CITY OF PELICAN RAPIDS COUNCIL MINUTES – 04-25-01

The City Council of the City of Pelican Rapids met in regular session on Wednesday, 04-25-01, at 4:00 p.m. Mayor Wayne Runningen, Council Members Denise Magnusson, Dave Gottenborg and John Waller III were present. Council Member Paulette Nettestad was absent. Administrative Assistant Richard A. Jenson, Deputy Clerk-Treasurer Glenys Ehlert, Street and Park Superintendent Vern Benson, John Roberts, Ray Martin, Anita Pearson, Steve Strand and Gary Peterson of the Pelican Rapids Press were also present.

Mayor Runningen called the meeting to order.

The following items were added to the Agenda: 11. Flea Market. 12. Stetz Letter

Mayor Runningen reviewed the resolutions supporting the library revised by City Attorney Scott Dirks. The Library Board and the Construction Committee have approved the revised resolutions.

Motion by Magnusson, seconded by Gottenborg to approve Resolutions I and II in support of the Library. 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.

Administrative Assistant Richard A. Jenson discussed proposed building layout for the library.

Motion by Gottenborg, seconded by Magnusson to approve the library project layout as reviewed at the 04-09-01 meeting and that neighboring property owners' drainage concern be addressed by the architect. Motion passed unanimously.

Library Director Pam Westby discussed a computer grant.

Motion by Magnusson, seconded by Waller to support the Library Board's Melinda and Bill Gates Grant application. Motion passed unanimously.

Jenson reviewed the need for interim financing with Juran & Moody. If interest rates stay about the same, a three-year plan providing interim financing would be at approximately 4%.

Mayor Runningen reviewed the Good Samaritan Society's interest in tearing down the old bait shop. They have requested permission to leave old foundation in place and stabilize the site prior to preparing a parking lot. If any building is constructed at a later date, they will remove the footings and no part will be reused. City Attorney Scott Dirks reviewed the letter.

Motion by Waller, seconded by Magnusson to permit Good Samaritan Society's request. Letter of confirmation of this agreement is part of permanent public record and follows these minutes. Motion passed unanimously.

Mayor Runningen reviewed the request by Ray J's Café for a charitable gambling permit to sell pull-tabs for the Multiple Sclerosis Society. Council discussed various matters with Area Manager John Roberts. Motion by Waller, seconded by Magnusson to approve a charitable gambling permit for Ray J's Cafe. Mayor Runningen, Council Members Magnusson, Waller voted yes. Council Member Gottenborg voted no. Motion carried.

Brent Frazier of the Chamber of Commerce requested permission to block off West Mill Ave. and alley west of State Farm Insurance from 5:30 a.m. to 4:00 p.m. for the annual Flea Market on 7-14-01. Motion by Magnusson, seconded by Waller to approve this request. Motion passed unanimously.

Mayor Runningen discussed the Bottle Club section of city code. City Attorney Scott Dirks discussed history of this section of the ordinance. Historically the Bottle Club license was a way to permit hard liquor in the City. The City has not reviewed or updated this section of the ordinance for many years. The Council may choose to keep the Bottle Club license as is, expand it, restrict it or eliminate it since the City now has licenses available for On Sale Intoxicating Liquor.

Council Member Gottenborg questioned if the restaurant is changing into a bar. Ray Martin from Ray J's said the business is unquestionably a restaurant first.

Motion by Waller, seconded by Magnusson to have City Attorney Scott Dirks and Administrative Assistant Richard A. Jenson investigate state statute and local practice regarding Bottle Club Permits. Motion passed unanimously.

