

**PERHAM CITY COUNCIL  
REGULAR MEETING MINUTES**

**August 8, 2016**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:15 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, EDA Director Johnson, Public Works Director Meece, Finance Officer Stokke, Administrative Assistant Nundahl

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. 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 stated staff received a request from Disgruntled Brewing regarding the "Fun Beer Run", a fund raising event they would like to schedule on September 23 and 24. Mayor Meehl stated this item would be placed on the agenda as 8C.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the agenda as presented 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 Spencer 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 Spencer and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on July 11 and Special Meeting Minutes of July 27, 2016.

### **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 the Council consider paying additional claims in the amount of \$356,940.07 bringing the total Unpaid Claims to \$775,160.45. The additional claims were reviewed.

On a motion by council Member Mattfeld, seconded by council Member Johnson and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims totaling \$1,379,327.66 for the month of July, 2016.

### **\*FUNDRAISING EVENT FOR POLICE DEPARTMENT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of NP Park for a fundraising event for the Police Department.

### **\*ASHBY FARMERS COOP DRY DOWN DAY**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of Arvig Park for Ashby Farmers Coop Dry Down Day.

### **\*FIRE DEPARTMENT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of alcohol at the Perham Emergency Services Building for August 17 in conjunction with their summer picnic.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the PLGC's Income Statement for June, 2016.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the PACC's Financial Reports for June 2016.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the following reports for July, 2016: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

### **TIF DEVELOPMENT AGREEMENT/SCHOENBERGER FUNERAL HOME**

Mayor Meehl stated Council may wish to consider entering into a Development Agreement with Funeral Home Real Property/Schoenberger Funeral Home. EDA Director Johnson stated the owners of Schoeneberger Funeral Home have requested tax increment financing for a new facility they propose building in Perham. The Vertin Company which owns the Schoeneberger facility has entered into an agreement with St. Henry's Church to sell the existing Schoeneberger Funeral Home to St. Henry's Church and they must be out by June 1, 2017.

EDA Director Johnson stated the new facility would be located in Palubicki Addition, the former site of the Guiliana's restaurant. The site is two acres and has a 10,000 sf foundation which will be used for the new facility. EDA Director Johnson stated the funeral business is changing: cremations are becoming more common and impacts cash flows because this type of funeral has lower costs and more people these days don't have church affiliation so there is more need for off-site chapel space and the new funeral home is designed to accommodate this trend.

EDA Director Johnson stated the lot is included in TIF District 2-40 which was created earlier this year so the District still has nine years of eligibility. Vetin would need to create a new full time job as part of the agreement. Under TIF analysis performed by Ehlers and Associates, the project would be eligible for \$229,398 increment. EDA considered the application and is recommending the City Council approve the Development Agreement. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved entering into a Development Agreement with Funeral Home Real Property, LLC related to Schoeneberger Funeral Home.

#### **TEMPORARY FAMILY HEALTH CARE DWELLINGS**

Mayor Meehl stated Council may wish to consider approving an Ordinance opting out of the requirements of Minnesota Statutes regulating Temporary Family Health Care Dwellings. City Manager Smith stated a bill creating a new process for local governments to permit certain types of recreational vehicles as temporary family dwellings was signed into law by Governor Dayton and takes effect on September 1. The motivation behind the new law is to provide transitional housing for seniors.

City Manager Smith stated staff and a number of other cities believes there is a need for a provision similar to that law passed by the legislature but we think the concept should be vetted by our own Planning Commission and Council rather than buy into the one size fits all provision of the state law. The Planning Commission has not had sufficient time to thoroughly review the law. The new law has a provision for cities to opt out which will give the City additional time to consider whether to address the use with the Planning Commission and seek community input. Also by opting out, this will allow the City to draft its own ordinance language if or when it decides to consider the use. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Ordinance No. 389 entitled "An Ordinance Opting-Out Of The Requirements Of Minnesota Statutes, Section 462.3593, Perham, Minnesota".

#### **CITY ENGINEER MONTHLY UPDATE**

Mayor Meehl stated 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 items on the correction and completion list are still outstanding. With Kuechle being awarded the work for the High School Storm Sewer Relocation, it is anticipated that they will be addressing the outstanding items on the list in September.

