



PELICAN RAPIDS

CITY COUNCIL AGENDA

May 23, 2024

Tuesday, May 28, 2024

4:30 p.m.

Council Chambers, 315 N. Broadway

1. Call to Order
 - a) Roll Call of Members
 - b) Welcoming Remarks
 - c) Announcements
 - d) Pledge of Allegiance
2. Citizen's Comments. *Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification or explanation, but no council action or discussion will be held on these items.*
3. Additions / Deletions to Agenda (*City Council or City Staff Only*)
4. Approval of Consent Agenda. *The following are non-controversial items intended to be approved with one motion, without discussion. If a council member, staff, or member of the public would like to discuss an item(s), please ask that it be removed and it will be placed elsewhere on the agenda.*
 - a) Approval of Council Minutes – May 14, 2024
 - b) Approval of Accounts Payable Listings
 - c) Staff Reports
 1. Liquor Store Report (In Packet)
 2. Utility Report – April 2024 (In Packet)
 - d) On-Sale Intoxicating Liquor License And Sunday On-Sale To Aurora Escobar as Proprietor for Taqueria Escobar
 - e) Park Board Minutes – April 15, 2024 (In Packet)
 - f) Certify Unpaid Utility Bills to Property Taxes
 - Parcel: 76000990425001
 - Amount: \$382.28
5. Legal Services of Northwest MN – Crystal Jamerson
6. Park Region Co-op Back Road Access Improvements and Cost – Everett Ballard
7. Designated Fire Hydrant Painting
8. EDA Update – Jordan Grossman
 - HCH Asbestos – Floor Tile
 - Brew Haven – Lease (In Packet)
9. Resolution No. 2024-08
 - Resolution Accepting Monetary Limits On Municipal Tort Liability (In Packet)
10. City Hall Personnel
11. PRAC Change Request (In Packet)
 - Change Request #9 Hammers Construction \$514.70
12. Police – Hiring Process for PD – Todd Quaintance
 - Sign on Bonus

14. Downtown Trees/Conduit
15. Administrator Report
16. Mayor Report
17. Adjourn

May 14, 2024 Council Meeting Minutes

Call to Order

Roll Call of Members

Mayor Frazier called the regular City Council meeting to order at 4:30 pm on Tuesday, May 14, 2024 in Council Chambers, City Hall. Clerk-Treasurer Harthun conducted a roll call verifying the presence of Council members Steve Strand, Kevin Ballard, Curt Markgraf - absent, Steve Foster and Mayor Brent E. Frazier.

Welcoming Remarks

The Mayor welcomed all attendees, including those joining via Zoom, and noted the meetings are available on YouTube and local cable Channel 14 and provided announcements about upcoming events and meetings.

Pledge of Allegiance

Attendees stood for the Pledge of Allegiance.

Citizen's Comments

No citizens came forward to make comments.

Additions / Deletions to Agenda

A deletion was made to the agenda with the consensus of the council.

"Please delete item number 4g from the consent agenda." Motion carried unanimously. Motion by Strand, seconded by Foster.

Approval of Consent Agenda

The consent agenda consisting of the approval of council minutes, accounts payable listing, Financial Report and the Police Chief Report. The consent agenda also had A Gambling Permit for October 12, 2024 for the PR Chamber at the VFW, and the following liquor licenses: Club On-Sale Liquor License and Sunday On-Sale to Donna Mattern on behalf of Gilmore Weik Post 5252, Malt Liquor License to Luke Loerzel as proprietor for Paul's of Pelican Inc., Malt Liquor License to Charles Evenson as proprietor for Southtown C Store was presented and approved.

EDA Update Chamber Lease

Discussion took place regarding the Chamber's termination of its lease agreement and a motion to acknowledge and approve the termination was made. The Chamber requested a decrease of \$50 from the final payment since they will be out by May 18.

"A motion to acknowledge and approve the Chamber of Commerce terminating the lease agreement and discount the rent \$50." Motion carried unanimously. Motion by Ballard, seconded by Strand.

A discussion on prorating the payment for the Chamber was concluded with a motion.

Downtown Tree Grate and Outlets

Extensive discussion occurred regarding the downtown tree grate plan, including locations and concerns from business owners. It was decided to approve the plan for the south side of the bridge, while further consideration was to be made for the northern portion.

"Motion to approve the plan for the tree grates on the south side of the bridge." Motion carried unanimously. Motion by Foster, seconded by Ballard.

May 14, 2024 Council Meeting Minutes

The option of using conduit was postponed until the final decision about the trees are made.

Street and Parks Report

The Street and Parks Update included various items such as hydrant flushing, summer hours, hiring needs, and an upcoming event at the city airport. A motion was put forth to hire a new employee for the streets department.

"Motion to hire Ian Fahje at \$20 per hour as summer mower. Motion carried unanimously. Motion by Foster, seconded by Ballard.

The proposition to move the VFW plaques from the corner of TH 108 & TH 59 and placed around the cannon in Veterans Memorial River Park was accepted by the City. There will be no cost to the City.

"Motion to allow the VFW to erect a monument around the cannon in Veterans Park." Motion carried unanimously. Motion by Strand, seconded by Ballard.

2017 Street and Utility Improvements Pay Request No. 10

Council considered Pay Request No. 10 for Hough, Inc. of Detroit Lakes for \$37,776.46.

"Motion to approve the final pay request for the 2017 Street and Utility Improvements to Hough Construction." Motion carried unanimously. Motion by Strand, seconded by Foster.

City Hall Meeting Room Policy

The City Hall Meeting Room Policy was amended to reflect that reservations for its use must fall within City Hall business hours. The council voted to approve the revised policy.

"Motion to approve the City Hall Meeting Room Policy as revised." Motion carried unanimously. Motion by Strand, seconded by Foster.

Ordinance Committee Discussion

Dialogue was held about forming an ordinance committee to review and update city ordinances. It would consist of Administrator Roisum, Clerk-Treasurer Harthun, Mayor Frazier and other city staff.

Library Report

Library Report was included in the Council Packet for Council.

Administrator Report

Administrator Roisum reported that since the last city council meeting he had; worked with the Clerk and Mayor to set the council agenda and prepped for the council meeting, attended a Department Head meeting, attended an EDC meeting, went through the Visual Quality Manual for the 2024-25 project and updated the tree grate placement according to the final plans, attended a pool construction meeting, revised and completed the City Hall meeting room policy, met with Apex Engineering, Otter Tail Power, Maxx Extraction, Landwehr Construction and MnDOT on the possible installation of conduit for outlets in downtown tree grates as part of the construction project, attended Hwy 59/108 construction meetings and open houses, worked with PFA to get approval to use the WIF Replacement Funds for the Final Clarifier #4 repairs and worked on revised drafts of the staff and supervisor performance evaluations.