Mayor Runningen excused himself from the chair and Acting Mayor Gottenborg assumed the chair. Gottenborg introduced discussion on two proposals for meeting the need to upgrade city facilities for accessibility. The two options are either purchase of the Lake Region Electric Cooperative (LREC) former headquarters or additional construction and remodeling at existing City Hall plus the purchase of the Old Glendale building for a city shop. City Attorney Scott Dirks reviewed various items including increased cost of utilities at the Lake Region Electric Cooperative (LREC) former headquarters and lost tax revenue. Capital outlay for both proposals is comparable. Financing options for the LREC building include contract for deed, a lease option or a bond issue. A bond issue would also be required for remodeling City Hall and purchasing the Old Glendale Building. The bond election may be a special election or a regularly scheduled election. Would need 90 days to set up the election. With that framework it becomes a financial issue for the Council. The decision for the Council is whether to stay where they are or decide to relocate and assume the additional money needed for operation and maintenance ($40,000 to $50,000). After deciding location the City would proceed with the bond election. Dirks said the lease purchase option would just be postponing the bond process. Acting Mayor Gottenborg said the capital schedule of the City shows that in 2006, the City will have more money available. The bond issue can be structured to repay interest only for the first five years. A Contract for Deed could be similarly structured. Council would still need a bond election. Would need to generate $90,000 annually for LREC building for utilities or $50,000 annually to remodel current city hall. Staying downtown the liquor store remains unchanged. The LREC building would offer an expanded, more accessible liquor store. Council Member Waller agrees the LREC site is more favorable, but would like voter approval for project. Council Member Magnusson agreed LREC would be good in the long run, but is it still good if City is unable to provide other services? Does the Council feel it is worth pursuing if both projects are even? Magnusson said the overhead bothers her enough that she would rather not move forward with it. Dirks – we're getting a bargain on the square footage, but the overhead is an issue. We do need to address our deficiencies – Gottenborg.

Item will be considered at next meeting when all members are present.

Mayor Runningen resumed the chair.

Anita Pearson addressed City Council regarding forgiving a part of her sewer charges. The water line broke just past the meter in August of 2000. She was unaware of the problem until City Hall notified her of increased water usage.

Motion by Gottenborg, seconded by Waller to reduce Pearson's sewer bill by $43.00. Mayor Runningen said the City might need to restate policy that City will not forgive bills due to lack of maintenance. Motion passed unanimously.

Superintendent of Streets and Parks Vern Benson has a bid for $6899 to replace parks mower. With trade in the bottom line is $4000 for a new mower and two-stage snow blower. Prior to purchasing a new snow blower for the mower, the city crew requests that the City Council considers purchase of a Bobcat instead of replacing the plow pickup this year as scheduled. Benson recommends purchasing a Bobcat at a cost of $25,712 with a blower, blade, broom and bucket and delaying purchase of a new pickup as scheduled for one year.

Council Members requested a copy of the vehicle replacement schedule. They will consider the Bobcat recommendation after reviewing the schedule.

Motion by Gottenborg, seconded by Waller to approve purchase of a new John Deere mower at a cost of $2,000 without a snow blower. Motion passed unanimously.

Jenson said the inflow and infiltration at the wastewater treatment facility is a serious problem. Some money has been budgeted. He recommends authorization to obtain a price on additional rip rapping at the pond and authorization to proceed with investigating the inflow and infiltration problem. Motion by Gottenborg, seconded by Magnusson to approve Jenson's request. Motion passed unanimously.

Benson said the City has five people to interview for equipment operator position. Interview committee is Runningen, Jenson and Benson. He requested authorization to offer the successful candidate the position since Council will not meet again until after the proposed employee start date.

Motion by Magnusson, seconded by Gottenborg to authorize offering the successful candidate the position with hourly wage to be determined at next council meeting. Motion passed unanimously.

Benson requested authorization to advertise a position for seasonal help in the park department. Motion by Waller, seconded by Magnusson to approve temporary, full time park position, not to exceed 67 days. Motion passed unanimously.

Council considered a proposal by the Blandin Alumni to conduct a Town Meeting on Saturday, 09-29-01 to redevelop a community vision. The Blandin Alumni are requesting that the City of Pelican Rapids serve as the responsible financial party as they seek grants to fund the project. Motion by Waller, seconded by Magnusson to authorize the City of Pelican Rapids to serve as the responsible financial party for Town Meeting fundraising by the Blandin Alumni. Motion passed unanimously.

Council considered a public nuisance concern in the southeast part of City. Motion by Waller, seconded by Magnusson to have Jenson send administrative penalty notice as needed. Motion passed unanimously.

Mayor Runningen thanked Council Member Denise Magnusson and Street and Park Superintendent Vern Benson for their work on the tornado drill. He also thanked the public for their involvement in the drill. It was a very successful exercise.

Meeting adjourned at 6:25 p.m.

Glenys Ehlert, CMC
Deputy Clerk-Treasurer