

CITY OF PELICAN RAPIDS COUNCIL MEETING MINUTES -2-24-04

The City Council of the City of Pelican Rapids met in regular session on Tuesday, 02-24-04, at 4:00 p.m., Council Chambers, City Hall, 315 N. Broadway. Mayor Wayne Runningen, Council Members Ben Woessner, David Gottenborg, Denise Magnusson and John E. Waller were present. No one was absent. Administrative Assistant Richard A. Jenson, Deputy Clerk-Treasurer Glenys Ehlert, Street and Park Superintendent Tom Soberg, Robert Fahnhorst of the Minnesota State Retirement System, Gordon Gugel, Economic Developer Skip Carpenter and Rick Gail of the Pelican Rapids Press were also present.

Meeting called to order by Mayor Runningen.

The following items were added to the agenda: Appoint a Job Zone committee and set a public hearing date for park grant application.

Certify Bill to County was deleted from the agenda. The utility bill has been paid.

Council reviewed the 02-24-04 Accounts Payable Listing. Payment to Grefsrud Construction, Old City Hall Interior Project Pay Period No.2 in the amount of \$19,193.55, was added to the listing. Motion by Waller, seconded by Magnusson to approve payment of Accounts Payable Listing with addition. Motion passed unanimously.

Fire truck apparatus in the amount of \$83,000 will be reimbursed by townships.

Street and Park Superintendent Tom Soberg reported that the furnace heat exchanger at the shop is cracked and is a safety concern. He requested quotes from a number of companies and recommends accepting Peterson Sheet metal's quote. Motion by Gottenborg, seconded by Waller to accept the quote from Peterson's Sheet metal in the amount of \$2400 to purchase a new furnace for the city shop. Motion passed unanimously.

Robert Fahnhorst of the Minnesota State Retirement System provided information about a Health Care Savings Plan. Money goes into the plan tax free and leaves plan tax free and is available for employee, employee's spouse and eligible dependents health care costs. Plan can be structured in different ways. For example: all employees who have 10 years or less years of service may be compensated by lump sum payment while employee who have 11 years or more of service may be compensated by paying severance money into the health care savings plan. Employers often contribute some money to the plan because the social security savings are substantial to the employer as well. He explained fee structure to employees with investment balances. Most accounts are used up in two or three years after retirement. Most people are saving 40 to 50% of their costs with this plan. Personnel Committee will draft

proposed changes in personnel policy. Employee survey was discussed.

Skip Carpenter reviewed Park Board's proposal to apply for a grant for development in Thompson Park. Motion by Gottenborg, seconded by Waller to set a public hearing for 03-08-04, 5:30 p.m., for the park grant application with the Department of Natural Resources. Motion passed unanimously.

Carpenter reviewed the Job Opportunity Building Zones. Council needs to define retail, non-commercial businesses eligible for the zone. Job Zone Committee of Carpenter, Jenson, Runnigen and Gottenborg will report to full council on 03-08-04.

Carpenter reported that the first house being built for the City will be advertised for sale beginning next week. The City's Economic Development Authority received funding from the Minnesota Housing Finance Agency to construct two single family homes on 3rd Ave NE, near city hall.

Gordon Gugel requested action to connect his house to city service. City Attorney Scott Dirks is drafting an agreement. Jenson has contacted a plumber who has agreed to do the work. City will request agreement again.

Administrative Assistant Richard A. Jenson presented information on donation of a lot to the City. The lot is located at North Broadway and 6th Ave. NE, Parcel Numbers 611 and 612. The lots are each 50 ft. wide and 150 ft. long, with 100 ft. fronting on North Broadway. City has been mowing the lots and certified the costs to be collected with real estate taxes. City would pay \$2000 in delinquent taxes and legal work. Motion by Woessner, seconded by Magnusson to accept offer and purchase Parcel 611 and 612. Motion passed unanimously.

Meeting adjourned at 5:30 p.m.

Glenys Ehlert, CMC
Deputy Clerk-Treasurer