foster, seconded by Ballard to approve the minutes of 01-29-13 as presented. Motion carried.

Motion by Waller, seconded by Strand to approve the Accounts Payable Listing of 02-12-13 as presented for City bills in the amount of \$77,932.15, with the addition of Lake Country Service Coop, Building and Rental Fees in the amount of \$262.80, Liquor Store bills in the amount of \$37,258.08 and Library bills in the amount of \$3,270.64. Motion carried.

Police Chief Jeff Stadum presented the Police Department report. There were 4,839 miles driven while patrolling and responding to 125 calls for service. The department assisted the Sheriff's Department twice, issued 11 tickets and made 2 arrests. Fines collected were \$670.72.

The Utility Superintendent's Report was presented by Brent Frazier. He said the State of Minnesota has had a monitoring well drilled on the east side of north Hwy. 59 to continue tracking a plume of benzene. Municipal Services has repaired the well meter at Well No. 15.

The Street/Park Superintendent Report was presented by Brian Olson. He said the City continues to jet sewers as on-going maintenance. However, in the past week, there have been three sewer back-ups. City crews plowed streets beginning on Sunday. Motor on the snow blower attachment for the bobcat burned out and will need to be replaced. The attachment was purchased in 2004. The new motor will be \$1100. Olson was unsure about the cost of a new blower. After discussion, City Council requested he obtain a quote on a new blower.

Clerk-Treasurer Glenys Ehlert presented the 01-31-13 financial reports. She said that the folding machine presently used to fold and insert utility bills and newsletters in envelopes has been malfunctioning for some time and is no longer working. After receiving quotes from two companies, Ehlert recommended purchase of a refurbished folder/insertor from Deatons Neopost Great Plains. The purchase price is \$4,750 and funds would come from the capital equipment investment. Motion by Strand, seconded by Foster to accept the recommendation and authorize purchase of the refurbished folder/insertor equipment described above. Motion carried.

Library Director Annie Wrigg was not present.

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PeopleService, Inc. presented information to Council. Director of Business Development Chris Gutschow introduced himself, Region Managers Greg Stang and Paul Christensen. The company offers contract operations for water and sewer facilities. They have a regional office in Arlington, Minnesota. Provide computer maintained analysis that tracks work orders. The City would be hiring the whole company to assist in problems or bringing additional employees to help when needed such as in cases of flood.

They provide routine maintenance for items like grease, oil, nuts and bolts. Every month the City will get an accounting for the maintenance fund. They also maintain a chemical budget as part of the contract. The Scope of Work is what the contract is based on. If current staff is taking care of water plant, wastewater plant, 3 lift station pumps, etc., that might be the logical scope of work. Regarding the wastewater project, the regional manager would be involved in the process and bring all the operations experience PeopleService have to the process. “We would work closely with the industry to offer suggestions,” concluded Chris Gutschow.

Paul Christensen has been with PeopleService for twenty years. He is an operator and the company is made up of operators to provide the best service to the customers. He said, “We can’t design a plant, but we have experience. We work very hard to maintain relationships with the regulatory agencies. We try to hire experienced operators, but we also work to move people into the certification they need for the plant. Existing staff are number one pool for positions. Employees would be our responsibility: payroll, benefits, trucks, education and training. If we bring someone in from PeopleService, there is no additional cost to City. The operators on site make decisions on smaller maintenance items or they call the manager for direction. If it’s over \$1,000, then City Administrator will be brought into discussion. Typically routine preventive maintenance is provided by employees. Employees are trained to remove a motor for instance and take to electrical rewind shop so City will have shop warranty. We encourage our people to do everything they possibly can in house,” Christensen concluded.

Todd Kampstra of WCT asked, “How do you save the City money?” Christensen replied, “Ultimately, with the amount of chemicals, we could save the City some money, as well as looking where we’re at with staffing. Protecting long term investment and that City has additional resources available.” Administrator Don Solga said, “The City will have an opportunity to look at entire process with PeopleService. Efficiencies are where we want to make a difference.”

Administrator Don Solga questioned City responsibilities under a contract with PeopleService. The City would be responsible for facility licensing, appropriation fees, facility insurance (liability insurance may be reduced because PeopleService contract), capital equipment, and utility costs.

PeopleService would be responsible for lab fees, some safety equipment, vehicles may be purchased by PeopleService, internet service, email and cell phones for employees,. Snow plowing and ground maintenance may be in cooperation with the City, but it’s tailored to each city. If City provides equipment for employees to operate at facility, then PeopleService will continue to operate.

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“Typically we look at a five year contract, renewal for five years, but will roll over for one year,” Christensen continued. The company’s retention rate is 90 to 95%.

Administrator Don Solga said there are two questions before Council. One is what do we want them to do for us? Water, wastewater, lift stations and lagoons make a good package because that’s where the licenses are needed. The street department looks at manholes daily and it works for them to be responsible for distribution and collection.

Second question for City Council is who would be willing to serve on committee to get necessary information to report to the whole Council. Motion by Waller, seconded by Strand to set up a Council committee comprised of Mayor Woessner and Council Member Foster to work with Administrator Solga to gather information relative to considering a proposal from PeopleService, Inc., for water and wastewater facility management. Motion carried.

Street and Park Superintendent Brian Olson reported to Council that new snow blower was more expensive than he anticipated. He would prefer to plan for this equipment in a future budget and to replace the motor on the current snow blower at this time. Motion by Strand, seconded by Ballard to purchase the \$1100 motor for the snow blower attachment. Motion carried.

Clerk-Treasurer Glenys Ehlert recommended that the following bills be certified for collection with property taxes. Motion by Strand, seconded by Ballard to certify \$185.79 for unpaid utility bill to County Auditor Wayne Stein for collection with property taxes for parcel number R76000990538000 and to certify \$204.46 for unpaid utility bill for parcel number R76000990867000. Motion carried.

Motion by Foster, seconded by Waller to approve a Chamber of Commerce Raffle permit for 2-23-13 at the VFW, 29 1<sup>st</sup> Ave. NW. Motion carried.

Motion by Strand, seconded by Waller to adjourn the City Council meeting at 5:47 p.m. Motion carried.

Glenys Ehlert, CMC  
Clerk-Treasurer