



CITY COUNCIL AGENDA

September 9,
2026

Tuesday, August 25, 2026

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 – July 28, 2026
 - b) Approval of Accounts Payable Listings
 - c) Staff Reports
 1. Police Report (In Packet)
 2. Utility Report (In Packet)
 3. Liquor Store Report (In Packet)
 4. Financial Report (In Packet)
5. Street and Park Report
6. 2028 Hwy 59 South Project – Tom Pace
7. SCDP Public Hearing – Mitch Harry
8. EDA Update
 - Update Board Structure
 - Bylaws
 - 2027 CEDA Contract
9. Mileage Rate \$0.76
10. City Hall Vehicle
11. Rental Licensing Update
12. Ordinance 2026-05 (In Packet)
 - Tenant Complaint Form

13. Ordinance 2026-06 (In Packet)
 - Short – Term Rental Application
14. Administrator Report
15. Mayor's Report
16. Adjourn

August 25, 2026 Council Meeting Minutes

Call to Order

Mayor Frazier called the regular City Council meeting to order at 6:00 pm on Tuesday, August 25, 2026 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 Sorum, Curt Markgraf, Don Perrin and Mayor Brent E. Frazier.

Staff present: Administrator Lance Roisum, Clerk-Treasurer Danielle Harthun, Streets and Parks Superintendent Brian Olson, Police Chief Todd Quaintance, and Jordan Grossman via Zoom.

General Attendance: Mitch Harry, Judy Tabbut, Tom Pace and Kim Pederson from the Pelican Press

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 made no changes to the agenda:

Motion: Markgraf moved to approve the agenda as written. Strand seconded. Motion carried unanimously.

Approval of Consent Agenda

Mayor Frazier read the items on the consent agenda for approval.

Approval of Council Minutes – July 28, 2026

Approval of Accounts Payable Listings

Staff Reports including police, utility, liquor and financial reports.

Motion: Perrin moved to approve the consent agenda. Sorum seconded. Motion carried unanimously.

CEDA Updates – Jordan Grossman

Update Board Structure – Grossman reported that the Pelican Rapids Chamber of Commerce has received sufficient member votes to proceed with dissolution and is working with its own legal counsel on that process as recommended by the City Attorney. In anticipation of the Chamber's dissolution and the expanded programming

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the EDA is expected to absorb, the board is looking to grow from five to nine members. The proposal includes assigning board members to chair specific focus areas such as community events, marketing and tourism, and business support, with some positions to be filled by existing board members and others by new appointments.

Bylaws - Grossman presented updated bylaws reflecting the proposed nine-member board structure and a revised quorum requirement of five members, up from three. Changes were minimal and largely administrative in nature. Council received the recommendation from the EDA Board.

Motion: Perrin moved to approve the revised EDA Bylaws. Strand seconded. Motion carried unanimously.

2027 CEDA Contract – Grossman noted that as programming expands under the EDA umbrella, she requested the Budget Committee plan for increasing CEDA's service level from four days per week to five. A 5% budget increase is being used as a planning figure, with Grossman expressing confidence the final number will come in at or below that. No formal action was required; this was for informational purposes only.

SCDP Public Hearing – Mitch Harry

Mayor Frazier recessed the City Council meeting at 6:10 pm to convene the SCDP Public Hearing.

Mitch Harry, Project Manager with the Otter Tail County HRA, updated the Small Cities Development Program. For owner-occupied housing, five projects are done with \$117,049.80 spent in grants, four are ongoing at \$25,000 each, and three are out for bids. Committed funds exceed \$300,000 of the \$425,000 available, with confidence all will be used by the September 30, 2027 deadline. Commercial activity is slower, with one nearly finished and another starting at a \$5,000 minimum. Out of \$400,000 for commercial, \$360,000 remains. If demand stays low, funds may shift to housing, pending DEED approval.

No public comments were received, and no formal action was taken.

The public hearing was adjourned at 6:13 PM and the City Council meeting was reconvened.

2028 Hwy 59 South Project – Tom Pace

Tom Pace from MnDOT's District 4 office presented the updated plan for the 2028 Highway 59 South project, finalized that morning. The plan adds a center left-turn lane at 10th Avenue to address safety concerns from crashes and near-misses. A costly roundabout was ruled out due to a \$2.5 million estimate and feasibility issues. The new design retains the northbound right-turn lane but removes the southbound right-turn lane, using it as the through lane instead, to minimize impacts on trees and businesses. Street and Park Superintendent Brian Olson was concerned about removing the southbound right-turn lane, but Pace noted the goal of minimizing tree removal and business impacts. Existing data showed a speed reduction by 8 mph downtown after similar modifications, suggesting a calming effect here too. MnDOT sets speed limits based on the 85th percentile of travel speeds, which could mean limits might increase after a study. Pace promised to check real-world speeds via cell tracking data. Additional elements include a new shared use path, pedestrian crossings, and narrowing of parking lot entrance. Relocating the Thrive Church driveway was discussed, with MnDOT covering costs in the right-of-way; the city would be responsible for any costs beyond the right-of-way. Utility connections were also a consideration due to future development potential. Council aims for a year-end decision. No formal actions were required; Pace will return for a resolution once funding and city match details are ready.

Street and Park Report

Street and Parks Superintendent Brian Olson reported that the majority of the no parking signs are in place. They have been tree trimming but there are still a lot of trees out there that need to be trimmed. Household Hazardous Waste Day was very busy. He also gave the stats on pool passes sold this season.

Motion: Strand to approve the Street and Parks Report. Sorum seconded. Motion passed unanimously.

