

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
April 14, 2014**

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 Klemm, Police Chief Hoaby, EDA Director Johnson, Public Works Director Meece, Fire Chief Schmidt, Finance Officer Stokke and Administrative Assistant Nundahl.

Others present: City Engineer Berube, Building Official Neisen, City Attorney Happel

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

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

CITIZENS CONCERNS

Mayor Meehl stated Council will recognize citizens who may have items for the Council. No one addressed the Council.

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 Lehmkuhl, seconded by Council Member Mattfeld 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 Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Consent Agenda as presented.

***APPROVAL OF MINUTES**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on March 10, and Special Meeting on March 26, 2014.

APPROVAL FOR PAYMENT OF CITY CLAIMS

Mayor Meehl stated Council may wish to approve payment of City Claims. Finance Officer Stokke requested Council consider approving an invoice from Magney Construction in the amount of \$16,778.90.

On a motion by Council Member Spencer, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of City Claims in the amount of \$2,201,897.77

TEMPORARY WINE LICENSE

Mayor Meehl stated Council may wish to amend the Fee Schedule to include a Temporary Wine License with a fee of \$40.00. City Manager Klemm stated the City has not issued a Temporary Wine License. Temporary Wine Licenses can be issued to non-profit organizations for special events lasting one to four days. The non-profit organization is allowed twelve events during a year. If approved, each event would cost \$40.00. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2014 – 6 entitled “Resolution In The Matter Of Setting Fees For Temporary Wine License, City Of Perham”.

CELL PHONE POLICY

Mayor Meehl stated Council may wish to consider approving a Cell Phone Policy. City Manager Klemm stated a number of employees have their own personal cell phone and the City issues them a cell phone for work so they may be carrying two cell phones. This policy will allow the City to reimburse certain employees \$30 per month. Employees will have a choice to keep the City cell phone that they have been provided or receive the monthly reimbursement.

Police Chief Hoaby stated the Police Department has one cell phone which stays in the squad car so if he needs to reach on off-duty officer, he calls their personal phone. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council approved the Cell Phone Policy.

***ON SALE LIQUOR/SUNDAY LIQUOR LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved an On Sale/Sunday Liquor License for Paridon Enterprises, Inc., dba Station House contingent upon all fees and legal requirements being met as required by the City and State of Minnesota’s Liquor Control Board.

***SOLID WASTE COLLECTION/TRANSPORTATION LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the renewal of the Solid Waste Collection and Transportation License to Waste Management of Detroit Lakes and Steve’s Sanitation of Perham subject to receipt of applicable fees and required information by the City Office.

***ARBOR DAY PROCLAMATION**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized Mayor Meehl to sign the Arbor Day Proclamation and declare May 3rd, 2014 as Arbor Day in Perham, Minnesota.

***WCI GRANT FOR CAPITAL IMPROVEMENT PLAN**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved entering into an agreement with West Central Initiative Fund for a \$4,000 grant to assist with funding of updating the Capital Improvement Plan.

***PERHAM HALF MARATHON AND 5K**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of Arvig Park by the Perham Cross Country Boosters Club for the Perham Half Marathon and 5K which is scheduled for July 19th.

***FALL PLANT SALE AND EDUCATIONAL EVENT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of NP Park by the East Otter Tail County Master Gardeners for a Fall Plant Sale and education event which is scheduled for September 13 at 6 am.

***PERHAM CLASSIC CAR CRUISE-IN**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of Main Street and the City parking lot for Perham Classic Car Cruise-In for the third Friday of each month from May 16th through October 17th from 5:00 to 9:00.

***TURTLE FEST/STREET CLOSURE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized closing 2nd Avenue SW from 2nd Street SW to Main Street on Thursday, June 19th for Arvig's Customer Appreciation Days.

***CIGARETTE LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved a Cigarette License for Shopko contingent upon an application and receipt of fees by the City Office.

***MISS PERHAM 5K RACE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the use of Arvig Park/Bike Path for a fundraising event for Miss Perham Pageant; event is scheduled for April 26th.

***TEMPORARY 3.2 LIQUOR LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried

without a dissenting vote, the Council approved a 3.2 Liquor License for Perham Lions for Turtle Fest Demo Derby scheduled for June 21 contingent upon all fees and legal requirements being met as required by the City.

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

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted PLGC's Income Statement for February, 2014.

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

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted PACC's Financial Reports for February, 2014.

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

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the following reports for March, 2014; Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

SALE OF TANKER TRUCK

Mayor Meehl stated Council may wish to consider the sale of Unit #5, 1991 GMC Tanker Truck. Fire Chief Schmidt stated in January, the Fire Department advertised the sale of Unit #5, the 1991 GMC tanker truck with a minimum bid of \$25,000. One bid was received for that amount from Stoney Brook Ent. Inc. from Granite Falls, Minnesota. Stoney Brook will be selling the truck to another city and will also be financing it for them.

Mayor Meehl stated he and other Fire Department Members feel that his is a fair price. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the sale of the 1991 GMS Tanker Truck for \$25,000.

PURCHASE OF TANKER TRUCK

Mayor Meehl stated Council may wish to consider approving specifications and calling for bids for the purchase of a Tanker Truck. Fire Chief Schmidt reviewed the time line for the purchase noting bids will be received on May 5, Fire Department personnel will review the bids on May 7 and the Bid Tab will be presented to the Council on May 12.

Fire Chief Schmidt stated the Townships approved the purchase of the tanker truck up to \$250,000. The equipment fund has a balance of \$101,000 and the funds from the sale of the 1991

GMC tanker truck, \$25,000 will also go towards this purchase. It was noted, the balance will be financed by an inter-fund loan. Discussion ensued.

On a motion by Council Member Mattfeld, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the specifications and authorized bid letting for the purchase of a Tanker Truck.

REZONING CURRENT PUBLIC WORKS FACILITY

Mayor Meehl stated Council may wish to consider rezoning the current Public Works Facility located at 501 Lakeside Drive from Open to Light Industrial. Council Member Lehmkuhl stated the Planning Commission held a public hearing regarding the re-zoning of the site which has been sold to KLN for semi-truck parking. Eugene Malikowski previously spoke with the City Manager regarding his opposition to the project; no other comments were received. The Planning Commission recommended the Council approve the re-zoning from Open to Light Industrial. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Ordinance # 355 entitled "Rezoning A Portion Of Property, Identification Number 77000110000000 – Arvig Park, An Ordinance Revising Ordinance No. 286 Entitled Land Use (Zoning), City Of Perham, Minnesota".

IFS AGREEMENT

Mayor Meehl stated Council may wish to consider approving an agreement between the City and Industrial Finishing Services setting forth certain requirements in conjunction with vacating a portion of 9th Avenue NE.

City Manager Klemm stated the City will consider vacating 9th Avenue NE south of intersection with 1st Street NE. Through this process, a number of issues will need to be addressed including:

- An easement will be drafted for underground utilities. In the future, should any of these utilities need to be re-located due to building construction, it will be done at the property owner's expense.
- The City will agree to deed over 40' of right-of-way obtained through the street vacation to Industrial Finishing Services.
- Advanced Wall Systems will agree to deed over 40" of right-of-way obtained through the street vacation to Industrial Finishing Services.
- Industrial Finishing Services will grant Advanced Wall Systems a perpetual easement to access its property from 1st Street NE. The easement will include wording regarding who is responsible for maintenance of the roadway.
- Industrial Finishing Services agrees to purchase Lots 8 and 10 of Perham Industrial Park, 3rd Addition.

Steve Campbell representing Industrial Finishing Services stated this weekend, they located some of the underground utilities. Because the storm sewer is located further west than the current maps show, the proposed construction for the oxidizer will need to be moved to the south. Discussion ensued.

On a motion by Council Member Johnson, second by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the Memorandum of Agreement between, MNDak Housing Partners, Industrial Finishing Services, Advanced Wall Systems and the City of Perham subject to review and approval of the City Manager and City Attorney.

VACATING A PORTION OF 9TH AVENUE NE

Mayor Meehl stated Council may wish to consider vacating the portion of 9th Avenue NE that lies south of the intersection with 1st Street NE and deeding the City's share of the vacated street to MNDak Housing Partners.

Council Member Lehmkuhl stated the Planning Commission held a public hearing regarding this request and no one appeared for or against the request. Following review of the request, the Planning Commission recommended Council approve vacating said street. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2014 – 7 entitled “Resolution In The Matter Of Granting The Vacation Of A Portion Of 9th Avenue NE, Perham Industrial Park Third Addition, Perham, Minnesota” contingent on all parties signing the Memorandum of Agreement as noted above.

INDUSTRIAL FINISHING SERVICES/REDEVELOPMENT TAX INCREMENT FINANCING

Mayor Meehl stated Council may wish to declare certain substandard conditions located in the lot next to Industrial Finishing Services. EDA Director Johnson stated Industrial Finishing Services is contemplating an expansion to the west of their current facility. The expansion project would include purchase of the Huebsch Family Farm parcel which is currently used for grain storage. The Huebsch's would remove the grain bins and the other structures would be demolished.

EDA Director Johnson stated TIF Statute allows the City to pass a resolution describing existing conditions on the parcel and stating that these conditions would make the parcel eligible for Redevelopment TIF. Upon passage of this resolution, demolition work could begin even though the TIF District and Development Agreement are not in place. Building Official Neisen has inspected the property and his report determines that it meets the requirements. IFS has signed a

Preliminary TIF Agreement and has given the City a check to cover Ehlers costs associated with the formation of the TIF District. Discussion ensued.

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2014 – 8 entitled “Resolution Of The City Of Perham Finding A Parcel To Be Occupied By A Structurally Substandard Building, City Of Perham, County Of Otter Tail, State Of Minnesota”.

