

**CITY COUNCIL AGENDA**

September 26, 2008

**Tuesday, September 30, 2008**

**4:30 p.m.**

**City Hall, Council Chambers**

---

1. Call to Order
2. Additions / Deletions to Agenda
3. Approval of Accounts Payable Listing
4. Liquor Store Report
  - Financial Report
  - Facility Committee Report
5. Temporary Beer License for Jaycees – 10/10/08
6. WWTF Phosphorous Improvement Project Re-Bid Report
7. Water Plant Control Project
  - Public Facility Authority Agreement
  - Resolution for Financing as Taxable Bonds
8. SCDP Project Refinance – State Bank
9. Airport Hangar Land Lease
10. 2007 Audit – Auditor Dan Rollie
11. Pelican Rapids Jaycees Raffle Permit – 11/26/08 – VFW 5252
12. Certify Mowing Bill

**CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -09-30-08**

The City Council of Pelican Rapids met in regular session at 4:30 p.m., on Tuesday, 09-30-08, in Council Chambers, City Hall. Mayor Wayne Runningen, Council Members Ben Woessner, David Gottenborg, Richard Peterson and John E. Waller, III were present. No one was absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert, Library Director Annie Wrigg, Liquor Store Manager Bob Leslie, Alex Schwarzhoff, Steve Foster and Kelley Gorman of the Pelican Rapids Press were also present.

Mayor Runningen called meeting to order.

## **CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -09-30-08**

Item No. 8 was deleted and there were no additions to the Agenda.

Council considered the Accounts Payable Listing of 09-30-08. Motion by Woessner, seconded by Waller to approve the Accounts Payable Listing of 09-30-08 with the addition of IIMC, Clerk's Re-certification, \$50. Motion passed unanimously.

Liquor Store Manager Bob Leslie was present and Council considered the financial report.

Administrator Don Solga reviewed information received from State Bank, owners of building leased by City for City Hall. State Bank has decided not to go forward with recent plans to remodel the upstairs for their bank and met with Administrator Solga about possibilities for the building use. Administrator Don Solga said the Facilities Committee reviewed the options for combined City Hall and Liquor Store at 315 N. Broadway and 12 5<sup>th</sup> Ave NE. The Committee reviewed possibilities for location of a new liquor store. Based on the Comprehensive Plan, the advantages of Hwy. 59 and Hwy 108 W location to support downtown parking and enhance downtown, the Committee recommends going forward with construction of new Liquor Store at 120 N. Broadway. The Committee is working on blueprints with Crane Johnson Lumber to provide an opportunity for local contractors to bid on the project. The Committee will continue working with the financing entities to construct the liquor store and lease it to the City.

Motion by Peterson, seconded by Waller to approve the Jaycees request for Temporary Malt Liquor License for an on-sale 3.2% Malt Liquor operation at Veterans Memorial River Park, 25 1<sup>st</sup> St. NW on 10-10-08 as part of Oktoberfest, subject to the receipt of liquor liability certificate of insurance and subject to following rules and regulations attached to the license. Motion passed unanimously. John Gorton of the Jaycees was present to answer questions.

Motion by Woessner, seconded by Gottenborg to approve the Pelican Rapids Jaycees Application for Exempt Permit to conduct a raffle on 11-26-08 at the VFW Post 5252, 29 1<sup>st</sup> Ave. NW. Motion passed unanimously.

Administrator Don Solga introduced Alex Schwarzhoff of Interstate Engineering, Inc., and discussed the direct purchase of six VBT Model 601 plus six 48"x48" Platform Floats at a cost of \$76,095. The bid as Package C is 146,032.12. The Public Finance Authority requests bid tabulation as part of the letter of intent and will reserve the amount listed on the bid tabulation for the aeration. If less money is spent on the project, then the payments will be recalculated.

Administrator Don Solga said that Council Member Woessner and Solga went to the Wastewater Facility to examine the existing clarifiers. They have exceeded their life expectancy and are extremely corroded. Administrator Don Solga and Council Member Woessner recommended approving the bid for the base bid to include replacing the clarifier mechanism.