May 14, 2024 Council Meeting Minutes

Mayor Report

Mayor Frazier reported that since the last meeting he had; submitted weekly columns to the Pelican Press, visited with businesses and non-profits, attended 2024-2025 Complete Streets Project Meetings at City Hall on May 1 and 8, attended 2024-2025 Complete Streets Public Meetings at the Library on May 1 and 8, attended a Complete Streets Meeting on May 3 at City Hall with Administrator Roisum and Superintendent Olson regarding conduit installation for downtown boulevard tree lighting, attended a Copper and Lead Water Service Line Meeting at City Hall on May 3 with Administrator Roisum, Superintendent Olson, Bob Schlieman of Apex Engineering and Shad Hanson of Mr. Plumber and met with Administrator Roisum on May 13 to plan the agenda for this council meeting.

Adjourn

The meeting was adjourned at 5:36 pm without further discussion.

"Motion to adjourn." Motion carried unanimously. Motion by Strand, seconded by Ballard.



Danielle Harthun
Clerk-Treasurer

CITY OF PELICAN RAPIDS

CITY – 05/28/24 - Bill Listing

Vendor Name	Comments	Amount
ALL FLAGS LLC	PK; MAINTENANCE FLAGS	\$392.13
APEX ENGINEERING GROUP	STR; PROFESSIONAL SERVICES	\$64,143.00
ARAMARK	STR PK; LINEN SERVICE	\$132.64
ARCO	ALL; FUEL	\$1,528.63
ARVIG	ALL; COMMUNICATIONS	\$1,296.22
BALLARD REPAIR LLC	FD; REPAIRS	\$380.98
BELL BANK CREDIT CARD	ALL; OFFICE SUPPLIES	\$766.89
BRAUN INTERTEC CORPORATION	STR; SOIL SAMPLES	\$3,504.00
CULLIGAN OF DETROIT LAKES	ALL; WATER	\$93.75
FARMERS ELEVATOR COMPANY	PK; GRASS SEED	\$405.00
GALLS	PD; UNIFORM GEAR	\$280.88
GARDEN PLEASURES	PK; SEASONAL DÉCOR	\$181.92
GPNG	ALL; UTILITIES	\$796.78
HAWKINS, INC	WWTF; WTP; CHEMICALS	\$15,373.73
IDEAL SERVICE, INC	WWTF; BLOWER REPAIR	\$2,045.00
KREKELBERG LAW FIRM	PD; PROSECUTING FEES LEGAL	\$1,575.00
KREKELBERG LAW FIRM CITY	GENERAL LEGAL	\$285.00
KUTAK ROCK LLP	PL; PROFESSIONAL SERVICES	\$12,000.00
LAKES COUNTRY SERVICE CO-OP	ALL; COMMUNICATIONS	\$591.11
LOCATORS AND SUPPLIES, INC	STR; SUPPLIES	\$97.80
MAC QUEEN EQUIPMENT, INC	FD; SUPPLIES	\$1,802.72
MIDWEST TREE & MAINTENANCE	STR; REMOVE TREES	\$1,000.00
MN DEPT OF HEALTH	WTR; QRTLY CONNECTION FEE	\$1,844.00
MR PLUMBER, LLC	WTR; MAINTENANCE	\$13,500.00
NAPA	PK; MAINTENANCE	\$86.21
OK TIRE CRM	PK; MAINTENANCE	\$281.00
OTTERTAIL POWER	STR; UTILITIES	\$61.79
PELICAN RAPIDS PRESS	ALL; SUPPLIES & PUBLICATIONS	\$1,895.46
PEOPLESERVICE, INC	WWTF; MONTHLY SERVICE	\$23,355.00
PERRIN MOBILE MEDICAL	STR; DRUG TESTING	\$180.00
POWERPLAN RDO	PK; SPARE RIMS	\$424.09
RMB ENVIRONMENTAL LABORATORIES	WCT; LAB TESTING	\$1,684.54
SHERWIN WILLIAMS	STR; PAINT	\$585.00
SOURCE ONE GROUP, INC	SWR; LEACHATE MANAGEMENT	\$538.65
TASC	ALL; COBRA ADMIN	\$19.32
VERIZON WIRELESS	PD; COMMUNICATIONS	\$120.03

TOTAL: \$153,248.27

CITY OF PELICAN RAPIDS

Bill Listing Liquor Store 052824

Vendor Name	Comments	Amount
ABSOLUTE ICE	ICE	\$277.80
ARVIG	COMMUNICATION	\$194.01
BELL BANK CREDIT CARD	MAINTENANCE	\$31.05
BERGSETH BROS. CO. INC	POP/MIX	\$19,723.15
BEVERAGE WHOLESALERS, INC	BEER	\$7,930.98
BREAKTHRU BEVERAGE	POP/MIX	\$1,311.05
DACOTAH PAPER CO	PAPER PRODUCTS	\$79.86
DS BEVERAGES, INC	BEER	\$5,082.20
GPNG	UTILITIES	\$25.37
JOHNSON BROTHERS LIQUOR CO	BEER	\$2,566.15
PHILLIPS WINE & SPIRITS	LIQUOR	\$340.60
VER-TECH, INC	MAINTENANCE	\$369.72
		Total: \$37,931.94

CITY OF PELICAN RAPIDS

Liquor Store - Balance Sheet – 04/30/24

Bal Sht	Current Bal Sht Descr	Balance
10100	Wells Fargo (1957)	(\$372,195.73)
10114	MN 9650 - LS	\$93,416.41
10140	Credit Cards	\$2,033.96
10143	MN National Bank (0524 LS)	\$160,801.21
10146	Bell Bank City (0102)	\$466,967.20
10148	Bell Bank LS (0136)	\$63,733.69
10149	Bell Bank LS Save (0185)	\$319,057.95
10200	Petty Cash	\$1,000.00
10400	Investments	\$7,000.00
13910	Deferred Outflows-Pension	<u>\$31,337.00</u>
14211	Inv - Liquor & Wine	\$211,775.40
14212	Inv - Beer	\$54,494.54
14213	Inv - Ice	\$232.84
14214	Inv - Pop/Mix/Bar Supplies	\$3,068.35
14215	Inv - NA Beer & Wine	\$1,071.65
14217	Inv - THC	<u>\$1,653.45</u>
15500	Prepaid Insurance	\$1,776.88
16100	Fixed Asset-Land	\$96,588.00
16130	Accum. Depr. Land	(\$9,408.25)
16160	Land Improvements	\$13,333.63
16200	Fixed Asset-Buildings	\$562,782.00
16230	Accum Depr. Building	(\$178,258.88)
16400	Fixed Asset-Equip/Machinery	\$11,255.42
16430	Accum Deprec-Equipment	(\$5,448.50)
1 A		\$1,538,068.22
20200	Accounts Payable	(\$39,060.12)
20850	Sales & Use Tax - LS	(\$12,438.62)
21600	Accrued Wages & Salaries Payab	(\$3,343.55)
22600	Capital Lease Agree-Current	\$0.00
23600	Compensated Absences Pay NC	(\$4,885.05)
23900	Other Long-term Liabilities	(\$141,240.00)
23910	Deferred Inflows-Pension	(\$350.00)
2L		(\$201,317.34)
25300	Fund Balance	(\$1,339,574.76)
27200	Unreserved Retained Earn-	<u>\$2,823.88</u>
3 E		(\$1,336,750.88)