### ***Coney Street East Improvements***

City Engineer Berube stated Ottertail Aggregate has started the construction for Coney Street East. Coney Street has been sub-cut and material has been removed from the site. The watermain along Coney Street will be completed today and Storm Sewer work will commence this week.

### ***School Storm Sewer Relocation***

City Engineer Berube stated a Preconstruction Meeting was held with Kuechle on Friday of last week. They intend on starting the work the Tuesday after Labor Day due to the time required to manufacture the piping and other materials required for the construction. Kuechle intends to complete the project within three weeks of starting the work.

### ***2017 Improvements***

City Engineer Berube stated the City completed a Preliminary Engineering Report and funding application to the Minnesota Public Facilities Authority in the spring of this year. The two projects on the funding application were Second Avenue Southwest and Third Street Northeast. The two projects were placed on the 2014 Capital Improvement Plan with Second Avenue Southwest slated for 2017 and Third Street Northeast slated for 2021.

The PFA Funding List will come out either late August or early September and will indicate whether or not the City is eligible for funding of the projects. The intent of applying for funding for both projects was not to complete them both at the same time, but to select which improvements are more necessary this fall. If the City would like to complete either project next year, they should keep these items in mind when the budget meetings are held.

### **\*IRRIGATION PURCHASE FOR PUBLIC WORKS FACILITY**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the purchase of irrigation equipment for the new Public Works Facility.

### **DISGRUNTLED BREWING REQUEST FOR USE OF CITY STREETS**

Mayor Meehl stated Council may wish to consider approving a fundraising event for Disgruntled Brewing. Mayor Meehl review the request noting the event would take place on September 23 and 24 when they will be releasing their Oktoberfest Beer and have live bands along with some fun games. As part of the celebration, they would like to hold a "Fun Beer Run" People can choose to run/walk one, two or three miles in the Industrial Park.

Robin Pettow stated they will have people posted at each road crossing to inform drivers of the event. Proceeds would go to EMS. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the use of City streets on September 24 for the "Fun Beer Run".

### **INFORMATION AND ANNOUNCEMENTS**

Filing for City Council starts on August 2 and ends on August 16

Primary Election is Tuesday, August 9

2017 Budget Meetings are scheduled at 7:00 am on the following dates: Friday, August 12, Friday, August 19 and Friday, August 26

Staff Picnic is scheduled for Tuesday, August 16

A Special Council Meeting and the Committee of the Whole is scheduled for Wednesday, August 31 @ 5:15

Labor Day is September 5

The next regular Council Meeting is scheduled for Monday, September 12

**ADJOURNMENT**

With no further business to discuss, Mayor Meehl adjourned at 5:33 pm.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant

## **SPECIAL COUNCIL MEETING MINUTES**

**August 31, 2016**

Mayor Meehl called the Special Council Meeting to order at 5:15 pm on August 31, 2016 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 Smith, Liquor Store Manager Dreger, Police Chief Hoaby, Public Works Director Meece, EDA Director Johnson, Accounting Clerk Hoeft, and Administrative Assistant Nundahl.

Others present were: City Engineer Berube, Building Inspector Neisen.

### **ACCEPTING BID FOR GOLF COURSE EVENT CENTER**

Mayor Meehl stated several bid items need to be clarified prior to accepting the low bid for the Golf Course Event Center. Mayor Meehl tabled this matter until the Regular Council Meeting in September.

### **SALE OF LOT IN EAST PARK SECOND ADDITION TO TUFFY'S**

Mayor Meehl stated Council may wish to consider selling Lot 10, Block 4, East Park Second Addition to Tuffy's for an additional trailer lot.

City Manager Smith stated he received a request from Tuffy's to purchase a lot for additional truck/trailer parking. In 2013, Tuffy's purchased a lot in East Park Second Addition and had a first right of refusal on an adjoining lot to the west. That right of refusal time period has lapsed. Tuffy's is interested in the adjacent lot to the north. The negotiated price for this lot is \$17,750 which is equivalent to 1.42 acres at \$12,500 per acre. It was noted, East Park Second Addition is zoned light commercial. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the sale of Lot 10, Block 4, East Park Second Addition to Tuffy's for \$17,750.

### **ADJOURNMENT**

With no further business to discuss, Mayor Meehl adjourned the meeting at 5:17 pm.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant