

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
January 13, 2020**

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, Finance Officer Stokke, Police Chief Hoaby, Public Works Director Schossow, and Administrative Assistant Hoeft.

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. 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. Council Member Lehmkuhl requested agenda item 7.B., Arvig Parking Variance, be removed from the agenda as a Variance is no longer needed.

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 with the removal of agenda item 7.B.

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 December 9, 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 the following additional claims: JH Signs in the amount of \$47.50; Otter Tail Power in the amount of \$89.11; Otter Tail Power in the amount of \$10.41; and Perham Area EMS in the amount of \$738.00 bringing the total Unpaid City Claims to \$2,317,676.27.

On a motion by Council Member Spencer, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$2,524,370.74 for December 2019.

ORGANIZATIONAL RESOLUTION

Mayor Meehl stated Council may wish to approve the 2020 Organizational Resolution. The following changes were made:

- PACC Board – Council Representative, Brad Schmidt
- Library Board – Council Representative, James Johnson
- Library Board – Thomas Tomporoski replaced Stephanie Winjum
- HRA Board – 2 Vacant Positions replacing Nick Dockter and Stephanie Trout

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2020 - 1 entitled “2020 Organizational Resolution, City Of Perham, Minnesota.”

GOLF COURSE MANAGEMENT AGREEMENT

Mayor Meehl stated Council may wish to approve the Golf Course Management Services Agreement.

City Manager Smith stated the three (3) year agreement, approved by the Golf Board, is between the City, Perham Lakeside Country Club (PLCC), and PBC, LLC. The agreement allows PLCC to sub-lease the profit centers of the operation including the golf course, practice facility, restaurant, bar, and banquet facilities to PBC, LLC. Smith explained that PBC, LLC is responsible for the expenses associated with the operation of the profit centers and will pay \$25,000 annually toward the interest on the approximately \$600,000 indebtedness of the City until such indebtedness is paid off in full or ten (10) years have elapsed since the date of the agreement. Once PBC, LLC has recouped its initial capital contributions together with three percent (3%) interest, the net profits will be divided five percent (5%) to local organizations that benefit the Perham community and all remaining profits will be divided seventy-five percent (75%) to PBC, LLC and twenty-five percent (25%) to the City.

On a motion by Council Member Schmidt, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the Golf Course Management Services Agreement.

***CHAMBER OF COMMERCE EVENTS**

Council approved granting permission to the Chamber of Commerce the use of various streets and parks for special events in 2020.

***TAPROOM ON-SALE/BREWER OFF-SALE/SUNDAY LICENSE RENEWAL**

Council approved renewal of the Taproom On-Sale/Brewer Off-Sale/Sunday Licenses for Disgruntled Brewing which expire January 31, 2020 contingent upon all fees and legal requirements being met as required by the City and State of Minnesota's Liquor Control Board.

***MEMBERSHIP AGREEMENT/LAKES COUNTRY SERVICE COOPERATIVE**

Council approved the renewal membership agreement for 2020 with Lakes Country Service Cooperative.

***APPROVAL OF UPDATED EMPLOYEE HANDBOOK /SUPERVISOR MANUAL**

Council approved the following changes to the City Employee Handbook /Supervisor Manual: Severance Pay, Holiday Leave, Health Care Savings Plan, and Improper Deduction/Overpayment Policy.

***APPROVAL OF FLEXIBLE BENEFIT PLAN DOCUMENT**

Council approved an updated Flexible Benefit Plan Document for the City's Cafeteria Plan.

***APPROVAL OF PTC ASSIST AGREEMENT**

Council approved an agreement with PTC Assist to perform Federal Motor Carrier Safety Administration (FMCSA) Clearinghouse services and DOT History Checks.

***APPROVAL OF UPDATED FLEET SAFETY PROGRAM**

Council approved the updated Fleet Safety Program to include information regarding the new FMCSA Drug & Alcohol Clearinghouse.

***APPROVAL OF UPDATED FMCSA AND PHMSA ALCOHOL AND DRUG PLANS**

Council approved the updated Federal Motor Carrier Safety Administration (FMCSA) and Pipeline & Hazardous Materials Safety Administration (PHMSA) Anti-Drug and Alcohol Plans.

***APPOINTING ELECTION JUDGES**

Council approved Resolution 2020 – 2 entitled “Resolution Appointing Election Judges For The 2020 Presidential Primary, August Primary, and November General Election, City Of Perham, Minnesota” appointing as Election Judges: Heather Hoeft, Head Judge, Mary Anderson, Rose Bauer-Neseth, Patti Stokke, Joan Brandt, Susan Kinlund, Carol Rethemeier, Kathryne Breid, Rosalyn Altstadt, Elaine Bistrum, Jonathan Smith, Nadine Mandt, and Ilene Harlicker.

***APPROVAL OF UPDATED INVESTMENT POLICY**

Council approved the updated Investment Policy.

***SUPPLEMENT TO THE CODE OF ORDINANCES**

Council adopted Ordinance 412 entitled “An Ordinance Enacting And Adopting A Supplement To The Code Of Ordinances For The City Of Perham, Minnesota And Declaring An Emergency” a Supplemental Ordinance which includes Ordinances 404 - 410.

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

Council accepted the PLGC’s Income Statement for December 2019.

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

Council accepted the PACC’s Financial Reports for November 2019.

***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 December 2019.

ARVIG HEIGHT VARIANCE

Mayor Meehl stated Council may wish to consider approving a variance request from Arvig to permit 65 feet of height for their new building addition.