CITY OF PELICAN RAPIDS

Liquor Store Profit & Loss – APRIL 2024

Account Descr	April 2024 Amt	April 2023 Amt	Difference to LY	2024 YTD Amt	2023 YTD Amt	YTD Difference
R Revenue						
R 609-34766 Refunds &	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
R 609-34950 Other Revenues	\$18.00	\$19.00	(\$1.00)	\$68.00	\$79.00	(\$11.00)
R 609-36210 Interest Earnings	\$741.70	\$740.35	\$1.35	\$2,774.90	\$2,609.24	\$165.66
R 609-37811 Liquor & Wine Sales	\$41,089.15	\$34,002.64	\$7,086.51	\$141,277.79	\$139,039.51	\$2,238.28
R 609-37812 Beer Sales	\$74,014.99	\$63,775.69	\$10,239.30	\$239,854.65	\$232,368.31	\$7,486.34
R 609-37813 Ice Sales	\$432.00	\$282.50	\$149.50	\$1,265.00	\$1,846.57	(\$581.57)
R 609-37814 Pop/Mix/Misc Sales	\$1,665.12	\$1,382.08	\$283.04	\$5,573.98	\$5,376.31	\$197.67
R 609-37815 NA Beer/Wine Sales	\$936.75	\$509.45	\$427.30	\$1,943.56	\$1,627.68	\$315.88
R 609-37817 Gift Cards Sold	\$0.00	\$100.00	(\$100.00)	\$170.00	\$409.00	(\$239.00)
R 609-37829 THC SALES	\$3,206.74	\$0.00	\$3,206.74	\$4,826.31	\$0.00	\$4,826.31
R 609-37940 Cash Short/Long	(\$0.89)	(\$0.11)	(\$0.78)	(\$0.91)	(\$0.84)	(\$0.07)
R Revenue	\$122,103.56	\$100,811.60	\$21,291.96	\$397,753.28	\$383,354.78	\$14,398.50
E Expenditure						
E 609-49750-100 Wages and	\$12,049.83	\$12,236.67	(\$186.84)	\$50,910.98	\$45,770.37	\$5,140.61
E 609-49750-105 Overtime	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-120 Employer Contrib	\$903.74	\$917.77	(\$14.03)	\$3,801.79	\$3,423.70	\$378.09
E 609-49750-122 FICA	\$813.60	\$845.06	(\$31.46)	\$3,461.52	\$3,137.22	\$324.30
E 609-49750-130 Employer Paid	\$3,061.90	\$2,868.67	\$193.23	\$12,629.10	\$11,477.76	\$1,151.34
E 609-49750-140 Unemployment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-200 Office Supplies	\$14.99	\$19.14	(\$4.15)	\$395.02	\$178.37	\$216.65
E 609-49750-208 Education	\$80.00	\$0.00	\$80.00	\$813.60	\$0.00	\$813.60
E 609-49750-210 Operating	\$166.67	\$215.34	(\$48.67)	\$1,296.17	\$776.99	\$519.18
E 609-49750-220 Repair/Maint	\$0.00	\$57.60	(\$57.60)	\$186.48	\$107.24	\$79.24
E 609-49750-230 Banking Charges	\$28.36	\$40.61	(\$12.25)	\$112.36	\$129.51	(\$17.15)
E 609-49750-231 Credit Card Fees	\$2,221.71	\$3,566.00	(\$1,344.29)	\$9,197.66	\$15,355.62	(\$6,157.96)
E 609-49750-251 Liquor & Wine	\$13,452.13	\$39,136.69	(\$25,684.56)	\$93,815.49	\$92,039.16	\$1,776.33
E 609-49750-252 Beer Costs	\$31,179.51	\$43,649.37	(\$12,469.86)	\$181,625.98	\$181,511.45	\$114.53
E 609-49750-253 NA Beer/Wine	\$192.96	\$38.71	\$154.25	\$1,008.20	\$1,019.51	(\$11.31)
E 609-49750-254 Pop/Mix/Bar	\$615.93	\$3,065.06	(\$2,449.13)	\$3,502.64	\$3,370.53	\$132.11
E 609-49750-257 Ice Costs	(\$229.58)	(\$118.17)	(\$111.41)	\$469.27	\$5,179.98	(\$4,710.71)
E 609-49750-259 THC Costs	\$655.27	\$0.00	\$655.27	\$1,743.40	\$0.00	\$1,743.40
E 609-49750-260 Gift Cards Used	\$0.00	\$169.44	(\$169.44)	\$328.06	\$736.37	(\$408.31)
E 609-49750-300 Professional Svcs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-301 Auditing Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-320 Communications	\$186.01	\$185.42	\$0.59	\$746.26	\$744.15	\$2.11
E 609-49750-330 Freight Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-331 Travel Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-340 Advertising	\$0.00	\$0.00	\$0.00	\$1,450.00	\$1,054.28	\$395.72
E 609-49750-360 Insurance & Bond	\$0.00	\$0.00	\$0.00	\$5,108.00	\$5,264.39	(\$156.39)
E 609-49750-380 Utility Services	\$116.00	\$812.20	(\$696.20)	\$3,254.34	\$3,704.65	(\$450.31)
E 609-49750-400 Repairs & Maint	\$0.00	\$77.12	(\$77.12)	\$293.05	\$499.03	(\$205.98)
E 609-49750-405 Depreciation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-432 Uncollectable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-433 Dues, Fees,	\$0.00	\$0.00	\$0.00	\$20.43	\$250.00	(\$229.57)
E 609-49750-500 Capital Outlay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-609 Principle	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E 609-49750-610 Interest	\$0.00	\$0.00	\$0.00	(\$69.99)	\$0.00	(\$69.99)
E 609-49750-700 Transfers	\$2,440.00	\$0.00	\$2,440.00	\$17,986.94	\$0.00	\$17,986.94
E Expenditure	\$67,949.03	\$107,782.70	(\$39,833.67)	\$394,086.75	\$375,730.28	\$18,356.47



Date: May 15, 2024

To: City of Pelican Rapids

From: Dennis Dalager, Calvin Miller, Operators

O & M Report: April 2024

DEADLINE FOR YOU TO COMPLETE THE LEAD SERVICE LINE (LSL) INVENTORY IS OCTOBER 16, 2024

Water Operation & Maintenance

- Flow meters for the wells and water plant have been calibrated for the year. We did find that the mechanical meters on the well are off by a large margin compared to what they read in the water plant for the incoming meter. I would suggest sending them in for repair or upgrading the meters to a digital mag meter.
- Well depths have been checked.
- Fluoride report sent into MDH.
- Rotate well sequence.
- Changed chlorine tanks as needed.
- Tested chlorine daily.

