

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
May 13, 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 Hoeft.

Others present: City Engineer Berube, Todd Hagen representing Ehlers, Joe Esser

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.

On a motion by Council Member Johnson, seconded by Council Member Schmidt 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 April 8 and Special Meeting Minutes of April 24, 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 no additional claims.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved payment of Prepaid and Unpaid City Claims in the amount of \$3,980,409.50 for the month of April 2019.

SALE OF GENERAL OBLIGATION BONDS, SERIES 2019B

Mayor Meehl stated Council may wish to consider awarding the sale of \$1,900,000 General Obligation Bonds, Series 2019B to finance the 2019 Utility and Street Improvements.

Todd Hagen representing Ehlers reviewed the Sale Day Report. The principal of the bonds decreased from \$1,900,000 to \$1,745,000 after receiving four (4) bids ranging from 2.4008% to 2.5701%. The low bidder was Baird out of Milwaukee, Wisconsin. Hagen praised the City and the work done to receive a Standard & Poor's Global Rating of "AAA" for participation in the Minnesota Credit Enhancement Program and an Underlying Rating of "AA-". The closing date for the bonds is June 5, 2019.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution 2019 – 17 entitled "Resolution Authorizing Issuance, Awarding Sale, Prescribing The Form And Details And Providing For The Payment Of \$1,745,000 General Obligation Improvement Bonds, Series 2019B" to finance the 2019 Utility and Street Rehabilitation Project (Second Avenue Southwest) in the City.

***BDPI GRANT APPLICATION**

Council approved Resolution 2019 – 18 entitled "Local Government Resolution Business Development Infrastructure Application" to support the Business Development Public Infrastructure (BDPI) grant application.

***FIRE ALARM SYSTEM REPLACEMENT**

Council accepted the low proposal of \$9,988.00 from Nardini Fire Equipment for the replacement of the fire system at the Perham Area Emergency Services facility.

***APPROVAL OF ROAD CLOSURE**

Council approved a road closure request from Calvary Lutheran Church for their 3rd Annual Community Block Party event on Monday, August 26, 2019.

***MISS PERHAM 5K RUN & WALK**

Council authorized the use of Arvig Park for the Miss Perham 5K Run & Walk on Saturday, May 25, 2019.

***YOGA IN THE PARK**

Council authorized the use of Paul Miller Park for the use of teaching outdoor yoga classes July 11 – August 29, 2019.

***AVERAGE JO TRIATHLON**

Council authorized the use of Paul Miller Park for the 2019 Average Jo Triathlon on June 29, 2019.

***LADYSLIPPER GARDEN CLUB**

Council authorized the use of NP Park by the Ladyslipper Garden Club to host their annual plant sale on June 1, 2019.

***PERHAM MS EVENT**

Council authorized the use of the Pioneer Grounds for the Perham MS Bike/Hike event on Saturday, May 18, 2019.

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

Council accepted the PLGC's Income Statement through April 2019.

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

Council accepted the PACC's Financial Reports for March 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 April 2019.

ESSER DEVELOPMENT SUBDIVISION REQUEST

Mayor Meehl stated Council may wish to consider a subdivision request from Joe Esser.

City Manager Smith stated a public hearing was held at the Planning Commission's April 16, 2019 meeting. The intent of the subdivision request for the property located at 225 Eight Street Northeast is to split one (1) parcel into three (3). The East two (2) parcels will be residential lots with an existing home on the middle lot. Smith noted that motivation to approve the subdivision request is a result of having a buyer ready to purchase the existing home. The third parcel on the West end will be a larger parcel and it will be determined at a later date how it'll be developed. All parcels are currently zoned R-2 and if Esser plans something other than residential use on the third parcel, he'd have to apply to have it re-zoned.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 19 entitled "Resolution In The Matter Of Granting Subdivision To Esser Development City Of Perham, Minnesota."

MEMORANDUM OF AGREEMENT

Mayor Meehl stated Council may wish to consider entering into an agreement for the extension of Phase 1 Prairie's Edge Development.

