

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
June 10, 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. All Council Members were present.

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

Others present: City Engineer Berube, Dennis Happel

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. Citizens please state your 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. The following agenda items were added under Administration and Finance:

***I TECHNOLOGY SERVICES AGREEMENT**

Council may wish to approve a Technology Services Agreement with Lakes Country Service Cooperative.

J SPONSORSHIP OF OTTO BREMER FOUNDATION GRANT

Council may wish to consider sponsoring an Otto Bremer Foundation Grant to provide gap financing for the PACC/HUB project.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the agenda with the additions noted above.

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 May 13, 2019 and Special Council Meeting on May 29, 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: Apex Engineering in the amount of (\$1,083.00); Energy Insights in the amount of \$835.00; Kinect Energy in the amount of \$297,765.80; MEA Energy Association in the amount of \$455.00; Carol Peeters in the amount of \$759.65; Terracon in the amount of \$4389.25 bringing the total Unpaid City Claims to \$1,686,378.11.

On a motion by Council Member Schmidt, 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 \$1,811,336.62 for the month of May 2019.

***2018 AUDIT**

Council accepted the 2018 Audit as presented by Brady Martz at the Committee of the Whole Meeting held on May 29, 2019.

***TEMPORARY ON-SALE LIQUOR LICENSE**

Council approved a Temporary On-Sale Liquor License for the Church of St. Henry for an event on the Parish Grounds on Sunday, August 18, 2019.

***TEMPORARY ON-SALE LIQUOR LICENSE**

Council approved Temporary On-Sale Liquor Licenses for the History, Arts & Cultural Association for events to be held at the Pioneer Village on August 3, 10, 24 and September 14, 21, 28, 2019.

***YOGA-A-THON**

Council authorized the use of Paul Miller Park for a Yoga-a-thon event on June 30, 2019 from 2 – 4 p.m.

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

Council accepted the PLGC’s Income Statement through April 30, 2019.

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

Council accepted the PACC’s Financial Reports through April 30, 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 May 2019.

***TECHNOLOGY SERVICES AGREEMENT**

Council approved a Technology Services Agreement with Lakes Country Service Cooperative to begin July 1, 2019 and continue through June 30, 2020 in the amount of \$8,309.64.

SPONSORSHIP OF OTTO BREMER FOUNDATION GRANT

Mayor Meehl stated Council may wish to consider sponsoring an Otto Bremer Foundation Grant to provide gap financing for the PACC/HUB project. Dennis Happel explained that Sue Huebsch was in the process of writing the Otto Bremer Foundation Grant which has a deadline of June 27, 2019. The purpose of the grant would be to provide gap financing in the amount of \$1.7 to \$2.5 million dollars for the PACC/HUB project.

City Manager Smith expressed concerns with requesting \$2.5 million dollars when \$1.7 million dollars is what has been stated as the amount needed and how that will be reflected when submitting a budget for the project. Smith stated that not utilizing the money as it was applied for may jeopardize future grant applications, as the grants are often used to aid in financing equipment for the Perham Fire Department. Concerns regarding the inclusion of aquatics expansion numbers was also discussed.

Council Members Schmidt and Lehmkuhl also expressed concerns with requesting more money than is needed and the “soft” numbers that have been given for the project, both requesting the need to verify and come up with more firm numbers.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved sponsoring the Otto Bremer Foundation Grant application on the condition that aquatics expansion numbers be removed from the amount requested and that City Manager Smith be included in the grant application process.

STREET VACATION – ESSER DEVELOPMENT

Mayor Meehl stated Council may wish to consider a street vacation request by Joe Esser for the Prairie's Edge Development to vacate part of Sixth Avenue Northeast and part of Eleventh Street Northeast. City Manager Smith stated that the purpose of the street vacation is to extend Sixth Avenue Northeast to the west property line in order to re-plat the development, making the property more usable. The purpose of the short street vacation of Eleventh Street Northeast all the way to the north property line is to service the east side in case it's ever developed.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution 2019 – 23 entitled “Resolution In The Matter Of Granting A Street Vacation To Esser Development, City Of Perham, Minnesota” as recommended by the Planning Commission.

SUBDIVISION REQUEST – ESSER DEVELOPMENT

Mayor Meehl stated Council may wish to consider a subdivision request by Joe Esser for the Prairie's Edge Development to re-plat for lots better suited for single family residences. City Manager Smith stated the request was received to re-plat undeveloped lots with the approved street vacations to develop lots for single family homes rather than twin homes, which require larger lots. Council Member Lehmkuhl noted that there is already interest in purchasing the lots.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 24 entitled “Resolution In The Matter Of Granting A Subdivision Request To Esser Development, City Of Perham, Minnesota” as recommended by the Planning Commission.

