



CITY COUNCIL AGENDA

January 20, 2026

Tuesday, December 9, 2025

6:00 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. Citizens' 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 – November 25, 2025
 - b) Approval of Accounts Payable Listings
 - c) Local Board of Review and Equalization - April 9, 2026, at 2:00 p.m. (In Packet)
 - d) Gambling Permit – Pelican Pin Em' Club – Event April 15, 2026
5. Truth In Taxation Public Hearing, 6:00 p.m.
 - Approve 2026 Final Budget (In Packet)
 - Approve 2026 Final Sewer Budget
 - Approve 2026 Final Water Budget
6. 2026 CEDA Contract (In Packet)
7. Pinewood Estates Pay Request No. 5 Final (In Packet)
8. Waste Management Leachate Contract (In Packet)
9. Clay County Leachate Agreement (In Packet)
10. MnDot LUP Resolution 2025-27 (In Packet)
11. Short Term Rental Ordinance (In Packet)
12. Comp Time Payout
13. Christmas Eve Discussion
14. Election Resolution 2025-28 (In Packet)
15. City Administrator Performance Evaluation Discussion

16. Administrator Report

17. Mayor's Report

18. Adjourn

December 9, 2025, Council Meeting Minutes

Call to Order

Mayor Frazier called the regular City Council meeting to order at 6:00 pm on Tuesday, December 9, 2025, in Council Chambers, City Hall.

Roll Call of Members

Clerk-Treasurer Danielle Harthun conducted a roll call verifying the presence of Council Members Steve Strand, Shelley Gummeringer, Curt Markgraf, Don Perrin and Mayor Brent E. Frazier.

Staff present: Administrator Lance Roisum, Clerk-Treasurer Danielle Harthun, Police Chief Todd Quaintance, EDA Director Jordan Grossman via zoom

General Attendance:

Welcoming Remarks

Mayor Frazier welcomed everyone present and those joining via Zoom. He noted the meeting would be broadcast on the Pelican Rapids YouTube channel and on channel 14 on Wednesday evening.

Announcements

Mayor Frazier announced upcoming events and meetings.

Pledge of Allegiance

Mayor Frazier led those present in reciting the Pledge of Allegiance.

Citizen's Comments

There were no citizen comments.

Additions / Deletions to Agenda

Mayor Frazier added four items to the agenda:

No. 19: Library Report

No. 20: Rock Rapids Pay Request

No. 21: In Control - Control Secure Service Plan Proposal

No. 22: Police Report

e) Strand moved to approve the agenda with the additions. Markgraf seconded. Motion carried unanimously.

Approval of Consent Agenda

Mayor Frazier read the items on the consent agenda:

f) Approval of Council Minutes – November 25, 2025

g) Approval of Accounts Payable Listings

h) Local Board of Review and Equalization - April 9, 2026, at 2:00 pm

i) Gambling Permit – Pelican Pin Em' Club – Event April 15, 2026

j) Perrin moved to approve the consent agenda. Gummeringer seconded. Motion carried unanimously.

Truth In Taxation Public Hearing, 6:00 pm

Danielle Harthun reported that after reviewing the budget with Lance Roisum, they recommended adding \$5,000 to prosecuting fees (increasing from \$8,000 to \$13,000) and \$5,000 to general legal fees (increasing from \$18,000 to \$23,000) due to recent changes in legal staff and current year overages.

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She noted they could reduce the special levy by \$55,000 as a bond payment originally budgeted for 2026 would not be due until 2027. This adjustment would bring the tax increase down to 5.65%.

Lance Roisum explained that the bond payment was rescheduled so that when it becomes due in 2027, it will coincide with special assessments from the Highway 59/108 project, reducing the need for tax levy funds in that year.

Danielle Harthun noted no significant changes to the sewer budget since previous discussions. She mentioned that they had included a \$12,000 lagoon fence repair required by inspection, which was funded by reducing the lab upgrades budget from \$20,000 to \$8,000, resulting in no net change to the overall budget.

Danielle Harthun stated there were no changes to the water budget from previous discussions.

Mayor Frazier closed the public hearing at 6:12 PM and reconvened the regular meeting.

There were no public comments on the budget.