City Manager Smith stated the purpose of the agreement with Joseph and Rebecca Esser is to extend the first phase of Prairie's Edge Development northward 200 feet on Seventh Avenue Northeast for four (4) additional lots. Phase two (2) and three (3) of the development will take place in subsequent years. Smith noted that a public hearing will be held at the May Planning Commission meeting for the re-platting of the Prairie's Edge Development. Smith added that the Memorandum of Agreement states the developer is responsible for the public infrastructure of the extension, including, but not limited to:

- a 44-foot wide paved street
- curb and gutter
- water and sewer mains including service extensions and manholes
- storm sewer extensions east along the proposed easement

Esser stated the extension will not be feasible without a cost share agreement with the City for the public infrastructure as was stated in the original Development Agreement dated February 13, 2007. City Engineer Berube stated the cost to the City would be less than \$10,000. Council Member Schmidt stated the City should remain consistent with the original Development Agreement and provide the cost share for the public infrastructure, however, future development agreements will need to consider the best interests of the City and not the developer.

On a motion by Council Member Schmidt, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved entering into an agreement for the extension of Phase 1 Prairie's Edge Development including the City's cost share for the public infrastructure.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

County 8 Closure

The contractors have started working on the preparation of the roadway for curb, sidewalk and paving. The concrete crew is anticipating to start concrete placement on May 20, 2019 with road restoration to follow.

When the road opens, there will be a transition period with signage, and the stop signs on Main Street at the Second Avenue East intersection along with the stop signs on County 8 at the Third Street North intersection will be removed. The other stop signs will remain in place for a period of time until we can coordinate with the County regarding permanent signage.

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. Concrete restoration is complete in some areas, and other cleanup items will be required prior to final completion.

Second Avenue Southwest

Construction has progressed quite rapidly on the Second Avenue Southwest project. The underground is approximately sixty percent (60%) complete one month into the project. Later this week, valves will be installed on Second Avenue at Ninth Street and near the water tower, requiring a shutdown of the Ninth Street intersection following morning traffic for the day.

First Avenue South Roadway Width:

As discussed various times previously, the roadway width as designed for First Avenue South is currently planned for thirty-six (36) feet wide. The width was due to the roadway being a dead end, combined with the cost savings of the surface improvements. The following is a list of options for the Council to consider regarding modifying the roadway width.

<i>Roadway Width</i>	<i>Cost Difference</i>	<i>Street Configuration</i>
36 Feet Wide	\$0	1 – 10’ Parking Lane – 2 – 13’ Drive Lanes
44 Feet Wide	\$5,825	2 – 9’ Parking Lanes – 2 – 13’ Drive Lanes
50 Feet Wide	\$10,180	2 – 10’ Parking Lanes – 2 – 15’ Drive Lanes

FIRST AVENUE SOUTH STREET WIDTH

Mayor Meehl stated Council will determine the street width of First Avenue South.

City Manager Smith stated Council will need to consider whether to make a motion to approve a change order to increase the roadway width from the proposed 36 foot width for First Avenue South. City Engineer Berube noted that recent developments within the City have had 44 foot roadway widths and that typically narrower streets are safer than wider streets. Council Member Schmidt recommended a 44 foot road width to accommodate increased traffic and parking in the area.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried with one (1) dissenting vote from Mayor Meehl, the Council approved a change order to make the roadway width of First Avenue South 44 feet wide.

***2019 SEAL COAT PROJECT**

Council accepted the apparent low quote of \$84,435.00 from Asphalt Preservation Company for the 2019 Seal Coat Project.

***AIRPORT STATE AID AGREEMENT**

Council approved the Airport Grant Agreement and Resolution 2019 – 20 entitled “Authorization To Execute Minnesota Department Of Transportation Airport Maintenance And Operation Grant Contract” requesting state aid for eligible costs incurred for airport maintenance.

***AIRPORT FUEL SYSTEM**

Council accepted the proposal price of \$29,995.00 from O’Day Equipment, LLC for a new Airport fuel system.

INFORMATION AND ANNOUNCEMENTS

Spring Clean-up Day is Saturday, May 18

Committee of the Whole is scheduled for Wednesday, May 29 at 5:15

The next Regular Council Meeting is scheduled for Monday, June 10 at 5:15 pm

The League of Minnesota Cities Annual Conference is scheduled for June 26-28 in Duluth

The Household Hazardous Waste Day is scheduled for Wednesday, July 10 from 10:00 – 2:00

ADJOURNMENT

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

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "Heather Hoeft", with a long horizontal line extending to the right.

