

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES**

August 14, 2017

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. Council Members present were Mayor Meehl, Schmidt, Lehmkuhl, and Spencer.

Staff present: City Manager Smith, Police Chief Hoaby, Finance Officer Stokke, EDA Director Johnson, Public Works Director Meece and Administrative Assistant Hoeft.

Others present: City Engineer Berube and Building Official Neisen.

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. Meehl instructed citizens to please state their 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 Schmidt, seconded by Council Member Spencer 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 July 10 and Special Meeting Minutes of July 26, 2017 and July 31, 2017.

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 there were no additions.

On a motion by Council Member Spencer, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved payment of the Prepaid and Unpaid City Claims in the amount of \$1,799,968.67 for the month of July.

ACCEPTANCE OF DONATION

Mayor Meehl stated Council may wish to consider approving a resolution to accept the donation of parcel number 77000990888000, Lot 4 Blk 1, Ruby's Addition, from Larry and Ruth Haugrud. Council Member Lehmkuhl questioned the reason behind the donation. Mayor Meehl stated that the assessments were over \$21,000 on the parcel, so they deeded the property to the City. Finance Officer Stokke noted that the City was unaware of the deed until the City received the property tax statement in the mail and Otter Tail County confirmed and provided a copy of the deed. City Manager Smith noted that if the City denied the donation, the property would eventually go back to the County for non-payment of the property taxes. Smith also noted that the City will request notification from the County in the future.

On a motion by Council Member Spencer, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution No. 2017- 25 entitled "Resolution In The Matter Of Accepting The Donation Of Parcel Number 77000990888000 from Larry and Ruth Haugrud, Perham, MN," located at Lot 4 Blk 1, Ruby's Addition, Otter Tail County, Minnesota.

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

Council accepted the PLGC's Income Statement for June 2017.

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

Council accepted the PACC's Financial Reports for June 2017.

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

Council accepted the following reports for July, 2017; Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

CREATING TIF DISTRICT 2-41/STEVE'S SANITATION

Mayor Meehl stated Council may wish to consider approving a resolution calling for a public hearing to hear comments regarding creating TIF District 2-41 to be located in Industrial Park 3rd Addition for the construction of a building by Steve's Sanitation. City Manager Smith reviewed the schedule of events for the establishment of TIF District 2-41. The public hearing would be scheduled for September 27, 2017. EDA Director Johnson noted that the EDA will approve the formation of the TIF District as well as the Development Agreement and recommend for Council approval.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution No. 2017 - 26 entitled "Resolution Calling For A Public Hearing By The City Council On The Proposed Modification To The Development Program For Development District No. 2, And The Proposed Establishment Of Tax Increment Financing District No. 2-41 Therein And The Adoption Of The Tax Increment Financing Plan Therefor."

ZONING MAP

Mayor Meehl stated Council may wish to consider approving an ordinance adopting the 2017 Zoning Map for the City of Perham as recommended by the Planning Commission on July 18, 2017. City Manager Smith presented the zoning map and reviewed the changes made since the last zoning map was approved including the annexation of the airport, a Great River Energy parcel near Arvig Park, and a small parcel in Paul Miller Park as well as zoning changes for the Grow Perham Apartments and Coney Street East. The vacation of a part of 2nd Street Northeast was also updated on the map.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Ordinance No. 400 entitled "Adopting The Official Zoning Map Of The City Of Perham, Minnesota."

CITY ENGINEER MONTHLY UPDATE

City Engineer will give an update on various projects.

2015 Improvement Project (3rd Ave Southeast)

Manhole adjustments have been made and based on recent contact with Kuechle, they have indicated that their subcontractors have been notified of the remaining items to be completed and they are working on scheduling them.

Third Street Northeast

Sellin Brothers removed one crew from town last week due to the transition to the next phase. Currently they are working on utility installation north of Bongards Creameries, the Avenues near Bongards will be completed one-half at a time to allow for traffic to access the facility.

Curb and gutter has been installed on the easterly portion of the project. As utilities are being completed, aggregate is being installed and the concrete crews have been coming back and forth to get as much of the site ready as possible. The paving company is planning on arriving in town next week to start working on the sections of the roadway that are ready for pavement.

Wellhead Protection Plan (Update)

The Wellhead Protection Plan is 99% complete, and will be reviewed by the Wellhead Committee tomorrow. The plan will go in front of Council after approval.

ACCEPTANCE OF K-9 TRAINING DONATION

Mayor Meehl stated Council may wish to consider approving a resolution accepting a donation from McDonough K-9 for the cost of training for one dual purpose K-9 for Perham Police Department at a value of \$5,500.00.

On a motion by Council Member Spencer, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution No. 2017 – 27 entitled “Resolution In The Matter Of Accepting A Donation For The Cost Of K-9 Training For The Perham Police Department, Perham, MN,” to accept a donation from McDonough K-9 for the cost of training for one Dual purpose Police K-9 for the Perham Police Department at a value of \$5,500.00.

INFORMATION AND ANNOUNCEMENTS

Remaining 2018 Budget Meetings are scheduled for 7:00 am on Thursday, August 24 and Wednesday, August 30 @ Committee of the Whole

Committee of the Whole is scheduled for Wednesday, August 30 @ 5:15

The City Offices will be closed on Monday, September 4 in observance of Labor Day

The next regular Council Meeting is scheduled for Monday, September 11 @ 5:15

ADJOURNMENT

Mayor Meehl adjourned the meeting at 5:35 pm.

Respectfully submitted by,

A handwritten signature in blue ink, appearing to read "Heather Hoefl".

Heather Hoefl

Administrative Assistant

SPECIAL COUNCIL MEETING MINUTES

August 30, 2017

Mayor Meehl called the Special Council Meeting to order at 5:15 pm on August 30, 2017 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 Members were present.

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

Others present were: City Engineer Berube, Building Official Neisen, John Haverland/Hammers Construction, Matt Malone/BHH Architects, and Jon Ebeling/Tuffy's Pet Foods.

Hammers Construction Conditional Use Permit

Mayor Meehl stated Council may wish to consider approving a resolution to grant a conditional use permit to Hammers Construction on behalf of Hernesman Brothers Partnership, in accordance with the City of Perham's Land Use (Zoning) Ordinance #268, Section 22 to permit exposed fastener panels to be used as an architectural feature, outside storage display, and winter storage with class 5 surface on Lot 5, Block 3 of Happel Addition.

John Haverland representing Hammers Construction presented the two different panels that will be used in the construction. Council Member Lehmkuhl inquired about the exposed fasteners. Haverland explained that the fasteners are similar to the ones used in the current Central Market and Mark's Fleet Supply buildings. Builder Inspector Neisen noted that the Zoning Ordinance is outdated in regards to the exposed fasteners and Council should consider updating the ordinance. City Manager Smith clarified that the conditional use permit is actually more for consideration of the winter storage with class 5 surface as well as the opacity of the security fence surrounding the storage area. The City Zoning Ordinance currently requires a hard surface and 90% opacity for fencing. The Planning Commission agreed to allow the less than 90% opacity as Ray's Sport & Marine would like for their products to be exposed to highway traffic. Neisen also noted that the area of class 5 is set back enough from the asphalt road that there shouldn't be an issue with gravel getting on the road and impacting the storm sewers. Neisen also stated that it's against City Ordinance to have a salvage yard in City limits, so the sale of parts off of the boats in the storage area is prohibited. Smith also noted that MNDOT has strict rules against salvage yards. Lehmkuhl inquired about signage on the right of way. Haverland explained that Hernesman Brothers are working with a sign company that is separate from the contract with Hammers Construction. The City will require a sign permit.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the City Council approved Resolution No. 2017-28 entitled "Resolution In The Matter Of Granting A Conditional Use Permit To Hernesman Bros. Partnership, City Of Perham, Minnesota," as long as the property owner, at all times, controls dust and creeping of class 5 onto public right of ways. Fence opacity may be reduced so long as the area is kept clean and

organized, and class 5 storage area is utilized for sale and storage of new and slightly used items directly related to the purpose of the building. The use of architecturally exposed fastener panels is also permitted.

Tuffy’s Variance Request

Mayor Meehl stated Council may wish to consider approving a resolution to grant a variance from the provisions of the City of Perham’s Land Use (Zoning) Ordinance #268, Section 25, Subdivision 6, Yards and Setbacks, by Tuffy’s Pet Foods to expand their ingredient and milling capacity.

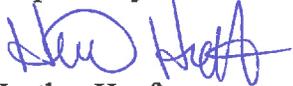
Matt Malone representing BHH Architects presented the site demolition plan as well as the proposed reconstruction of the mill for Tuffy’s Pet Foods. Malone stated that the variance is for the reconstruction of the new, larger capacity building on the existing non-compliant footprint as well as additional square footage north of the office over and above what was existing within the setbacks. Jon Ebeling representing Tuffy’s Pet Foods clarified the area that wasn’t apart of the existing footprint. Council Member Schmidt inquired which direction the front of the building will face. Ebeling stated the front of the building will face County Highway 8. Ebeling also explained that the expansion includes the construction of thirty-three (33) additional bins for ingredient storage, as well as a grinding mill and mixer. Traffic issues were discussed. Council Member Lehmkuhl noted that one (1) letter had been received from a resident concerning the noise and hours of the project.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the City Council approved Resolution No. 2017 – 29 entitled “Resolution In The Matter Of Granting A Variance To Tuffy’s Pet Foods Inc., Perham, Minnesota,” to allow encroachment of approximately twenty (20) feet into the twenty (20) foot yard setback to allow for expansion of milling facilities.

Adjournment

Mayor Meehl adjourned the Special Council Meeting at 5:39 pm.

Respectfully submitted by,



Heather Hoefft
Administrative Assistant