Updated Mileage Rate for 2026 - \$0.76

Clerk-Treasurer Harthun explained that the IRS updated the standard mileage reimbursement rate from \$0.725 to \$0.76 effective July 1 of this year. City Hall does not currently have a vehicle, so staff regularly use personal vehicles for off-site meetings, trainings, and bank runs making this update relevant to the City's daily operations.

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Motion: Markgraf moved to approve the increase in mileage to \$.76. Perrin seconded. Motion carried unanimously.

City Hall Vehicle

Administrator Roisum presented a proposal to purchase a 2014 Chevy Equinox from Sachs Motors for approximately \$6,700, inclusive of fees. The City previously operated former police squad cars as city hall vehicles but sold two squads that had become too worn out for reliable use. The proceeds from those sales — just over \$6,500 — are available to fund this purchase, with only a small additional amount needed from the general budget.

Motion: Markgraf moved to approve the purchase of the 2014 Chevy Equinox. Perrin seconded. Motion carried unanimously.

Rental Housing Licensing Update

Clerk-Treasurer Harthun reported that following the Council's earlier decision to move the rental license renewal deadline from December 31 to July 31, 33 property owners were found to be out of compliance as of August 1. Each was billed a \$500 penalty — up from the previous \$100 fee — and 32 were cited by the Police Department for operating without a rental housing license, a mandatory court appearance citation.

The Council discussed what recourse exists if landlords continue to ignore compliance. Chief Quaintance indicated that non-compliant landlords could be cited again as the violation continues, and the matter will ultimately be decided by the courts. He noted there is currently no mechanism available to force eviction of tenants from unlicensed units. He also flagged that at least one landlord appeared dismissive of even the \$500 penalty. The Chief indicated this may warrant a future conversation, noting that some neighboring cities have adopted more substantial penalties, and that assessments may be worth exploring.

Ordinance 2026-05 – Chapter 10 Rental Housing

Administrator Roisum presented Ordinance 2026-05, consisting of minor updates to Chapter 10 of city code. Changes included updated legal language in the opening paragraph and gender-neutral pronoun usage throughout. Additionally, staff identified an existing provision allowing tenants aggrieved by landlord violations to file a complaint with the city — but found no formal process existed to handle such complaints.

Tenant Complaint Form - A new Tenant Complaint Form has been created to address this gap, formalizing the process consistent with what is already in the ordinance. This item was presented as a first look; no action was taken.

Both items were presented as a first look; no action was taken at this meeting.

Ordinance 2026-06 Short-Term Rentals

Administrator Roisum presented Ordinance 2026-06, which establishes an entirely new short-term rental licensing framework as an addition to Chapter 10 — the first such regulation the City has adopted. Key provisions include a cap of eight total short-term rental licenses citywide, a limit of two licenses per person or entity, short-term rentals allowed in Residential Zones, and a requirement for a Special Use Permit (SUP) for any new short-term rental in a Commercial Zone.

Roisum noted that several short-term rentals are already operating in the City — including multiple units associated with the Motel and one commercial unit downtown — and that these would be treated as legal nonconforming uses since no ordinance was in place when they were established. All existing units will count toward the eight-license cap. Inspection timelines and requirements for short-term rentals will mirror those for long-term rentals for consistency.

Short – Term Rental Application – Council reviewed the new Short-term Rental Application.

Both items were presented as a first look; no action was taken at this meeting.

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Administrator Report

Administrator Roisum reported that since the last Council meeting, he attended a Department Head meeting and Ordinance Committee meetings, attended the CEDA Regional Meeting in Benson, worked with the City Attorney on Chapter 9 requirements, completed submitting the documents needed for the Liquor Store solar project tax credit, met with MnDOT about the ADA improvements needed for the Hwy 59S bike path, attended Budget Committee meetings, met with Team Lab, PeopleService, and Jennie-O about possible solutions to the lagoon odor issues, attended the MN Title ribbon cutting downtown, attended the monthly MCMA meeting with area administrators, met with Jordan, Katie, and Otter Tail County for a community development check-in, attended an EDA meeting and a series of long-term planning meetings at the school, and met with Brian and the City Engineer about several ongoing and future projects.

Mayor's Report

Mayor Frazier reported that since the last Council meeting, he submitted weekly columns to the Pelican Press, visited with area businesses and non-profits, attended a CEDA Regional Meeting with Administrator Roisum on July 29th in Benson, MN, conducted a "Conversations with the Mayor" session on July 30th at City Hall, attended a Pelican Rapids/MnDOT Shared Use Path Meeting via Teams on August 4th with Administrator Roisum at City Hall, attended a "Ribbon-Cutting Ceremony" with Administrator Roisum on August 13th for MN Title & Closing Company in Pelican Rapids, visited with a few of the 250 "Bicycling Around Minnesota" bicyclists on August 14th at the Brew Haven Coffee Shop in Pelican Rapids, attended Budget Committee meetings on August 18th and 24th at City Hall, attended the EDA Meeting on August 19th at City Hall, met on August 24th with Administrator Roisum to plan the agenda for this evening's Council Meeting, attended the Schools Long-Range Planning Focus Group Meeting on August 24th regarding school buildings and grounds, met on August 24th at City Hall with Terry Meir of Team Labs regarding our lagoon odor problem and attended the Pelican Rapids EMS Primary Service Area Meeting with Police Chief Quaintance on August 24th at the Government Services Building in Fergus Falls, MN.

Adjourn

Motion: Markgraf moved to adjourn the meeting at 6:56 pm. Strand seconded. Motion carried unanimously.



Danielle Harthun
Clerk-Treasurer