

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
April 12, 2021**

The regular meeting of the Perham City Council held both in person in the Council Chambers at Perham City Hall, 125 Second Avenue NE, Perham, MN 56573 and electronically via Zoom was called to order by Mayor Meehl at 5:18 pm with all members of the Council having been duly notified of the meeting and the business to be transacted. Council Members present were Meehl, Johnson, Lehmkuhl, Spencer, and Schmidt.

Staff present: City Manager Smith, Finance Officer Stokke, EDA Director Murdock, Police Chief Gritz, Public Works Director Schossow and Administrative Assistant Hoeft.

Others present: City Engineer Berube, Nick Theroux representing the East Ottertail Chapter Minnesota Deer Hunter Association, and Shirley Davidson and Teresa Romann representing the History, Arts, and Cultural Association.

Others present via Zoom: Leah Jesser representing Otter Tail County Public Health, Chris Schuelke representing the Otter Tail County Historical Society, and Todd Hagen representing Ehlers.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

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

CITIZENS CONCERNS

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

Toward Zero Deaths Presentation – Raise awareness about traffic safety, the TZD program, and the activities the Otter Tail County Safe Communities Coalition does with the community

Leah Jesser, Health Educator for Otter Tail County Public Health, was in attendance via Zoom to present information and introduce and request approval of a distracted driving month proclamation for the month of April. The Otter Tail County Safe Communities Coalition has partnered with Perham Health and Perham High School to promote safe driving behaviors and prevent accidents.

EOT Historical Society/HACA Presentation – Americorp Project Participation

Chris Schuelke, Executive Director of the Otter Tail County Historical Society, was in attendance via Zoom to request permission and support of the Americorp project. The Northern Bedrock

Historic Preservation Corp would conduct restoration work at the City Cemetery and Pioneer Village July 27 – August 4, 2021 at a cost of \$12,000. Six member crews would work for nine to ten hours per day with the help of professionals to complete the work. Shirley Davidson and Teresa Romann representing the History, Arts, and Cultural Association (HACA) were also in attendance to promote the project. This would be the first Americorp project in Otter Tail County as the City is unique having a municipal cemetery. Building Official Riewer and City Manager Smith have inspected the buildings at the Pioneer Village and found they were in need of repair. Additional costs above \$12,000 would be covered by HACA and the Otter Tail County Historical Society.

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

***APPROVAL OF MINUTES**

Council approved the minutes of the Regular Meeting of the Council held on March 8, 2021 and Special Council Meetings held on March 15 and March 31, 2021.

PUBLIC HEARING

Mayor Meehl stated Council may wish to hear comments regarding a request by Perham Hotel Group, LLC for an On-Sale/Sunday Liquor License. There were no comments from the public.

APPROVE ON-SALE/SUNDAY LIQUOR LICENSE

Mayor Meehl stated Council may wish to approve a request by Perham Hotel Group, LLC for an On-Sale/Sunday Liquor License.

On a motion by Council Member Schmidt, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the request by Perham Hotel Group, LLC for an On-Sale/Sunday Liquor License.

APPROVAL FOR PAYMENT OF CITY CLAIMS

Mayor Meehl stated Council may wish to approve payment of Prepaid and Unpaid City Claims. Finance Officer Stokke noted the following additional claims: American Bottling Co. in the amount of \$145.00; Beverage Wholesalers in the amount of \$6,431.29; BHH Partners for the following amounts: \$572.58, \$5,982.82, and \$32,129.39; Capital Credit/Northern Tool in the amount of \$93.26; Copper Trail Brewing in the amount of \$197.82; Forum Communications in the amount of \$740.90; Frontier Energy in the amount of \$835.00; Golf Irrigation Team in the amount of \$57,160.73; Granite City in the amount of \$158.57; Lakes Country Service Coop in the amount of \$692.47; Otter Tail Aggregate in the amount of \$100.10; Otter Tail Power for the following amounts: \$6.85 and \$50.37; Verizon in the amount of \$120.05; and Vinocopia in the amount of \$1,204.51 bringing the total Unpaid Claims to \$1,099,362.23.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$1,253,661.20 for March 2021.

DECERTIFY TIF DISTRICT 2-38

Mayor Meehl stated Council may wish to approve a resolution to decertify Tax Increment Financing District No. 2-38.

City Manager Smith explained the district contains only one parcel with no activity the last five years and no plans for development.

On a motion by Council Member Schmidt, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution 2021-15 entitled "Being A Resolution Approving The Decertification Of Tax Increment Financing District No. 2-38 Of The City Of Perham."

BOND PRE-SALE REVIEW

Mayor Meehl stated Council may wish to review the Pre-Sale Report for the \$4,750,000 General Obligation Sales Tax Revenue Bonds, Series 2021B.

Todd Hagen, representing Ehlers, was in attendance via Zoom. Hagen explained the \$4,750,000 bonds include financing for the capital costs of site preparation, redevelopment, renovation, and construction of buildings, land, and infrastructure at the site of the Perham Area Community Center. Debt service will be paid from sales tax revenue. The bonds are being issued for a term of thirteen years. A public hearing on the proposal to issue the bonds to finance the project will be held on April 28, 2021 and Council will consider proposals for and award the sale of the bonds on May 10, 2021.

Mayor Meehl stated Council may wish to approve a resolution to authorize Ehlers to proceed with Bond Sale and Call for Public Hearing on Qualified 501c3 Bonds.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2021-16 entitled “Resolution Providing for the Sale of \$4,750,000 General Obligation Sales Tax Revenue Bonds, Series 2021B and Calling for a Public Hearing Thereon.”

BOND PRE-SALE REVIEW

Mayor Meehl stated Council may wish to review the Pre-Sale Report for the \$4,190,000 Taxable General Obligation Temporary Tax Abatement Bonds, Series 2021C.

Todd Hagen explained the \$4,180,000 bonds include temporary financing for the capital costs of the Perham Area Community Center project. Debt service will be paid from donations, long-term bonds, or additional temporary bonds, and tax abatements. The bonds are being issued for a term of three years. A public hearing regarding tax abatements will be held April 28, 2021 and Council will consider proposals for and award the sale of the bonds on May 10, 2021.

Mayor Meehl stated Council may wish to approve a resolution to authorize Ehlers to proceed with Bond Sale.

On a motion by Council Member Schmidt, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution 2021-17 entitled “Resolution Providing for the Sale of \$4,180,000 Taxable General Obligation Temporary Tax Abatement Bonds, Series 2021C.”

Mayor Meehl stated Council may wish to approve a resolution Calling for Public Hearing on Proposed Property Tax Abatements.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2021-18 entitled “Resolution Calling For A Public Hearing On Proposed Property Tax Abatements For The 2021 Perham Area Community Center.”

BOND PRE-SALE REVIEW

Mayor Meehl stated Council may wish to review the Pre-Sale Report for the \$880,000 General Obligation Improvement Bonds, Series 2021D.

Todd Hagen explained the \$880,000 bonds include financing for the construction of new street and utility improvements for the City’s Westwind 4 Subdivision Project. The bonds are being issued for a term of twenty years. The Council will meet to consider proposals for and award the sale of the bonds on May 10, 2021.

Mayor Meehl stated Council may wish to approve a resolution to authorize Ehlers to proceed with Bond Sale.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2021-19 entitled “Resolution Providing for the Sale of \$880,000 General Obligation Improvement Bonds, Series 2021D.”

APPROVE REIMBURSEMENT RESOLUTION

Mayor Meehl stated Council may wish to approve a Reimbursement Resolution to preserve the right to be reimbursed through tax-exempt bonding.

On a motion by Council Member Schmidt, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution 2021-20 entitled “Resolution Establishing Procedures Relating To Compliance With Reimbursement Bond Regulations Under The Internal Revenue Code.”

AMENDMENT TO PBC, LLC AGREEMENT

Mayor Meehl stated Council may wish to approve an amendment to the Golf Course Management Services Agreement with PBC, LLC.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved an amendment to the Golf Course Management Services Agreement with PBC, LLC.

APPROVE AMENDMENT TO LINE OF CREDIT AGREEMENT

Mayor Meehl stated Council may wish to approve an amendment to the Line of Credit Agreement with Perham Lakeside Golf Association.

On a motion by Council Member Schmidt, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the amendment to the Line of Credit Agreement with Perham Lakeside Golf Association.

APPROVE DNR GRANT APPLICATION

Mayor Meehl stated Council may wish to approve a DNR Grant Application and authorize City staff to sign and participate in it with the assistance of the local EOTMDHA Group.

Council Member Lehmkuhl and East Ottertail Chapter Minnesota Deer Hunter Association President, Nick Theroux explained the DNR Grant Application is for needed safety improvements and expansion of the Perham Shooting Range. The EOTMDHA was awarded \$20,000 and will match the award, providing \$40,000 toward the shooting range improvements. Additional fundraising will cover a \$7,000 shortfall.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the DNR Grant Application and authorized City staff to sign and participate in it with the assistance of the local EOTMDHA Group.

***SOLID WASTE COLLECTION/TRANSPORTATION LICENSE**

Council renewed the Solid Waste Collection and Transportation License to Waste Management of North Dakota and Steve's Sanitation of Perham subject to receipt of applicable fees and required information by the City Office.

***2 AM LIQUOR LICENSE RENEWALS**

Council approved the renewal of a 2:00 AM closing time for Zorbaz of Little Pine Lake and Pat Honer dba Sud's Tavern Inc. contingent upon all fees and legal requirements being met as required by the City and State of Minnesota's Liquor Control Board.

***TEMPORARY ON-SALE LIQUOR LICENSES**

Council approved Temporary On-Sale Liquor Licenses for the History, Arts & Cultural Association for events to be held at the Pioneer Village on June 5, 26 and July 17, and 31, 2021.

***ARBOR DAY PROCLAMATION**

Council authorized the Mayor to sign the Arbor Day Proclamation and declare May 1, 2021 as Arbor Day in Perham, Minnesota.

***DISTRACTED DRIVING AWARENESS MONTH PROCLAMATION**

Council authorized the Mayor to sign the Distracted Driving Awareness Month Proclamation.

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

Council accepted the PACC's Financial Reports for February 2021.

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

Council accepted the following reports: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report for March 2021.

APPROVE PURCHASE AGREEMENT

Mayor Meehl stated Council may wish to approve a purchase agreement between the City of Perham and David and Denise Schornack for a lot in East Park 1st Addition.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the purchase agreement between the City of Perham and David and Denise Schornack for a lot in East Park 1st Addition.

CITY ENGINEER MONTHLY UPDATE

City Engineer gave an update on various projects.

Northeast Industrial Park

Cleanup is scheduled to begin over the next month with seeding occurring first throughout the

project site. Other items on the punchlist will also be addressed as R.L. Larson moves into town towards the end of the month.

LRIP Application

The LRIP Application was submitted to the Minnesota Department of Transportation on Wednesday, March 3. Due to the amount of funding applications received (421 or nearly double of previous funding solicitations), the announcement of funding will not occur until June.

Westwind Fourth Addition

A preconstruction meeting was held this morning for the proposed street and utility improvements in Westwind Fourth Addition. Construction will begin over the course of the next week, with utility work planned to begin at the end of the month. Tentatively, the contractor is planning on completing the project prior to the Fourth of July.

AMERICORP PROGRAM PARTICIPATION

Mayor Meehl stated Council may wish to approve requesting the Northern Bedrock Historic Preservation Corp to work on Cemetery restoration and Pioneer Village building restoration.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved payment of up to \$12,000 for Northern Bedrock Historic Preservation Corp to work on Cemetery and Pioneer Village restoration.

APPROVE AIRPORT LAYOUT AND MASTER PLAN

Council may wish to approve the updated Airport Layout Plan (ALP) and Master Plan.

Council Member Lehmkuhl and City Manager Smith explained that the Comprehensive Plan will be a resource and give direction for future decisions and expansion.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the updated Airport Layout Plan and Master Plan.

***2021 SEAL COAT**

Council approved the specifications for the 2021 Seal Coat Project and authorized staff to obtain quotes.

INFORMATION AND ANNOUNCEMENTS

The Local Board of Review is scheduled for Thursday, April 15 from 1:00 to 2:00 pm; a Council quorum is required

A Special Council Meeting and Committee of the Whole are scheduled for Wednesday, April 28 at 5:15 pm

The next Regular Council Meeting is scheduled for Monday, May 10 at 5:15 pm

The Household Hazardous Waste Day is scheduled for Thursday, July 15 from 10:00 to 2:00 at the Public Works Garage

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 6:33 pm.

Respectfully submitted by,



Heather Hoeft
Administrative Assistant

ATTEST:



Mayor

SPECIAL COUNCIL MEETING MINUTES

April 28, 2021

Mayor Meehl called the Special Council Meeting to order at 5:15 pm on April 28, 2021 in the Council Chambers located at 125 Second Avenue NE and via Zoom, all members of the Council having been duly notified of the meeting, and the business to be transacted. Council Members present were Meehl, Johnson, Lehmkuhl, Spencer, and Schmidt.

Staff members present were: City Manager Smith, Finance Officer Stokke, EDA Director Murdock, Liquor Store Manager Dreger, Librarian Ladwig, Public Works Director Schossow, Police Chief Gritz and Administrative Assistant Hoeft.

Others present: City Engineer Berube, City Attorney Tom Winters

Present via Zoom: Todd Hagen representing Ehlers

Public Hearing

Mayor Meehl stated Council may wish to hear comments regarding the \$4,750,000 General Obligation Sales Tax Revenue Bonds, Series 2021B.

Todd Hagen, representing Ehlers, stated the TEFRA Hearing is a federal requirement and was duly published in the Perham Focus seven days prior to the Hearing. Hagen reviewed the \$4,750,000 General Obligation Sales Tax Revenue Bonds proposed to finance the capital costs of the Perham Area Community Center (PACC) project. The Bonds will be used for the benefit of qualified 501(c)(3) organizations, including the PACC, the general public, the City, and Independent School District No. 549. There were no comments from the public.

Approve Resolution Relating to a TEFRA Hearing and \$4,750,000 General Obligation Sales Tax Revenue Bonds, Series 2021B

Mayor Meehl stated Council may wish to approve a resolution relating to a Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Hearing and \$4,750,000 General Obligation Sales Tax Revenue Bonds, Series 2021B

On a motion by Council Member Schmidt, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution 2021 – 21 entitled “Resolution Relating To A TEFRA Hearing And \$4,750,000 General Obligation Sales Tax Revenue Bonds, Series 2021B.”

Public Hearing

Mayor Meehl stated Council may wish to hear comments regarding proposed property tax abatements for the 2021 Perham Area Community Center Project.

Todd Hagen, representing Ehlers, stated the required Abatement Hearing was duly published at least ten days prior to the Hearing. Hagen then reviewed the proposed temporary Tax Abatements to be used to finance an addition and remodeling of the Perham Area Community

Center (PACC). The proposed term of the Abatement will be for up to twenty years (2022 through 2041) in an amount not to exceed \$4,968,089. Hagen noted the proposed properties will not be located in a Tax Increment Financing District for the period of time that the Abatement is in effect. A letter was mailed to the School District notifying them of the proposed Abatement. The proposed General Obligation Tax Abatement Bonds to be issued will be paid by donations. There were no comments from the public.

Approve Tax Abatements Resolution

Mayor Meehl stated Council may wish to approve a resolution to approve property tax abatements for the 2021 Perham Area Community Center Project.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2021 – 22 entitled “Resolution Approving Tax Abatements.”

Adjournment

Mayor Meehl adjourned the Special Council Meeting at 5:26 pm.

Respectfully submitted by,



Heather Hoelt
Administrative Assistant

ATTEST:



Mayor