Heather Hoeft
Administrative Assistant

SPECIAL COUNCIL MEETING MINUTES

May 29, 2019

Mayor Meehl called the Special Council Meeting to order at 5:15 pm on May 29, 2019 in the Council Chambers located at 125 Second Avenue NE, all members of the Council having been duly notified of the meeting, and the business to be transacted. All Council Members were present.

Staff members present were: City Manager Smith, Finance Officer Stokke, Liquor Store Manager Dreger, Police Chief Hoaby, Public Works Director Meece, EDA Director Keil, Librarian Ladwig and Administrative Assistant Hoefl.

Others Present: City Engineer Berube

Conditional Use Permit

Mayor Meehl stated Council may wish to consider approving a Conditional Use Permit for Perham-Dent Public Schools to allow for the construction of a gymnastics facility in a residential district.

Council Member Lehmkuhl stated the Planning Commission had held a public hearing on May 21, 2019 to review the application as well as hear comments from four (4) area residents. The Planning Commission voted to recommend Council approve the Conditional Use Permit. Copies of a map of the proposed building and parking lot were distributed to Council Members.

City Manager Smith addressed the following questions and concerns raised by residents during the Public Hearing:

- Perham-Dent Public Schools owns the land the gymnastics facility would be built on, therefore, they are the applicant. There has been some questions as to the ownership of the gymnastics facility once built
- The property is located in an R2 district, however, schools are a specific identified use in an R2 district. The school currently meets the 50 foot building setback requirement and has applied for a Variance to decrease the setback to 25 feet for the gymnastics facility. There are no defined setback requirements for a parking lot in a R2 district, however, Council is able to require a ten foot (10') setback as a condition of the Conditional Use Permit
- The appropriate screening of a four foot (4') to eight foot (8') natural buffer must also be met as required by ordinance and Council has the option to require a fence
- The impact of increased traffic in the area
- The need for a parking lot to ease parking congestion on Second and First Avenues
- Stormwater controls

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 21 entitled “Resolution In The Matter Of Granting A Conditional Use Permit To Perham-Dent Public Schools City Of Perham Minnesota” as presented to the Planning Commission.

On an amended motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 21 to allow for the construction of a gymnastics facility in a residential district with the condition of a ten foot (10’) parking lot setback along with a four foot (4’) to eight foot (8’) natural buffer or fence.

Variance Request

Mayor Meehl stated Council may wish to consider approving a Variance request for Perham-Dent Public Schools to reduce the setback from 50 feet to 25 feet along the Second Avenue Southwest side to allow for the construction of a gymnastics facility.

City Manager Smith explained the Variance is to decrease the front-yard setback along Second Avenue Southwest facing the elementary school from 50 feet to 25 feet in order to sustain current athletic facilities. The Planning Commission held a public hearing on May 21, 2019 and voted to recommend Council approve the Variance.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2019 – 22 entitled “In The Matter Of Grating A Variance To Perham-Dent Public Schools Perham, Minnesota” to reduce the setback from 50 to 25 feet along the Second Avenue Southwest side to allow for the construction of a gymnastics facility.

Turtle Fest Road Closure/Alcohol Use Request

Mayor Meehl stated Council may wish to consider authorizing the use of alcohol on Main Street during Turtle Fest.

City Manager Smith stated Council has approved the closure of Main Street from First Avenue East to Second Avenue East and Second Avenue West during Turtle Fest. This request will allow for alcohol to be served in the area of the road closure by Brew and Pine Island Fish Company. Both businesses have catering licenses and insurance that allows them to serve alcohol off their premises. Smith explained that a letter to the City was received that stated each business will have their own fenced in area, security, and wristbands for those both over and under the age of 21.

Police Chief Hoaby stated that he’s attended planning meetings for the event and they seem to have everything under control. Hoaby noted that extra staff and security will be on hand and attendees will not be able to leave the fenced areas with alcohol.

Council Member Lehmkuhl inquired if only plastic containers will be allowed or if Council can make a condition that no glass be allowed.

On a motion by Council Member Johnson, seconded by Council Member Schmidt and carried without a dissenting vote, the Council authorized the use of alcohol on Main Street during Turtle Fest with the condition that no glass be allowed on the street.

Adjournment

Mayor Meehl adjourned the Special Council Meeting at 5:35 pm.

Respectfully submitted by,

A handwritten signature in black ink, appearing to read 'Heather Hoeft', with a long horizontal flourish extending to the right.

Heather Hoeft
Administrative Assistant