

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
November 10, 2014**

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, EDA Director Johnson, Public Works Director Meece, Finance Officer Stokke, Administrative Assistant Nundahl.

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

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

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

CITIZENS CONCERNS

Mayor Meehl stated the 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 Mattfeld, 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.

On a motion by Council Member Lehmkuhl, 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 Lehmkuhl, 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 October 13, and Special Meeting held on October 30, 2014.

IMPROVEMENT HEARING/2015 IMPROVEMENT PROJECT

Mayor Meehl stated Council may wish to hear comments regarding the proposed 2015 Improvement Project. Mayor Meehl stated the hearing is being held in accordance to Chapter 429 of Minnesota State Statutes. The purpose of this hearing is to provide notifications to the public regarding the proposed improvements, improvement schedules and assessment procedures. Jade Berube of Apex Engineering Group will be presenting information regarding the proposed project. Following the presentation, time will be provided for questions relating to the proposed project.

City Engineer Berube stated the project includes multiple project components. The project areas were reviewed. It was noted that construction will involve replacing sanitary sewer, water, storm sewer, street rehabilitation, sidewalk and lighting. Replacement of underground utilities was reviewed for each project area. Estimated project cost for the total project is \$5,493,000; assessable costs are estimated at \$1,436,500, City share is estimated at \$2,472,500 and County share is estimated at \$1,584,000. The estimated assessment rates were reviewed. It was noted; sanitary sewer service is estimated at \$1,650 and water service is estimated at \$1,950. Reconstruction improvements are estimated at \$103.50 per foot except Third Avenue SE, south of Fox Street, the estimated cost is \$35 per foot. The Assessment Policy was reviewed along with the preliminary project schedule. Mayor Meehl opened the hearing for public comment.

Mary Schmidt, 411 2nd Avenue SE

Ms. Schmidt questioned placement of sidewalks, noting that the sidewalk may go through her garage. City Engineer Berube stated a Topographic Survey will be completed this fall/winter and if they will have an issue with her garage, the plans will be modified.

Lina Belar, 349 2nd Avenue SE

Ms. Belar questioned if there will be dust control. City Engineer Berube stated dust control is addressed in the Plan Documents. Ms. Belar questioned if they will be able to drive to their residence all the time. City Engineer Berube stated every night they will have access to their property. The only exception would be if the property has a private water or sewer service installed which would block access to their driveway. Ms. Belar questioned her assessment. City Engineer Berube explained assessments will be put on their property taxes. City Manager Klemm stated assessments are typically paid over fifteen years, with an interest rate of one percent above the construction bonds.

Mary Schmidt, 411 2nd Avenue SE

Ms. Schmidt questioned who the contractor will be and if they will be installing the private lines to the house. City Engineer Berube stated the City is required to take the lowest bid, until bid

opening, we will not know who the General Contractor will be. The General Contractor typically subcontracts work, but this will all be coordinated through the General Contractor.

Council Member Lehmkuhl requested information regarding the phasing of the project. City Engineer Berube reviewed the project, noting it will start at the corner of 5th Avenue SE and 4th Street SE. The next phase will be on Third Avenue from Main to 4th, then 4th to Fox and finally Fox to Coney. It was noted, intersections would not be closed over weekends. It was also noted, traffic will not be detoured during the reconstruct from Fox to Coney, the reconstruction work will allow one lane of traffic.

Lina Belar, 349 2nd Avenue SE

Ms. Belar questioned if replacing a sidewalk, how much of the yard will be disturbed. City Engineer Berube stated typically one foot unless it requires grading; same with curb/gutter, it all depends on if the street needs to be raised or lowered for proper drainage. Ms. Belar questioned if property owners will have use of water and sewer during the project. City Engineer Berube stated yes, the Contractor is required to provide water and sewer throughout the project.

Steve Peloquin, 432 3rd Avenue SE

Mr. Peloquin stated he would like the City's Assessment Policy reviewed noting the City should be paying more or all of the construction costs. Peloquin stated 3rd Avenue is a major artery, the costs should be borne by the City as a whole. Peloquin also stated he would like a bike path or trail on the easterly side of 3rd Avenue rather than sidewalks.

David Knudsen, 346 3rd Street SW

Mr. Knudsen stated he is concerned with storm water drainage problems. Knudsen stated since Schoenberger Funeral Home was constructed, they have had drainage problems. After the 2nd Street construction project, those homeowners continue to have drainage problems. City Engineer Berube stated when they receive the Topographic Survey, they will determine what should be done to alleviate these problems. Knudsen stated he likes Peloquin's idea of a bike path on 3rd Avenue SE. Knudsen stated he has a deck on the front of his house and will most likely be installing private sewer and water lines. How much hand digging will the contractor do? City Engineer Berube stated that is up to the contractor.

