

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
November 13, 2023**

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 p.m. 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, Spencer, Schmidt, and Meyer.

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

Others present: City Engineer Berube, Todd Hagen, Dan Bucholz, and Michelle Sazama

Others present via Zoom: City Attorney Winters

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.

Michelle Sazama, representing Pine to Prairie, was in attendance to thank Council and to answer any questions regarding the organization's end of year financials.

There were no other 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 Schmidt, seconded by Council Member Meyer, 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 October 9, 2023.

PUBLIC HEARING

Mayor Meehl stated Council may wish to hear comments relating to the City's proposed adoption of a modification to the Development Program for Development District 2, the proposed removal of one parcel from TIF District 2-37 and the proposed establishment of TIF District 2-45.

Todd Hagen, representing Ehler's, reviewed the proposed adoption of a modification to the Development Program for Development District 2, the proposed removal of one parcel from TIF District 2-37 as well as the proposed removal of five parcels from TIF District 2-40, and seven parcels from TIF District 2-41 and the proposed establishment of TIF District 2-45.

There were no public comments.

APPROVE RESOLUTION TO ELIMINATE A PARCEL FROM TIF DISTRICT 2-37 AND ESTABLISH TIF DISTRICT 2-45

Mayor Meehl stated Council may wish to approve a resolution to eliminate one parcel from TIF District 2-37 and establish TIF District 2-45. It was noted that the resolution also includes the elimination of parcels from TIF District's 2-40 and 2-41.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt, and carried without a dissenting vote, the Council approved Resolution 2023 – 45 entitled "Resolution Adopting A Modification To The Development Program For Development District No. 2, Removing Certain Parcels From TIF Districts in Development District No. 2 And Establishing Tax Increment Financing District No. 2-45; Bongards Warehouse Expansion In Development District No. 2 And Adopting A Tax Increment Financing Plan Therefor."

RESOLUTION APPROVING AN INTERFUND LOAN

Mayor Meehl stated Council may wish to consider approving an interfund loan for advance of certain costs in connection with the establishment of TIF District 2-45.

On a motion by Council Member Meyer, seconded by Council Member Spencer, and carried without a dissenting vote, the Council approved Resolution 2023 – 46 entitled “Resolution Authorizing An Interfund Loan For Advance Of Certain Costs In Connection With Tax Increment Financing District No. 2-45.”

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: Advanced Business Solutions for \$70.67 and \$77.13; Arvig Answering Solutions for \$137.92; Jake’s Welding for \$550.00; JH Signs for \$300.00; Lakes Country Landscaping for \$185.75; Lakes Country Service Coop for \$5,439.70; Macqueen Equipment for \$861.69; Nyhus Family Sales for \$81.05; Phil’s Plumbing for \$741.00; Thein Well Company for \$1,879.00; Verizon for \$200.07; and Visa for \$616.23, bringing the Total Unpaid City Claims to \$3,247,664.87.

On a motion by Council Member Spencer, seconded by Council Member Meyer and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$3,451,160.40 for October 2023.

SALE OF GENERAL OBLIGATION BONDS, SERIES 2023A

Mayor Meehl stated Council may wish to consider awarding the sale of \$1,870,000 General Obligation Bonds, Series 2023A to finance the Prairie’s Edge Third Addition Project.

Todd Hagen, representing Ehler’s, reviewed the Sale Day Report for the \$1,870,000 General Obligation Improvement Bonds, Series 2023A for the purpose of financing the construction of the Prairie’s Edge Development – Phase 3. The City received a AA- bond rating with a stable outlook. Five (5) bids were received and Northland Securities, Inc. from Minneapolis, Minnesota with United Bankers’ Bank and DA Davidson was the low bidder at 4.1516%.

The reduction in the costs of issuance and the receipt of a premium bid created approximately \$76,265.45 more proceeds to be available for project costs. City staff agreed to use the additional funds for debt service prior to the receipt of special assessments instead of reducing the size of the issue. The closing date for the sale of the bonds is November 30, 2023.

On a motion by Council Member Lehmkuhl, seconded by Council Member Meyer and carried without a dissenting vote, the Council approved Resolution 2023 – 47 entitled “Resolution

Authorizing Issuance, Awarding Sale, Prescribing The Form And Details And Providing For The Payment Of \$1,870,000 General Obligation Improvement Bonds, Series 2023A.”

LODGING TAX COMMITTEE DONATIONS

Mayor Meehl stated on the recommendation of the Lodging Tax Committee, Council may wish to consider contributing \$60,000 to the 2024 Chamber Marketing Budget as well as \$20,000 for the 2024 Main Street Revitalization.

On a motion by Council Member Meyer, seconded by Council Member Spencer, and carried without a dissenting vote, the Council approved the contribution of \$60,000 to the 2024 Chamber Marketing Budget as well as \$20,000 for the 2024 Main Street Revitalization.

***LIABILITY COVERAGE**

Council accepted liability coverage limits of \$1,500,000 from the League of Minnesota Cities Insurance Trust for 2024 and will not waive the statutory tort limits.

***ACCEPT DONATION**

Council approved Resolution 2023 – 48 entitled “Resolution In The Matter Of Accepting A Donation For The Perham Police Department, Perham, Minnesota,” to accept a donation from Alice Radi for \$100.00 for the Police Department.

***GAMBLING PERMIT**

Council approved Resolution 2023 – 49 entitled “Resolution In The Matter Of Approving Premises Permit Application, Turn In Poachers,” to allow Turn in Poachers to conduct gambling at Perham Lakeside Golf Course for an event on November 18, 2023.

***APPROVAL OF VARIOUS ASSESSMENTS**

Council approved Resolution 2023 – 50 entitled “Resolution In The Matter Of Assessing Various Charges For City Services, Perham, Minnesota,” to authorize various assessments be forwarded to Otter Tail County.

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

Council accepted the PACC's Financial Reports for September 2023.

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

Council accepted the following City Financial Reports: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report for October 2023.

APPROVE OPPORTUNITY GRANT – CRANE JOHNSON

Mayor Meehl stated Council may wish to consider approving an Opportunity Grant for Crane Johnson for \$100,000.00 to construct a materials storage building.

On a motion by Council Member Schmidt, seconded by Council Member Lehmkuhl, and carried without a dissenting vote, the Council approved an Opportunity Grant for Crane Johnson for \$100,000.00 to construct a materials storage building.

APPROVE OPPORTUNITY GRANT – NDN REAL ESTATE

Mayor Meehl stated Council may wish to consider approving an Opportunity Grant for NDN Real Estate for \$15,234.00 to purchase the Visions Glass building. The building will be demolished and the lot paved.

On a motion by Council Member Meyer, seconded by Council Member Schmidt, and carried without a dissenting vote, the Council approved an Opportunity Grant for NDN Real Estate for \$15,234.00 to purchase the Visions Glass building.

APPROVE OPPORTUNITY GRANT – PRAIRIEGRASS

Mayor Meehl stated Council may wish to consider approving an Opportunity Grant for Prairiegrass for \$23,270.95 for the remodel of the former TA Gould building.

On a motion by Council Member Schmidt, seconded by Council Member Spencer, and carried without a dissenting vote, the Council approved an Opportunity Grant for Prairiegrass for \$23,270.95 for the remodel of the former TA Gould building.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

2022/2023 Project

Minor cleanup continues around the project area with coordination regarding items on the correction and completion list underway yet this fall. Quantity review meetings have also been held with the contractor following a completed survey of the concrete in the southwest project area and on the rural section of the highway. Final quantity review and correction and completion updates will continue until freeze up, with a walk through in the spring to follow up on any concrete and cleanup concerns.

Main Street Project

Design is progressing on the Main Street Project with utility design continuing to be the primary focus. In addition to utility design, phasing and traffic control is currently being coordinated to maintain access to downtown businesses during the construction activities. A meeting with the Chamber will be held this Wednesday to discuss coordinated efforts with the access and advertising of the City's downtown during the reconstruction.

Prairie's Edge – Phase 3

RL Larson has completed approximately 95% of the underground utility construction on Prairie's Edge. Minor delays in the delivery of the hatches for the lift station cover will push back a portion of the work into December, but weather dependent, RL plans to come back to complete the remaining tasks.

Westwind 4th Addition – 9th Street Stub

RL Larson has submitted a price to extend approximately 250 feet of water and sewer in Westwind 4th Addition to provide services to the last two properties within the development. The improvements would be completed as a change order to the Prairie's Edge Project and are in the line with the prices seen on that improvement project. Timing for the improvements is weather dependent.

WESTWIND 4 STUB EXTENSION

Mayor Meehl stated Council may wish to approve a change order for Prairie's Edge to include the stub extension for Westwind 4.

On a motion by Council Member Meyer, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved the change order for Prairie's Edge to include the stub extension for Westwind 4th Addition.

INFORMATION AND ANNOUNCEMENTS

A Budget Meeting is scheduled for Friday, November 17 @ 7:00 am for the Enterprise Funds
The City Office will be closed on Thursday, November 23 and Friday November 24 for Thanksgiving

The Gobble Wobble 5k is scheduled for Thanksgiving Day at 8:30 am at the Perham Bike Path
The Parade of Lights is scheduled for Friday, November 24 at 5:30 pm
A Committee of the Whole meeting is scheduled for Wednesday, November 29 at 5:15 pm.
The next regular Council Meeting is scheduled for Monday, December 11 @ 5:15 pm

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 5:44 pm.

Respectfully submitted by,



Heather Hoelt
Administrative Assistant

ATTEST:



Timothy J. Meehl
Mayor

