

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
April 13, 2015**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:19 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 Klemm, Police Chief Hoaby, EDA Director Johnson, Public Works Director Meece, Finance Officer Stokke, Librarian Ladwig, Administrative Assistant Nundahl.

Others present: City Attorney Happel, Building Official Neisen, 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 the Council will recognize citizens who may have items for the Council. No one addressed the Council.

APPROVAL OF AGENDA

Mayor Meehl stated Council Members and Staff may add items to the Agenda which requires Council action. Mayor Meehl requested Council consider Item 10.H. Financing of the Public Works Garage.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the agenda with the addition of the above noted item.

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 Mattfeld, and carried without a dissenting vote, the Council approved the Consent Agenda as presented.

***APPROVAL OF MINUTES**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on March 9 and Special Minutes of March 25, 2015.

5:15 ASSESSMENT HEARING FOR 2015 IMPROVEMENT PROJECT

Mayor Meehl stated Council may wish to hear comments regarding proposed improvements for the 2015 Improvement Project which includes improvements on Third Avenue SE from Main Street to Coney Street, Fox Street from Third Avenue SE to Second Avenue SE, Fourth Street SE from First Avenue to Fifth Avenue SE, Second Avenue SE from Second Street SE to Fifth Street SE, Third Street SE from Second Avenue SE to Third Avenue SE, Third Street SW from Eighth Avenue SW to Third Avenue SW, Perham, Minnesota.

City Engineer Berube stated an Assessment Hearing is required by Minnesota Statute 429 and it explains the assessment procedures and process. Residents have the opportunity to ask questions and make comments on the proposed assessments. It also allows staff to correct errors on the assessment worksheets. City Engineer Berube reviewed the Project Components and proposed improvements.

City Engineer Berube reviewed proposed project costs: Sanitary Sewer for \$604,000, Watermain for \$643,500, Storm Sewer for \$716,500 and Street Improvements for \$3,338,511 for a total cost of \$5,302,511. The assessable amount is \$1,216,765, the County share is \$1,666,826 and the City share is \$2,418,920. The assessment rates were reviewed as follows: Sanitary Sewer Service is \$1,540 each, Water Service is \$1,895 each, Street per foot is \$85.25 and Surface Improvements, Fox Street to Coney Street is \$34.55 per foot. The Assessment Policy was reviewed. It was noted, the assessments can be prepaid or be placed on property taxes, paid over a term of 15 years with an interest rate of one percent over the bond rate.

City Engineer Berube stated assessments for a typical 100 foot lot would be as follows: Sanitary Sewer Service is \$1,540. Water Service is \$1,895 and Improvement Rate is \$8,525 for a total of \$11,960. Assessment rates were compared to three other regional Cities. If the project is approved to proceed, construction would begin in May and it is scheduled to be completed in November of 2015.

Mayor Meehl opened the hearing for public comment.

Dan Johnson, 370 4th Avenue SE

Mr. Johnson questioned how do we determine where our service lines are? City Engineer Berube stated the service lines have been televised and mapped. Johnson stated he has a concrete driveway and that will be ripped out; how will that be finished? City Engineer Berube stated the driveway will be cut back to allow for proper drainage and then it will

be replaced. Johnson questioned how will the boulevard be restored? City Engineer Berube stated the boulevard will be seeded. Johnson questioned when will construction start on Fourth? City Engineer Berube stated it will start after school is out in that area. Johnson stated he has a couple of trees, will they need to come out? City Engineer Berube stated trees will be marked which ones need to be removed because of the curb and drainage. Trees will be marked if they are in the way of your private services.

Mary Schmidt, 411 2nd Avenue SE

Ms. Schmidt questioned the starting date of construction in her area. City Engineer Berube stated construction would start after Memorial Day. Ms. Schmidt stated they do not want a sidewalk because there is no place to put it. City Engineer Berube stated they moved the sidewalk in this area as close to the curb as possible. They need to allow some space between the curb and the sidewalk for snow from plowing. Ms. Schmidt questioned why do they need a sidewalk, they have never had a sidewalk, and questioned why do we need one now? City Engineer Berube stated the City updated their sidewalk plan several years ago and streets and avenues in this area were slated to have sidewalks. Discussion ensued regarding who did and did not have sidewalks in the area. Ms. Schmidt stated their garage is close to the street and if they park on their driveway, they will be parking over the sidewalk. Ms. Schmidt stated it is a safety concern backing out of their garage directly onto the sidewalk, wouldn't be able to see if anyone was on the sidewalk until it was too late. Ms. Schmidt stated they also have trees and shrubs where the sidewalk is proposed, who is going to pay for those? Mayor Meehl stated the sidewalk would be installed on the City right-of-way, not their personal property. Ms. Schmidt questioned if the Council was going to listen to the residents or just do what they want to do.