Mary Schmidt, 411 2nd Avenue SE

Ms. Schmidt questioned if the City Engineer will work with property owners with such things as drainage issues. City Engineer Berube stated yes. Prior to the completion of the Plans and Specifications, they will review the project area to ensure that everything is covered.

Dan Johnson, 370 4th Avenue SE

Mr. Johnson questioned why the curbs are going to be replaced since they are expensive to replace and are in good condition. City Engineer Berube stated the project includes storm drainage and if the grade of the street needs to be adjusted, the existing curbs will not match the new layout. Mr. Johnson stated he has a corner lot, and questioned which side would be front side and which his side lot. City Engineer Berube stated he believes that the side facing 4th would be his side lot. This is something that he will review and document for further projects. Johnson stated that he has a maple tree that he does not want it to be removed. City Engineer Berube stated we will work with the contractor to do everything possible to work around this tree.

Council Member Lehmkuhl questioned if the specs include sod or seed. City Engineer Berube stated seed.

Lina Belar, 349 2nd Avenue SE

Ms. Belar questioned what the life expectancy for PVC pipe. City Engineer Berube stated the published life is fifty years. PVC pipe laid in the 70's is not being replaced yet. Ms. Belar questioned boulevard trees, if they all will need to be removed. City Engineer Berube stated if a tree is heaving sidewalks or curbs, it will be removed. They try to save as many trees as possible. Prior to the start of the project, they will be flagging all trees that will be removed. At that time, if the property owner wants to save a tree, the situation will be reviewed to see if the tree can be saved.

With no further questions, Mayor Meehl closed the Public Hearing at 6:04

APPROVAL FOR PAYMENT OF CITY CLAIMS

Mayor Meehl stated Council may wish to approve payment of Prepaid and Unpaid City Claims. Finance Officer Stokke requested the following additional claims be paid: \$105 for Intoximeters and \$490,328.85 for U.S. Energy bringing the total for Unpaid Invoices to \$1,148,613.19

On a motion by Council Member Lehmkuhl, 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 \$1,252,251.04 for October 2014.

CANVASS VOTES FOR CITY ELECTION

Mayor Meehl stated Council may wish to consider canvassing the votes for the City Election and declare results. City Manager Klemm reviewed the election results.

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2014 – 36 entitled “Resolution Certifying Results Of The 2014 General Election, Perham, Minnesota”.

***APPOINTING A HOUSING AND REDEVELOPMENT AUTHORITY BOARD MEMBER**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the Council appointed Andy Peeters to the Housing and Redevelopment Authority Board replacing Courtney Vroman who resigned.

***APPROVAL OF VARIOUS ASSESSMENTS**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the Council approved various assessments be forwarded to Otter Tail County and approved Resolution No. 2014 - 37 entitled "Resolution In The Matter Of Assessing Various Charges For City Services, Perham, Minnesota".

3*.2 BEER LICENSE

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the Council approved a 3.2 Beer License for Shopko subject to receipt of applicable fees and required information by the City Office.

***PIONEER GROUNDS LEASE**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the Council approved extending the Pioneer Grounds Lease with the History and Cultural Association of East Otter Tail County beginning April 1, 2015 through March 31, 2020.

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

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the Council accepted the Perham Lakeside Golf Club's Financial Statement for September 2014.

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

Council may wish to accept the Perham Area Community Center's Financial Reports for September 2014.

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

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

VICTORY ESTATES

Mayor Meehl stated Council may wish to consider approving the Development Agreement for Victory Estates, it was noted; the Development Agreement includes approval of the final plat,

Planned Unit Development (PUD), Covenants and sets forth details for the installation of public improvements.

Council Member Lehmkuhl reviewed the findings of the Planning Commission Meeting held earlier in the day. The following items were noted

- The Developer is liable for any and all costs incurred in conjunction with the design if the Developer terminates the agreement before letting contracts
- The Developer waives the right to contest the amount that the property or Development as a whole or any individual lot or tract is assessed
- Receipt of a satisfactory letter of credit from the Developer
- The City is a party to the covenants and the covenants are part of the Development Agreement, any amendments to the covenants would require City approval
- The Development Agreement includes a variance from the City's Zoning Ordinance regarding structure width, roof pitch and accessory structure location.

Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the Development Agreement subject to the City Attorney reviewing all documents associated with said project and approved Resolution No. 2014 – 39 entitled “Resolution In The Matter Of Approving A Developer’s Agreement For Victory Estates, Perham, Minnesota”.

CITY ENGINEER MONTHLY UPDATE

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

Perham Airport – Hangar Apron Improvements

City Engineer Berube stated the turf work is nearly complete surrounding the airport. Following the completion of the turf, paperwork will be completed for closure of the project.

Third Avenue Southeast (CSAH No. 8), Fox Street & Fourth Street SE

City Engineer Berube stated design has commenced for the utility portions of the reconstruction of Third Avenue SE, Fox Street and Fourth Street SE. Updated borings will be completed next week which will provide information for a final pavement design of Third Avenue Southeast. A meeting has been held with neighboring properties along Third Avenue Southeast outlining the project scope, preliminary schedules and project costs. It is anticipated that additional meetings will be held prior to construction next spring.

Safe Routes To School

City Engineer Berube stated final approval for the Historical portions of the review of the proposed improvements was completed by MnDOT. Preliminary engineering will now continue with the preparation of the project memorandum.

City Shop – East Park Site

City Engineer stated utility extensions are complete and the repaving of Fifth Street and Fifth Avenue has also been completed. Turf was installed through dormant seeding late last week.

ACCEPTING PRELIMINARY ENGINEERING REPORT, ORDERING IMPROVEMENTS AND PREPARE PLANS AND SPECIFICATIONS FOR THE 2015 STREET IMPROVEMENT PROJECT

Mayor Meehl stated Council may wish to consider approving a resolution accepting the Preliminary Engineering Report, ordering improvements and prepare Plans and Specifications for the 2015 Street Improvement Project.

Council Member Lehmkuhl stated the Public Works and Safety Committee discussed pulling the 8th Avenue NW Project due to the high cost and the few people that it benefits. Council Member Spencer agreed, maybe should be included when other property in that area is developed. Mayor Meehl stated we have had a couple of requests for this area. City Engineer Berube stated three parcels will need to be deferred, two parcels would be paying \$25,000 to \$26,000 and the City would pay approximately \$110,000 for this area. Dust control was discussed noting the chloride is hard to get. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Resolution No. 2014 - 38 entitled “Resolution In The Matter Of Receiving Preliminary Engineering Report, Ordering Improvements And Ordering Plans And Specifications For Improvement On: Third Avenue SE From Main Street To Coney Street, Fox Street From Third Avenue SE To Second Avenue SE, Fourth Street SE From First Avenue To Fifth Avenue SE, Second Avenue SE From Second Street SE To Fifth Street SE, Third Street SE From Second Avenue SE To Third Avenue SE, Third Street SW From Eighth Avenue SW To Third Avenue SW, Eighth Avenue NW From Pinewood Lane To Ninth Street NW, And Calling For A Public Hearing For Said Project, Perham, Minnesota” with the removal of 8th Avenue NW.

ADOPTION OF THE CAPITAL IMPROVEMENT PLAN

Mayor Meehl stated Council may wish to consider adopting the Capital Improvement Plan. City Manager Klemm stated the 8th Avenue project will be moved to the future category and will probably be included with the development of Westwind Fourth Addition.

Council Member Lehmkuhl stated that the City has a number of underground utilities running under Bongards, noting he would like the 3rd Street NE project is moved up prior to 2021. City Engineer Berube stated approximately 80 to 90% of sanitary sewer north of the railroad tracks runs under Bongards. The 3rd Street NE Project would address these issues. Mayor Meehl stated that the Plan is only a plan and is not set in stone. The proposed plan spreads out the debt. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Member Spencer the Council approved the 2015 – 2020 5 Year Capital Improvement Plan.

CHICKEN ORDINANCE

Mayor Meehl stated Council may wish to consider adopting an Ordinance allowing residents to maintain chickens within the City limits. Council Member Lehmkuhl stated he is not in favor of allowing chickens in the City. We have enough nuisances in the City. Council Member Johnson stated he would like to require all adjacent neighbors to sign that they are in agreement with keeping of the chickens. Council Member Spencer stated he doesn't feel it is any different that a dog and dog run. Discussion ensued.

On a motion by council Member Lehmkuhl, seconded by Council Member Johnson, the Council voted to deny the request to house chickens in the City; Council Member Lehmkuhl, Johnson and Mattfeld voted aye, Mayor Meehl and Council Member Spencer voted nay.

***PURCHASE OF VAN FOR THE NATURAL GAS DEPARTMENT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer, and carried without a dissenting vote, the Council authorized the purchase of a van for the Natural Gas Department using the State Bidding Process.

INFORMATION AND ANNOUNCEMENTS

A Budget Meeting is scheduled for Tuesday, November 25 at 5

Veterans' Day is Tuesday, November 11, City Offices are closed

The City Office will be closed November 27th and 28th for Thanksgiving

The Parade of Lights is scheduled for Friday, November 28 at 5:30

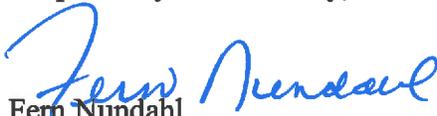
The next Regular Council Meeting is scheduled for Monday, December 8 at 5:15 pm

The Christmas Pot Luck Party is scheduled for Wednesday, December 17 at 11:30

ADJOURNMENT

On a motion by Council Member Johnson, seconded by Council Member Spencer, and carried without dissenting vote, the meeting adjourned at 6:30 p.m.

Respectfully submitted by,



Fern Nundahl
Administrative Assistant