

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
March 14, 2011**

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, Finance Officer McCall, Police Chief Hoaby, EDA Director Johnson and Administrative Assistant Nundahl.

Others present: 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 recognized Patrick Hollister from Statewide Health Improvement Program (SHIP). Patrick Hollister stated a meeting to review the survey results is scheduled for Thursday, March 17th at 5:30 at PACC. Hollister stated they will also discuss the Walk/Bike to School week which is scheduled for April 30th to May 6th, Safe Routes to School efforts and Community Design issues. It was noted, the meeting at PACC is open to the public. On May 7th, in conjunction with the Perham Police Department, they plan to host a Bike Rodeo and will be giving away bikes and helmets. They will also have a re-dedication of the Cal Miller Bike Path. Discussion ensued. No action taken.

No one else 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 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 February 14 and minutes of the Special Meeting held on February 23, 2011.

APPROVAL FOR PAYMENT OF CITY CLAIMS

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

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of City Claims in the amount of \$1,447,461.43 for the month of February, 2011.

2011 GOLF COURSE BUDGET

Mayor Meehl stated Council may wish to approve the 2011 Golf Course Budget. It was noted, per the Management Agreement for the Golf Course, City Council is to approve their budgets annually.

Dean Bahls, Trent Swanson and Duane Dorow presented the 2011 Golf Course Budget. It was noted, the revenue for 2010 was considerably down due to poor weather conditions throughout the summer. Board members did creative things to increase revenue and decrease expenses noting green fees did not increase and some membership fees increase. Discussion ensued. It was noted; the well is in poor condition but is holding, a replacement was not budgeted in 2011 simply because of budget constraints. Council Member Johnson stated there is no excess money in this budget.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the 2011 Golf Course Budget.

LAKES AREA COOPERATIVE DEED EXCHANGE

Mayor Meehl stated Council may wish to approve a deed between the Lakes Area Cooperative and the City to clear up boundary issues. City Attorney Happel presented the proposed deeds and easement noting that a portion of the grandstand sits on Coop property and a portion of the Country Store sits on City property.

City Attorney Happel stated no money is being transferred with this matter. It was also noted that an easement will be given to the Coop because the fence sits on the boundary line. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Quit Claim Deeds and easement between Lakes Area Cooperative and the City.

***2010 BUDGET AMENDMENTS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2011 – 8 entitled “Resolution In The Matter Of Amending The 2010 Budget”.

***SENIOR CENTER LEASE**

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

***NORTHWOODS ASSEMBLY OF GOD**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council granted permission to Northwoods Assembly of God's Church the use of the City Hall Park on Good Friday for a "Live Passion Drama and Walk".

***3.2 BEER LICENSE RENEWALS**

On a motion by Council Member Mattfeld, 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 for the following businesses: Perham Pirates Baseball Club, Perham Agriculture Society, Dean's Country Market, Westside Services, Paul's of Perham, Service Foods, Main Street Express, East Otter Tail Historical Society, Pamida Stores Operating Company, LLC and Jin Hu Chinese Restaurant.

***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 approved two temporary on-sale Liquor Licenses for the History Museum of East Otter Tail County for March 26 and April 9, 2011.

***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 January 2011.

***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 January 2011.

***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 February, 2011: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

FIRE TRUCK PURCHASE

Mayor Meehl stated Council may wish to approve specifications for the purchase of a ladder truck for the Fire Department. Fire Chief Schmidt briefly reviewed the FEMA Grant which the City received to purchase the ladder truck. It was noted, the grant will allow up to \$550,000 for the purchase of the truck; the City's share of this purchase is

five percent. The grant also provides an additional \$10,000 which will be placed for training on the truck and \$200 will cover the grant fees.

Fire Chief Schmidt stated delivery of the truck will need to be completed prior to January 27, 2012; the grant allows one year for delivery. The specifications were written to include heavy duty equipment so the unit will last many years but may also increase the proposed budget of \$550,000. Discussion ensued. It was noted, demo trucks have the same warranty as a new truck.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2011 – 9 entitled “Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids For The Purchase Of A Ladder Truck, Perham, Minnesota”.

AMENDING THE ZONING ORDINANCE

Mayor Meehl stated Council may wish to consider amending the Zoning Ordinance to allow churches in the Downtown Commercial District. Council Member Lehmkuhl stated the Planning Commission reviewed the matter and is recommending Council approve the change. 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. 310 entitled “An Ordinance Amending Ordinance 286 Regulating Land Use (Zoning)” which allows churches and places of religious worship to be included in the Permitted Uses.

REZONING OF ST.HENRY’S CHURCH

Mayor Meehl stated Council may wish to consider rezoning St. Henry’s from R-4 to Downtown Commercial. Council Member Lehmkuhl stated the Planning Commission reviewed the matter and is recommending Council approve the rezoning. Discussion ensued. City Manager Klemm reminded Council they are considering the re-zoning only at this time; Council is not approving the proposed expansion project.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Ordinance No. 311 entitled “Rezoning Block 17, Original Plat To The City Of Perham, Minnesota. An Ordinance revising ordinance no. 286 entitled land use (Zoning)” which rezones St. Henry’s church property to Downtown Commercial to accommodate continued and consistent development of the area.

NAMING OF COUNTY ROAD 51 AND COUNTY 34

Mayor Meehl stated Council may wish to consider renaming the portion of County Road 51 and County Road 34 which lies within City limits. Council Member Lehmkuhl stated the Planning Commission met again and discussed the renaming of County Road 34 and County Road 51. Following discussion, members of the Commission voted to stay with their previous recommendation.