Motion by Woessner, seconded by Waller to accept the recommendation of Engineer Alex Schwarzhoff of Interstate Engineering to accept and award the base bid in the amount of \$3,712,700 with Alternate A1 Masonry Building in the amount of \$320,000 and Alternate A4 Clarifiers in the amount of \$243,000 to Gridor Construction Inc., for a total bid award to Gridor Construction Inc., in the amount of \$4,275,700 by introducing the following resolution, entitled,

**CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -09-30-08**

**RESOLUTION ACCEPTING BID & AWARDING THE CONTRACT FOR WWTF  
IMPROVEMENTS  
PACKAGE A P-MANAGEMENT IMPROVEMENTS  
ALT. A1 MASONRY WALL CONSTRUCTION  
ALT. A4 PRIMARY CLARIFIER MECHANISM  
PELICAN RAPIDS, MINNESOTA**

Motion continues to accept the recommendation of Engineer Alex Schwarzhoff of Interstate Engineering to accept and award the bid for Alternate B1 to Engineering America in the amount of \$581,000 by introducing the following resolution, entitled,

**RESOLUTION ACCEPTING BID & AWARDING THE CONTRACT FOR  
WWTF IMPROVEMENTS  
PACKAGE B BIO-SOLIDS STORAGE  
ALTERNATE B1 GLASS FUSED TO STEEL, BOLTED TANK  
PELICAN RAPIDS, MINNESOTA.**

(A complete text of these resolutions is part of permanent public record in the City Clerk's Office.) Motion passed unanimously and resolutions were declared duly adopted.

Council continued discussion of the vacuum bubble technology aeration system. Mayor Runningen suggested receiving a signed copy of the proposal of Advanced Aeration, Inc. Don Cole of West Central Turkeys, LLC, said he favored purchasing the vacuum bubble aeration system. Motion by Peterson, seconded by Gottenborg to accept the recommendation of Engineer Alex Schwarzhoff of Interstate to accept and approve the proposal from Advanced Aeration, Inc., and their dealer, Custom Marketing Co., (CMC), for vacuum bubble technology aeration system subject to Administrator Don Solga's receipt of the proposal in writing. Motion passed unanimously.

Administrator Don Solga reviewed the Public Finance Authority (PFA) decision to change the tax status of the bond purchases in the Agreement regarding the Water Plant Control Project. Clerk-Treasurer Glenys Ehlert reviewed the necessary resolution also regarding the change from tax exempt to taxable bonds. Council decided to postpone action on the agreement and the resolution until the 10-13-08 meeting.

Administrator Don Solga reviewed the Hangar Premises Lease Agreement and information regarding payment of contractors for the hangars. City Attorney Greg Larson requested that Council postpone action on the agreement until 10-13-08 meeting. Mayor Runningen questioned why should City repair the hangar and then try to collect the costs from the lessee. Council discussed the City having the first right of refusal on buying the hangar. Council also discussed requesting lien waivers.

Motion by Waller, seconded by Peterson to certify the unpaid mowing bill for Parcel No. 760009900009000 in the amount of \$170, to Otter Tail County Auditor's Office for collection with real estate taxes. Motion passed unanimously.

## **CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -09-30-08**

Auditor Dan Rollie presented the City of Pelican Rapids Financial Statements for the Year Ended December 31, 2007. He reviewed requirements of GASBE 34 for government-wide reporting on a full accrual basis. They wanted to take the government functions and programs and arrive the items paid by property taxes. The audit reflects the government-wide on full accrual basis and governmental fund levels on a modified accrual without recognizing capital expenses. State Auditor likes to see a fund balance that is equal to four to six months of operating expenses. The City is okay with a third of their actual expenses as a fund balance at the end of the 2007 year.

Overall position for the City showed an increase in assets of \$400,000 for 2007. Council thanked Auditor Dan Rollie for his work.

Meeting adjourned at 6:45 p.m.

Glenys Ehlert, CMC  
Clerk-Treasurer