Teresa Stoderl, 455 2nd Avenue SE

Ms. Stoderl stated her house is 75 years old and questioned who installs the service lines? City Engineer Berube stated he can recommend some local contractors that will work with the prime contractor. Ms. Stoderl questioned if it would be cheaper to run her services off to the side, rather than 2nd. City Engineer Berube stated 5th Street SE is not in this construction project.

Tom Elkin, 411 1st Avenue South

Mr. Elkin echoed Ms. Schmidt's comments. Their garage is also close to the street and when they park on their driveway, they would also be blocking the sidewalk. Mr. Elkin also noted that they have a garden that would be effected by the sidewalk.

Dan Johnson, 370 4th Avenue SE

Mr. Johnson questioned if the City has plans for reconstructing the avenues. City Manager Klemm stated no, they are not in our current five-year Capital Improvement Plan.

Wayne Dardis, 256 2nd Avenue SE

Mr. Dardis questioned would his assessment change if he removed his sidewalk? City Engineer Berube stated no, it would stay the same.

Tom Elkin, 411 1st Avenue South

Mr. Elkin questioned if they will have access to their properties during construction. City Engineer Berube stated they will have access early morning and night. If they have individual concerns, talk to one of the workers and they will make sure that you can get in and out when needed.

Vicki Schwanke, 258 6th Avenue SW

Ms. Schwanke questioned when their street construction will begin because she has her house for sale. City Engineer Berube stated they will start right away on that street because they will want the asphalt.

The public hearing was closed at 5:50. It was noted, no written or verbal comments were received prior to the meeting.

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 three additional claims: HRA in the amount of \$17,680.00, Perham Chamber of Commerce in the amount of \$2,938.39 and Perham Chamber of Commerce in the amount of \$275.00 which would bring the total Unpaid Invoices to \$1,619,908.44.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of City Prepaid and Unpaid Invoices in the amount of \$1,740,450.73 for March, 2015.

***GOV OFFICE/WEBSITE REDESIGN**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted a quote from GOV Office for the redesign of the City's website not to exceed \$4,495.

***SOLID WASTE COLLECTION/TRANSPORTATION LICENSE**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council authorized renewing the Solid Waste Collection and Transportation License to Waste Management of Detroit Lakes and Steve's Sanitation of Perham subject to receipt of applicable fees and required information by the City Office.

***ARBOR DAY PROCLAMATION**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council authorized the Mayor to sign the Arbor Day Proclamation to declare May 2, 2015 as Arbor Day in Perham, Minnesota.

***LAKE REGION ARTS COUNCIL GRANT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted a grant from Lake Region Arts Council in the amount of \$1,610 to be used by HACA for an outdoor concert, "Boomtown", at the Pioneer Village.

***SETTING FEE FOR GAS LINES OVER 100 FEET**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council increased the fee for installation of natural gas lines over 100 feet from \$3.00 per foot to \$3.75 per foot and approved Resolution No. 2015 – 23 entitled "Resolution In The Matter Of Setting Fee For Natural Gas Line Over 100 Feet, City Of Perham, Minnesota".

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted the PLGC's Income Statement for February, 2015.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted the PACC's Financial Reports for February, 2015.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council accepted the following reports for March, 2015: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and Utility Aging Report.

TAX INCREMENT FINANCING

Mayor Meehl stated Council may wish to consider approving Tax Increment Financing for Disgruntled Brewery. City Manager Klemm stated the EDA received an application for Tax

Increment Financing for Disgruntled Brewery. The project includes a 5,000 square foot building and would house the brewery and a taproom to sell on-sale beer.

City Manager Klemm stated the TIF District 2-37 was created two years ago as part of the expansion project for Industrial Finishing Services, so there is seven years remaining. Based on Ehlers and Associates calculations, Disgruntled Brewery would be eligible for a total of \$37,564. Discussion ensued.

On a motion by Council Member Spencer, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Tax Increment Financing for Disgruntled Brewery.