Approve 2026 Final Budget

k) Perrin moved to approve the general levy at \$1,057,961 and the special levy at \$391,699 for the 2026 budget.

Approve 2026 Final Sewer Budget

l) Gummeringer moved to approve the final 2026 sewer budget. Markgraf seconded. Motion carried unanimously.

Approve 2026 Final Water Budget

m) Strand moved to approve the final 2026 water budget. Gummeringer seconded. Motion carried unanimously.

2026 CEDA Contract

Lance Roisum presented the updated CEDA contract for 2026, which was similar to the 2025 contract but increased service from three days per week to four days per week at a cost of \$95,711 per year. This amount was included in the general budget just approved.

Jordan Grossman clarified that she was not leaving her position with Pelican Rapids but was in the process of interviewing candidates to provide additional support. She expected to extend a job offer by Christmas and noted that the expanded team would include herself, another CEDA staff person, and some interns providing part-time help.

n) Markgraf moved to approve the 2026 CEDA contract. Seconded by Perrin. Motion carried unanimously.

Pinewood Estates Pay Request No. 5 Final

Lance Roisum reported that the Pinewood Estates project was complete and presented the final pay request for \$50,434.69. He requested approval pending the city engineer's signature, as there were still some forms and test results needed from the contractor.

o) Strand moved to approve the Pinewood Estates Pay Request No. 5 Final, pending the city engineer's signature. Seconded by Markgraf. Motion carried unanimously.

Waste Management (Big Dipper Enterprises) Leachate Contract

Lance Roisum presented a leachate contract with Waste Management (Big Dipper Enterprises) to accept leachate at the city's treatment facility. The agreement was similar to the existing contract with Clay County but would limit Waste Management to 13,000 gallons of leachate per day (less than Clay County's limit). The fee would be \$54 per thousand gallons.

Roisum noted that PeopleService was comfortable with the additional volume, and the contract includes provisions allowing the city to suspend acceptance if there are issues at the plant or lagoons. He added that Waste Management has significant storage capacity and would likely only haul during favorable weather conditions.

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The city attorney had reviewed and approved the contract language.

p) Markgraf moved to approve the agreement between Big Dipper Enterprises and the City of Pelican Rapids. Seconded by Strand. Motion carried unanimously.

Clay County Leachate Agreement

Lance Roisum presented the updated Clay County leachate agreement, which was the same as the previous year's agreement except for an increase in the rate from \$52 to \$54 per thousand gallons. Clay County's daily limit is 20,000 gallons, and like the Waste Management contract, the city can suspend acceptance if needed. Roisum noted that Clay County hauls year-round depending on conditions.

q) Markgraf moved to approve the Clay County leachate agreement. Seconded by Perrin. Motion carried unanimously.

MnDOT LUP Resolution 2025-27

Lance Roisum explained that the north welcome sign which is one of the city's four welcome signs is in MnDOT right-of-way, requiring a limited use permit. The original permit from 2016 needed to be renewed every ten years. He noted there was no fee associated with the renewal.

RESOLUTION 2025-27 TO APPROVE MnDOT RESOLUTION LUP 2025-27 was introduced by Strand, seconded by Perrin. (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion passed and resolution declared duly adopted.

Short Term Rental Ordinance

Lance Roisum presented the first draft of a short-term rental ordinance that had been reviewed by the planning commission and ordinance committee. He highlighted key provisions:

- Local property managers must reside within 50 miles of the city
- At least 2 off-street parking spaces are required
- Maximum of 12 registered guests per rental
- City will issue no more than 8 short-term rental licenses initially
- Each owner is limited to 2 properties
- Inspections every 3 years, with annual license renewal
- Permitted in residential areas; requires special use permit in commercial areas

Council member Don Perrin asked for clarification about parking requirements and whether bed and breakfasts would fall under this ordinance. Roisum confirmed that properties without adequate parking would not receive a license and that bed and breakfasts would be included.

Police Report

The Council reviewed the Pelican Rapids Police Department report.

Markgraf moved to approve the Police Report, seconded by Gummeringer. Motion carried unanimously.

