

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
July 10, 2023**

The regular meeting of the Perham City Council held both in person in the Council Chambers at Perham City Hall, 125 Second Avenue NE, Perham, MN 56573 and electronically via Zoom was called to order by Mayor Meehl at 5:15 p.m. with all members of the Council having been duly notified of the meeting and the business to be transacted. Council Members present were Meehl, Lehmkuhl, Spencer, Schmidt, and Meyer.

Staff present: City Manager Smith, Finance Officer Stokke, Public Works Director Schossow, Police Chief Gritz, EDA Director Murdock and Administrative Assistant Hoeft

Others present: City Engineer Berube, Senator Jordan Rasmusson, Pat Honer, Otter Tail County Commissioner Bucholz, and Joe Esser

Others present via Zoom: Elizabeth Vierkant and City Attorney Winters

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Meehl requested all in attendance rise for the Pledge of Allegiance.

COUNCIL OATH OF OFFICE

Appointed Council Member Brien Meyer took the Oath of Office.

CITIZENS CONCERNS

Mayor Meehl stated Council will recognize citizens who may have items for the Council. Citizens, please state your name and address for the record.

Senator Jordan Rasmusson – Legislative Update

Senator Rasmusson stated that one take away from this Legislative session was spending. The session started with a surplus of approximately 19 billion, which was spent with another 9 billion in tax increases on top of that to fund a 38% increase in state government spending. The budget beginning July 1 is 72 billion.

The session also saw the passage of a bonding bill. In that bill, \$900,000 was allocated for Otter Tail County to complete the final segment of the Perham to Pelican Trail as well as \$300 million for Minnesota nursing homes.

Rasmusson advised Perham to continue to take advantage of both state and federal grant funding opportunities and offered his assistance with that as well as implementing new law changes including paid family leave and cannabis legalization.

Pat Honer, owner of Suds Tavern, inquired about ways to resolve standing water issues in his parking lot. City Engineer Berube stated he would take another look at the area to find a temporary solution until it can be addressed permanently during next year's Main Street Project. Honer also inquired about a 4" water line and Berube stated that it would be possible to install the larger water line during next year's project.

There were no other 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 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 June 12, 2023.

PUBLIC HEARING

Mayor Meehl stated Council may wish to hear comments relating to the City's proposed adoption of a modification to the Development Program for Development District No. 2, the proposed removal of 31 parcels from Tax Increment Financing District No. 2-27 and the proposed establishment of TIF District 2-44; Prairie's Edge, Phase 3 (a housing tax increment financing district).

EDA Director Murdock gave a brief background for the creation of the new TIF District noting that 31 parcels from the previous two phases of Prairie's Edge will be removed from TIF District 2-27 and included in TIF District 2-44 along with a few other parcels for future development. The development plan is for 20 single family homes and 9-11 twin homes. City Manager Smith noted the area is zoned R2 and R4, so twin homes qualify for the area.

There were no comments from the public.

APPROVING RESOLUTION ELIMINATING PARCELS FROM TIF DISTRICT 2-27 AND ESTABLISHING TIF DISTRICT 2-44

Mayor Meehl stated Council may wish to approve a resolution eliminating 31 parcels from TIF District 2-27 and establishing TIF District 2-44.

On a motion by Council Member Schmidt, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2023 – 24 entitled “Resolution Adopting A Modification To The Development Program For Development District No. 2, Removing Certain Parcels From A TIF District In Development District No. 2, And Establishing Tax Increment Financing District No. 2-44: Prairie's Edge, Phase 3 In Development District No. 2 And Adopting A Tax Increment Financing Plan Therefor.”

RESOLUTION APPROVING AN INTERFUND LOAN

Mayor Meehl stated Council may wish to consider approving an interfund loan for advance of certain costs in connection with Tax Increment Financing District 2-44.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2023-25 entitled “Resolution Authorizing An Interfund Loan For Advance Of Certain Costs In Connection With Tax Increment Financing District No. 2-44.”

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: Apex Engineering for \$73,276.35 and \$7,000.00; Auto Value for \$89.95, \$9.99, \$35.72, \$116.70, \$124.98, \$44.97, \$37.76, \$3.99, \$19.48, and \$48.55; Braun Intertec for \$1,345.50; City of Perham for \$8.27; Forum for \$1,867.85; Gopher State One Call for \$630.45; Hammers Construction for \$147,801.49 and \$64,156.04; Hill's Auto Extrication for \$1,500.00; Ben Holzer Unlimited for \$75.00; Jake's Johns for \$750.00; KPRW-FM for \$390.00; Lakes Café for \$30.00; Lakes Community Coop for \$37.00; Marco Technologies for \$135.89 and \$132.27; North Central Inc. for \$874.80; Northdale

Oil for \$25,069.53; Northern Irrigation for \$825.00 and \$126.02; Ruther Excavating for \$6,922.71 and \$1,970.00; Steve's Sanitation for \$140.44; Topline Electric for \$199.00; Utility Safety & Design Inc for \$26,990.20; and Verizon for \$200.09 bringing the Total Unpaid City Claims to \$3,288,986.61.

On a motion by Council Member Spencer, seconded by Council Member Meyer and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$3,456,039.00 for June 2023.

ACCEPT PACC ROOF REPAIR BID

Mayor Meehl stated Council may wish to accept the bid for roof repairs at the Perham Area Community Center.

City Manager Smith stated that the repairs are a change order from the original scope of the project and that two other additional areas by the pool area could add approximately \$6,000.00 more to the bid. Smith recommended authorizing the change order up to \$45,000.

On a motion by Council Member Schmidt, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the quote from Fargo Roofing & Siding for roof repairs at the PACC not to exceed \$45,000.

***ANNUAL LIQUOR LICENSE RENEWAL/ON SALE AND SUNDAY LIQUOR**

Council renewed the Liquor License (including Sunday Liquor) for Pamela Honer d.b.a. Suds Tavern Inc., Brew LLC d.b.a. Brew Ale's and Eats, PBC, LLC d.b.a. Perham Lakeside Golf Club, Zorbaz of Little Pine Lake Inc., OZVentures, LLC d.b.a. 1894 and Perham Hotel Group, LLC d.b.a. Grandstay Hotel & Suites contingent upon all fees and legal requirements being met as required by the City and State of Minnesota's Liquor Control Board.

***ACCEPT HUB DONATION**

Council approved Resolution 2023 – 26 entitled "Resolution In The Matter Of Accepting A Donation For The HUB, Perham, MN," to accept a donation of \$30,000.00 from Matt's Helping Hand – Kim and Kenny Nelson for a fence at the Boys and Girls Club.

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

Council accepted the PACC's Financial Reports for May 2023.

***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 June 2023.

APPROVE BONGARDS ALLEY AND STREET VACATION

Mayor Meehl stated Council may wish to consider a request by Bongards to vacate the alley and a portion of Fifth Avenue NE between Lots 1, 2, and 3, Block 32, and Lots 10 and 11, Newcomb's Second Addition.

Council Member Lehmkuhl noted that the Planning Commission had held a public hearing and no comments from the public were heard, so it was recommended for Council approval. It was also noted that underground utilities in the area would be the responsibility of Bongards.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2023 – 27 entitled "Resolution In The Matter Of Granting The Vacation Of Alley And A Portion Of 5th Avenue NE, Perham, Minnesota."

APPROVE BONGARDS REZONING

Mayor Meehl stated Council may wish to consider a request by Bongards to rezone properties from Residential to Industrial for an intake expansion.

