

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
December 9, 2019**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:17 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, Finance Officer Stokke, Police Chief Hoaby, Public Works Director Schossow, EDA Director Keil, and Administrative Assistant Hoeft.

Others present: City Engineer Berube

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

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

Mayor Meehl also requested a moment of silence in honor of the National Guardsmen, including Charles Nord of Perham, killed in a helicopter crash on December 5, 2019.

CITIZENS CONCERNS

Mayor Meehl stated Council will recognize citizens who may have items for the Council. 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 Johnson, seconded by Council Member Schmidt 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 Spencer 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 November 12, 2019.

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: Kinect Energy in the amount of \$476,192.94; Otter Tail Power in the amount of \$1,117.19; and Postmaster in the amount of \$100.00 bringing the total Unpaid Claims to \$839,025.32.

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 \$1,033,842.14 for November 2019.

GAMBLING PERMIT

Mayor Meehl stated Council may wish to consider approving the Premise Permit Application and resolution to allow the Dent Lions Club to conduct gambling at Suds Tavern Inc. There were no concerns from Police Chief Hoaby.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution 2019 – 48 entitled “Resolution In The Matter Of Approving Premises Permit Application, Dent Lions Club” to allow the Dent Lions Club to conduct gambling at Suds Tavern Inc.

***DELINQUENT ACCOUNTS RECEIVABLE BALANCES**

Council approved Resolution 2019 – 49 entitled “Resolution In The Matter Of Writing Off Uncollectible Accounts Receivable Balances, Perham, Minnesota” to write off accounts receivable balances from the following funds: Fire/Rescue in the amount of \$500.00; Water Service in the amount of \$830.00; and Mowing in the amount of \$342.50.

***DELINQUENT UTILITY ACCOUNTS**

Council approved Resolution 2019 – 50 entitled “Resolution In The Matter Of Writing Off Uncollectible Utility Account Balances, Perham, Minnesota” to write off the uncollectible utility balances from the following funds: Gas in the amount of \$2,684.30; Water in the amount of \$130.39; Sewer in the amount of \$126.88; Recycling in the amount of \$31.79; and Storm Sewer in the amount of \$27.42.

***2020 CITY COUNCIL MEETING SCHEDULE**

Council approved the following schedule for Council Meetings to be held in 2020: January 13, February 10, March 9, April 13, May 11, June 8, July 13, August 10, September 14, October 12, November 9, and December 14.

***2020 CIGARETTE LICENSES**

Council approved and authorized the Mayor and City Manager to sign licenses for the following applications submitted for Cigarette Licenses contingent upon receipt of fees by the City Office: Service Food Market/Spies Inc., Keystone Inc. DBA Central Market, Central Station, Westside Services/Momar Enterprises Inc., Main Street Express/Meyer's Service Inc., Palubicki's One Stop/JS Palubicki Inc., Landmark Liquors, Family Dollar Inc. DBA Family Dollar #7425, and Masterpiece Vapors.

***2020 POLLING PLACE DESIGNATION**

Council approved Resolution 2019 – 51 entitled “Resolution Designating The Polling Place For 2020,” designating Perham City Hall, 125 Second Avenue NE, Perham, Minnesota as the polling place for 2020 elections.

***ACCEPTANCE OF GOLF COURSE DONATION**

Council approved Resolution 2019 – 52 entitled “Resolution In The Matter Of Accepting A Donation From Charles And Kristina Rasmussen For Perham Lakeside Golf Course, Perham, Minnesota,” to accept a donation from Charles and Kristina Rasmussen in the amount of \$2000.00 for the Golf Course.

***APPROVE EMPLOYEE ASSISTANCE PROGRAM CONTRACT**

Council approved a three year contract with The Village Business Institute for employee assistance services.

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

Council accepted the PACC's Financial Reports for October 2019.

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

Council accepted the PLGC's Income Statement for November 2019.

***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 November 2019.

***2020 OFFICERS**

On the recommendation of the Fire Department, Council approved the following as Officers for the Fire Department:

Fire Chief	Mark Schmidt
1 st Assistant	Mark Ebeling
2 nd Assistant	John Kostynick
Captain	Vance Bachmann
Captain	Jon Ebeling
Captain	Clayton Trautman
Captain	Matt Johnson
Assistant Engineer	Dustin Vickmark
Assistant Engineer	Steve Felt
Assistant Engineer	TBA
Department Secretary	Melissa McCleary

***FIRE DEPARTMENT ANNUAL RURAL MEETING**

Council authorized the use of alcohol at the Perham Emergency Services Building on Wednesday, January 29, 2020 in conjunction with the Annual meeting with City and Township Officials.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

Second Avenue Southwest

Work has been suspended for the winter, the remaining items on the correction and completion list along with other cleanup items will be addressed in the spring. The contractor that replaced the signage has a couple of signs remaining on the Tuffy’s detour, we have been trying to get them back to finish removing the signs, but not all have been removed. Additional review of the project will be completed in the spring, following a freeze/thaw cycle.

Northeast Industrial Park

Survey is complete for the Industrial Park project; project design is underway. Meetings have been held with various property owners to discuss the project costs and assessment procedures. The City's policy for new construction is to assess at a higher rate than a reconstruction; reconstruction projects assess street costs at 50%, however, new construction is assessed at 100%. With this in mind, we are looking at ways to reduce the costs associated with the construction, including narrowing the roadways to 46 feet wide instead of 50 feet wide.

Proposals have been sent for geotechnical testing on the site to determine groundwater depth and existing road sub-base. Two proposals have been received, and I would recommend the City go with the lower of the two proposals for the testing (Terracon - \$6,100, Braun - \$7,317). The report will include information that is necessary to comply with the MNDOT design requirements for the LRIP grant.

Prairie's Edge Phase 2

Construction has been suspended for the winter on the site, additional utility work will be necessary in the spring to extend to the west of the development. Road construction will also be completed in the spring to accommodate additional parcels on the north end of the development.

2021 Project

A meeting was held on Friday with the Otter Tail County Highway Engineer to determine the status of upcoming work on the County Highway's within town. County 8, or First Avenue North, is still scheduled for 2021, which has been included in the City's Capital Improvement Plan. The City will consider ordering a report to start the funding process for additional utility replacement on Fourth and Fifth Avenue Southwest as part of the County Road Project. The report must be submitted to the appropriate agencies by March of 2020 and will require a hearing prior to submittal.

PRELIMINARY ENGINEERING REPORT/2021 STREET PROJECT

Mayor Meehl stated Council may wish to approve a resolution ordering a preliminary engineering report for 2021 street and utility improvements.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 53 entitled “Resolution In The Matter Of Ordering A Preliminary Engineering Report For 2021 Street Improvements Perham, Minnesota,” to order a preliminary engineering report for 2021 street and utility improvements.

APPROVE GEOTECHNICAL TESTING/INDUSTRIAL PARK

Mayor Meehl stated Council may wish to approve geotechnical testing for the Industrial Park.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the proposal from Terracon in the amount of \$6,100.00 for geotechnical testing for the Industrial Park.

EASEMENT AGREEMENT

Mayor Meehl stated Council may wish to approve an easement agreement with Hanzon Properties of Little Pine Lake, LLC. City Manager Smith stated this is the final step in the Zorbaz sewer extension.

On a motion by Council Member Spencer, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the easement agreement with Hanzon Properties of Little Pine Lake, LLC.

DEPARTMENT OF HEALTH GRANT AGREEMENT

Mayor Meehl stated Council may wish to approve a grant agreement with the Minnesota Department of Health in the amount of \$9,825.00 to purchase and install monitoring equipment and water meter. Public Works Director Schossow stated the DNR requires weekly checks on all of the wells and the monitoring equipment and meter will make the process more efficient as well as decrease the chance of contamination of the wells.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the grant agreement with the Minnesota Department of Health in the amount of \$9,825.00 to purchase and install monitoring equipment and water meter.

RECESS

Mayor Meehl recessed the meeting at 5:37 p.m.

