

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES**

July 10, 2017

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 Smith, Police Chief Hoaby, Police Officer/Investigator Christopherson, Finance Officer Stokke, EDA Director Johnson, Public Works Director Meece and Administrative Assistant Hoeft.

Others present: City Engineer Berube, Building Official Neisen, City Attorney Happel, Becker County Officer Cody Bouchie and K-9 Cooper.

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. Meehl instructed citizens to please state their name and address for the record. There were no citizen concerns.

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 Spencer, 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 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 June 12 and Special Meeting Minutes from June 28, 2017.

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 Council consider the following additional claims: Apex Engineering in the amount of \$137.00; Apex Engineering in the amount of \$465.50; Apex Engineering in the amount of \$205.50; Apex Engineering in the amount of \$30,086.94; Bureau of Criminal Apprehension in the amount of \$180.00; Michael Christopherson in the amount of \$274.99; Otter Tail Power Company in the amount of \$41,138.38; Hanson's Plumbing & Heating in the amount of \$1,037.00; US Bank in the amount of \$73,102.50; and Kinect Energy in the amount of \$264,637.77 bringing the total unpaid claims to \$1,455,966.81.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of the Prepaid and Unpaid City Claims in the amount of \$2,285,302.44 for the month of June.

LAKES COUNTRY HEALTH & SAFETY CONTRACT

Mayor Meehl stated Council may wish to approve a one-year Health and Safety Services contract with Lakes Country Service Cooperative. City Manager Smith explained that in the past, the City has approved a three-year contract, however, the City is working with Lakes Country Service Cooperative to customize a health and safety program based on the City's needs, which may include online and specific use training. A \$1,000 increase in the cost to provide services and how Lakes Country determines their fees will also be discussed in the next year.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the one-year Health and Safety Services contract with Lakes Country Service Cooperative. Council Member Schmidt abstained from the vote as he is employed by Lakes Country Service Cooperative.

***LAKES COUNTRY TECHNOLOGY CONTRACT**

Council approved a one-year Technology and Network Services contract with Lakes Country Service Cooperative.

***RESOLUTION ELIMINATING A PARCEL FROM TIF DISTRICT NO. 2-37**

Council approved Resolution No. 2017 – 22 entitled “Resolution Approving The Elimination Of A Parcel From Tax Increment Financing District No. 2-37 Within Development District No. 2 Of The City Of Perham,” eliminating Joseph J & Lori J. Doll from TIF Development District 2-37.

***TEMPORARY ON-SALE LIQUOR LICENSE**

Council approved a Temporary On-Sale Liquor License for the History Art and Cultural Association (HACA) for an event at the Pioneer Grounds on September 23, 2017.

***ANNUAL LIQUOR LICENSE RENEWAL/ON SALE AND SUNDAY LIQUOR**

Council approved renewing the Liquor License (including Sunday Liquor) for Pamela S. Honer d.b.a. SUDS, Brew LLC, Perham Lakeside Golf Club, Los Jalapenos Taqueria LLC, and L.A. Hotel Enterprices LLC Grandstay Hotel & Suites (no Sunday liquor) contingent upon all fees and legal requirements being met as required by the City and State of Minnesota’s Liquor Control Board.

***ANNUAL LIQUOR LICENSE RENEWAL/2:00 AM LICENSE**

Council approved a 2:00 AM closing time for Pamela S. Honer d.b.a. SUDS contingent upon all fees and legal requirements being met as required by the City and State of Minnesota’s Liquor Control Board.

***ACCEPTANCE OF DRONE GRANT**

Council approved Resolution No. 2017 – 23 entitled “Resolution In The Matter Of Accepting A Grant Towards The Purchase Of A Drone For The Perham Fire Department Perham, Minnesota,” to accept a grant in the amount of \$1,850.00 from West Central MN EMS Corporation towards the purchase of a DJI Phantom 4 Pro Drone System.

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

Council accepted the PLGC’s Income Statement for May 2017.

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

Council accepted the PACC’s Financial Reports for May 2017.

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

Council accepted the following reports for June, 2017; Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

ZONING ORDINANCE AMENDMENT

Mayor Meehl stated Council may wish to consider amending Section 32 of the Zoning Ordinance as it deals with fences. The existing ordinance states “A fence may be located adjacent to, but not on, a property line.” Requests have been received to place fences on property lines prompting discussion of the issue. City Manager Smith explained that the current zoning ordinance doesn't allow for fences to be placed on the property line, sometimes creating an ally between neighbors who both put up a fence. The amendment would allow for fences to be placed on the property line if both neighbors are in agreement and sign a form that will be recorded with the County. Discussion ensued regarding the placement of fences and clarification of the ordinance language with input from Building Official Neisen and City Attorney Happel.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Ordinance No. 399 entitled “An Ordinance Amending Ordinance 286 Regulating Land Use (Zoning),” to read “A fence may be located on the property line provided a Property Line Fence Location Agreement is completed, endorsed by all affected property owners whose signatures on the agreement shall be notarized, and filed at City Hall for recording with Otter Tail County.”