Council Member Lehmkuhl noted that the Planning Commission had held a public hearing and no comments from the public were heard, so it was recommended for Council approval.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Ordinance No 433 entitled "Revising Land Use (Zoning) Ordinance No. 286 For Rezoning Certain Property To The City Of Perham, Minnesota," to rezone properties from Residential to Industrial for an intake expansion.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

2022/2023 Project

Underground utility replacement continues to be the primary focus in the southwest project area with work shifting over to Fifth Street Southwest last week. Ottertail Aggregate is currently on site working on subgrade preparation on Fourth Street Southwest in advance of concrete work. Land Pride anticipates completing the underground in approximately two weeks in the southwest area, then moving to Pinewood Lane to begin the storm sewer improvements.

A meeting was held with Central Specialties on Friday morning to discuss the schedule and remaining work. The table below outlines the tentative timing of the remaining work for the project.

Southwest	Start Date	End Date
Utility Replacement	May 24	July 21
Concrete	July 17	August 13
Paving	August 17	August 24

Pinewood Lane	Start Date	End Date
Removals	July 20	July 21
Utility Replacement	July 24	August 9
Concrete	August 11	August 20
Paving	August 24	August 28

First Avenue North	Start Date	End Date
Removals/Detour	July 24	July 26
Utility Replacement	July 27	July 31
Concrete	August 2	August 10
Paving	August 14	August 17

Main Street Project

The topographic survey is nearly complete for the Main Street Project which is gathering legal survey and other features downtown. Following the survey completion, design of utilities will start with surface features anticipated to be one of the last items designed.

Internal review of layouts and alternatives has been the first step in the streetscape components of the proposed project. Following the completion of the survey, more data will be presented to City staff.

Prairie’s Edge, Phase 3

Design of the proposed street and utility improvements for Prairie’s Edge, Phase 3 is underway. The proposed project will consist of water, sewer, and street improvements to provide service to the roughly 30 lots remaining within the development. In addition to the services for the proposed properties, a pumping station to service the development and surrounding areas will be constructed, along with a multi-use path to connect the development to Arvig Park.

Plans and specifications will be completed by the end of the month, with the schedule for bidding to be reviewed following the completion of the Planning Commission Meeting on July 18th.

APPROVE SRO AGREEMENT

Mayor Meehl stated Council may wish to approve a School Resource Officer agreement with the Perham-Dent School District.

On a motion by Council Member Meyer, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved a School Resource Officer contract with the

Perham-Dent School District beginning in September through May each year. The amount of the contract for the 2023-2024 school year will be \$60,000 and will increase to \$67,500 for 2024-2025 and three percent (3%) each year thereafter.

INFORMATION AND ANNOUNCEMENTS

Hazardous Household Waste Day is scheduled for Thursday, July 13 from 10 – 2:00 at the City Shop.

The Committee of the Whole is scheduled for Wednesday, July 26 @ 5:15 pm

The next regular Council Meeting is scheduled for Monday, August 14 @ 5:15 pm

Otter Tail Commissioner Bucholz also noted that the County will be holding an Open House on Wednesday, July 19 at 6:30 pm in the Perham City Hall Council Chambers. Chuck Johnson will be there to perform his Gettysburg Address play and then the public will have the opportunity to meet with different departments from the County.

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 6:00 pm.

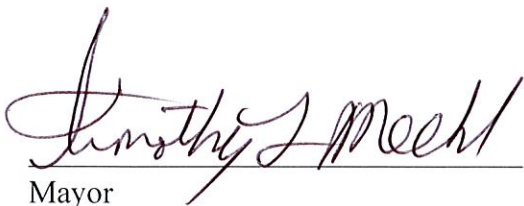
Respectfully submitted by,



Heather Hoeft

Administrative Assistant

ATTEST:



Mayor

SPECIAL COUNCIL MEETING MINUTES

July 26, 2023

Mayor Meehl called the Special Council Meeting to order at 5:21 pm on July 26, 2023 in the Council Chambers located at 125 Second Avenue NE and via Zoom, all members of the Council having been duly notified of the meeting, and the business to be transacted. Council Members present were Meehl, Lehmkuhl, Spencer, Schmidt and Meyer.

Staff members present: City Manager Smith, Finance Officer Stokke, EDA Director Murdock, Liquor Store Manager Dreger, Librarian Ladwig, Public Works Director Schossow, Police Chief Gritz and Administrative Assistant Hoeft.

Others present: City Engineer Berube, PACC Director Leigh Shebeck, Otter Tail County Commissioner Bucholz and Elizabeth Vierkant.

Approve Re-zoning Request for Prairie's Edge Development

Mayor Meehl stated Council may wish to approve a re-zoning request by Joe Esser to rezone properties from R-2 to R-4.

City Manager Smith explained that Esser had decided to rescind the re-zoning application and keep the lots zoned R-2 and R-4. Since the process had already begun, the Planning Commission was still required to complete the process and recommended Council deny the request.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council denied the request based on the recommendation of the Planning Commission.

Approve Re-platting Request for Prairie's Edge Development

Mayor Meehl stated Council may wish to approve a re-platting request by Joe Esser for the Prairie's Edge Development.

City Manager Smith reviewed the re-plat of Prairie's Edge, Phase 3, explaining that some lots will be re-platted to make six (6) 76' lots instead of five (5) so there will be an even number of lots for townhomes. Six (6) lots will also be created in Outlot A, with a seventh lot to be used for a storm water retention pond.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2023-28 entitled "Resolution In The Matter Of Granting A Subdivision Request To Esser Development City Of Perham Minnesota."

Approve Vacation Request For Prairie's Edge Development

Mayor Meehl stated Council may wish to approve a request by Joe Esser to vacate a portion of Twelfth Street NE.

The vacation of the easement will be used to create a bike path to connect to the trail in Arvig Park.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2023 – 29 entitled “Resolution In The Matter Of Granting The Vacation For Esser Development Perham, Minnesota.”

Approve Plans/Specs and Authorize Ad for Bids

Mayor Meehl stated Council may wish to approve plans and specifications and authorize advertisement of bids for the Prairie’s Edge Development.

City Engineer Berube gave a presentation of the street and utility improvements for Prairie’s Edge, Phase 3, noting that the project consists of a combination of twin home and single-family parcels. Berube reviewed the construction plans, also noting that project plans and specifications will be sent to the Minnesota Department of Health as well as the Minnesota Pollution Control Agency next week. Modifications to the basin, sanitary sewer pumping facility, and Twelfth Street multi-use path were also reviewed.

Probable costs for Prairie’s Edge 3 are as follows:

Item	Cost
Water Infrastructure	\$454,000
Sanitary Sewer Improvements	\$461,000
Sanitary Pumping Station Improvements	\$330,000
Storm Sewer Improvements	\$143,000
Multi-Use Path Improvements	\$68,000
Street and Surface Improvements	\$1,021,000
Total Project Cost	\$2,477,000

Once Council authorizes ordering the Advertisement of Bids, the bid date would be August 24 with Council consideration of the award on August 30. Construction would begin soon after.

On a motion by Council Member Lehmkuhl, seconded by Council Member Meyer and carried without a dissenting vote, the Council approved Resolution 2023- 30 entitled “Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids For Prairie’s Edge, Phase 3, Perham, Minnesota.”

Approve Public Infrastructure Grant Application

Mayor Meehl stated Council may wish to approve the Community Growth Partnership Grant Application and resolution for the expansion of Prairie’s Edge Development.

City Manager Smith reviewed the financing for Prairie’s Edge, Phase 3. Along with TIF District 2-44, already approved by Council, funding also includes \$100,000 grants from the EDA and the Otter Tail County Growth Partnership. ARP funds will also be used for the trail portion of the project.

On a motion by Council Member Schmidt, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2023 – 31 entitled “Otter Tail County Community Growth Partnership Grant Application Prairie’s Edge – Phase 3 Perham, Minnesota.”

Adjournment

Mayor Meehl adjourned the Special Council Meeting at 5:43 pm.

Respectfully submitted by,



Heather Hoelt
Administrative Assistant

ATTEST:



Mayor