Comp Time Payout

Danielle Harthun explained that city ordinance requires comp time over 40 hours to be paid out in the first payroll in December, and any payout over 40 hours needs Council approval. She requested approval to pay out comp time for:

Mike Iverson: 42.75 hours

Jeff Stadum: 77.875 hours

Chief Quaintance explained that one employee had accumulated hours throughout the year without using much, while the other had almost zero hours at the beginning of November but accumulated excess hours due to holidays, trainings, and the horse parade.

Perrin asked about carryover policies, and Harthun clarified that comp time does not carry over to the next year, though vacation time does.

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r) Markgraf moved to approve the comp time payout for the two employees, seconded by Strand. Motion carried unanimously.

Christmas Eve Discussion

Danielle Harthun requested Council approval to close City Hall at noon on Christmas Eve to allow staff to be with their families, noting this has been the practice for several years.

s) Markgraf moved to approve closing City Hall at noon on Christmas Eve, seconded by Gummeringer. Motion carried unanimously.

Election Resolution 2025-28

Danielle Harthun presented Resolution 2025-28 to designate City Hall as the election location for the 2026 election year.

RESOLUTION 2025-28 TO DESIGNATE THE POLLING PLACE FOR 2026 was introduced by Markgraf, seconded by Perrin. (A complete text of this resolution is part of permanent public record in the City Clerk's office.) Motion passed and resolution declared duly adopted.

City Administrator Performance Evaluation

Lance Roisum explained that according to city ordinance, the mayor conducts the performance evaluation of the city administrator, and the Council may appoint one Council member to join in the evaluation.

t) Strand moved to appoint Gummeringer to assist Mayor Frazier with the city administrator's performance evaluation, seconded by Markgraf. Motion carried unanimously.

Library Report

The Council reviewed the Library Report that was distributed at the meeting.

u) Markgraf moved to approve the Library Report, seconded by Perrin. Motion carried unanimously.

Rock Rapids Pay Request

Lance Roisum presented the Houston Engineering invoice for Rock Rapids work, noting it would be reimbursed by the DNR.

v) Perrin moved to approve the Houston Engineering pay request for \$7,772.45, seconded by Strand. Motion carried unanimously.

Lance Roisum then requested pre-approval for any construction pay requests that receive the engineer's approval, as construction is expected to be completed by the end of the week and this is the last Council meeting of the year. He noted that these expenses would also be reimbursed by the DNR.

w) Markgraf moved to approve any construction pay requests with the engineer's approval, seconded by Strand. Motion carried unanimously.

In Control – Control Secure Service Plan

x) Lance Roisum presented the Control Secure Service Plan, which is an extension of what was previously called the Automation and Cybersecurity Service Plan. The expense was included in the water and sewer budgets.

y) Markgraf moved to approve the InControl Proposal, seconded by Perrin. Motion carried unanimously.

Administrator Report

Lance Roisum reported on activities since the last meeting. He attended an Ordinance Committee meeting and finalized the first draft of the short-term rental ordinance and application. He attended the Otter Tail County Transportation Plan update workshop. He and the Mayor met with Trinity Church and Pelican Valley Senior Living about the Trinity parking lot. He also met with Robert Nulph of Source One Organics about leachate and his

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commission, working on a written agreement with an expiration date. He met with Danielle for a final review of budgets. He worked with Erin from Waste Management on the new leachate agreement and with Clay County on their updated leachate agreement. He completed requirements for the final reimbursement from DEED for the pool grant.

Mayor's Report

Mayor Frazier reported that since the last City Council Meeting, he had submitted weekly columns to the Pelican Press, visited with area businesses and non-profits, presented the League of Minnesota Cities "Mayor for a Day Essay Contest" writing criteria to Viking Elementary School 4th grade students on December 1st, attended the collaboration meeting between Pelican Valley Senior Living, Trinity Lutheran Church, and Pelican Rapids City with Administrator Roisum on December 3rd regarding everyone's use of the Trinity Lutheran Church parking lot, attended the December 4th Leachate meeting at City Hall with Administrator Roisum, and met with Administrator Roisum on December 8th to plan the agenda for the evening's Council Meeting.

Adjourn

z) Markgraf moved to adjourn the meeting at 6:39 pm. Strand seconded the motion. The motion carried unanimously.



Danielle Harthun
Clerk-Treasurer