

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
December 13, 2010**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:15 pm in the Council Chambers of the City Administration Building at 125 Second Avenue NE, Perham, Minnesota, all members of the Council having been duly notified of the meeting and the business to be transacted. All Council Members and City Attorney Happel were present.

Staff present: City Manager Klemm, Public Works Director Meece, Finance Officer McCall, EDA Director Johnson, Police Chief Hoaby and Administrative Assistant Nundahl.

Others present: Building Official Neisen, City Engineer Berube

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Meehl requested all in attendance to rise for the Pledge of Allegiance.

CITIZENS CONCERNS

Mayor Meehl stated audience members may address the Council at this time. No one approached the Council.

APPROVAL OF AGENDA

Mayor Meehl stated Council Members and Staff may add items to the Agenda which requires Council action.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the agenda as presented.

CONSENT AGENDA

Mayor Meehl stated all items listed with an asterisk (*) will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event, the item will be removed from the general order of business and considered separately in its normal sequence on the agenda.

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the consent agenda as presented.

***APPROVAL OF MINUTES**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on November 8 and Special Minutes of November 23.

APPROVAL FOR PAYMENT OF CITY CLAIMS

Mayor Meehl stated Council may wish to consider approving City Claims.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl, the Council approved City claims in the amount of \$1,400,390.57 for the month of December 2010.

PERHAM MEMORIAL HOSPITAL REQUEST

Mayor Meehl stated Council may wish to consider waiving penalties on 2010 assessments for Perham Memorial Hospital and Home. Brad Wurgler, Chief Financial Officer for Perham Memorial Hospital, stated when they originally received their 2010 tax statement, it included a new tax amount of \$48,088.57 which they assumed represented standard property taxes for the Hospital project. They filed an Application for Property Tax Exemption with Otter Tail County because they are exempt from paying property taxes.

Brad Wurgler stated after discussions with several people, they realized the tax bill was the first year special assessments for the Clearwater Estates, First Addition Project. A check has been sent to the County to pay the assessment but a penalty has been added in the amount of \$5,770.62. Wurgler stated the City has the ability to waive the penalty and the Hospital is requesting the City to do so.

Discussion ensued. It was noted, if the City waives the penalty this evening, the County Board can take action on this matter at the Board Meeting scheduled for Tuesday, December 14th.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved waiving an assessment penalty in the amount of \$5,770.62 for the Perham Memorial Hospital and Home.

2011 FEE SCHEDULE

Mayor Meehl stated Council may wish to approve the 2011 Fee Schedule. City Manager Klemm reviewed the proposed changes noting the following: the Pawn Shop License was deleted and added a Taxi Cab License/\$50.00 for the first vehicle and \$25.00 for additional vehicles, faxing fee was set at \$1.00 per page at the Library and natural gas service rates are \$65.00 per hour with a minimum of one hour.

City Manager Klemm reviewed the proposed Sewer Fees which were discussed during the budget process. It was noted, the proposed fees were increased to cover existing debt and in anticipation of new debt. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the proposed fees for 2011 and approved Ordinance No. 306 entitled "Ordinance Setting the 2011 Fee Schedule, City of Perham, Minnesota".

***DELINQUENT UTILITY ACCOUNTS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved writing off uncollectible utility accounts and adopted Resolution No. 2010 – 58 entitled "Resolution In The Matter Of Writing Off Uncollectible Utility Account Balances, Perham, Minnesota".

***ASSESSMENTS FORWARDED TO OTTER TAIL COUNTY**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized staff to forward various charges to Otter Tail County Auditor to be placed on the assessment roll and adopted Resolution No. 2010 – 59 entitled “Resolution In The Matter Of Assessing Various Charges For City Services, Perham, Minnesota”.

***2011 CITY COUNCIL MEETING SCHEDULE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the following schedule for Council Meetings to be held in 2011: January 10, February 14, March 14, April 11, May 9, June 13, July 11, August 8, September 12, October 10, November 14 and December 12.

***2011 CIGARETTE LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved and authorized the Mayor and City Manager to sign licenses for the applications submitted for Cigarette Licenses contingent upon receipt of fees by the City Office for the following businesses: Service Food Market, Dean’s Country Market, Perham BP-Amoco, Westside Services, Main Street Express, Perham Tesoro and Landmark Liquors.

***TURTLE FEST/3.2 TEMPORARY LIQUOR LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved a 3.2. Temporary Liquor License for Perham Lions for the Turtle Fest Celebrations, June 24 and June 25, 2010 contingent upon all fees and legal requirements being met as required by the City and State of Minnesota’s Liquor Control Board.

***TURTLE FEST/DANCE PERMIT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved a Dance Permit for the Perham Lions for the Turtle Fest Celebrations, June 24 and June 25, 2010 contingent on location.

***TEMPORARY ON-SALE LIQUOR LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approve a Temporary On-Sale Liquor Licenses for the History Museum of East Otter Tail County for December 17, 2010 for an event at the ITOW Museum contingent upon all fees and legal requirements being met as required by the City and State of Minnesota’s Liquor Control Board.

***ACCEPTANCE OF PERHAM LAKESIDE GOLF CLUB INCOME STATEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the PLGC’s Income Statement for October, 2010.

***ACCEPTANCE OF PERHAM AREA COMMUNITY CENTER'S FINANCIAL REPORTS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the PACC's Financial Reports for 2010.

***ACCEPTANCE OF THE CITY'S FINANCIAL REPORTS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the following reports for November 2010: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense , Enterprise Financials and Utility Aging Report

***FIRE DEPARTMENT/2011 OFFICERS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council, on the recommendation of the Fire Department, approved the following as Officers for the Fire Department: Chief/Mark Schmidt, 1st Assistant/Tim Lachowitzer, 2nd Assistant/Kelly Melgard, 3rd Assistant/Steve Felt, 4th Assistant/Jon Ebeling, Head Engineer/Jeremie Schossow, Assistant Engineer/Matt Hendrickx, Assistant Engineer/Gary Koplin, Assistant Engineer/Clayton Trautman and Department Secretary/John Kostynick

ORDERLY ANNEXATIONS

Mayor Meehl stated Council may wish to authorize staff to proceed with various annexations to the City. Council Member Lehmkuhl stated the Planning Commission has recommended the Council annex certain properties which are surrounded and/or are bordered by more than sixty percent. Proposed properties include the following: Blossoms, Birds and Beyond, the Terry Bleichner property, property owned by Community Alliance Church, the Meyer/Heikkenen property east of the Industrial Park, East Coney Street and the Alanon building site.

Council Member Lehmkuhl stated future annexations may include property along East Main Street including the Van De Streek property, Bergums and Homestead Lumber along with parcels on West Main including the airport and St. Henry's cemetery.

City Manager Klemm stated State Statutes requires the City to give thirty day notices, the Public Hearing will be scheduled for February 14, 2011. Property owners and Perham Township will be notified.

Nick Theroux, owner of Blossoms, Birds and Beyond stated he would like to meet with officials prior to the annexation to discuss zoning issues. City Manager Klemm stated the Planning Commission will discuss zoning for these properties at their January meeting.

Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2010 – 60 entitled "Resolution In The Matter Of Calling For A Hearing On Annexation Of Various Parcels Into The City Of Perham, Minnesota".

***ACCEPTANCE OF THE BUILDING PERMIT REPORT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the Building Permit Report for November 2010.

***2011 PERHAM AREA PUBLIC LIBRARY**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council, on the recommendation of the Library Board, approved the following to serve on the 2011 Library Board: Jane Bartlett, Francine Guck, Lisa Hemmelgarn, Marlene Johnson, Mary Schmidt, Jim Szarke and Bob Wilkowski.

CITY ENGINEER MONTHLY UPDATE

Mayor Meehl stated City Engineer Berube will give an update on various projects.

Clearwater First Addition

City Engineer Berube stated the final payment voucher has been sent to the contractor on the Clearwater First Addition project. The contractor was informed that there were minor items that needed to be addressed in order to receive final payment and will receive the payment when the items are addressed.