Council Member Lehmkuhl stated these roads are not running north/south or east/west which eliminates those options. The County signs of Highway 34 and Highway 51 will remain, the City will install the new signs adjacent to the County signs. Addressing of properties will effect only property which lies within the City limits. Discussion ensued.

Council Member Mattfeld stated she has lived in Perham a number of years and does not see the correlation with Highway 34 and Paul Lake Road. Paul Lake is a number of miles past the City limits, most people do not and will not see the connection.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl, the Council approved renaming County Road 34 to Paul Lake Road and County Road 51 to Lakeside Drive and approved Resolution No. 2011 – 10 entitled “Resolution In The Matter Of Approving Renaming Of Streets, Perham, Minnesota”; voting in favor were Council Members Johnson, Lehmkuhl, Spencer and Mayor Meehl, voting nay was Council Member Mattfeld.

***SLUM AND BLIGHT RESOLUTION**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2011 – 11 entitled “Resolution Identifying Slum And Blight Conditions”.

CITY ENGINEER MONTHLY UPDATE

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

Clearwater Estates

City Engineer Berube stated Clearwater Estates is finished and Council approved final payment earlier in the meeting.

First Avenue South Project

City Engineer Berube stated one minor issue remains with the First Avenue Project regarding an underground fence that was damaged during the construction. The Contractor is in the process of discussing the fence with the Property Owner to work out a settlement. Upon written verification of a resolution to the fence issue, a final payment will be prepared.

FIFTH AVENUE SE PROJECT

Mayor Meehl stated Council may wish to accept Plans and Specifications and call for bids. City Engineer Berube stated plans have been completed for the Fifth Avenue Southeast Improvement Project. Utility layouts through the East Otter tail Fairgrounds have been slightly modified per meetings with City Staff to allow for maintenance of the system.

Council Member Lehmkuhl questioned if the Fairgrounds were to relocate to another site, this area would become commercial property. Will the new utility layout work for subdividing this area. City Engineer Berube stated it will work better now than what was presented in the Preliminary Engineering Report. Discussion ensued. City Engineer Berube stated per the requirements of the Public Facilities Authority, plans and specifications will be submitted to the Minnesota Pollution Control Agency and the Minnesota Department of Health for review. Upon successful review, a bid date will be set.

City Engineer Berube stated the Preliminary Engineering report estimated the improvements at \$713,000. Upon completion of the design, the updated estimate for the improvements is \$710,000.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2011 – 12 entitled “Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids, Fifth Avenue Southeast Project, Perham, Minnesota”.

FEMA GRANT

Mayor Meehl stated Council may wish to authorize the submittal of a grant application to FEMA for the purchase of a back-up generator for the City Office. Mayor Meehl noted the Emergency Services Building is currently designated as the Emergency Operation Center but in the event that building cannot be used, the City Office may be designated as the Emergency Operation Center.

Council Member Lehmkuhl stated FEMA has designated \$450,000 to various grants. Due to budget cuts, these grants may not be available in the near future. The City is eligible because of the flooding in Otter Tail County in previous years and because of the tornadoes in Wadena last year. Lehmkuhl stated if approved, he will complete a grant application for a back-up generator for the City Office. He has obtained three quotes from J.C. Electric and is expecting additional quotes. To date, the highest quote is \$29,994; it was noted, the City’s share would be five percent of the associated costs. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Resolution No. 2011 – 13 entitled “Resolution Authorizing Execution of Sub-Grant Agreement, City of Perham, Minnesota”.

***LOAN APPLICATIONS/PFA**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized staff to submit loan applications to the Minnesota Public Facilities Authority for funding for the Wastewater Treatment Expansion Project and the Fifth Avenue South East Project and approved Resolution No. 2011 – 14 entitled “Resolution In The Matter Of Submitting An Application For Funding To The Minnesota Public Facilities Authority For The Wastewater Treatment Expansion Project, Perham, Minnesota” and Resolution No. 2011 – 15 entitled “Resolution In The Matter Of Submitting An Application For Funding To The Minnesota Public Facilities Authority For The Fifth Avenue Southeast Project, Perham, Minnesota”.

***LAWNMOWER PURCHASE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the purchase of a John Deere 16000 Turbo Series II without out the canopy from RDO Equipment of Hawley, total cost after trade-in and tax not to exceed \$37,940.33.

***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 February 2011.

RESOURCE RECOVERY FACILITY

Mayor Meehl stated Council may wish to consider approving the Purchase Agreement, the Community Host Fee Agreement and the Management Agreement for the Resource Recovery Facility.

City Manager Klemm reviewed each of the proposed agreements. The Purchase Agreements states the facility is being sold for \$1 and the truck scale will be sold for \$27,471. The Community Host Fee is based on the tonnage of waste delivered to the Facility and will be calculated at \$0.75 per ton and will be paid quarterly. The Community Host fee will be effective January 1, 2012. The Management Agreement will be effective May 1, 2011 and will run through the end of the year. This agreement will be renewed annually unless terminated by either party with a ninety day written notice. A discussion ensued.

Council Members questioned if the City is still liable for current and future debts noting the Purchase Agreement is not clear on that matter. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Resource Recovery Facility Agreements were tabled for clarification until March 23, 2011 Special Meeting.

INFORMATION AND ANNOUNCEMENTS

SHIP Meeting is scheduled for Thursday, March 17 at 5:30

Special Council Meeting and the Committee of the Whole is scheduled for March 23 at 5:15

The Regular Council Meeting is scheduled for April 11 at 5:15 pm

The Local Board of Review is scheduled for Wednesday, May 4 at 1 pm, a Council quorum is required.

The Household Hazardous Waste is scheduled for Wednesday, July 27

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the meeting was adjourned at 6:17 p.m.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant