

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
March 11th, 2013**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:16 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 were present.

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

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

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

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

CITIZENS CONCERNS

Mayor Meehl requested those present to rise if they wanted to address the Council. No one addressed 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 Mattfeld 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 Johnson, 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 Johnson, 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 February 11 and Special Meeting held on February 27, 2013.

APPROVAL FOR PAYMENT OF CITY CLAIMS

Finance Officer Stokke requested Council consider two additional claims: Design Tree in the amount of \$7,404.96 and US Energy in the amount of \$567,964.12.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved payment of City Claims in the amount of \$2,875,309.00 for February, 2013.

2013 PACC BUDGET

Mayor Meehl stated Council may wish to consider approving the 2013 PACC Budget. PACC Director Nelson briefly reviewed the budget. It was noted, the part-time bookkeeping position was promoted to full-time position with benefits so this line item increased significantly. The rest of the budget remained close to the previous years. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the 2013 PACC budget.

GAMBLING PERMIT

Mayor Meehl stated Council may wish to consider approving a gambling permit for Perham Athletic Association to establish gambling in Ales and Eats. The permit was reviewed noting this site was formerly known as The Brew.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2013 – 7 entitled “Resolution In The Matter Of Approving Premises Permit Application, Perham Athletic Association”.

BOND RATING UPGRADE

Mayor Meehl stated Standard & Poor’s Ratings Services has raised its rating on the City’s gas utility revenue refunding bonds. City Manager Klemm stated the City’s rating was increased from A- to A. The higher rating reflects the City’s continued good debt service coverage, improved liquidity, a diverse portfolio of suppliers and prudent rate policies which transfer the commodity cost risk to customers in a timely manner.

City Manager Klemm stated with the higher rating, we should see lower interest rates if we need to bond. This item was discussion only, no action taken.

***2012 BUDGET AMENDMENTS**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved amending the 2012 budget due to the addition of approved projects during the 2012 budget year and Resolution No. 2013 – 8 entitled “Resolution In The Matter Of Amending The 2012 Budget”.

***SALES TAX EXEMPTIONS**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved adopting a resolution in support of legislation

that would re-exempt the purchases of cities from the state sales tax and Resolution No. 2013 – 9 entitled “Resolution In The Matter Of Sales Tax Exemption, Perham, Minnesota”.

***NORTHWOODS ASSEMBLY OF GOD**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of the City Hall Park on Good Friday for a “Live Passion Drama and Walk” to Northwoods Assembly of God’s Church.

***WALK A MILE IN HER SHOES**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of N.P. Park on Friday, April 26th for a fundraising event for Someplace Safe.

***LADY SLIPPER GARDEN CLUB**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of NP Park on Saturday, June 1 to Lady Slipper Garden Club for a plant sale starting at 8:00.

***ARVIG RELAY FOR LIFE 5K RUN OR WALK**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of the bike path and facilities at the softball fields on Saturday, May 4, 2013 from 6:00 am to noon for a 5k run/walk to raise funds for the East Ottertail American Cancer Society.

***3.2 BEER LICENSE RENEWALS**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved 3.2 Beer Licenses subject to receipt of applicable fees and required information by the City Office.

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

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the PLGC’s Income Statement for January, 2013.

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

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the PACC’s Financial Reports for January 2013.

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

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the following reports for February 2013: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

ANNEXATION/PROFESSIONAL AGRONOMY PROPERTY

Mayor Meehl stated Council may wish to consider annexing property owned by Professional Agronomy (formerly Perham Coop) which they recently purchased from BNSF. Council Member Lehmkuhl stated a number of years back, Perham Coop requested the City to make improvements to Pinewood Circle. At that time, an agreement was made between Perham Coop and the City; the City agreed to make the improvements and when Perham Coop finalized the purchase of land from BNSF, they would request annexation.

City Manager Klemm stated at the Public Hearing, a Township Representative was in attendance. The City will pay Perham Township two payments in the amount of \$634.33, to reimburse the township in lost property taxes. It was noted, Professional Agronomy currently has City water. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Ordinance No. 345 entitled "Annexation Of Parcel Number 51000100093004, Professional Agronomy Services LLC, City Of Perham, County Of Otter Tail, State Of Minnesota, An Ordinance Extending The Corporate Limits Of The City Of Perham To Include Certain Unincorporated Property Abutting The Limits Of The City".

***ACCEPTANCE OF THE BUILDING PERMIT REPORT**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the Building Permit Report for February 2013.

CITY ENGINEER MONTHLY UPDATE

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

Third Avenue SW

City Engineer Berube stated design surveying is complete for the Third Avenue Southwest Project. Design for the proposed street and utility project is currently underway. Design is scheduled for completion by the April City Council Meeting.

Downtown Parking Lots

City Engineer Berube stated surveying has been completed for the design of the Downtown Parking Lots. Design of the reconstruction is also underway. Details with select property owners are currently being reviewed to determine project limits. Design is scheduled for completion by the April City Council Meeting. Discussion ensued regarding storm water drainage and improvements on private property.

South Water Tower Resurfacing

City Engineer Berube stated design for the south water tower resurfacing is nearly complete. Permit fees will be sent into the State Department of Health in the near future and final design of the tower's logo will be picked out with the final design at the March Special Council Meeting. Discussion ensued regarding painting the tower with school colors, black with yellow trim. It was noted, all colors will fade after time. Black or any other dark color will not show dirt and

mildew as much as a lighter color. It was noted, this issue will be on the Special Council Meeting scheduled for March 27.

ESTABLISHING FEES FOR EXCAVATION ORDINANCE

Mayor Meehl stated Council may wish to consider approving an ordinance establishing fees for excavation. City Manager Klemm stated the City Code includes standards for excavation of City streets and states that the City has set fees for these standards. The City will not make money on these fees, but our intent is to make sure that we know who is working on the streets and what they are doing. The fee schedule was reviewed. A 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. 346 entitled "Ordinance Establishing Excavation Fees And Charges, City Of Perham, Minnesota".

PROPOSAL FOR ARCHITECTURAL SERVICES

Mayor Meehl stated Council may wish to consider entering into a contract with BHH Partners to provide architectural services for the proposed Public Works Building Project. A short discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized staff to enter into an agreement with BHH Partners to provided Architectural Services not to exceed \$12,800 for the Public Works Building.

***EMS MANAGEMENT AGREEMENT**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Management Agreement between the City and Perham Area EMS.

***LAWN MOWER PURCHASE**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the purchase of a 2013 John Deere 1600 WAM lawn mower for the Parks Department from RDO Equipment not to exceed \$25,826.00.

***ACCEPTANCE OF THE MONTHLY POLICE REPORT**

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the Monthly Police Report for February 2013.

INFORMATION AND ANNOUNCEMENTS

LMC Legislative Conference is March 21

A Special Council Meeting and the Committee of the Whole is scheduled for Wednesday, March 27

The next regular Council Meeting is scheduled for Monday, April 8

The Local Board of Review is scheduled for Wednesday, May 1 at 1 pm, a Council quorum is required.

ADJOURNMENT

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the meeting was adjourned at 5:43 p.m.

Respectfully submitted by,



Fern Nundahl
Administrative Assistant