CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES – 08-28-07

The City Council of Pelican Rapids met in regular session at 4:30 p.m., Tuesday, 08-28-07, in Council Chambers, City Hall. Mayor Wayne Runningen, Council Members David Gottenborg, Richard Peterson and John E. Waller, III, were present. Council Member Ben Woessner was absent. Administrator Don Solga, Clerk-Treasurer Glenys Ehlert, Library Director Annie Wrigg, City Auditor Dan Rollie, Gene Miller, Darlene Hendra, Sharon Mondt, and Kelley Gorman of the Pelican Rapids Press were also present.

Meeting called to order by Mayor Runningen.

The following items were added to the agenda: 7. VFW Temporary Malt Liquor License; 8. Tax Forfeited Properties; 9. Airport Hangar and Airport Land Proposal and 10. City GIS Mapping.

Council reviewed the AP Listing. Motion by Gottenborg, seconded by Waller, to approve the Accounts Payable Listing of 08-28-07 as presented. Motion passed unanimously.

Administrator Don Solga reviewed the Planning Commission meeting of 08-27-07.

Motion by Waller, seconded by Peterson to accept the Planning Commission's recommendation and approve the Special Use Permit for Dean's Bulk Service to allow installation of an additional used 30,000 gallon propane bullet to the current storage facility located at 1108 N. Broadway, Pelican Rapids with the additional requirement that the installation be approved by the State Fire Marshall's Office. Motion passed unanimously.

Motion by Gottenborg, seconded by Waller to accept the Planning Commission's recommendation and approve the Special Use Permit for Robert Erickson to allow the one time expansion by no more than 25% of the existing floor space of a non-conforming residential use in a commercial zone adjoining a residential zone at 725 1st St. SW, PIN 76000990329000, Pelican Rapids, MN. The purpose of this Special Use Permit is to allow replacement of rotted walls and floor and attach existing garage to house while aligning this portion of house with balance of house. Motion passed unanimously.

Council discussed briefly the County Agreement and will consider at a future meeting.

Motion by Peterson, seconded by Waller to approve a Temporary Malt Liquor License to the VFW to conduct a Beer Garden in their parking lot on 09-08-07 from noon to 7:00 p.m., according to the guidelines attached to the license. Motion passed unanimously.

Administrator Don Solga reviewed the two tax forfeited properties he recommended the City acquire: 76000990791000 and 76000990398000. Motion by Gottenborg, seconded by Waller to request that the City of Pelican Rapids obtain conveyance of PIN 76000990398000 and 76000990791000 for the public purposes of roadway right of way and drainage. Motion passed unanimously.

Administrator Don Solga said Otter Tail County Geographic Information System (GIS) is ready to begin mapping cities in Otter Tail County and the City of Pelican Rapids has requested to be considered for this service. The cost is not to exceed $7.00 per parcel. Maintenance fees are expected to be minimal. Available funds include economic development funds and planning and zoning monies. Motion by Waller, seconded by Gottenborg to enter into an agreement with Otter Tail County GIS to map the City of Pelican Rapids at a cost not to exceed $7.00 per parcel. Motion passed unanimously.

Gene Miller of Miller Engineering, Inc. spoke to Council about airport development. Miller is also Chairman of the Pelican Rapids Economic Development Corporation and has checked into developing the airport on behalf of the City in the past. The City did not go forward with the plan to sell individual properties for people to build houses with attached hangars. The present proposal from a private developer involves laying out the airport land in four quadrants. The offer to the City is a beginning offer indicating interest in developing the property. The development is for 2.5 acre lots with a taxiway to an active runway. The developer will accept the responsibility of gaining approval from the aviation board, Scambler Township and Otter Tail County. They wish to keep it a municipal airport for two reasons: they will be insured while landing on a municipal airport runway and secondly there is the hope that some matching funds will be available to pave the runway. The City owns approximately 240 acres. Gene Miller said, "This provides land off the lake, but in a country setting. It is a niche market and puts 29 homes within five miles of downtown Pelican Rapids."

Mayor Runningen and Administrator Don Solga discussed the need to construct an eight place hangar. Council Member Peterson said the State has a program to provide funding for hangar construction. The City is presently on the list for funding as the funds become available. Site work is a 50% grant; the building is an 80% loan for a zero percent interest over 10 years. Site work would probably be about $100,000 to $150,000 and the building would be $300,000. Administrator Don Solga said there are options to have a private developer build the eight place hangar or allow individuals to lease land to build private hangars. The question to the City Council is does the City want to develop the airport or does the City want to have someone else develop the airport. Mayor Runningen said the question also is does the City want to sell the land and if so, what are the conditions.

Motion by Waller to have Council Members Peterson and Administrator Don Solga to negotiate an agreement for airport development that the City may be willing to consider. Motion died for lack of second. City Council will reconsider the matter on 09-10-07.

Auditor Dan Rollie presented the 2006 Audit Report. Governments have had a big change in reporting in recent years. Governmental funds are reported on a modified accrual basis of accounting. The accounting system recognizes revenues and expenses on a current year basis. State Auditors Office has issued a statement of position and they indicate that a fund balance should have five months of operating expenses. All governmental fund balances increased in 2006.

Enterprise funds all show operating income and increased assets. Enterprise funds are reported using full accrual similar to private businesses. Auditor Dan Rollie offered recommendations regarding the liquor store.

Motion by Waller, seconded by Peterson to adjourn the City Council meeting at 6:30 p.m. until after the Economic Development Authority meeting.

Meeting reconvened by Mayor Runningen at 6:40 p.m.

Motion by Waller, seconded by Gottenborg to authorize the Economic Development Authority's actions to approve the Accounts Payable Listing of 08-28-07, to approve the minutes of 06-27-07 and 07-31-07 as presented and to approve Payment Request No. 4 for Fire Hall Construction project to R.A. Bristlin & Son, Inc., in the amount of $54,061. Motion passed unanimously.

Meeting adjourned at 6:45 p.m.

Glenys Ehlert, CMC
Clerk-Treasurer