

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
January 10, 2011**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:21 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 Lehmkuhl, Mattfeld, Spencer and Mayor Meehl. City Attorney Happel was also present.

Staff present: City Manager Klemm, Public Works Director Meece, Finance Officer McCall, 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.

OATH OF OFFICE

City Manager Klemm delivered the Oath of Office to Timothy Meehl the Mayor and Council Members Fred Lehmkuhl, Harriet Mattfeld and Eric Spencer.

CITIZENS CONCERNS

Mayor Meehl stated audience members may address the Council at this time.

Perham Black Powder Club

Mayor Meehl recognized Dale Wright and Pat Hodnefiled, representing the Perham Black Powder Club. Mr. Hodnefiled stated the National Muzzle Loaders Association has informed the Perham Black Powder Club that they will be hosting the 2012 National Competition.

Mr. Hodnefiled stated the event is scheduled for June 16 through June 23, 2012 and will bring in an estimated crowd of 500. The event will take place on property owned by Albert and Lisa Werner south of Perham. Members of the Club will need to start making plans for the event and requested Council consider allowing wood that would be used for campfires to be stored at the Pioneer Village. Club members are also concerned about providing clean water to the campers and disposing of the waste in the porta-potties.

Discussion ensued. City Manager Klemm stated these issues would be discussed with staff and will forward information to the Club.

Dale Wright stated the Club and the Golf Course has a separate agreement regarding closing the last nine golf holes on certain days during the summer when the Club has scheduled a shoot. Each year, certified letters are sent to the Golf Course and City reminding them of the dates and each year, they run into problems with golfers using the course when it should be closed. Mr. Wright requested the City assist the Club in reminding staff at the Golf Course to abide by the agreement. No action taken.

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 Spencer 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 Lehmkuhl 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 Lehmkuhl and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on December 13, 2010 and minutes of the joint meeting with Perham Township on January 4, 2011.

APPROVAL FOR PAYMENT OF CITY CLAIMS

Mayor Meehl stated Council may wish to approve City Claims. Finance Officer McCall requested Council consider the addition of two claims: US Bank in the amount of \$190,137.50 and Otter Tail Wadena Action Council in the amount of \$8,000.00.

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 \$2,208,861.97.

2011 PACC BUDGET

Mayor Meehl stated Council may wish to approve the 2011 PACC Budget. PACC Director Nelson stated this budget has been approved by the PACC Board and is very similar to the 2010 budget. The budget was reviewed.

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the 2011 PACC Budget.

ORGANIZATIONAL RESOLUTION

Mayor Meehl stated Council may wish to approve the 2011 Organizational Resolution. City Manager Klemm reviewed the draft resolution. Discussion ensued.

On a motion by Council Member Spencer, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution No. 2011 – 1 entitled “2011 Organization Resolution”.

***TRANSPORTATION AGREEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council authorized the Mayor and City Manager to enter into a Transportation Agreement with Productive Alternatives to provide funding for public transportation services within the City.

***CHAMBER OF COMMERCE REQUEST**

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council granted permission to the Chamber of Commerce the use of various streets and parks for special events in 2011.

***FREEZE YOUR FACE, 5 K RACE**

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council granted permission to the Perham Cross Country Team and PACC the use of City streets for a fundraising event on February 12th.

***LOCAL BOARD OF REVIEW**

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council scheduled the Local Board of Review for Wednesday, May 4, 2011 at 1:00. A Council quorum is required.

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

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

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

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

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

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

***FIRE DEPARTMENT /MUTUAL AID AGREEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved a Mutual Aid Agreement between the Wadena Fire Department and Perham Fire Department.

***DECERTIFICATION OF TIF DISTRICT 2 – 17**

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution No. 2011 – 2 entitled "Being A Resolution Approving The Decertification Of Tax Increment Financing District No. 2-17 Of The City Of Perham, City Of Perham, County Of Otter Tail, State Of Minnesota".

***ACCEPTANCE OF THE BUILDING PERMIT REPORT**

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

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 has yet to submit the final televising of two minor areas in the project. The contractor was contacted and he was going to send the information as soon as possible. When the information is received and approved, final payment may be submitted.

First Avenue South

City Engineer Berube stated the First Avenue South project is complete with the exception of some minor punch list items. All subcontractors have received the required forms for closeout and upon submittal to the prime contractor, final payment will be prepared.

PRELIMINARY ENGINEERING REPORT/2011 NW STREET RECONSTRUCTION PROJECT

Mayor Meehl stated Council may wish to consider accepting the Preliminary Engineering Report for the 2011 NW Street Reconstruction Project. City Engineer Berube stated the City was petitioned by a majority land owner for improvements for parts of Fourth Street NW, Fifth Avenue NW and Lake Avenue.