REDEVELOPMENT TIF FOR DOWNTOWN BUSINESSES

Mayor Meehl stated Council may wish to consider grant packages using TIF pooling dollars from TIF District 2-10 and 2-11. City Manager Klemm stated in 2007, the EDA created an incentive program to promote business development of empty storefronts located in the Downtown Business District. At that time, they were able to use funds from the Small Cities Grant. At this time, that is not an option.

City Manager Klemm stated one option for funding would be the use of TIF pooling dollars. The City retains 20% to 25% of the increment for administration and “pooling” when a district is created. In 2014, the City decertified TIF 2-10 and 2-11; both of these Districts have a remaining fund balances. Approximately \$25,400 would be available for a Grant Program. In order to qualify for a grant, the applicant must purchase a vacant storefront and the building must have code deficiencies. Funds would be available on a first come, first serve basis. It was noted, the EDA recommended the City Council approve the Grant Program and noted they would like to review and approve the applications. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved a Grant Program for the Downtown Business District using funds from TIF District 2-10 and 2-11.

APPROVING PLANS AND SPECIFICATIONS/LIBRARY

Mayor Meehl stated Council may wish to consider approving Plans and Specifications and advertising for bids for the Library Reconstruction Project. Tony Stoll representing BHH Partners reviewed the plans for the Perham Library Exterior Restoration Project. It was noted, due to the number of unknowns, a true cost estimate cannot be made. The Plans include a number of alternates. Stoll noted, they are fairly certain the mold is contained in the cavities so the Plans include the removal of all the insulation in the cavities and treatment of the all the

cavities. If they find mold on the sheetrock, the project will need to be stopped and a new game plan will need to be determined.

Stoll stated one of the alternates is finishing the outside with stucco rather than replacing the stone. Until the stone is removed, we do not know if it can be re-used.

Librarian Ladwig stated half of the windows have been replaced since the building was constructed. Currently, there are two more windows that need to be replaced. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the Plans and Specifications and authorized advertising for bids for the Library Reconstruction Project.

CITY ENGINEER MONTHLY UPDATE

Mayor Meehl stated the City Engineer will give an update on various projects.

Third Avenue Southeast (CSAH No. 8), Fox Street, South Street SE, Second Avenue SE, Third Street SW

City Engineer Berube stated the Council will consider the award of the contract to Kuechle Underground. If awarded, the County will consider awarding the bid tomorrow at their Commission Meeting. Contract will be sent as soon as the award is finalized and the contractor has indicated that construction of underground utilities will commence in early to mid-May. Scheduling will be ultimately determined at the Preconstruction meeting which will be held when contracts are completed.

Safe Routes To School

City Engineer Berube stated Plans and Specifications are complete and have been sent to the Minnesota Department of Transportation's Central Office in St. Paul for approval. When approved, the project will be sent out for bid.

Perham Airport – Crack Seal and Seal Coat

City Engineer Berube stated documentation has been sent to the Minnesota Department of Transportation for funding. When received, the contracts will be finalized and a preconstruction meeting will be scheduled to determine the contractors scheduling.

Victory Estates Phase 1 – Street and Utility Improvements

City Engineer Berube stated Plans and Specifications are currently out for bid. Bids will be received on Tuesday, April 28th at 2:00 pm. Currently there are eleven plan holders that are listed as potential prime bidders.

2015 IMPROVEMENT PROJECT/ASSESSMENT ROLL

Mayor Meehl stated Council may wish to consider approving the assessment roll for the 2015 Improvement Project. City Manager Klemm stated we had no objections to the assessments at the Public Hearing, all questions pertained to timelines, sidewalks, trees etc. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Lehmkühl and carried without a dissenting vote, the Council accepted the Assessment Roll for the 2015 Improvement Project and approved Resolution No. 2015 – 24 entitled “Resolution In The Matter Of Adopting The Assessment Role For Improvements For The 2015 Improvement Project Which Includes Third Avenue SE From Main Street To Coney Street, Fox Street From Third Avenue SE To Second Avenue SE, Fourth Street SE From First Avenue To Fifth Avenue SE, Second Avenue SE From Second Street SE To Fifth Street SE, Third Street SE From Second Avenue SE To Third Avenue SE, Third Street SW From Eighth Avenue SW To Third Avenue SW, Perham, Minnesota”.