CITY ENGINEER MONTHLY UPDATE

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

Engineer Berube stated road construction is planned for early May in the Roach Development and sidewalks will be constructed on Third Street SW when the weather warms up. Construction should begin shortly at the Airport.

TUFFY’S REQUEST FOR TEMPORARY STREET CLOSING

Mayor Meehl stated Council may wish to consider a request from Tuffy’s to temporarily close a portion of 3rd Street NW from 2nd Avenue NW to 3rd Avenue NW and approximately 200 feet west of from 3rd Avenue NW. Jon Ebeling representing Tuffy’s stated they have decided to expand the new facility west to the current warehouse. A building permit will be completed when construction plans are complete.

Ebeling stated due to the increased expansion, the staging area that was planned will no longer be available. Tuffy’s has a tremendous amount of building material and equipment that will be arriving throughout this project. The equipment alone will be in excess of 60 truckloads. The majority of the building will not be ready for equipment when it arrives so it will need to be stored off the construction site. Much of this equipment is large, heavy and is difficult to move around. Tuffy’s expects the street to be closed from May 1 to September 1.

Ebeling stated Tuffy’s would put up temporary barricades/fences with proper signage on the closed street areas and would put up signs to indicate the temporary truck route. Tuffy’s would also work with property owners to ensure that they have access to their property.

City Manager Klemm stated this request was discussed at the Public Works and Safety Meeting. They recommend that Third is barricaded from First Avenue North to Lake Street. It was noted, Fourth Street NW is an alternate truck route.

Council Member Lehmkuhl questioned if part of Third could remain open for emergencies. Fire Chief Schmidt stated if the intersection of Third Street and Third Avenue remains open, they will have access to the facility for any emergency. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the closing of Third Street NW from First Avenue North to Lake Street subject to final review of signage and barricades by the City Manager and Public Works Director.

FLY-IN AND AIR SHOW/PERHAM MUNICIPAL AIRPORT

Mayor Meehl stated Council may wish to consider authorizing the use of the Airport for a Fly-In/Air Show. City Manager Klemm stated the City's insurance will cover a fly-in, but they are recommending if there is an Air Show, supplemental coverage is obtained for spectator coverage. This coverage would cost between \$1500 and \$2000.

Council Member Lehmkuhl stated the Airport Commission recommended the Council approve the request subject to Rich McCrady purchasing the spectator coverage. It was noted, the event would take place either July 26 or August 2. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the request for a Fly-In and Air Show subject to the requestor obtaining insurance for spectator coverage.

SPEED LIMIT ON COUNTY ROAD 51

Mayor Meehl stated Council may wish to consider requesting the County to conduct a speed study on County Road 51 north of Perham. Police Chief Hoaby stated the speed limits in this area were set prior to the housing developments. County Road 51 is a County road and under their control. Proper procedure would be to request a speed study. Discussion ensued.

On a motion by Council Member Spencer, seconded by Council Member Mattfeld and carried without a dissenting vote, the Council recommended staff request a speed study to be completed by Otter Tail County on Country Road 51 north of Perham.

LOCK BOX ORDINANCE

Mayor Meehl stated Council may wish to consider approving a Lock Box Ordinance. Fire Chief Schmidt stated that he has been working with a number of industries and rental units and they have already installed Lock Boxes. The boxes are purchased by the Fire Department and the property owners reimburse the Fire Department.

Fire Chief Schmidt stated the Police Department has keys along with EMS, 2 fire trucks and the Police Chief. The boxes are located at the entrance nearest the control panel. Schmidt states that he works with each property owner to ensure that the box is installed at the proper entrance. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Ordinance No. 356 entitled "An Ordinance Pertaining To Emergency Response, Perham, Minnesota".

***AGREEMENT FOR REPAIR AND REPLACEMENT OF COUNTY STATE AID HIGHWAY NO. 8**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved entering into an agreement with Otter Tail County for the repair and replacement of County State Aid Highway No. 8/Third Avenue SE.

***PURCHASE OF A SPORT UTILITY VEHICLE**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the purchase of a 2014 John Deere TX Gator for \$6,999.17 from RDO Equipment.

***2014 SEAL COAT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the specifications for the 2014 Seal Coat Project and authorized staff to obtain quotes for said project.

INFORMATION AND ANNOUNCEMENTS

The Library Open House is scheduled for April 16 from 10:00 am to 8:00 pm

Public Informational Meeting regarding highway improvements in Otter Tail County is scheduled for April 21st at 7 pm in the Council Chambers

The Committee of the Whole is scheduled for Wednesday, April 30th

The Local Board of Review is scheduled for Wednesday, April 30th at 1 pm, a Council quorum is required

The next regular Council Meeting is scheduled for Monday, May 12th

Hazardous Waste Pickup is scheduled for Friday, July 11th

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the meeting was adjourned at 6:37.

Respectfully submitted by,



Fern Nundahl

Administrative Assistant