City Engineer Berube stated the proposed improvements consist of street improvements, storm sewer and the installation of a water hydrant. The report has been completed with a base option on Fourth Street and Fifth Avenue NW and an alternate area for Lake Avenue. Estimated cost for Area 1 is \$320,500 and Area 2 is \$250,000 for a total of \$570,000. Due to the lack of assessable property on the proposed project, assessment rates are considerably high compared to recent reconstruction projects. It was noted, industrial lots along the project area would be assessed for the additional road thickness to accommodate the larger traffic in the area. Street base rate is estimated at \$11,586.83 per 100 foot lot and industrial rate is \$10,000 per 100 foot lot for Area 1. Street base rate is estimated at \$10,812.29 per 100 foot lot and industrial rate is \$12,000 per 100 foot lot for Area 2. Discussion ensued.

Council Member Lehmkuhl stated the proposed assessments are high but this project needs to be done especially with the new interchange and expansion plans at Barrel O Fun and at Tuffy's. City Manager Klemm recommended proceeding with the Improvement Hearing to hear the property owner's comments.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Resolution No. 2011 - 3 entitled "Resolution Receiving Report And Calling For A Public Hearing On Improvements For 2011 Street Reconstruction Project, Perham, Minnesota".

PRELIMINARY ENGINEERING REPORT/FIFTH AVENUE SOUTH EAST

Mayor Meehl stated Council may wish to consider accepting the Preliminary Engineering Report for improvements to Fifth Avenue SE. City Engineer Berube stated this reconstruction project will reduce current constrictions to the City's wastewater and stormwater piping; and upgrade the watermain by looping dead end mains in the area. The majority of the project will be completed outside residential areas as the improvements will require the excavation of the pipes beneath the East Otter Tail County Fairgrounds.

City Engineer Berube stated the proposed improvements consist of watermain, sanitary sewer, storm sewer and street. The storm sewer improvements are estimated at \$152,000 and are not required to be completed at this time. The estimate for the rest of the work is \$561,000. It was noted, estimated assessment rates are slightly higher than the figures that were assessed for the First Avenue Project. Estimated assessments for a 100 foot lot are: \$1,500 for water service, \$1,187.50 for sanitary sewer service and \$8,932 for street for a total of \$11,619.50. Discussion ensued.

City Engineer Berube stated if this project proceeds, construction will not start until after the EOT County Fair, sometime after August 1. City Engineer Berube stated the Barrel O Fun Project and this project should be bid out separately due to the Barrel O' Fun project is a street project and this is an underground utility project. Two different contractors would be bidding on the projects and also the NW assessments should not be charged to the Fifth Avenue property owners. It was also noted, the Fifth Avenue SE Project is on the City's CIP Plan. Discussion ensued regarding accepting Bongards wastewater. City Engineer Berube stated the lift station would need to be upgraded prior to accepting Bongards wastewater.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2011 – 4 entitled “Resolution Receiving Report And Calling For A Public Hearing On Improvements For The Fifth Avenue Se Project, Perham, Minnesota”.

WASTEWATER TREATMENT FACILITY EXPANSION PROJECT/ENGINEERING RFP

Mayor Meehl stated Council may wish to consider authorizing staff to proceed with a Request For Proposals for engineering services for the proposed Wastewater Expansion Project. City Manager Klemm stated one of the requirements for the EDA Grant the City is applying for requires the City to solicit engineering firms to assist with plans for the wastewater treatment facility expansion.

City Manager Klemm reviewed the timeline noting the Council would interview with the interested firms on January 26 and a Special Council Meeting would be scheduled for January 28 to select the firm. The RFP's would be emailed out to various consulting firms and put on the League's website. Klemm noted that the Facility Report completed in 2009 contains good information and would be shared with interested consulting firms. Discussion ensued.

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the Request for Proposal and authorized staff to distribute to interested consulting firms.

***ACCEPTANCE OF THE MONTHLY POLICE REPORT**

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

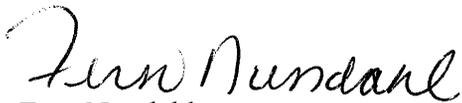
INFORMATION AND ANNOUNCEMENTS

January 17, 2011 is Martin Luther King Day/City Offices will be closed
The Committee of the Whole is scheduled for January 26 at 5:15
The Regular Council Meeting is scheduled for February 14 at 5:15 pm

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the meeting was adjourned at 6:13 p.m.

Respectfully submitted by,



Fern Nundahl
Administrative Assistant