

**PERHAM CITY COUNCIL  
REGULAR MEETING MINUTES  
March 14, 2016**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:16 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 Klemm, Police Chief Hoaby, Finance Officer Stokke, Public Works Director Meece, Administrative Assistant Nundahl.

Others present: City Attorney Happel, Building Official Neisen, 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.

Eugene Malikowski stated he wants the Golf Course sold and has requested this a number of times. The Golf Course should be run privately because the City is putting too much money towards something that the tax payers don't need or want; he also wants to know how much money the Golf Course has lost in the last ten years. Malikowski stated he wants this on the ballot so the tax payers can decide. Mayor Meehl stated he could start a petition and if the required number of signatures is on the petition, it would be on the ballot but he would have to do it. Council Members do not want to sell the Golf Course.

Dave Knudson, 346 3<sup>rd</sup> Street SW, thanked City Manager Klemm for forwarding the letter sent to Tuffy's regarding the noise coming from the facility. The noise is disturbing and distracting. Knudson stated he understands that Tuffy's is taking steps to determine the cause of the noise.

**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 Spencer, seconded by Council Member Johnson 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. Mayor Meehl stated he would like Item 6G. Personnel Policies/Smoking removed from the Consent 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 with the removal of the above noted item.

**\*APPROVAL OF MINUTES**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on February 8<sup>th</sup> and Special Meeting Minutes of February 24th, 2016.

**APPROVAL FOR PAYMENT OF CITY CLAIMS**

Mayor Meehl stated Council may wish to approve payment of Prepaid and Unpaid City Claims.

On a motion by Council Member Mattfeld, 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 \$1,008,552.33 for February, 2016.

**2016 BUDGET AND MEMBERSHIP RATES/PERHAM LAKESIDE GOLF COURSE**

Mayor Meehl stated Council may wish to approve the 2016 Budget and membership rates for the Perham Lakeside Golf Course. Randy Mattfeld was present representing the Golf Course Board. The budget and membership rates were briefly reviewed.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the 2016 Budget and membership rates.

**\*PURCHASE OF A FOLDING MACHINE**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the purchase of a Neopost – DS-65 Document Folding Machine in the amount of \$8,959.

**\*3.2 BEER LICENSE RENEWALS**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved 3.2 Beer Licenses subject to receipt of applicable fees and required information by the City Office for the following businesses/organizations: Perham Pirates Baseball Club, East Otter Tail County Agricultural Society, Dean's Country Market, Westside Services, Perham BP, Service Foods, Main Street Express, Shopko Hometown, Jin Hu Perham Restaurant and HACA.

**\*2 AM LIQUOR LICENSE**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved a 2:00 AM closing time for Brew, LLC d.b.a. Brew Ales & Eats contingent upon all fees and legal requirements being met as required by the City and State of Minnesota's Liquor Control Board.

**\*ANNUAL AVERAGE JO TRIATHLON**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the use of Paul Miller Park and Arvig Park for the Annual Average Jo Triathlon scheduled for June 25, 2016.

**PERSONNEL POLICIES/SMOKING**

Mayor Meehl stated Council may wish to consider approving the Employee Smoking Policy. Council Member Mattfeld questioned why employees can't smoke in their own vehicles, but customers can. Mayor Meehl agreed that employees should be able to smoke outside.

City Manager Klemm stated the Council recently approved ordinances regulating electronic cigarettes and tobacco free parks. PartnerSHIP4Health assisted staff with these ordinances and recommended these changes to our personnel policy. Discussion ensued.

A motion was made by Council Member Lehmkuhl, seconded by Council Member Johnson, to approve the Smoking Policy; Members voting in favor were Lehmkuhl and Johnson, Members voting nay were Mattfeld, Spencer and Meehl; motion failed.

**\*2015 BUDGET AMENDMENTS**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved amending the 2015 Budget due to the addition of approved projects during the 2015 budget year and Resolution No. 2016 – 15 entitled “Resolution In The Matter Of Amending The 2015 Budget”.

**\*NORTHWOODS ASSEMBLY OF GOD**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the use of the City Hall Park on Good Friday for a “Live Passion Drama and Walk” to Northwoods Assembly of God’s Church.

**\*PLANT SALE/NP PARK**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the use of NP Park for the Garden Club Plant Sale on Saturday June 4, 2016.

**\*APPOINTING AN INTERIM CITY MANAGER**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council appointed the Finance Officer as the Interim City Manager and approved Resolution 2016 – 16 entitled “Resolution In The Matter Of Declaring Vacancy And Designating An Interim City Manager, Perham, Minnesota”.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted the PACC’s Financial Reports for January, 2016.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted the following reports for February, 2016: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

**VARIANCE REQUEST/HADLEY HOUSE**

Mayor Meehl stated Council may wish to consider a variance for the Hadley House to allow an 18' by 34' addition to enlarge the dining room. Council Member Lehmkuhl stated the Johnsons are requesting a variance to encroach 15 feet into the required 25 foot rear yard setback. The lot abuts the drainage pond for Clearwater First Addition and will not interfere with any residential lots in this development.

Building Official Neisen stated the Johnson's are planning to add six more units and will need to increase the size of the dining room. The Johnsons believe that it makes sense to have all of the occupants utilize the same dining area. The Planning Commission reviewed the parking requirements and impervious surface requirements, both requirements will be met. It was noted; the Planning Commission recommended the City Council approved the variance. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the variance and Resolution No. 2016 – 17 entitled "Resolution In The Matter Of Granting A Variance To Matthew And Jessica Johnson dba Hadley House, Perham, Minnesota".

**\*WORKFORCE GRANT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council directed staff to send a letter stating the City supports a Workforce Grant Application being prepared by West Central Initiative Fund.

**\*CREATING TIF DISTRICT 2-40/NEW LIFE FARMS**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved scheduling a public hearing to hear comments regarding creating TIF District 2-40 to be located in Happel Addition for the construction of a coffee shop and Resolution No. 2016 – 18 entitled "Resolution Calling For A Public Hearing By The City Council On The Proposed Modification To The Development Program For Development District No. 2, The Elimination Of Parcels From Tax Increment Financing District No. 2-33, And The Proposed Establishment Of Tax Increment Financing District No. 2-40 Therein And The Adoption Of The Tax Increment Financing Plan Therefor".

## **CITY ENGINEER MONTHLY UPDATE**

Mayor Meehl stated the City Engineer will give an update on various projects.

City Engineer Berube stated he is working on the punch list for the Third Avenue Project. The final work cannot be completed until the ground has thawed. Discussion ensued regarding fading of the painted white lines . Berube stated the markings are under warranty for two years.

## **VICTORY ESTATES, PHASE II/ ORDERING PLANS AND SPECIFICATIONS**

Mayor Meehl stated Council may wish to consider ordering improvements and the preparation of Plans and Specifications for Victory Estates, Phase II. City Manager Klemm stated the Developer notified him that he did not have anything to present to the Council at this time. Stoderl noted that he will be meeting with a contractor sometime after March 20. Stoderl will contact staff when he has information for the Council.

## **CONEY STREET/APPROVING PLANS AND SPECS**

Mayor Meehl stated Council may wish to approve the plans and specifications and authorize advertisement of bids. City Engineer Berube stated this project will need approval from the MN Department of Health, Otter Tail County Highway Department and MN Department of Transportation because of the funding.

City Engineer Berube stated Coney Street will be shut down during construction and traffic will be routed to Third Avenue SE and East Main. It was noted, the project includes two intersections, 8<sup>th</sup> Avenue SE and 11<sup>th</sup> Avenue SE; these intersections will be dead ended until properties in the area are developed. Berube thought the project should last about two months.

City Engineer Berube reviewed project costs and financing. The City received a grant in the amount of \$750,000, assessable costs is estimated at \$177,000, the City share is estimated at \$268,000 for a total estimated cost of \$1,195,000. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved Resolution No. 2016 – 19 entitled “Resolution In The Matter Of Approving Plans And Specifications And Ordering Advertisement For Bids For Improvements On Coney Street East From East Main Street To Market Street, Perham, Minnesota”.

## **\*TRAIL CONNECTION GRANT APPLICATION**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the submittal of a grant application for an expansion of the Wildflower Trail and approved Resolution No. 2016 – 20 entitled “DNR Local Trail Connections Application, Wildflower Trail Extension, Perham, Minnesota”.

## **INFORMATION AND ANNOUNCEMENTS**

The Committee of the Whole is scheduled for Wednesday, March 30 at 5:15

The next Regular Council Meeting is scheduled for Monday, April 11 at 5:15 pm

The Local Board of Review is scheduled for Wednesday, April 27<sup>th</sup> from 1:00 to 2:00; a Council quorum is required

The Household Hazardous Waste is scheduled for Wednesday, July 6.

**ADJOURNMENT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the meeting was adjourned at 5:42 pm.

Respectfully submitted by,



Fern Nundahl  
Administrative Assistant