

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
September 14, 2020**

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 5:15 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, Lehmkuhl, Johnson, Spencer, and Schmidt.

Staff present: City Manager Smith, Finance Officer Stokke, EDA Director Murdock, Public Works Director Schossow, Police Chief Gritz, Librarian Ladwig 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.

CITIZENS CONCERNS

Mayor Meehl stated Council will recognize citizens who may have items for the Council. Citizens please state your 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 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 Johnson 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 August 10, 2020 and Special Council Meeting held on August 26, 2020.

PUBLIC HEARING/AMEND TOBACCO ORDINANCE

Mayor Meehl stated Council may wish to hear comments regarding amending Ordinance 375, Chapter 114 of the City Code: Tobacco Regulations, to raise the minimum age to purchase tobacco to 21. There were no comments from the public before or during the hearing. City Manager Smith stated the minimum age to purchase tobacco has been raised to 21 statewide due to state legislation effective August 1, 2020.

APPROVE AMENDING TOBACCO ORDINANCE

Mayor Meehl stated Council may wish to approve an ordinance and summary of ordinance for publication to amend Ordinance 375, Chapter 114 of the City Code: Tobacco Regulations, to raise the minimum age to purchase tobacco to 21.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Ordinance 416 entitled “An Ordinance Amending Ordinance 375, City Code Chapter 114: Tobacco Regulations,” to raise the minimum age to purchase tobacco to 21.

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: Arvig in the amount of \$1,884.56; Bergseth Bros. in the amount of \$(110.10) and \$8,166.30; Bob’s Vacuum Service in the amount of \$21.48; Breakthru Beverage in the amount of \$4,719.07 and \$232.00; City of Perham in the amount of \$5.95; Jack Pine Brewery in the amount of \$385.20; Jean’s Plant Place in the amount of \$16.00, \$46.32, and \$186.99; Marco Technologies in the amount of \$127.99; Nardini in the amount of \$75.30; Ottertail Power in the amount of \$48,522.87; and Paustis & Sons in the amount of \$391.75, bringing the total Unpaid City Claims to \$1,373,246.22.

On a motion by Council Member Schmidt, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$1,640,453.89 for the month of August, 2020.

***ACCEPTANCE OF DISC GOLF COURSE DONATIONS**

Council approved Resolution 2020 - 34 entitled “Resolution In The Matter Of Accepting Donations For The Disc Golf Course, Perham, MN,” to accept donations in the amount of \$500.00 each from KLN Enterprises, Pettow Construction, Inc., and Disgruntled Brewery, LLC to be used for the Disc Golf Course.

***ACCEPTANCE OF PERHAM LAKES LIONS CLUB DONATION**

Council approved Resolution 2020 - 35 entitled “Resolution In The Matter Of Accepting A Donation For The Perham Police Department, Perham, Minnesota,” to accept a donation from the Perham Lakes Lions Club in the amount of \$1,000.00 for the Perham Police Department.

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

Council accepted the PACC’s Financial Reports for July 2020.

***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 August 2020.

PLACE 2 BELONG CONDITIONAL USE PERMIT

Mayor Meehl stated Council may wish to approve a Conditional Use Permit request from Place 2 Belong to be able to lease a home that is zoned R-1 for use as a social club facility. City Manager Smith stated the Planning Commission had held a public hearing and explained that the conditional use will allow the residential building to be used as a social club for individuals with diagnosed mental health issues. Place 2 Belong is partnering with Perham Health and the following conditions apply to the conditional use:

- No overnight stays

- Operational hours between 8:00 am – 8:00 pm
- If issues with on-street parking arise, additional off-street parking may be required

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution 2020 - 36 entitled “Resolution In The Matter Of Granting A Conditional Use Permit To A Place 2 Belong, City Of Perham, Minnesota.”

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

Second Avenue Southwest

The majority of punchlist items have been completed with minor repair items remaining, including final cleanup of the concrete.

2021 Project

The proposed 2021 Project (First Avenue North and Fifth & Fourth Street Southwest) will be pushed back a year due to the lack of a bonding bill at the State level.

Clearwater 2nd Addition – Phase 2

The first lift of paving has been constructed and work along the new roadway is complete for the year. A significant portion of the internal construction inside the development has not yet been completed but will be addressed by this fall.

Northeast Industrial Park

Construction is occurring at various locations around the Industrial Park Project. Paving has occurred on Seventh Avenue and Second Street; curb and gutter was installed on Sixth Street today along with the last driveways along Seventh and Second. Utilities should be completed this week, which will allow for the final grading of Ninth Avenue and Third Street.

Roadway prep is also occurring on 11th Avenue/450th Avenue to bring the roadway up to the subgrade for aggregate installation and paving. The new multi-use path has been temporarily put on hold as Otter Tail Power is in the process of removing all the poles near the school and installing the new mains underground along the side of the proposed path.

Email updates will continue weekly to property owners that signed up for the email listing. This should hopefully help with any communication concerns regarding shutdowns or other inconveniences on the project.

ARVIG TRAFFIC CONTROL PLAN

Mayor Meehl stated Council may wish to approve the traffic control plan for the Arvig building expansion from 9/21/2020 to 10/31/2021.