Wastewater Operation & Maintenance

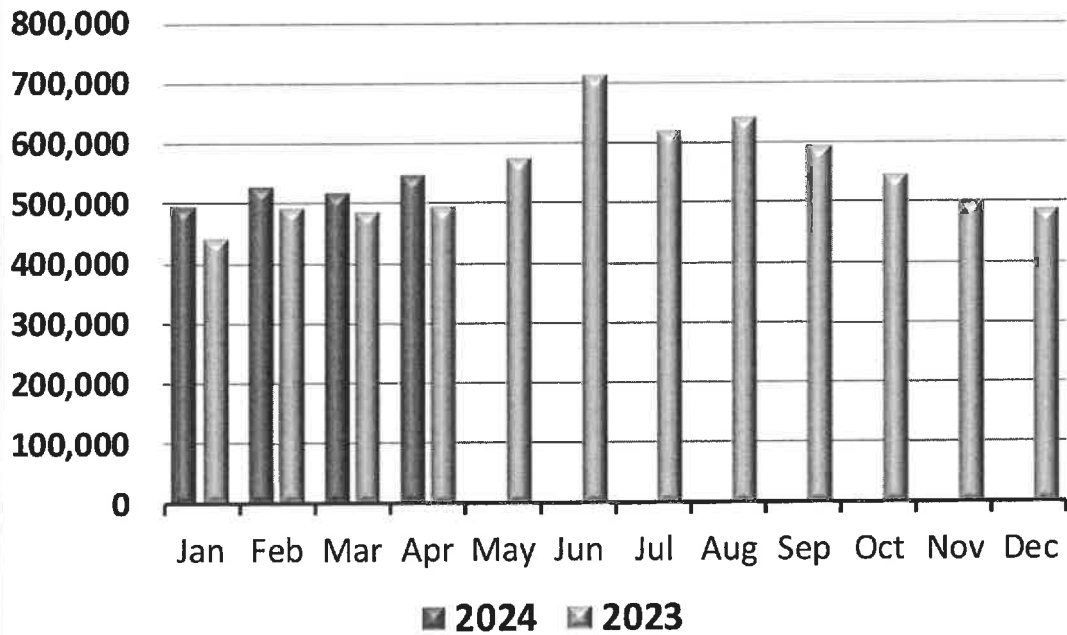
- The work on the Clarifier is going well, Tim has the brackets replaced and the center pipe repaired. We are waiting on the parts from Wes-tec to finish the mechanical side of things. Weather permitting, the painters should be in any day to strip and reseal the work areas.
- The blower has arrived at Kaeser in Virginia and we are waiting for the inspection, if it is repairable or if we have to replace.
- Collected daily and weekly samples, sent in required samples to RMB Lab.
- Ran generator two times, one being overnight to the construction tripping to plant a few times.
- Daily checks of plant and lift stations
- Reporting all findings on DMR.

PeopleService^{INC.}

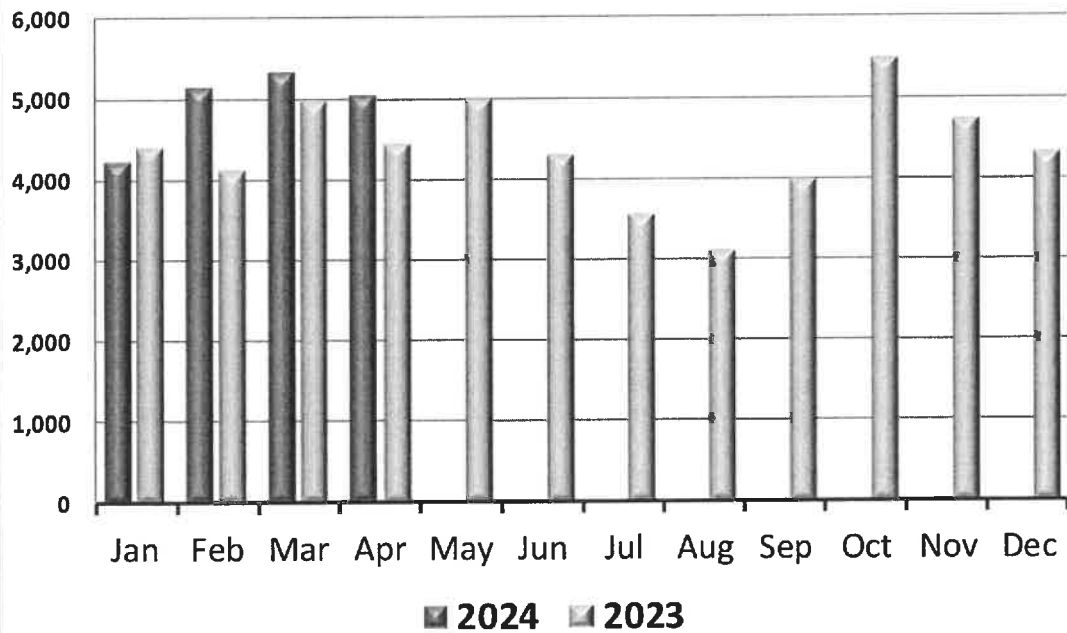
Water & Wastewater Professionals

		April-24	March-24	April-23
Water	Units			
Average Daily Pumped	gallons	547,533	519,709	495,500
Maximum Daily Pumped	gallons	686,000	755,000	642,000
Total Monthly Pumped	gallons	16,426,000	16,111,000	14,865,000
Average Daily Fluoride Conc.	mg/L	0.67	0.78	0.82
Fluoride used	gallons	165.00	231.00	266.00
Total Chlorine Residual	mg/L	0.76	0.73	44.00
Chlorine used	lbs	269.00	476.00	423.00
Phosphorus				
Phos Influent	mg/L	10	10	11
Phos Effluent	mg/L	0.50	0.40	0.70
Phos Effluent Permit Limit	mg/L	1	1	1
Phos Effluent Loading	kg/YTD	84.40	59.20	147.00
Phos Effluent Loading Permit Limit	kg/YTD	1,257.60	1,257.60	1,257.60
Chemical Used	gallons	5,015.00	5,312.00	4,438.00
Total Chloride	mg/L	565.00	581.00	535.00
Effluent Flow				
Average Daily	gallons	439,666	437,000	470,000
Maximum Daily	gallons	507,000	499,000	674,000
Total Monthly	gallons	13,190,000	13,534,000	14,112,000
Precipitation Monthly Total	Inches	2.45	0.38	1.40
Contract True-Ups - Current Contract Year				
Item	Budgeted Amount	Amount Spent	% of Budget	% of Time
Maintenance Budget	\$18,634.00	\$15,927.00	85%	33%
Total	\$18,634.00	\$15,927.00	85%	33%