VARIANCE REQUEST

Mayor Meehl stated Council may wish to consider approving a variance request by Irene Sweere to place a mobile home on a lot she owns that is located at 447 5th Street NW. Council Member Lehmkuhl explained that the previous mobile home has been removed and that the new mobile home doesn't have the same foot print or an existing well and septic that meet the utility requirements needed to be in compliance with State Statute. Building Official Neisen clarified that the County is responsible for inspecting the well and septic. It was noted that the Planning Commission recommended Council deny the request.

On a motion by Council Member Lehmkuhl to deny the request, seconded by Council Member Johnson and carried without a dissenting vote, the Council agreed to deny the variance request by Irene Sweere to place a mobile home on a lot she owns located at 447 5th Street NW.

CITY ENGINEER MONTHLY UPDATE

City Engineer will gave an update on various projects.

2015 Improvement Project (3rd Ave Southeast)

Kuechle contacted our office two weeks ago indicating that the manhole adjustments will be made in July. There are some other minor items that Kuechle has informed the subcontractors of that will also be addressed during the busy construction season.

Third Street Northeast

Sellin Brothers have two crews in town that are currently working on the utility installation beneath Third Street from Fourth Avenue to Ninth Avenue. Utilities in the first phase are currently about 80% complete, and grading for the roadway will start next week. During the roadway construction, there will be additional crews on the project from subcontractors to assist in completing the work.

Wellhead Protection Plan (Update)

The Wellhead Protection Plan is almost complete, the plan is to have the plan completed this fall. It is anticipated that there will be at least one, if not two more meetings with the committee.

K9 PROGRAM

Mayor Meehl stated Council may wish to consider approving the implementation of a K9 unit for the Perham Police Department. Perham Police Officer/Investigator Mike Christopherson addressed the Council as well as Becker County Officer Cody Bouchie and K9 Cooper. Christopherson explained that he has been in contact with McDonough K9 Company and they are willing to donate a K9 and training for a single purpose K9. The K9 would more than likely be a lab and their sole purpose would be for narcotics detection. McDonough would also donate training for a dual purpose K9, however, the City of Perham would have to purchase the K9, who would be imported from the Czech Republic. A dual purpose K9 is used for narcotics detection as well as tracking. Christopherson noted the start-up and yearly costs involved as well as K9 Officer hourly wage reimbursement, training time and insurance. A K9 Officer shall receive .5 hours per day, which can be flexed into the Officer's regular hours, yearly training time can also be flexed into the Officer's regular hours, and there is no extra cost to the City for insurance as the K9 is considered mobile property. Christopherson also noted that all costs will be fundraised as several businesses have already shown interest in donating to the program. Perham schools also wrote letters of support for the implementation of the K9 unit. Becker County Officer Bouchie presented K9 Cooper and discussed the benefits of having a K9 unit.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the implementation of a K9 unit for the Perham Police Department. It will be determined if the K9 will be a single or dual purpose K9 based on

the amount of donations received.

***ACCEPTANCE OF RECYCLING TRANSFER PAD QUOTE**

Council accepted a quote from Andy Pettow Construction in the amount of \$5,400.00 for a concrete recycling transfer pad.

INFORMATION AND ANNOUNCEMENTS

Retirement Open House for Mary Holzer, Tuesday, July 11 from 2:30 – 5:30 pm in the City Council Chambers

The Meadows Townhomes Open House and Flag Dedication Ceremony is scheduled for Thursday, July 13 @ 10:00 am

Single Stream Recycling begins Thursday, July 13 (South of railroad) and Friday, July 14 (North of railroad).

A Special Council Meeting and Committee of the Whole are scheduled for Wednesday, July 26 @ 5:15

City Staff Picnic is scheduled for Tuesday, August 1 @ 5:00

The next regular Council Meeting is scheduled for Monday, August 14 @ 5:15 pm

Tentative schedule for 2018 Budget Meetings:

Thursday, August 10 @ 7:00 am

Thursday, August 24 @ 7:00 am

Wednesday, August 30 @ Committee of the Whole

ADJOURNMENT

Mayor Meehl adjourned the meeting at 6:08 pm.

Respectfully submitted by,



Heather Hoeft

Administrative Assistant

SPECIAL COUNCIL MEETING MINUTES

July 26, 2017

Mayor Meehl called the Special Council Meeting to order at 5:16 pm on July 26, 2017 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. All Members were present.