First Avenue South

City Engineer Berube stated the First Avenue South project is complete with the exception of some minor punch list items. The contractor has informed them that all items have been addressed and a final review will be completed. Upon successful review, the final payment will be sent.

Third Street Northwest/Sixth Avenue Northwest/Pinewood Circle

City Engineer Berube stated the contractor has received the paperwork for the final payment and is in the process of completing the paperwork to allow for the project to be closed out.

New Creation Lutheran Church

City Engineer Berube stated the contractor has returned all applicable information for the closeout of the project.

Runway 12/30 Reconstruction

City Engineer Berube stated the contractor has returned all applicable information for the closeout of the project.

Fourth Street Northwest and Fifth Avenue Northwest

City Engineer Berube stated a draft of the Preliminary Engineering Report for the project has been completed. City staff is in the process of reviewing the report and the required funding prior to presentation to the City Council.

PRELIMINARY ENGINEERING REPORT

Mayor Meehl stated Council may wish to consider approving a resolution calling for a Preliminary Engineering Report for improvements on Fifth Avenue SE.

Public Works Director Meece stated during the Second Street Project, an eighteen inch sewer main was installed and connected to a twelve inch sewer main on Fifth Avenue which then goes to the lift station located in the Fair Grounds. Due to the downsizing, wastewater remains in the manhole. In 2007, the City did not have the amount of wastewater that it does today and we may be experiencing problems in the future of this is not corrected. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2010 – 61 entitled “Resolution In The Matter Of Ordering Preliminary Engineering Report For Improvements To Fifth Avenue South East From Second Street South East To Fifth Street South East Continuing Southerly To The Main Lift Station In The East Otter Tail County Fairgrounds, Perham, Minnesota”.

***SANITARY SEWER MAINTENANCE POLICY**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved a Sanitary Sewer Maintenance Policy.

***ACCEPTANCE OF THE MONTHLY POLICE REPORT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the Monthly Police Report for November 2010.

INFORMATION AND ANNOUNCEMENTS

Pot Luck Dinner, Monday, December 20 @ 11:30

The City Offices will be closed on the following days: Thursday, December 23 @ 1, Friday, December 24 and Friday, December 31

The next regular Council Meeting is scheduled for January 10 at 5:15 pm

A Community Active Living Meeting is scheduled for Thursday, December 16th @ 11

The Annual Fire Meeting is scheduled for Wednesday, January 5 @ 6:30

RECESS

At 5:43 pm, Mayor Meehl recessed the meeting until 6:00 for the Public Comment Period regarding the 2011 Budget and Levy

6:00 PUBLIC COMMENTS FOR 2011 BUDGET AND LEVY

Mayor Meehl stated Council may wish to hear comments regarding the proposed tax levy and 2011 Budget. City Manager Klemm reviewed the levy noting an increase of 6.25%, the State of Minnesota would have allowed up to 11%. The final levy is \$1,190,534. Discussion ensued.

No one from the audience requested to speak and no comments, written or verbal, were received prior to the meeting.

ADOPTION OF 2011 LEVY AND BUDGET

Mayor Meehl stated Council may wish to adopt the 2011 Budget and Levy.

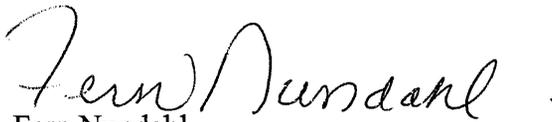
Council Member Johnson stated staff and Council spent considerable time in preparation of the levy and budget. Johnson also stated the levy and budget is fair and reasonable.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2010 – 62 entitled “Resolution In The Matter Of Establishing The Tax Levy For Taxes To Be Collected In 2011, And Approving The 2011 Budget, Perham, Minnesota”.

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the meeting was adjourned at 6:04 p.m.

Respectfully submitted by,

A handwritten signature in cursive script that reads "Fern Nundahl". The signature is written in black ink and is positioned above the printed name.

Fern Nundahl
Administrative Assistant