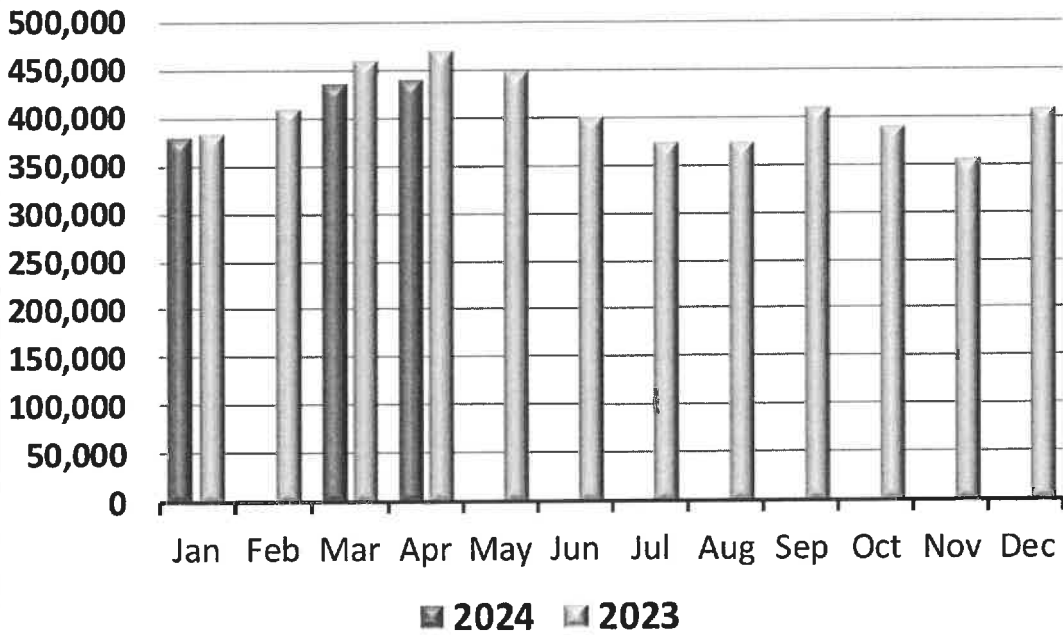
Average Daily Water Pumped - In Gallons



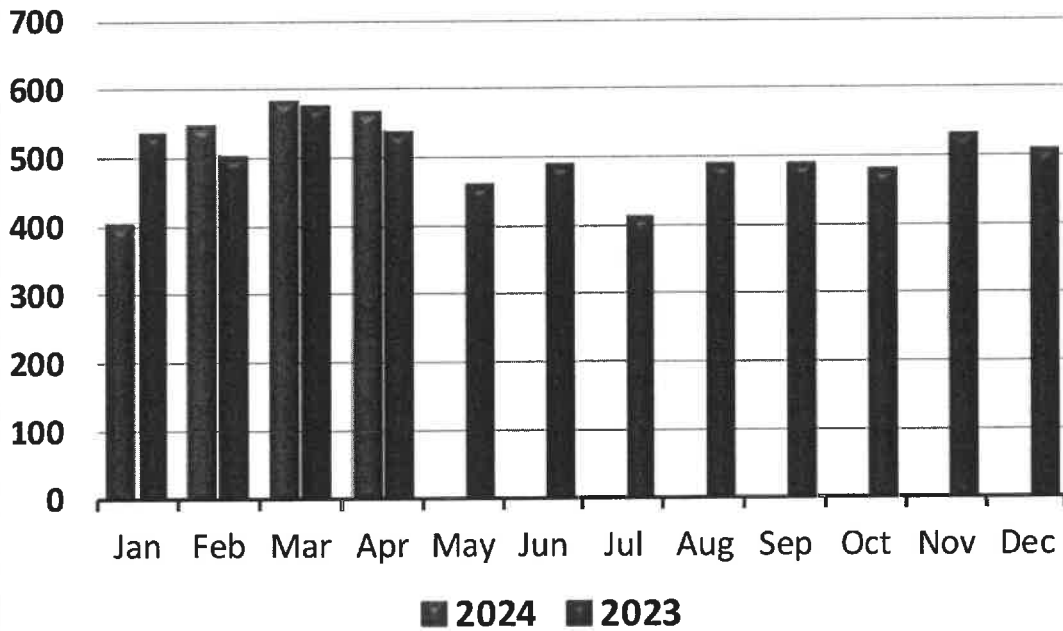
Monthly Total of Chemical used - In Gallons



Average Daily Wastewater Pumped - In Gallons



Total Monthly Chloride



Park Board Minutes

The April 15, 2024 meeting was called to order by Kate at 4:10 PM. Present were Kate, Judi, Adam, Amy, and Brian.

Item 5 was deleted from the agenda. No additions were made.
Minutes from 3/18/2024 were reviewed and approved as is.

Kate reported that she has made an intent to apply for a grant to help with playground equipment at Thompson Park. As the city park board did not meet the criteria for application she is applying through PRUSA. She will also check with PRUSA regarding their ability to donate toward this cause. Also with the Dunvilla Lions and Rotary. Judi will check with the Pelican Rapids Lions group to see if they are in a position to donate.

Update on Memorial Trees: Brian will start ordering them. Also check with Lana Grefsrud regarding the plaques so they will be ready when the tree is planted. Also discussed the possibility of talking to the Press regarding an article on the memorial trees when the appropriate time comes.

NW Park naming: The winning name picked by the elementary students with Kate's supervision is Unity Park.

Trees in Thompson and Unity Park update: a water hydrant will be installed at Thompson park when water is run to the new development at the old county garage site. There will be approximately 20 new trees planted. These will be purchased from the Lions Club as a fundraiser from them. In return they intend to reinvest in park projects. Andrew Johnson and Brian are coordinating this.

Swimming Pool update: The construction is on track. Brian is continuing to work on hiring lifeguards for next year.

Next meeting will be on May 20, 2024 at 4:00 PM at the city hall

Submitted by Judith Engebretson, recorder

COMMERCIAL LEASE

THIS AGREEMENT made this 14th day of June, 2024, by and between City of Pelican Rapids, a municipal corporation, as Landlord and Teresa Thornton, as Tenant:

WITNESSETH

That the said Landlord does hereby demise and lease to Tenant and Tenant does hereby hire from Landlord the following described premises: the lot and building with a street address of 25 N Broadway, Pelican Rapids, Minnesota, which is legally described as:

SECT-27 TWP-136 RANGE-043 FRAZEE'S RE-ARR BLK 7 & MILL RES 1 & 2 LOT H
OF MILL RES 2 EX N 3.2' & N1/2 VAC ALLEY ADJ ON S

TERM

The term of sixty (60) months, running from and including the 15th day of June, 2024, up to and including the 15th day of June, 2029, for use in Tenant's regular business as a restaurant and/or coffee shop, subject to the terms and conditions of this lease.

AMOUNT OF RENTAL

The Tenant covenants to pay to the Landlord at Pelican Rapids, Minnesota, or such other place as the Landlord shall designate in writing to the Tenant, as rent for said premises the following sums:

Rent. In the first year of the lease term (June 15, 2024- June 15, 2025), the Tenant is not obligated to pay any rental fees. Subsequently, the rental terms for years 2 to 5 will be subject to annual negotiations between the tenant and the landlord, with the negotiated and agreed upon rental terms being finalized, in a signed writing, no later than June 1 of the applicable rental period. The first signed writing shall be completed no later than June 1, 2025.

TENANT'S MAINTENANCE AND REPAIR OF PREMISES

Tenant shall maintain and keep the interior of the premises in good repair, free of refuse and rubbish, and shall return the same at the expiration or termination of this lease in as good condition as received by Tenant, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commission or other unavoidable cause expected. Tenant is responsible for clogged sewer lines and frozen water lines. Failure to maintain the premises shall be a material breach of the Lease.

TENANT'S ALTERATIONS, ADDITIONS, INSTALLATIONS, AND REMOVAL THEREOF

Tenant shall not make alterations, additions, or improvements to, or install any fixtures of the leased premises without Landlord's prior written consent, except that Tenant may install kitchen/restaurant appliances and kitchen vent and hood equipment without Landlord's further prior consent. When such consent is given, all alterations, improvements made and fixtures installed by Tenant shall become Landlord's property upon the expiration or sooner termination of this lease; the aforesaid kitchen and restaurant appliances are excluded. The kitchen vent and hood shall be deemed fixtures when installed and are not removable without Landlord's written consent. Landlord may, however, require Tenant to remove such fixtures at Tenant's cost, upon termination hereof.

LANDLORD'S MAINTENANCE AND REPAIR OF PREMISES

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the foundations, load bearing walls, roof, gutters, downspouts, water mains, gas and sewer lines, replacement/repair of bathroom fixtures, electrical, floor drains, and glass on or appurtenant to the leased premises except for damage thereto caused or created by the acts or omissions of the Tenant.

UTILITIES

For the initial year of the lease, the Tenant shall not be responsible for any utility expenses excluding internet. Beginning the second year through the fifth year of the lease, the utility payment arrangements will be determined through annual negotiations between the Tenant and the Landlord, with the negotiated and agreed upon terms being finalized, in a signed writing, no later than June 1 of the applicable rental period. This includes electric utility, water and sewer, air conditioning, and natural gas (which includes heat for the demised premise and includes hot water used in the bathroom). The first signed writing regarding the aforementioned utilities shall be completed no later than June 1, 2025. Internet services, trash and recycling removal, snow removal and any other services or utilities consumed by the tenant upon the leased premises shall be at the Tenant's sole expense.

ANIMALS/PETS

No animals or pets of any kind shall be kept by the Tenants herein on the demised premises except as specifically consented to in writing by the Landlord.

DAMAGE BY FIRE, ETC.

Damage Repairable within Sixty (60) Days. In the event said premises shall be damaged by fire, flood, storm, civil commotion, or other unavoidable cause, to an extent, repairable within sixty (60) days from the date of such damage, Landlord and Tenant

shall forthwith proceed to repair such damage. If such repair shall not have been completed within sixty (60) days from the date of such damage, delays occasioned by cause beyond the control of Landlord excepted, this lease may, at the option of Tenant, be terminated. In the event that Landlord fails to promptly commence repair of such damage, or, having commenced the same shall fail to prosecute such repair to completion with due diligence, Tenant may at Tenant's option upon five (5) days written notice to Landlord, make or complete such repair and deduct the cost thereof from the next ensuing installment or installment of rent payable under this lease.

Damage not Repairable within Sixty (60) Days. In the event the said premises shall be damaged by fire, flood, storm, civil commotion, or other unavoidable cause, to an extent not repairable within sixty (60) days from the date of such damage, this lease shall terminate as of the date of such damage, and rents shall be prorated to the date of such damage.

Sidewalk Encumbrances and Parking. Tenant shall neither encumber nor obstruct the sidewalk in front of, or any entrance to, the building on the lease premises. The Landlord shall be responsible for striping, sweeping, and patching the parking designated to the building. Tenant shall be responsible for prompt and timely snow removal in the deck area and front sidewalk. Landlord shall be responsible for snow removal in the rear parking/patio area.

Signs. Tenant has the right to place signs on exterior or interior walls, doors and windows of the building on the leased premises, such sign or signs advertising its business as Tenant may consider necessary or desirable, subject to all applicable municipal ordinances and regulations with respect thereto. Tenant shall be responsible for all maintenance on signs.

Termination by Reason of Default. In the event either of the parties hereto fail to perform any covenant required to be performed by such party under the terms and provisions of this lease, including Tenant's covenant to pay rent, and such failure shall continue un-remedied or uncorrected for a period of ten (10) days after the service of written notice upon such party by the other party hereto, specifying such failure, this lease may be terminated at the option of the party serving such notice. Written notice shall be defined as a written notice sent by first class mail to the address of the Tenant stated herein, or to the City of Pelican Rapids at P.O. Box 350, Pelican Rapids, MN 56572, with notice being deemed complete on the date of mailing.

Condemnation. In the event that the leased premises shall be taken for public use by the city, state, federal government, public authority or other corporation having the power of eminent domain, then this lease shall terminate as of the date on which possession thereof shall be taken for such public use, or, at the option of Tenant, as of date on which the premises shall become unsuitable to Tenant's regular business by reason of such taking; provided, however, that if only a part of the leased premises is taken, and Tenant

elects not to terminate the lease, there shall be a proportionate reduction of the rent to be paid under this lease from and after the date such possession is taken for public use. Tenant shall have the right to participate, directly or indirectly, in any award for such public taking to the extent that it may have suffered compensable damage as a Tenant on account of such public taking.