Staff members present were: City Manager Smith, Liquor Store Manager Dreger, Finance Officer Stokke, Police Chief Hoaby, Public Works Director Meece, Fire Chief Schmidt, EDA Director Johnson, and Administrative Assistant Hoeft.

Others present were: City Engineer Berube and Building Official Neisen.

TIF Development Agreement/Hoot's Sports

Mayor Meehl stated Council may wish to consider entering into a Development Agreement with Hernesman Brothers Partnership, dba Hoot's Sports. Mayor Meehl noted that the EDA held a Public Hearing at their July 25, 2017 meeting. No one from the public attended the meeting in opposition, therefore, the EDA recommended the development agreement for Council approval. City Manager Smith explained that the project will have an estimated value of approximately 1.1 million dollars and the total subsidy generated will be \$178,607 over the life of the development agreement. Smith also explained that since the subsidy was over \$150,000, a public hearing was required.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the City Council approved the Tax Increment Financing Development Agreement with Hernesman Brothers Partnership, dba Hoot's Sports.

Acceptance of Otto Bremer Trust Grant

Mayor Meehl stated Council may wish to consider accepting a grant in the amount of \$46,886.00 from Otto Bremer Trust to assist the Perham Fire Department with the purchase of equipment critical to the safety of its firefighting unit. Fire Chief Schmidt explained that the grant was applied for in 2016 to assist in the purchase of a new grass fire rig. Chief Schmidt was notified on May 30, 2017 that the grant was approved in the amount of \$46,886.00. The grant match amount is approximately \$7,000.00. The Perham Fire Relief Association has tentatively agreed to donate \$5,000.00 towards the grant match, and the City of Perham will be responsible for the remaining \$2,000.00.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the City Council approved Resolution No. 2017 – 24 entitled “

Resolution In The Matter Of Accepting A Grant From Otto Bremer Trust For The Perham Fire Department Perham, Minnesota.”

Fire Truck Purchase

Mayor Meehl stated Council may wish to consider approving the purchase of a 2018 GMC Sierra 3500 from Nelson Auto Center estimated to cost \$32,901.00 plus additional equipment installation estimated to cost \$6,804.07 for the Perham Fire Department. City Manager Smith noted that two estimates for the truck were received from Norseman Motors in amount of \$35,091 and Nelson Auto Center in the amount of \$32,901.00 and an estimate from Code 4 Services for additional equipment installation in the amount of \$6,804.07. Additional equipment installation was discussed.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the City Council approved the purchase of a 2018 GMC Sierra 3500 from Nelson Auto Center estimated to cost \$32,901.00 and additional equipment estimated to cost \$6,6804.07 from Code 4 Services.

Adjournment

Mayor Meehl adjourned the Special Council Meeting at 5:28 pm.

Respectfully submitted by,



Heather Hoefft
Administrative Assistant

SPECIAL COUNCIL MEETING MINUTES

July 31, 2017

Mayor Meehl called the Special Council Meeting to order at 5:15 pm on July 31, 2017 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. Members present were Mayor Meehl, Council Members Lehmkuhl, Johnson, Schmidt, and Spencer.

Staff members present were: City Manager Smith, Finance Officer Stokke, Public Works Director Meece, and Fire Chief Schmidt.

Buchanan Lake Gas Expansion

Mayor Meehl stated Council may wish to consider a gas expansion project to Buchanan Lake. Meece reported fifty one (51) customers have paid connection fees to date. Based off the projection this would put the project at approximately a twenty three (23) year pay back. Lehmkuhl questioned if the project would be completed this year. Meece stated the project would start as soon as possible and be completed by fall. Johnson questioned if the twenty three (23) year pay back was the normal goal for the feasibility of a natural gas project. Stokke reported the high end of a payback is normally twenty (20) years. Smith explained the trends around lakes are full time houses rather than seasonal cabins, we are optimistic we can meet or exceed our goal once the expansion begins. Smith reported the cost of the project to be approximately \$268,782. Johnson questioned if the funds would be coming out of the natural gas reserve cash. Stokke reported operating cash would be used. Smith stated after the project is completed the operating cash will be approximately \$300,000. Lehmkuhl questioned if the meters were going to be radio read meters. Meece reported they would be putting in radio read meters for all customers.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved the natural gas expansion project to Buchanan Lake.

Fire Department Summer Picnic

Mayor Meehl stated Council may wish to consider authorizing the use of alcohol at the Perham Emergency Service Building for August 9th in conjunction with the Fire Department summer picnic.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the authorization of alcohol use at the Perham Emergency Service Building on August 9th.

Adjournment

There being no further business to bring before the Council, Mayor Meehl adjourned the meeting at 5:18 pm.

Respectfully submitted by,

Patti Stokke
Finance Officer