STREET VACATION – EAST PARK SECOND ADDITION

Mayor Meehl stated Council may wish to consider a street vacation request by the City of Perham for an undeveloped plat of land the City owns in East Park Second Addition including a portion of Sixth Avenue Northeast and all of Ninth Avenue Northeast all the way to the North property line. City Manager Smith stated the street vacation application is for an undeveloped plat of land originally platted to have an extension of Sixth Avenue Northeast going through, a portion of which will be vacated, shifting to the north. Ninth Avenue Northeast would also be vacated all the way to the north property line. Smith noted that the City has a purchase agreement with Tuffy's to sell the two (2) larger parcels and vacating and rerouting these streets will result in a substantial savings in development costs.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution 2019 – 25 entitled “Resolution In

The Matter Of Granting A Street Vacation For East Park 2nd Addition, City Of Perham, Minnesota” as recommended by the Planning Commission.

SUBDIVISION REQUEST – EAST PARK SECOND ADDITION

Mayor Meehl stated Council may wish to consider a subdivision request by the City of Perham for East Park Second Addition to create two larger Light Industrial parcels and one larger Resident Multifamily parcel.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2019 – 26 entitled “ Resolution In The Matter Of Granting A Subdivision Request For East Park 2nd Addition, City Of Perham, Minnesota” as recommended by the Planning Commission.

PURCHASE AGREEMENT

Mayor Meehl stated Council may wish to consider approving a purchase agreement between the City of Perham and Tuffy’s for a parcel of land located in the Industrial Park. City Manager Smith stated that as noted with the City’s subdivision request of East Park Second Addition, Tuffy’s would like to purchase parcels B and C, east of the City Shop. The approximate sixteen (16) acres would be developed in three (3) to five (5) years.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved the purchase agreement between the City of Perham and Tuffy’s Pet Foods, Inc for property located at 300 Ninth Avenue Northeast in the amount of \$201,750.00.

KLN LAND LEASE

Mayor Meehl stated Council may wish to consider approving a land lease agreement with KLN Enterprises, Inc. City Manager Smith stated that the KLN land lease is for approximately three (3) acres within the land which is a part of the Tuffy’s purchase agreement. The leased premises will be used for truck/trailer parking from June 10, 2019 to July 31, 2019.

On a motion by Council Member Spencer, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the land lease agreement with KLN Enterprises, Inc. in the amount of \$4,000.00 for a period from June 10, 2019 terminating on July 31, 2019 or at the time of land sale, to be used as a truck/trailer parking facility.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

County 8 Closure

The roadway was opened to traffic on the Friday before Memorial Day. Signage is still up along the detour, as the final paving course must be completed this fall, which will require a minor detour after Labor Day.

We will continue to discuss the stop conditions that currently exist, and determine the long term traffic control this fall.

Seventh Avenue Northeast

The Seventh Avenue Northeast Reconstruction will be built in 2020 with funds from the State of Minnesota's Local Road Improvement Program. City staff is attempting to procure additional funds to assist with further Industrial Park Expansions in addition to the Seventh Avenue project.

Zorbaz Lift Station

The underground system is operating currently. A punchlist was sent to Hough two weeks ago, work on the list is anticipated to be completed this week.

Second Avenue Southwest

Construction has continued on the Second Avenue Southwest project. The underground work is complete, and gravel has been placed on the roadway. Concrete curb and gutter is anticipated later this week.

Following concrete curb and gutter, sidewalks and driveways will be completed. Roadway paving will be completed following all concrete work.

INFORMATION AND ANNOUNCEMENTS

Turtle Fest is scheduled for June 12 - 15

A Perham to Pelican Rapids Regional Trail Status Update Meeting is scheduled for Thursday, June 13 at 7:00 pm at the Dent Community Center

The League of MN Cities Annual Conference will be held June 26 – 28 in Duluth

There will be no Committee of the Whole meeting June 26

An Otter Tail County 2040 Transportation Plan Update Public Information Meeting is scheduled for Wednesday, June 26 from 6:30-8:00 pm at the Perham Area Community Center

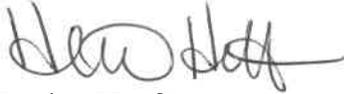
The next regular Council Meeting is scheduled for Monday, July 8 @ 5:15

The Household Hazardous Waste Day is scheduled for Wednesday, July 10 from 10 – 2 at the Public Works Garage

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 5:53 p.m.

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "Heather Hoefft". The signature is written in a cursive style with a large initial "H" and a long horizontal stroke at the end.

Heather Hoefft
Administrative Assistant