Assignment. Tenant may not assign this lease or sublet the premises without the prior written consent of the Landlord. Tenant shall remain liable as surety under the terms hereof notwithstanding any assignment or sublease that is consented to by the Landlord. Any assignment, sublease or other purported license to use the leased premises by Tenant without Landlord's consent shall be void and shall (at the Landlord's option) terminate this lease.

Taxes. Landlord shall pay all taxes, assessments, and charges which shall be assessed and levied upon the leased premises or any part thereof during the said term as they shall become due.

Landlord's Right to Enter Premises. Tenant shall permit Landlord's agents to enter by appointment to view the state and condition of the premises or to make such alterations or repairs therein as may be necessary for the safety and preservation thereof, or for any other reasonable purposes, but shall not unreasonably interfere with Tenant's business operations. Tenant shall also permit Landlord or Landlord's agents, on or after (60) days next preceding the expiration of the term of this lease, to show the premises to prospective Tenants by appointment, and to place notices on the front of said premises, or any part thereof offering the premises for lease for sale.

Insurance.

- a. Landlord shall at all times during the term of this lease, at its expense, insure and keep in effect on the building in which the Lease Premises is located fire insurance with extended coverage. The Tenant shall not permit any use of the Leased Premises which will make voidable any insurance on the property of which the Leased premises are a part, or the contents of said property for which shall be contrary to any law or regulation from time to time established by the applicable fire insurance rating association. Tenant shall on demand reimburse the Landlord, and all other Tenants, all extra insurance premiums caused by Tenant's misuse of the premises.
- b. Insurance Requirement. Tenant, at Tenant's sole cost and expense, agrees to purchase and keep in force and effect during the term hereof, insurance under policies issued by insurers reasonably acceptable to Landlord on Tenant's merchandise, inventory, contents, furniture, fixtures, furnishing, floor coverings, equipment or other personal property located in the premises, naming as insureds and protecting Landlord and its agents and employees to the extent of its insurance interest and Tenant from damage or other loss caused by fire or other casualty including, but not limited to, vandalism, perils

covered by extended coverage, theft, sprinkler leakage, water damage, or sewer backup (however caused), explosion of heating and cooling or similar apparatus and other similar risks in amounts not less than the full insurable replacement value of such property.

Tenant agrees to maintain during the term hereof, effective on the date Tenant takes possession of the premises, insurance coverage with respect to the premises in companies satisfactory to Landlord for bodily injury, property damage and personal injury liability and contractual liability insurance, each with a limit of liability of One Million Dollars (\$1,000,000.00) for each occurrence and in the aggregate, all such insurance to include Landlord and its employees and agents as insured parties. Tenant's insurance company must also provide Landlord with express proof of its agreement to defend all claims that might arise from the demised premises. Tenant's deductible for any such insurance coverage shall not exceed \$2,500.00.

Tenant shall be responsible for maintaining insurance on its equipment, its own professional liability insurance, and its own general liability insurance.

Said policy or policies shall provide that Landlord will be given thirty (30) days written notice from the insurance company before any policy lapses or otherwise terminates. Tenant shall also provide Landlord with proof that Tenant is carrying liquor liability insurance in compliance with the terms and limits mandated by the State of Minnesota should Tenant sell liquor items.

Waiver of Subrogation. Landlord and Tenant each release and relieves the other and waives their entire right of recovery against the other for loss or damage arising of or incident to the perils covered by fire and extended coverage, and liability insurance endorsements approved for use in the State of Minnesota that occur in, on, or about the demised premises, whether caused by the negligence of either party, their agents, employees or otherwise.

Indemnification- Claims and Damages. Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims and damages (including reasonable attorneys' fees and costs) arising from Tenant's use of the demised premises or the conduct of its business or from any activity, work, or thing done, permitted, or suffered by Tenant, in or about the demised premises or the building in which the demised premises are located unless caused by Landlord, Landlord's agents or employees.

Tenant shall further indemnify, defend and hold Landlord harmless from any and all claims and damages (including reasonable attorney's fees and costs) arising from any breach or default in the terms of this lease agreement, or arising from any act, negligence, fault, or omission of Tenant or Tenant's agents, employees, or invitees, and from and against any and all costs, reasonable attorney's fees, expense, and liabilities incurred on or about such claim or any action or proceeding brought on such claim. In case any action or proceeding shall be brought against Landlord by reason of any such

claim, Tenant, on notice from Landlord, shall defend it at Tenant's expense by counsel approved in writing by Landlord, except that if counsel is appointed by the insured carrier, Landlord's approval shall be deemed to have been given.

Tenant further agrees that except for claims or losses occurring by reason of the failure of the Landlord to keep the demised premises in repair, in breach of Landlord's covenant in this lease agreement to so maintain the demised premises, Tenant shall indemnify Landlord against all liabilities, expenses, and losses incurred by the Landlord as a result of any accident, injury, or damage that shall happen in or about the leased premises as a consequence of the Tenant's operations of the leased premises, Tenant's failure to perform maintenance and repair as required in this lease or as a result of Tenant's noncompliance with any requirement of any governmental authority.

Reimbursement of Litigation Expenses. In the event that the Landlord shall, without fault of the Landlord's part be made a party to any litigation by or against the Tenant, then the Tenant shall pay all costs of such litigation and reasonable attorney's fees incurred by or charges against the Landlord, including but not limited to, enforcing the covenants, terms and conditions of this Lease, or in terminating this Lease by reason of the Tenant's default. In any litigation between the Landlord and the Tenant, the Tenant shall pay the Landlord's costs and attorney's fee only in the event that the final judgment is in favor of the Landlord.

Default. If Tenant defaults in the payment of rent or additional rent or default in the performance of any of the terms, covenants, or conditions of this Lease, Landlord may give to Tenant written notice of such default, and if Tenant does not cure any rent or additional rent default within ten (10) days, or other default within ten (10) days, after the giving of such notice (or, if such other default is of such nature that it cannot be completely cured within ten (10) days, if Tenant does not commence such curing within such ten (10) days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Landlord may terminate this Lease on not less than three (3) days written notice to Tenant and on the date specified in said notice the term of this Lease shall terminate, and Tenant shall then quit and surrender the demised premises to Landlord, but Tenant shall remain liable as hereinafter provided. If this Lease shall have been so terminated by Landlord, Landlord may at the time thereafter resume possession of the demised premises by any lawful means and remove Tenant and other occupants and their effects. In any case where Landlord has recovered possession of the demised premises by reason of Tenant's default, Landlord may at Landlord's option occupy the demised premises or caused the demised premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting and may relet the demised premises or any part thereof as agent of Tenant or otherwise for a term or terms to expire prior to, at the same time as, or subsequent to, the original expiration date of this Lease, or any renewal termination dates, if applicable, at the Landlord's option, and receive the rent therefore, applying the same first to the payment of damages in amounts equal to the rent hereunder and the cost and expense