Tony Stoll, representing BHH Partners, reviewed the need for a variance to permit the addition to the existing Arvig office building which will exceed the fifty (50) foot maximum by fifteen (15) feet, totaling sixty-five (65) feet, which is the current height of the existing bell tower.

City Manager Smith stated that the fifty (50) foot maximum is to protect the aesthetics and sight lines of the downtown area. A public hearing on the matter was held by the Planning Commission on December 17, 2019. There were no formal objections presented by the public, however, Smith noted that he had received phone calls from neighboring businesses concerned

about the loss of natural light, as well as alley access. Discussion ensued regarding one way and no parking signage in the alley.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2020 – 3 entitled “Resolution In The Matter Of Granting A Variance To Arvig, Perham, Minnesota” to permit a structure higher than the fifty (50) foot maximum not to exceed sixty-five (65) feet of height.

KLN INTERIM USE

Mayor Meehl stated Council may wish to approve KLN Interim Use through June 1, 2024.

City Manager Smith stated the Interim Use is for the continuation of use of temporary work force housing for the successful Perham 180 program. Smith noted that two of the housing units will be relocated outside of Perham. A public hearing on the matter was held by the Planning Commission on December 17, 2019. There were no public comments heard.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2020 - 4 entitled “Resolution In The Matter Of Granting An Interim Use Permit To Allow For Work Force Housing, City Of Perham, Minnesota,” allowing for the Interim Use until June 1, 2024.

MEMORANDUM OF UNDERSTANDING

Mayor Meehl stated Council may wish to approve a Memorandum of Understanding with Perham Townhomes LLC.

City Manager Smith stated the Memorandum of Understanding with Perham Townhomes LLC is for the purchase of 15.554 acres from the City at a price of \$8,000 per acre for the development of twenty (20) townhomes. Infrastructure for the development will be privately constructed and owned by Perham Townhomes LLC. The City will provide public assistance as the property currently resides in an existing tax increment financing district.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Memorandum of Understanding with Perham Townhomes LLC.

***LIBRARY BOARD VACANCY**

Council approved the appointment of John Krueger to another three-year term and Thomas Tomporoski to a three-year term for the Library Board.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

Second Avenue Southwest

Work has been suspended for the winter. The remaining items on the correction and completion list along with other cleanup items will be addressed in the spring. Additional review of the project will be completed in the spring, following a freeze/thaw cycle.

Northeast Industrial Park

Design is progressing for the Industrial Park Project following the geotechnical borings that were completed last month. A traffic count was completed over the past month and surprisingly, nearly 2,500 vehicles utilize that road on an average day. For comparison purposes, that exceeds County 51 in town and is similar to County 80 outside of City limits.

Design is anticipated to be ready for Council approval at the February Council Meeting, and review with the Minnesota Department of Transportation and County Highway Department will follow.

Prairie's Edge Phase 2

Construction has been suspended for the winter on the site. Additional utility work will be necessary in the spring to extend to the west of the development. Road construction will also be completed in the spring to accommodate additional parcels on the north end of the development.

2021 Project

The 2021 project is the next item on the Council agenda.

ACCEPT ENGINEERING REPORT/CALL FOR PUBLIC HEARING

Mayor Meehl stated Council may wish to accept the Preliminary Engineering Report and call for a public hearing on 2021 street and utility improvements.

City Engineer Berube reviewed the Preliminary Engineering Report. The report is part of the planning process to apply for funding through the State's Revolving Wastewater and Water Funding. The joint project with the Otter Tail County Highway Department will include the utility and street rehabilitation of First Avenue North and Fourth and Fifth Street Southwest. The total project cost of \$3,920,000 includes \$1,647,000 for First Avenue North and \$2,273,000 for Fourth and Fifth Southwest. A portion of the project will be funded through special assessments. Preliminary estimates assuming no grant dollars are made available for the project are as follows: \$1,180,500 assessable; \$1,501,000 City funds; and \$1,238,500 County funds. The project scope and potential construction schedule will be considered in the Fall 2020 once funding has been determined.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved Resolution 2020 - 5 entitled "Resolution Receiving Report And Calling For A Public Hearing On 2021 Street Improvements, Perham, Minnesota."

***APPROVE LOCATING SERVICES AGREEMENT**

Council approved a one (1) year agreement with USIC Locating Services, LLC to provide services relative to locating and marking underground facilities.

***APPROVE TRUCK PURCHASE**

Council approved the purchase of a dump/snowplow truck in the amount of \$58,900 for the Public Works Department.

INFORMATION AND ANNOUNCEMENTS

The City Office will be closed on Monday, January 20 for Martin Luther King Day
The Perham Rural Fire Association Annual Meeting is scheduled for Wednesday, January 29 at the Perham Fire Hall. A meal will be served at 6:30 pm; the meeting will follow at 7:00 pm
The Committee of the Whole is scheduled for Wednesday, January 29 at 5:15 pm
The next Regular Council Meeting is scheduled for Monday, February 10 at 5:15 pm
The 2020 Experienced Leaders Institute will be held February 28-29 in Baxter

ADJOURNMENT

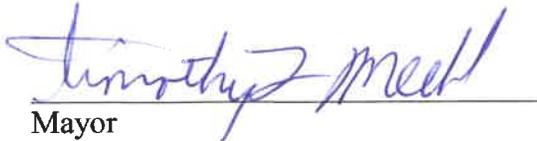
On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 6:02 pm.

Respectfully submitted by,



Heather Hoeft
Administrative Assistant

ATTEST:



Mayor