6:00 P.M. – PUBLIC COMMENT/TAX LEVY AND BUDGET

Mayor Meehl stated Council may wish to hear comments regarding the proposed 2020 Tax Levy and 2020 Budget. City Manager Smith presented the 2020 Final Tax Levy and Budget. Smith reviewed the budgeted fund types including:

- General Fund
- Special Revenue Funds

- Debt Service Funds
- Capital Project Funds
- Enterprise Funds

Smith noted a 10.57% Operating increase due in part to the following factors:

- Increase in capital for the Fire budget to allow for the purchase of a new truck
- 3% cost of living increase to employee wages
- 6% increase in health insurance rates

A 14.48% increase to the General Capital Fund includes the rollover of a 4.98% decrease in the Debt Levy. Other items included an increase of 26.52% in the Tax Abatement and HRA budget, and an overall Tax Levy increase of 6.13% (excluding HRA) offset by a 3.79% increase in the Tax Capacity. Smith noted no change to the EDA budget in order to utilize those additional funds for various incentive programs. The Tax Rate increased 49.428%. Smith explained how Perham’s Tax Rate compares to other area cities as well as how the tax levy increase calculates for both residential and commercial properties and the value and services provided by City taxes.

ADOPTION OF 2020 LEVY AND BUDGET

Mayor Meehl stated Council may wish to adopt the 2020 Budget and Levy.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 54 entitled “Resolution In The Matter Of Establishing The Tax Levy For Taxes To Be Collected In 2020 And Approving The 2020 Budget Perham, Minnesota.”

2020 FEE SCHEDULE

Mayor Meehl stated Council may wish to consider approving the 2020 Fee Schedule. Proposed changes to the fee schedule are as follows:

<u>Type of Fee</u>	<u>Fee Amount</u>
City Services	
Dump Truck	\$100.00/hr
Loader (Case)	\$180.00/hr
Snow Blower for Loader	\$50.00/hr
Grader (Case)	\$200.00/hr
Street Sweeper (Johnson)	\$150.00/hr
Vactor Truck (2100 Series)	\$200.00/hr
Snow Plow Truck w/Sander	\$125.00/hr

Pickup	\$85.00/hr
Pickup w/Blade	\$95.00/hr
Lawn Mower (J.D.) 11' Deck	\$70.00/hr
Lawn Mower (J.D.) 6' w/Bagger	\$65.00/hr
Lawn Mower (Gravelly) 6' Deck	\$65.00/hr
Lawn Mower 4' Deck	\$60.00/hr
Lawn Mower (Walk Behind)	\$50.00/hr
Tractor (J.D.)	\$70.00/hr
Tractor (J.D.) w/17' Mower Deck (+\$30.00)	\$100.00/hr
Tractor (J.D.) w/7' Brush Hog (+\$35.00)	\$105.00/hr
Tractor (J.D.) w/ Snow Blower (+\$45.00)	\$115.00/hr
Weed Trimmer	\$50.00/hr
Chain Saw (Regular)	\$60.00/hr
Chain Saw (Extendable Blade)	\$55.00/hr
3" Pump (Portable – No Operator)	\$35.00/hr
6" Pump (Portable – No Operator)	\$50.00/hr
Pump (Venture – No Operator)	\$60.00/hr
Sanding Parking Lot	\$35.00/minimum

Utilities

Natural Gas Fees

Gas Installation Fee – Residential (After October 15 th)	\$550.00 (first 100')
Gas Installation Fee – Commercial (After October 15 th)	\$650.00 (first 100')
Gas lines over 100'	\$4.25/foot.
Service Rates	\$85.00 per man hours (minimum one hour)

Sewer Fees

Flat Fees:	
Duplex	\$14.88

Deposits

Commercial – Renters & Previous Delinquent Disconnect Customer	
	One month average annual usage (based off previous year) \$300 minimum

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Ordinance 411 entitled “Ordinance Setting The 2020 Fee Schedule City Of Perham, Minnesota.”

INFORMATION AND ANNOUNCEMENTS

The City Employee Christmas Pot Luck Party is scheduled for December 18 @ 11:30 in the Council Chambers

The City Office will close at Noon on Tuesday, December 24

City Offices will be closed on Wednesday, December 25 and Wednesday, January 1

The next regular Council Meeting is scheduled for Monday, January 13, 2020

ADJOURNMENT

Mayor Meehl adjourned the meeting at 6:16 pm.

Respectfully submitted by,



Heather Hoelt
Administrative Assistant

ATTEST:



Mayor