2015 IMPROVEMENT PROJECT/ACCEPTING BID

Mayor Meehl stated Council may wish to consider accepting low bid submitted by Kuechle Underground, Inc. out of Kimball, Minnesota for the 2015 Improvement Project. Council Member Lehmkühl stated he feels that a sidewalk should not be installed on 4th Street SE due to safety concerns. Other Council Members agreed.

City Engineer Berube reviewed Alternate A, the Thermoplastic Crosswalk and Alternate B, the Concrete Crosswalk. The Thermoplastic has a shorter lifespan, shorter installation timeline, reflective features and better ride quality. The concrete has a longer lifespan, provides variation along the ride and has a longer installation timeline. Discussion ensued regarding cost difference. City Manager Klemm stated Otter Tail County does not like cement and would make us enter into a maintenance agreement. Otter Tail County thinks the Thermoplastic is a good option. Discussion ensued.

On a motion by Council Member Lehmkühl, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the low bid submitted by Kuechle Underground out of Kimball, Minnesota in the amount of \$4,358,978.80 (Alternate A, Thermoplastic Crosswalk): approved deleting the sidewalk on the south side of 4th Street SE from 1st Avenue to 3rd Avenue SE and approved Resolution No. 2015 – 24 entitled “Resolution In The Matter Of Accepting The Bid For Improvements For The 2015 Improvement Project Which Includes Third Avenue SE From Main Street To Coney Street, Fox Street From Third Avenue SE To Second Avenue SE, Fourth Street SE From First Avenue To Fifth Avenue SE, Second Avenue SE From Second Street SE To Fifth Street SE, Third Street SE From Second Avenue SE To Third Avenue SE, Third Street SW From Eighth Avenue SW To Third Avenue SW, Perham, Minnesota”

APPROVE DESIGN FOR TBS PROJECT

Mayor Meehl stated Council may wish to approve the design and authorize staff to seek quotes for the Town Border Station Project. It was noted, Council met with Lake Superior Consulting earlier today and reviewed the scope of the project, estimated timeline and estimated costs. City Manager Klemm stated estimated project cost is \$1,590,240. Project financing has not yet been finalized. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the design and authorized staff to seek quotes for the Town Border Station Project.

PRIVATE DOG KENNEL LICENSE

Mayor Meehl stated Council may wish to consider amending the City Code to allow a Private Dog Kennel. Police Chief Hoaby reviewed the draft ordinance noting that this amendment would allow three dogs with the purchase of a Private Dog Kennel License, four dogs would not be allowed. If a residence has two or more animal related complaints within twelve months, a license will not be issued and can be revoked. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council denied amending the City Code 93.32 Kennels.

***2015 SEAL COAT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council approved the specifications for the 2015 Seal Coat Project and authorized staff to obtain quotes.

***PURCHASE OF TWO LAWN MOWERS AND STUMP GRINDER**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council authorized the purchase of two John Deere Mowers lawn mowers; final cost for a John Deere 1600 with trade in is \$25,995.53 and final cost for a John Deere 997 with trade in is \$9,143.95 and a 2015 Erskine MFG. stump grinder for \$4,866.28.

***5 K WALKS/RUNS**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld, and carried without a dissenting vote, the Council authorized the use of Arvig Park and the bike trail for two events, the Lions will be hosting an event on May 23 and Miss Perham will be hosting an event on May 30.

FINANCING THE PUBLIC WORKS GARAGE

Mayor Meehl stated Council may wish to consider an option for financing of the Public Works Garage. City Manager Klemm stated the cost for the Public Works Garage has increased from \$500,000 to \$850,000. This is due to various add-ons for example heated floor and landscaping costs around the facility. Staff had originally thought that the project would be financed through a Lease Revenue Note like the City did with the Liquor Store. Ehlers and Associates are recommending a General Obligation Capital Improvement Plan Bond.

City Manager Klemm stated with a Capital Improvement Bond, we could negotiate a 10 year term with an interest rate under two percent. This financing requires a public hearing and if a

petition requesting a vote on the issuance of bonds is signed by five percent of the voters, we will need to take it to voters. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2015 – 26 entitled “Resolution Calling Public Hearing On The Intention To Issue General Obligation Capital Improvement Plan Bonds And The Proposal To Adopt A Capital Improvement Plan Therefor”

INFORMATION AND ANNOUNCEMENTS

The Chamber’s Leadership Awards is scheduled for Thursday, April 16

Railroad and Pipeline Safety, Awareness Training is scheduled for Wednesday, April 22

The Local Board of Review is scheduled for Wednesday, April 29 at 1:00, a Council quorum is required.