City Manager Smith reminded Council that a variance request by Arvig had been approved within the last year for an addition and height variance for the Arvig headquarters. Footings and foundation work for the project needs to be done as well as reskinning of the building and will require the closure of a half block area of Second Avenue Southwest. Arvig owns a majority of the property affected, however, a rental property located on the west side of the road will be provided alley access. Arvig and their contractor will also work with public works to address snow removal issues.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the traffic control plan for Arvig building expansion from 9/21/2020 to 10/31/2021.

SENIOR CLASS STREET CLOSURE REQUEST

Mayor Meehl stated Council may wish to consider a request to block off a portion of First Avenue South (in front of Comet Theatre) on September 25 for a street gathering of the 2021 Senior Class, which will include music, food and games.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved the street closure request to block off a portion of First Avenue on September 25 for a street gathering of the 2021 Senior Class.

INFORMATION AND ANNOUNCEMENTS

A 2021 Budget Meeting is scheduled for Friday, September 18 @ 7:00 am

The Perham Area EMS Semi-Annual Meeting is scheduled for Monday, September 21 @ 6:00 pm at the Perham Fire Hall. **Please call Fran at 218-346-4440 to confirm your attendance for the meeting.**

A Special Council Meeting and Committee of the Whole are scheduled for Wednesday, September 30 @ 5:15 pm

The next regular Council Meeting is scheduled for Monday, October 12 @ 5:15 pm

ADJOURNMENT

Mayor Meehl adjourned the meeting at 5:32 pm.

Respectfully submitted by,



Heather Hoeft
Administrative Assistant

ATTEST:



Mayor

SPECIAL COUNCIL MEETING MINUTES

September 30, 2020

Mayor Meehl called the Special Council Meeting to order at 5:16 pm on September 30, 2020 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. All Council Members were present.

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

Others present: City Engineer Berube

Proposed Property Tax Levy

Mayor Meehl stated Council may wish to adopt the Preliminary 2021 Budget, Preliminary Levy for Taxes and HRA Levy Payable for 2021 and may wish to schedule the date of Monday, December 14, 2020 at 6:00 pm for the public to comment prior to the adoption of the 2021 Budget and 2021 Tax Levy.

City Manager Smith presented an overview of the 2021 Preliminary Tax Levy and Budget. Highlights of the presentation included:

- The City of Perham is required to approve a preliminary levy and budget by September 30 of each year and that amount is not final, however, the preliminary levy sets a maximum for the final levy. The percent of increase/decrease in the levy is not directly proportionate to the property tax increase/decrease and the preliminary levy and budget are prepared with the most up to date figures available at the time of preparation.
- The budgeted fund types discussed included the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Enterprise Funds.
- The General Fund increased .63% due to increased health insurance rates and cost of living wage increases.
- Economic Development increased 21.74% due to additional economic programming with down payment assistance, HRA rental assistance, and future business assistance due to COVID-19.
- The Library increased 8.26% due to an employee going from part-time to full-time
- Fire increased 1.64% and the General Capital Fund increased 2.00% due to the addition of a new squad car for the Police Department and mower for the Public Works Department.
- The 2021 Proposed Operating Levy amount of \$1,109,075 is an increase of 3.69% over the Final Operating Levy amount of \$1,069,619 in 2020.
- The 2021 Proposed Debt amount of \$444,411 is an increase of 4.23% from \$426,391 in 2020. Special Revenue Funds include two Tax Abatements for Grow Perham and the HRA for an increase of 2.88%.
- The Tax Capacity Levy excluding the HRA totaled \$1,570,091 for a total levy increase of 3.87%.

- The Tax Capacity Growth is estimated at 5.92% and the Net Tax Capacity Rate is estimated at 48.47%.

Smith presented examples of how the City taxes will be calculated for both residential and commercial properties as well as why City taxes are a good value.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, Council approved Resolution 2020 – 38 entitled “Resolution In The Matter Of Establishing The Preliminary Tax Levy For Taxes To Be Collected In 2021, Perham, Minnesota.”

Cooperative Purchasing Contract

Mayor Meehl stated Council may wish to authorize the City to enter into an Interlocal Contract for Cooperative Purchasing with HGACBuy.

City Manager Smith explained that HGACBuy is a national purchasing company that specializes in public safety and public works equipment. The Fire Department is looking to purchase new SCBA’s through a FEMA grant and HGACBuy’s state contracts will give them the best price. There is no cost to be a member and several area cities are already members.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the City to enter into an Interlocal Contract for Cooperative Purchasing with HGACBuy.

Octoberfest Road Closure

Mayor Meehl stated Council may wish to approve closure of First Avenue from Second Street South to Main Street on Saturday, October 3 for Octoberfest.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved the closure of First Avenue from Second Street to Main Street on Saturday, October 3 for Octoberfest.

Adjournment

Mayor Meehl adjourned the Special Council Meeting at 5:35 pm.

Respectfully submitted by,



Heather Hoefft
Administrative Assistant

ATTEST:



Mayor