of the other covenants of Tenant, as herein provided, and then to the payment of such expenses as Landlord may have incurred in connection with the recovery of possession, restoration of premises to the condition which existed at the time Tenant took possession excepting normal wear and tear, and the reletting, including brokerage and reasonable legal fees; and Tenant agrees, whether or not Landlord has relet, to pay Landlord damages equal to the rent and other sums herein agreed to be paid by Tenant, less the net proceeds of the reletting, if any. In reletting the demised premises as aforesaid, Landlord may grant rent concessions and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance or be deemed evidence thereof. If Landlord elects, pursuant hereto, actually to occupy and use the demised premises or any part thereof during any obligation for rent or damages as herein defined, during the period of Landlord's occupancy, the reasonable value of such occupancy not to exceed in any event the rent herein reserved, and such occupancy shall not be construed as a release of Tenant's liability hereunder. Tenant shall reimburse Landlord for all costs and expenses, including reasonable attorney's fees, sustained by Landlord by reasons of Tenant's default, by reason of Tenant's premature termination or vacating of the demised premises or by reasons of any eviction action taken against Tenant, subject to the limitations of the paragraph on Termination identified below.

Termination. This Lease may be canceled and terminated by either party upon three (3) full months' notice in writing delivered to the other party of their election to terminate the Lease. Upon proper termination, Tenant shall not be responsible for any rent that may otherwise have accrued for the remainder of the Lease term, but for said termination.

Lease Renewal/Right to Purchase. At the expiration of this lease, Tenant shall have first right/opportunity to renew the lease and/or purchase the premises, with the terms of renewal and/or purchase related to the premises being agreed upon in a signed writing no later than June 1, 2029. This provision shall not be applicable in the event this Lease is terminated pursuant to the provisions herein.

Successors. All right and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the respective heirs, executors, administrators, successors and assigns of the said parties; and if there should be more than one tenant, they shall be bound jointly and severally by the terms, covenants, agreements, and conditions herein. No rights, however, shall inure to the benefit of any assignees of Tenant unless the assignment to such assignee has been approved by Landlord in writing as hereinbefore provided.

Entire Agreement. This lease and the exhibits now or hereafter attached (as provided herein) and forming a part hereof, set forth all the covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

Governing Law. This Lease shall be interpreted and construed under the laws of the State of Minnesota.

Notices. Any notice, demand, request, or other instrument required to be given under this Lease shall be delivered in person or sent by United States certified mail, postage prepaid, and shall be addressed; (a) if to Landlord, at the address first hereinabove given or such other address as it may designate by written notice, and (b) if to Tenant, at the Leased Premises or at such other address as Tenant shall designate by written notice.

Severability. If any term, covenant or condition of this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to person or circumstances other than those in respect to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Brent E. Frazier, Mayor

Danielle Harthun, City Clerk

STATE OF MINNESOTA)
)
COUNTY OF OTTERTAIL)

On this ____ day of June, 2024, before me personally appeared the City of Pelican Rapids by Brent Frazier as Acting Mayor and Danielle Harthun as City Clerk to me known to be the persons described in and who executed the foregoing instrument as the Landlord, and acknowledged that they executed the same as their free act and deed of the City of Pelican Rapids.

Notary Public

STATE OF MINNESOTA)
)
COUNTY OF OTTERTAIL)

The foregoing was acknowledged before me on this ____ day of June, 2024, by Teresa Thornton, as Tenant.

Notary Public

RESOLUTION NO. 2024-08
RESOLUTION ACCEPTING MONETARY LIMITS
ON MUNICIPAL TORT LIABILITY

WHEREAS The City of Pelican Rapids has considered the League of Minnesota Cities (LMC) recommendation regarding tort liability limits;

NOW THEREFORE BE IT RESOLVED that the City of Pelican Rapids does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

I certify that the above resolution was adopted by the City Council of Pelican Rapids on March 14, 2024.

Seal

Mayor Brent E. Frazier

Attest:

Clerk-Treasurer Danielle Harthun



LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. Email completed form to your city's underwriter, to pstech@lmc.org, or fax to 651.281.1298.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. *The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.* The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name: City of Pelican Rapids

Check one:

☒ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04.

☐ The member **WAIVES** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: May 14, 2024

Signature: _____

Position: Clerk-Treasurer

Hammers Construction Inc.
P.O. Box 148
Perham, MN 56573-0148
Ph : (218) 346-2195

Change Request

To: Scott DeMartelaere
Design Intent Architect
103 E Lincoln Ave
Fergus Falls, MN 56537

Number: 9
Date: 5/16/2024
Job: 23-073 PR Aquatics Center
Phone:

Description: Re-route data drops

We are pleased to offer the following specifications and pricing to make the following changes:
Re-route Data drop shown on prints to new location on north side of building.
Final location to be confirmed by Owner/GC.

The total direct cost to perform this work is				\$490.19
	Management Fee	\$490.19	5.00%	\$24.51
			Total:	\$514.70

If you have any questions, please contact me at .

Submitted by: Hammers Construction, Inc

Approved by: _____
Date: _____



CONTRACT ADJUSTMENT REQUEST

To: <u>Hammers Construction, INC</u> Attn: <u>Kelly Januszewski</u> cc: _____	VINCO REFERENCE # <u>CA 3</u> CUSTOMER REFERENCE # _____ Plan Changes YES ☒ (For internal use only) NO ☐
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Date: 4/15/2024

Project: Pelican Rapids Pool

Title Data drop Move

Scope of Change:

Re-route Data drop shown on prints to new location on north side of building.
 Final location to be confirmed by Owner/GC.

Amount of Change:

Material:	1	X	\$	73.25	=	\$73.25
Material Tax at 7.375%	1		\$	5.40	=	\$5.40
Subcontracted	1		\$	-	=	\$0.00
Equipment	1	X	\$	-	=	\$0.00
SUBTOTAL MATERIALS:						\$78.65
Overhead MATERIAL	\$78.65	X		5.00%	=	\$3.93
Profit MATERIAL	\$82.58	X		5.00%	=	\$4.13
TOTAL MATERIALS:						\$86.71
Labor	3	X	\$	91.70	=	\$275.10
Administrative	1	X	\$	91.70	=	\$91.70
SUBTOTAL LABOR						\$366.80
Overhead LABOR	367			5.00%	=	\$18.34
Profit LABOR	367			5.00%	=	\$18.34
TOTAL LABOR:						\$403.48
GRAND TOTAL						\$490.19

Authorized signature: _____ Date _____

This Contract Adjustment is good for 10 days from the date above. Additional work scope will require additional extension of project schedule.