A Special Council Meeting and the Committee of the Whole is scheduled for Wednesday, April 29

The next regular Council Meeting is scheduled for Monday, May 11

The School Bond Referendum Vote is scheduled for Tuesday, May 12

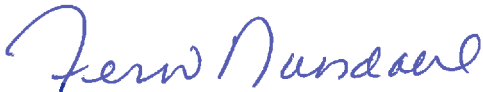
The 2015 LMC Annual Conference is scheduled for June 24 – 26 in Duluth

The Household Hazardous Waste Pick Up is scheduled for June 24th from 10:00 to 2:00

ADJOURNMENT

On a motion by Council Member Johnson, seconded by Council Member Mattfeld, and carried without dissenting vote, the meeting adjourned at 6:43 p.m.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant

SPECIAL COUNCIL MEETING MINUTES
BOARD OF REVIEW
April 29, 2015

Mayor Meehl called the Special Council Meeting, Board of Review, to order at 1:00 on April 29, 2015 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. Council Members present were Johnson, Lehmkuhl and Mattfeld and Mayor Meehl.

Staff members present were: City Manager Klemm and Administrative Assistant Nundahl.

Others present were: Francine Gleason and Doug Walvatne, Otter Tail County Assessors

Local Board of Review

Ms. Gleason stated residential estimated market value within the City increased about 5%. Tillable land in Otter Tail County increased some along with grain bins. Certain agricultural lands had slight decreases, otherwise no other significant changes were made. A short discussion ensued.

Kevin Keil representing NMTD LLC questioned the valuation of the recently built warehouse. It was noted, the warehouse should be listed as storage rather than manufacturing. On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved decreasing value from \$999,600 to \$799,000 for Parcel #77000990969000 for NMTD LLC.

The following property owners contacted the Assessor's Office:

Salathe Chiropractic Center

Ms. Gleason stated the office was changed from general office to a medical office. That changed valuation from \$4 per square foot to \$30 per square foot. In the discussion, she learned an area in the basement had been finished. On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved changing the valuation back to a general office and adding the finished basement which would reduce the valuation on Parcel # 77000220020007 for Salathe Chiropractic Center.

Daniel Brauch

Ms. Gleason stated the new addition is storage only and was classified as service. On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved reclassifying the warehouse from service to storage for Parcel # 77000990942000 for Daniel Brauch.

Bonnie Genin

Ms. Gleason stated Ms. Genin felt that her taxes were too high and that her house has a higher valuation than others in her neighborhood. Ms. Gleason stated the valuation was in line and that Ms. Genin's house is a little larger than others in the neighborhood. On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting

vote, the Council approved no change to the valuation of Parcel # 77000991221000 for Bonnie Genin.

Joel Paulson

Ms. Gleason stated Poulson purchased the Hexum house on 3rd Avenue SE last year for \$57,000 and it is valued at \$81,600. Ms. Gleason stated the condition of the interior of the house shows that the house should be depreciated and they have the house listed with a seasonal porch when in reality it is an unfinished entryway. On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council authorized decreasing the value of the house approximately \$10,000 for Parcel # 77000990159000 for Joel Paulson.

Photo Magic

Ms. Gleason stated that part of the second floor was valued wrong, some of the area was cooled with window air conditioners and other parts are cooled with central air. Gleason also noted there is a clerical error which needs to be corrected. On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council authorized correcting the clerical error for Parcel # 77000990025000 for Photo Magic.

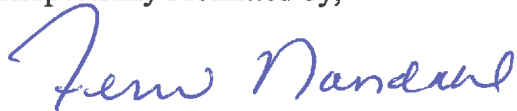
Assessor Walvatne stated he received three Real Property Tax Petitions; Shopko, Kenny Nelson and Tuffy's Pet Foods. He will forward information to the City Manager.

Discussion ensued regarding online training for Council Members for the Board of Appeals. It was noted that Council Members can take the training modules in their free time and there is no cost.

Adjournment

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the meeting was adjourned at 2:04.

Respectfully submitted by,



Fern Nundahl
Administrative Assistant

SPECIAL COUNCIL MEETING MINUTES

April 29, 2015

Mayor Meehl called the Special Council Meeting to order at 5:17 on April 29, 2015 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 Council Members were present.

Staff members present were: City Manager Klemm, EDA Director Johnson, Finance Officer Stokke, Librarian Ladwig, Liquor Store Manager Dreger, Public Works Director Meece, Police Chief Hoaby and Administrative Assistant Nundahl.

Others present were: City Engineer Berube

PUBLIC INFORMATIONAL MEETING/WELLHEAD PROTECTION PLAN UPDATE

Mayor Meehl opened the public informational meeting regarding amending the Wellhead Protection Plan. Aaron Meyer representing Minnesota Rural Water Association stated he works with the City and the Wellhead Protection Committee to ensure that the City has good drinking water. The State requires all public water suppliers to adopt a Wellhead Protection Plan. Wellhead Protection Plans are designed to protect drinking water and the plans should project ten years into the future. The plan also contains information regarding delineation and vulnerability.

Aaron Meyer spoke about the delineation area noting that the area is smaller in size. Meyer stated that the ground water is flowing west to east/northeast and ground water within the Wellhead Protection Area would take about twenty years before it would reach the wells from the farthest point. The Drinking Water Supply Management Area surrounds the Wellhead Protection Area. The City needs to protect the ground water in this area also. The City has a very good working relationship with farmers in this area and we have applied for grants to establish various programs to ensure the City has good ground water.

Aaron Meyer stated Wellhead Protection Plans need to be amended every ten years. Following the public informational meeting, local governments will have a chance to review the plan along with the State. The deadline to submit the plan is September 23, 2015 but we will be requesting a one year extension.

Luke Stuewe stated the City purchased land, now known as Clearwater Estates, from RDO; this land is in the Wellhead Protection Area. By purchasing this land, the City helped protect the ground water. The City is actively working with RDO and other farmers to protect the ground water.

No other comments were made.

FOURTH STREET SE PROJECT

Mayor Meehl stated Council may wish to consider scheduling the assessment hearing for Monday, May 11 at 5:15. City Engineer Berube stated six construction bids were received yesterday. The low bidder is Feldt Plumbing LP out of Detroit Lakes, Minnesota. Feldt has completed multiple projects in the area throughout the years. Most recently in Perham, Feldt completed the Third Street NW Reconstruction Project in 2011.

City Engineer Berube stated based on preliminary numbers, it appears the assessment figures for the project will be down slightly. The rates were reviewed. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Resolution No. 2015 – 27 entitled “Resolution In The Matter Of Calling For A Public Hearing For Proposed Assessments For Improvements On Fourth Street SE From Seventh Avenue SE To Eighth Avenue SE, Perham, Minnesota”.

PERHAM MUNICIPAL AIRPORT/MN DOT AGREEMENT

Mayor Meehl stated Council may wish to consider entering into an Agreement with MN DOT for partial funding of the Airport Pavement Crack Sealing and Slurry Seal Project. City Manager Klemm stated this is a standard agreement set forth by MN DOT. It was noted, the State is paying 90% of the costs and the City will be paying 10%. A short discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized entering in a Grant Agreement For Airport Improvement Excluding Land Acquisition and approved Resolution No. 2015 – 28 entitled “Authorization To Execute Minnesota Department Of Transportation Grant Agreement For Airport Improvement Excluding Land Acquisition”.

FINANCING THE TOWN BORDER STATION PROJECT

Mayor Meehl stated Council may wish to consider adopting a resolution regarding financing of the Town Border Station with General Obligation Equipment Certificates. City Manager Klemm stated with this financing, the City will need to publish a resolution because it is subject to a reverse referendum. It was noted, three projects will be rolled into one bond; 2015 Improvement Project, Public Works Garage and the Natural Gas Project.

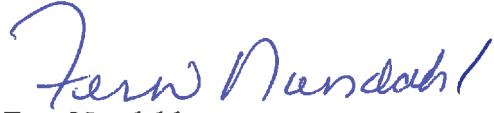
City Manager Klemm noted the resolution states that the City intends to reimburse ourselves for the costs of the equipment from the proceeds of the Certificate. We have already received a purchase order for the natural gas heater which the most expensive item in this project. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution No. 2015 – 29 entitled “Resolution Determining The Necessity To Issue Not To Exceed \$1,700,000 General Obligation Equipment Certificates, Series 2015A”.

ADJOURNMENT

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the meeting was adjourned at 5:43.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant