

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
February 11, 2019**

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. Council Members present were Meehl, Lehmkuhl, Johnson and Spencer.

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

Others present: City Engineer Berube and Tony Stoll with BHH Partners.

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. There were no citizen concerns.

HUB/PERHAM AREA COMMUNITY CENTER PROJECT UPDATE

City Manager Smith and Tony Stoll, BHH Partners, gave an update on the status of the Hub/PACC Project. Smith began the presentation with an overview of how the project began and where it stands today, including the status of Boys and Girls Club, Empowering Kids, and Productive Alternatives as future tenants in The HUB building. Smith also gave a financial overview of the process for Legislative approval of the Local Option Sales Tax, approved by voters last November, as well as the process and requirements involved to apply for and receive the six (6) million dollars in bonding money.

Stoll gave an overview of the proposed construction plans for The HUB noting that two-thirds (2/3) of the East half of the former High School building will be demolished. The HUB highlights include:

- Repurpose of existing building for Boys and Girls Club and Empowering Kids
- Smaller annual cost investment to maintain reduced sized structure
- East property available for redevelopment
- New drop-off drive area on West side
- Twenty (20) year lease agreements required with Boys and Girls Club and Empowering Kids
- Space for Boys and Girls Club = 13,500 Square Feet
- Space for Empowering Kids = 5,277 Square Feet
- Space for Productive Alternatives = 5,660 Square Feet
- No expansion of Auditorium space other than access to existing lower restrooms

Stoll also reviewed PACC construction plans that address community needs identified in a survey of PACC and community members. Phase one (1) of the project would include:

- Improved/expanded fitness spaces
- New playland spaces
- Child watch area which will also serve as concession space
- Capital improvements to aquatics area
- A/C throughout the facility
- Fire suppression as required by code
- New entry and parking on North side
- Climbing wall
- New insulation and metal panel system on exterior for improved energy efficiency
- Capital updates throughout facility
- Equipment Upgrades
- Additional party/multi-purpose rooms
- New covered/protected entry on East side

The total project cost of \$11,055,850 includes:

- Total HUB costs of \$4,587,850
- Total PACC costs of \$6,468,000

Smith explained that funding for the project will come from:

- State Bonding = \$6,000,000
- Sales Tax = \$3,400,000
- Fundraising = \$1,655,850

Discussion ensued regarding fundraising, alternative funding, and the timeline for both Legislative approval of the sales tax and bonding money as well as when construction could begin on the project.

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 Johnson, 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 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 January 14, 2019 and the Special Council Meeting held on January 30, 2019.

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 three (3) additional claims; Kinect Energy in the amount of \$732,422.66; Sugar and Spice in the amount of \$53.69; and Verizon Wireless in the amount of \$25.53 bringing the total Unpaid City Claims to \$1,303,324.20.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$1,441,849.38 for January 2019.

2019 BUDGET/PERHAM AREA COMMUNITY CENTER

Mayor Meehl stated Council may wish to approve the 2019 Budget for the Perham Area Community Center. City Manager Smith noted that the 2018 Actual numbers were included with the Perham Area Community Center Financials.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the 2019 Budget for the Perham Area Community Center.

APPROVAL OF AMENDED JOINT POWERS AGREEMENT

Mayor Meehl stated Council may wish to approve an amended Joint Powers Agreement between the State of Minnesota and the City of Perham on behalf of its Prosecuting Attorney and Police Department. City Manager Smith explained that the amended agreement, originally approved in 2017, is a result of technology and access changes as well as an update to the City's Prosecuting Attorney.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2019 – 5 entitled “Resolution Approving Amended State Of Minnesota Joint Powers Agreements With The City Of Perham On Behalf Of Its City Attorney And Police Department.”

***SENIOR CENTER LEASE**

Council approved the lease between the City and Mark and Barb Lenius for the Senior Center for March 1, 2019 – February 28, 2020.

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

Council accepted the PLGC's Income Statement for December 2018.

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

Council accepted the PACC's Financial Reports for December 2018.

***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 January 2019.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

County 8 Closure

The detour is still planned to be in place until late May of 2019.

Second Avenue Southwest

A discussion regarding the project will happen with the next agenda item.

Seventh Avenue Northeast

The preliminary scope of the Seventh Avenue Northeast project along with the potential Industrial Park Expansion will be reviewed over the next month. The project isn't anticipated to be constructed until 2020, but the design may start as soon as this summer/fall.

Zorbaz Lift Station

The underground system is operating currently. Various cleanup items will be required next spring when the weather turns.

SECOND AVENUE SOUTHWEST/APPROVING PLANS AND SPECS

Mayor Meehl stated Council may wish to approve plans and specifications and authorize advertisement of bids. City Engineer Berube gave an overview of the project background noting that the City received the Preliminary Engineering Report for funding purposes in February, 2016 and a Public Hearing was held in October, 2018. Berube reviewed the area of reconstruction and noted several project modifications. Berube gave a breakdown of the \$2,690,000 project cost including:

- Water Infrastructure = \$420,000
- Sanitary Sewer Improvements = \$325,000
- Storm Sewer Improvements = \$400,000
- Street and Surface Improvements = \$1,545,000

An alternate bid for the mill and overlay of Coney Street will also be included in the project for a total cost of \$178,000. Once approved by Council, the plans will be submitted to the Minnesota Department of Health and Minnesota Pollution Control Agency for review and advertisement will begin for bids. The bid date is scheduled for March 7, 2019. Berube explained that bids will be received in two (2) ways:

- Bid Alternate A:
 - PFA funding
 - State wage rates
 - Reporting requirements
- Bid Alternate B:
 - Locally funded
 - General Obligation Bond
 - No wage rates
 - No reporting requirements

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution 2019 - 6 entitled "Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids For Improvements On Second Avenue SW From Second Street SW To Ninth Street SW, Ninth Street SW From Second Avenue To First Avenue, First Avenue South From Ninth Street To A Point 400 Feet South, Third Street SW From Third Avenue To First Avenue, Fourth Street SW From Third Avenue To First Avenue, Fifth Street SW From Third Avenue To First Avenue, Sixth Street SW From Third Avenue To First Avenue, And Seventh Street SW From Third Avenue To Second Avenue, Perham, Minnesota."

***ADOPTION OF WATER SUPPLY PLAN**

Council adopted the Water Supply Plan approved by the Department of Natural Resources.

***HOUSEHOLD HAZARDOUS WASTE MOBILE COLLECTION**

Council authorized staff to host a Hazardous Waste Mobile Collection on Wednesday, July 10 from 10:00 am to 2:00 pm.

***TURTLE FEST STREET CLOSURE**

Council approved a request to close CSAH No. 80; First Avenue SE to Second Avenue SW on Friday, June 14 and Saturday, June 15, 2019 during Turtle Fest.

INFORMATION AND ANNOUNCEMENTS

The Semi-Annual Perham Area EMS Meeting is scheduled for Tuesday, February 12 at the Cactus. Supper will be served at 6:00 pm; the meeting will follow

The EDA Retreat is scheduled for Wednesday, February 13 at the Perham Lakeside Event Center at 8:30 am

City Offices will be closed on Monday, February 18 for President's Day
The 2019 League of Minnesota Cities Legislative Conference will be held February 20 – 21 in St. Paul
The 2019 Experienced Officials Leadership Conference will be held February 22-23 in Brainerd
The Committee of the Whole is scheduled for Wednesday, February 27 at 4:30 pm
The 2019 Perham Hospital District Annual Meeting is scheduled for Wednesday, February 27 at the Cactus. Supper will be served at 6:00 pm; the meeting will follow
The next Regular Council Meeting is scheduled for Monday, March 11 at 5:15 pm

ADJOURNMENT

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 6:20 pm.

Respectfully submitted by,



Heather Hoeft
Administrative Assistant