

**PERHAM CITY COUNCIL  
REGULAR MEETING MINUTES  
February 9, 2015**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:17 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. Council Members present were Johnson, Lehmkuhl, Mattfeld and Mayor Meehl.

Staff present: City Manager Klemm, Police Chief Hoaby, EDA Director Johnson, Finance Officer Stokke, Administrative Assistant Nundahl.

Others present: City Attorney Happel, Building Official Neisen, City Engineer Berube

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

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

**CITIZENS CONCERNS**

Mayor Meehl stated the Council will recognize citizens who may have items for the Council.

Joel Smith from Arvig addressed the Council and gave an update regarding the DTA Transition issues they have been experiencing. Arvig had a digital upgrade on January 20<sup>th</sup> and experienced a number of problems which affected 3800 customers in Perham, Dent, Richville, Ottertail and New York Mills and surrounding communities. Arvig dealt with three different issues: some of the digital boxes did not work, some of the customers were not notified of the upgrade and a number of customers did not know how to re-scan channels on their televisions. Arvig received and or made over 3000 phone calls within the first four days after the upgrade. Smith noted that they recently had three other upgrades and did not have any issues. Smith stated that customers were sent a letter of apology and a \$25 credit.

Joe Stevens, a well driller from Maple Plain addressed the Council regarding the City's policy for drilling private wells. The City cannot prohibit people drilling private wells on their property. Since 1989, the Minnesota Department of Health has total control over water except the Department of Natural Resources has control over water appropriations. Cities have no authority regarding the regulation of water. Landowners have water rights when they own property. Stevens stated the waters of the state are regulated by the State. There is a serious legal liability if the City enforces their current policies. Stevens also noted that we need to change our wording on our current water ordinance when dealing with closing/capping wells, wording needs to be updated.

Jerry Anderson, 818 8<sup>th</sup> Avenue SW, Perham, stated he has notified the City on several occasions, the condition of several yards in his neighborhood. The current weed policy is notification when the weeds are over 12 inches. By then, the seeds have spread which causes him to spend more money on his yard. Anderson also noted that his neighborhood is zoned as single family. Some of the neighbors have a number of additional people living in the house and they

may have ten to twelve vehicles parked on the lawn and all over. Building Official Neisen stated that we cannot regulate the number of residents because we may then be discriminating. Neisen stated he can send a nuisance letter to the property owners regarding vehicles because they have to be parked either on the driveway or street; they cannot be parked on the lawn.

Eugene Malikowski, 470 5<sup>th</sup> Avenue NW, questioned when is the City going to put a storm sewer in his neighborhood. The City spent \$450,000 to put a storm sewer line to the Golf Course, KLN is putting in a detention pond in his back yard and it is contaminating his water. The detention pond is too close to his basement and he also has a well. Barrel O Fun should be sending their water out to the Golf Course. Mayor Meehl stated this plan was approved and permitted by the State of Minnesota.

#### **APPROVAL OF AGENDA**

Mayor Meehl stated Council Members and Staff may add items to the Agenda which requires Council action. City Manager Klemm stated the Golf Course did not forward their 2015 Budget and requested it be removed from the Agenda.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the agenda with removal of the above noted item.

#### **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 Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved the Consent Agenda as presented.

#### **\*APPROVAL OF MINUTES**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on January 12, 2015.

#### **APPROVAL FOR PAYMENT OF CITY CLAIMS**

Mayor Meehl stated Council may wish to approve payment of Prepaid and Unpaid City Claims. Finance Officer Stokke requested the following invoices be considered for payment: Jon Ebeling in the amount of \$488.24, Kelcey Klemm in the amount of \$619.46, MN Public Facilities Authority in the amount of \$45,618.60, Pizza Ranch in the amount of \$260.52, Mark Schmidt in the amount of \$392.48 and U.S. Energy in the amount of \$841,670.46 bringing the total Unpaid Invoices to \$1,336,867.41.

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$1,644,130.97 for January, 2015.

**2015 BUDGET/PERHAM AREA COMMUNITY CENTER**

Mayor Meehl stated Council may wish to approve the 2015 Budget for the Perham Area Community Center. PACC Director Kevin Nelson reviewed the budget and answered questions of the Council.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the 2015 PACC Budget.

**\*LOCAL BOARD OF REVIEW**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council scheduled the Local Board of Review for Wednesday, April 29, 2015 from 1:00 to 2:00 pm. A Council quorum is required.

**\*SENIOR CENTER LEASE**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved the lease between the City and Mark and Barb Lenius for the Senior Center.

**\*CHAMBER OF COMMERCE REQUEST**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council gave permission to the Chamber of Commerce the use of various streets and parks for special events in 2015.

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

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted the PLGC's Income Statement for December, 2014.

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

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted the PACC's Financial Reports for December, 2014.

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

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted the following reports for January 2015: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

## **AMENDING ZONING ORDINANCE/SIGN SECTION**

Mayor Meehl stated Council may wish to consider amending the Sign Section of the Zoning Ordinance. Council Member Lehmkuhl stated the Planning Commission held a public hearing to discuss changes to the sign section of the zoning ordinance. The City has received a number of variance requests for larger signs in some of the commercial districts.

City Manager Klemm stated recently, signs in the Happel Addition have been non-conforming. After much discussion, it was recommended that the City be split: south of Coney, the restrictions would be less allowing larger sign. It was also noted, that signs close to Highway 10 and 78 may need MN DOT approval. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Ordinance No. 369 entitled "An Ordinance Amending Ordinance 286 Regulating Land Use (Zoning)".

## **CITY ENGINEER MONTHLY UPDATE**

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

### **Safe Routes To School**

City Engineer Berube reviewed the project scope for the Safe Routes To School. This project includes sidewalk on the north side of 9th Street SW from 2<sup>nd</sup> Avenue SW to Coney Street and 3<sup>rd</sup> Avenue from 7<sup>th</sup> Street SW to 9<sup>th</sup> Street SW. A new bike path will also be installed in-between Dr. Hamann's and Andersons on 9<sup>th</sup> Street SW south and then east along the northerly property line of the school. The Middle School will have a new exit to the south on Coney and a raised platform or speed bump will be installed by the elementary school. This construction is expected to take place in 2015. It was noted, an informational meeting will be held at the February Committee of the Whole for affected property owners.

### **DNR Trail Connection Grant Application**

City Engineer Berube stated the City will be submitting a grant application for funding for extending our bike trail on Coney Street. The proposed project will connect the Wild Flower Trail from 9<sup>th</sup> Street SW to Boedigheimer Park. Council will be asked to approve a resolution supporting the grant request in March.

## **2015 IMPROVEMENT PROJECT/ACCEPTING PLANS AND SPECIFICATIONS AND CALLING FOR BIDS**

Mayor Meehl stated Council may wish to consider approving the Plans and Specifications for the 2015 Improvement Project and call for bids. City Engineer Berube stated due to funding, Otter Tail County and the State will need to approve the Plans and Specifications. Berube reviewed the project. It was noted, because the soil borings indicated that the ground was not stable, a complete reconstruct will take place between Coney and Fox Street; curb and gutter will not be removed in this area. This area will be completed in sections: Staebler to Subway (between their

driveways), Subway to Knuttila Financial (between their driveways) and Knuttila Financial to the old Dean's building.

City Engineer stated the crosswalks would be bid out as alternates. Alternate A would be the red concrete crosswalks. Alternate B would be the aggregate reinforced thermoplastic system; it was noted, this has a shorter lifespan but it can be driven on immediately where the concrete needs to dry taking about five days longer for installation. The County has not volunteered to assist with funding for the extra costs associated with these crosswalks.

It was noted, the new projected cost is \$5,866,000. The timeline was reviewed noting bids would be received on March 23 and the Assessment Hearing would be held on April 13<sup>th</sup>. It is anticipated that part of the project can be completed prior to Memorial Day. 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. 2015 – 5 entitled “Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids For The 2015 Improvement Project Which Includes Third Avenue SE From Main Street To Coney Street, Fox Street From Third Avenue SE To Second Avenue SE Fourth Street SE From First Avenue To Fifth Avenue SE Second Avenue SE From Second Street SE To Fifth Street SE Third Street SE From Second Avenue SE To Third Avenue SE Third Street SW From Eighth Avenue SW To Third Avenue SW, Perham, Minnesota”.

#### **CRACK SEAL AND SEAL COAT PROJECT/PERHAM MUNICIPAL AIRPORT**

Mayor Meehl Council may wish to consider approving the Plans and Specifications for the Crack Seal and Seal Coat Project for the Perham Municipal Airport and call for bids. City Engineer Berube stated this project has been on the Airport's Capital Improvement Plan for a number of years. The project will be partially funded through MnDOT Aeronautics.

City Engineer Berube reviewed the project components. Crack Seal must be completed within five working days and maintain a minimum temperature of 50 degrees. Seal Coat also has a timeframe of five working days but must maintain a minimum temperature of 60 degrees. The permanent pavement marking has a timeframe of three days and thirty calendar days must elapse from Seal Coating. Based on Aeronautics current funding, MnDOT will be paying 90% of the cost. The estimated cost is \$126,000. The bid date has been set for March 24<sup>th</sup>. Council Member Lehmkuhl stated the Airport Commission recommends proceeding with the project.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2015 – 6 entitled “Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids For The 2015 Crack Seal And Seal Coat Project At The Perham Municipal Airport, Perham, Minnesota”.

## **VICTORY ESTATES**

Mayor Meehl stated Council may wish to consider accepting the Preliminary Engineering Report and calling for a Public Hearing for Victory Estates. City Engineer Berube stated the total estimated cost for this project is \$150,000. The City share would be \$24,850 and the assessable share is \$125,150. Berube reviewed the assessments per the City's assessment policy. Lots 1, 2, 3 and 4 of Victory Estates assessment would be \$22,475 each. The assessment for Lot 3, Block 1 of Ruby's Addition would be \$9,750 and the assessment for Lot 4, Block 1 of Ruby's Addition would be \$25,500. The reason this lot is higher because it will be charged for sanitary sewer service, water service, sanitary sewer main and water main along with the street improvements.

City Engineer Berube reviewed the project schedule noting the Public Hearing will be scheduled for March, plans will be approved March 25 at a Special Council Meeting, bids will be received in April, Assessment Hearing in May and construction can begin in May. Discussion ensued.

Council Member Lehmkuhl stated the City has not received documentation including the Letter of Credit from the Developer. Staff has made it clear what documentation needs to be forwarded to the City Office and the Developer has had sufficient time to turn these items in. Lehmkuhl stated he does not feel that the City should proceed with the project until the paper work is received. Discussion ensued.

A motion was made by Council Member Lehmkuhl to table further action on this project until the necessary paperwork has been received from the Developer. Motion died for a lack of a second.

A motion was made by Council Member Johnson, seconded by Council Member Mattfeld to approve Resolution No. 2015 – 7 entitled "Resolution Receiving Report And Calling For A Public Hearing For Improvements On Fourth Street SE From Seventh Avenue SE To Eighth Avenue SE, Phase One, Victory Estates, Perham, Minnesota" and approved proceeding with the project if the proper documentation has been received from the Developer; voting in favor were Council Members Johnson, Mattfeld and Mayor Meehl, voting nay was Council Member Lehmkuhl.

## **PURCHASE OF PARCEL IN VICTORY ESTATES**

Mayor Meehl stated Council may wish to consider purchasing a parcel of land from Jeff Dewar in Victory Estates. City Manager Klemm stated the City has underground utilities, storm water and sanitary sewer, running though the property directly east of the fairgrounds. Throughout the planning stages of Victory Estates, we have had ongoing discussions with Jeff Dewar regarding purchasing this parcel. The parcel is 2.34 acres with a cost of \$10,000 per acre for a total of \$23,400. This is the same price Dick Stoderl paid for Victory Estates. This parcel is directly south of the dedicated Victory Estates Park. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the purchase of 2.34 acres of land from Jeff Dewer in an amount not to exceed \$23,400; purchase is subject to the recording of the Victory Estates plat.

#### **MARION LAKE PROPOSAL/NATURAL GAS EXPANSION**

Mayor Meehl stated Council may wish to authorize a Feasibility Study to expand natural gas services around Marion Lake. City Manager Klemm stated Lake Superior Consulting submitted a new proposal which includes the Engineering and Design of the proposed natural gas expansion to Marion Lake. The design only cost is \$44,000. Construction is estimated at \$400,000 to \$500,000. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved entering into a contract with Lake Superior Consulting for Engineering and Design of the Proposed Natural Gas Expansion to Marion Lake not to exceed \$44,000.

#### **\*FACILITY USE AGREEMENT**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council authorized extending the Facility Use Agreement regarding the usage and maintenance of the outdoor skating rink and warming house.

#### **\*PERHAM TO PELICAN RAPIDS REGIONAL TRAIL**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved Resolution No. 2015 – 8 entitled “Resolution Of Support For The Perham To Pelican Rapids Regional Trail DNR Regional Trails Grant Application, City Of Perham” and Resolution No. 2015 – 9 entitled “Resolution Of Support For The Perham To Pelican Rapids Regional Trail DNR Local Trail Connections Grant Application, City Of Perham”.

#### **\*SIGNIFICANT INDUSTRIAL USE AGREEMENT/BONGARDS**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved the amended Significant Industrial Use Agreement with Bongards.

#### **INFORMATION AND ANNOUNCEMENTS**

Presidents' Day is February 16, City Offices will be closed

The Perham Hospital District Annual Meeting is scheduled for Wednesday, February 25 at 5:30

The next regular Council Meeting is scheduled for Monday, March 9

The Chamber's Leadership Awards is scheduled for Thursday, April 16

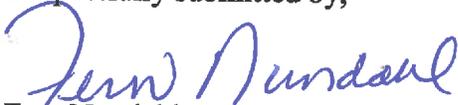
**FEBRUARY COMMITTEE OF THE WHOLE**

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, the Committee of the Whole Meeting will be re-scheduled to Tuesday, February 24<sup>th</sup> at 5:15 pm.

**ADJOURNMENT**

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl, and carried without dissenting vote, the meeting adjourned at 7:03 p.m.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant

## **SPECIAL COUNCIL MEETING MINUTES**

**February 24, 2015**

Mayor Meehl called the Special Council Meeting to order at 5:15 on February 24, 2015 in the Council Chambers located at 125 Second Avenue NE, all members of the Council having been duly notified of the meeting, and the business to be transacted. Council Members present were Johnson, Mattfeld, Lehmkuhl and Mayor Meehl.

Staff members present were: City Manager Klemm, EDA Director Johnson, Finance Officer Stokke, Librarian Ladwig, Public Works Director Meece, Liquor Store Manager Dreger, Police Chief Hoaby and Administrative Assistant Nundahl.

Others present were: Building Official Neisen, City Engineer Berube

### **WELLHEAD PROTECTION PLAN, PART I**

Mayor Meehl stated Council may wish to consider authorizing the submittal of the Wellhead Protection Plan, Part 1 to the Minnesota Department of Health for approval. City Manager Klemm stated the Wellhead Protection Plan was adopted over ten years ago so it will need to be amended. It was noted, the Drinking Water Supply Management Area and the Wellhead Protection Area boundaries have decreased in size.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the submittal of the amended Wellhead Protection Plan, Part 1.

### **TEMPORARY ON-SALE LICENSE**

Mayor Meehl stated Council may wish to consider approving a Temporary On-Sale Liquor License for Perham Center for the Arts on March 7, 2015. City Manager Klemm stated the Center is hosting a painting class and would like the participants to be allowed to bring their own wine. Painting classes have been held previously with this same request and they experienced no problems.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the Temporary On-Sale Liquor License for the Perham Center for the Arts.

### **PARALLEL PARKING ONLY/THIRD AVENUE SE RECONSTRUCTION PROJECT**

Mayor Meehl stated Council may wish to approve a resolution regarding parking on Third Avenue SE. City Manager Klemm stated because state-aid funds will be used to pay a portion of the Third Avenue SE reconstruction project, the State has requested that we require parallel parking from Fifth Street to Main Street and restrict all parking on Third from Highway 10 to Fifth Street SE. A short 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. 2015 – 10 entitled “Resolution

For Parallel Parking Only For The Third Avenue SE Reconstruction Project (CSAH #8), Perham Minnesota”.

**ADJOURNMENT**

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the meeting was adjourned at 5:19.

Respectfully submitted by,



Fern Nundahl  
Administrative Assistant