

**PERHAM CITY COUNCIL  
REGULAR MEETING MINUTES  
November 14, 2011**

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 and City Attorney Happel were present.

Staff present: City Manager Klemm, EDA Director Johnson, Public Works Director Meece, Finance Officer Stokke, Police Chief Hoaby and Administrative Assistant Nundahl.

Others present: City Engineer Berube and Building Official Neisen

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

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

**CITIZENS CONCERNS**

Mayor Meehl requested those present to rise if they wanted to address 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. City Manager Klemm requested Item 8 D, Snow Removal Policy and Parking Ordinance be discussed under Administration and Finance because the Police Chief needed to leave early.

On a motion by Council Member Johnson, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved the Agenda with the amendment as 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 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 held on October 10 and Special Meeting minutes from October 26, 2011.

**APPROVAL FOR PAYMENT OF CITY CLAIMS**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved payment of City Claims in the amount of \$1,492,394.33 for October 2011.

**SNOW REMOVAL POLICY/PARKING ORDINANCE**

Mayor Meehl stated Council may wish to consider amending the Snow Removal Policy and Parking Ordinance. Police Chief Hoaby stated staff is proposing to eliminate on-street parking during snow emergencies until the street has been cleared of snow from curb to curb. By amending this ordinance, it will greatly reduce the amount of time the Public Works Department spends on plowing.

Police Chief Hoaby stated he will be notifying renters regarding the policy changes and will work with them prior to ticketing and towing vehicles.

Police Chief Hoaby stated all references to routes and the odd/even parking will be deleted from the policy. The roads leading to the Hospital, Emergency Services Building and Schools will continue to be cleared first along with the Downtown Parking District. City Manager Klemm stated the Snow Removal and Ice Control Operations Policy have been amended to follow the ordinance. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Ordinance No. 328 entitled "An Ordinance Amending Ordinance No. 199 Providing For The Management Of On-Street Parking During Snow Removal" and the Snow Removal and Ice Control Operations Policy.

**\*LELS UNION AGREEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the 2012, 2013 Labor Agreement Between The City Of Perham And Law Enforcement Labor Services, Inc.

**\*POLICY FOR FAMILY MEDICAL LEAVE ACT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Family And Medical Leave Act Policy.

**\*FUND BALANCE POLICY**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the Governmental Accounting Standards Board Statement 54 which is a new standard for governmental fund balance

reporting and governmental fund type definitions and Resolution No. 2011 – 54 entitled “Resolution In The Matter Of Approving Adoption Of GASB 54 Standards And Applications” and the Fund Balance Policy.

**\*APPROVAL OF VARIOUS ASSESSMENTS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved the following resolutions: Resolution No. 2011 – 55 entitled “Resolution In The Matter Of Assessing Account Balances For Unpaid Rental Inspections Fees, City Of Perham”, Resolution No. 2011 – 56 entitled “Resolution In The Matter Of Assessing Waterline And Driveway Improvement, City Of Perham” and Resolution No. 2011 – 57 entitled “Resolution In The Matter Of Assessing Mowing Service Fees, City Of Perham”.

**\*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 the PLGC’s Income Statement for September 2011.

**\*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 the PACC’s Financial Reports for September 2011.

**\*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 October 2011: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report.

**AMENDING ZONING ORDINANCE**

Mayor Meehl stated Council may wish to consider amending the Zoning Ordinance regarding the total ground area that may be covered by structures. Council Member Lehmkuhl stated the Planning Commission Members felt that the current regulations are too restrictive and could possibly inhibit construction of multi-family units.

Council Member Lehmkuhl stated the Planning Commission held a public hearing to consider comments amending the current ordinance. The proposed Ordinance would read the sum of total ground area that may be covered by all structures located on a lot in the R-M District shall not exceed forty percent and the sum total of impervious surface shall not exceed sixty percent. The Planning Commission recommended approval of the ordinance. It was noted, no one appeared for or against the amendment and no written comments were received. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Ordinance No. 329 entitled “An Ordinance Amending Ordinance 286 Regulating Land Use (Zoning).

**CONDITIONAL USE PERMIT/TRITES PROPERTIES**

Mayor Meehl stated Council may wish to consider approving a Conditional Use Permit to allow a two unit apartment in a Service Commercial District. Council Member Lehmkuhl stated the Planning Commission held a public hearing to consider a Conditional Use Permit. The property is located at 321 3<sup>rd</sup> Avenue SE and is currently a single family unit which they would like to turn into a two unit apartment.

Council Member Lehmkuhl stated the Planning Commission recommended approval of the Conditional Use Permit. It was noted, no one appeared for or against the request and no written comments were received. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2011 – 58 entitled “Resolution In The Matter Of Granting A Conditional Use Permit For Trites Properties, LLC – 321 3<sup>rd</sup> Avenue SE, City Of Perham, Minnesota”.

**\*SMALL CITIES GRANT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized staff to submit a Small Cities Grant Application for residential, commercial and rental properties and approved Resolution No. 2011 – 59 entitled “Local Government Resolution, City Of Perham, Minnesota”.

**\*ACCEPTANCE OF THE BUILDING PERMIT REPORT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the Building Permit Report for October 2011.

**PUBLIC HEARING – 5:30**

**ASSESSMENT HEARING/FIFTH AVENUE SE**

Mayor Meehl stated Council may wish to hear comments regarding proposed assessments for the Fifth Avenue SE Improvement Project and adopt a Resolution approving the Assessment Roll. The public hearing was open for comments.

City Engineer Berube reviewed the project and explained the assessment procedures and process. Project costs are as follows:

Item	Costs
Street	\$161,580
Storm Sewer	\$ 88,130
Sanitary Sewer	\$156,150
Sanitary Sewer Service	\$ 13,315
Watermain	\$ 76,350
Watermain Service	\$ 8,475
Sub-Total	\$504,000
Storm Sewer Through Fairgrounds	\$139,550
Total	\$643,550

City Engineer Berube reviewed the Assessment Policy. The following is the cost distribution:

Item	Assessable	City Share	Total
Street	\$69,010	\$ 92,570	\$161,580
Storm Sewer		\$227,680	\$227,680
Sanitary Sewer		\$156,150	\$156,150
Sanitary Sewer Service	\$11,315	\$ 2,000	\$ 13,315
Watermain		\$ 76,350	\$ 76,350
Watermain Service	\$8,475		\$ 8,475
Totals	\$88,800	\$554,750	\$643,550

City Engineer Berube stated a typical fifty-foot lot would be assessed \$6,506.59 and a typical one-hundred-foot lot would be assessed \$10,714.59. The hearing was opened for public comments.

Deanna Stromme, 456 3<sup>rd</sup> Street SE stated she was shocked to see the final assessments. Stromme stated she understands the assessment process and knows she has a large corner lot, but she is a single person with limited income and does not meet the requirements for deferred assessments. Ms. Stromme submitted a written objection.

Cindy Davidson, 445 3<sup>rd</sup> Street SE, stated she also has a corner lot and was concerned about future assessments on Third Street SE; especially if that project were to happen prior to this assessment being paid. Davidson stated that she would be paying back twice as much as the original assessment if she paid the assessment in fifteen years. Ms. Davidson submitted a written objection.

City Engineer Berube stated Third Street SE is not slated to have improvements in the next five years.

Nancy Western, 448 2<sup>nd</sup> Street SE, stated because this road goes to the fairgrounds, it is heavily used by trucks and other traffic, not necessarily property owners in the area. The additional traffic causes wear and tear on the road. City Engineer Berube stated the road is designed to handle this kind of traffic. Berube also noted that the City will not be hauling snow on this stretch of road this winter.

The public hearing was closed at 6:00. No written or verbal comments were received prior to the hearing. A short 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. 2011 – 60 entitled “Resolution In The Matter Of Adopting The Assessment Roll For The 2011 Fifth Avenue South East Project, Perham, Minnesota”.

**PUBLIC HEARING – 6:02**

**ASSESSMENT HEARING/THIRD STREET NW/LAKE AVENUE**

Mayor Meehl stated Council may wish to hear comments regarding proposed assessments for the Third Street NW/Lake Avenue Improvement Project and adopt a

Resolution approving the Assessment Roll. The public hearing was open for comments.

City Engineer Berube reviewed the project and explained the assessment procedures and process. Project costs are as follows for Area 1, Third Street NW to Fourth Avenue:

Item	Costs
Street	\$352,900
Storm Sewer	\$ 34,750
Sanitary Sewer	\$ 63,600
Watermain	\$163,350
Total	\$614,600

Project costs are as follows for Area 2, Third Street NW & Lake Avenue:

Item	Costs
Street	\$188,450
Sanitary Sewer	\$ 14,500
Watermain	\$ 45,000
Total	\$247,950

City Engineer Berube reviewed the Assessment Policy. The two areas will be treated differently based on the policy. Area 1 will be treated as new construction and will include an industrial base. Area 2 will be treated as reconstruction. The following is the cost distribution for Area 1:

Item	Assessable	City Share	Total
Street	\$314,400	\$ 38,500	\$352,900
Storm Sewer	\$ 34,750		\$ 34,750
Sanitary Sewer	\$ 47,100	\$ 16,500	\$ 63,600
Watermain	\$143,750	\$ 19,600	\$163,350
Totals	\$540,000	\$ 74,600	\$614,600

The following is the cost distribution for Area 2:

Item	Assessable	City Share	Total
Street Replacement	\$ 79,250	\$ 59,250	\$138,500
Pavement Oversizing	\$ 49,950		\$ 49,950
Sanitary Sewer	\$	\$ 14,500	\$ 14,500
Watermain	\$	\$ 45,000	\$ 45,000
Totals	\$129,200	\$118,750	\$247,950

City Engineer Berube stated a typical non-industrial fifty-foot lot located in Area 2 would be assessed \$2,493 and a typical non-industrial one-hundred-foot lot would be assessed \$4,986. A typical industrial fifty-foot lot located in Area 2 would be assessed \$5,034 and a typical industrial one-hundred-foot lot would be assessed \$10,068. The hearing was opened for public comments.

Wayne Caughey representing Barrel Of Fun and Tuffy's Pet Foods questioned why the City charges one percent more than the bond rate. City Manager Klemm stated the one percent helps cover the issuance costs and because the City needs to borrow funds prior

to completion of the project. Most property owners do not pay in advance, so the City needs to front the costs and a few property owners prepay, therefore the City loses that interest revenue but the City still needs to pay the bond interest. Klemm noted that some cities charge 1 ½ percent higher than the bond rate.

Eugene Malikowski, 470 5<sup>th</sup> Avenue NW, questioned when the assessment policy was adopted. City Manager Klemm stated it was amended in 2002. Klemm stated the City has always tried to assist in paying a share of the costs to keep the assessments down. For reconstruction projects, the property owners are supposed to pay all of the costs and typically, the City picks up some. Malikowski stated there are too many trucks in this area. The industries should pay all costs because it is to their benefit, not the residential property owners. City Manager Klemm stated KLN is paying the majority of the costs, residential property owners are only paying their share which is equal to the assessments on First Avenue South and Fifth Avenue SE. Malikowski questioned why TIF Funds are not being used to pay for this project. City Manager Klemm stated that TIF Funds can only be used in certain circumstances and this project does not meet the requirements. Council Member Lehmkuhl stated Malikowski's assessment rate is only \$5 higher than his assessment seventeen years ago. Malikowski stated he has no driveways on undeveloped lots and submitted estimates for three driveways.

The public hearing was closed at 6:26. No written or verbal comments were received prior to the hearing.

City Manager Klemm recommended the Council reduce Malikowski's assessment \$500 for the installation of two driveways. It was noted, City Engineer Berube estimated the cost of a driveway to be \$250. Malikowski stated he has an estimate for three driveways that total \$2,500. Klemm stated Malikowski has three undeveloped lots; each lot is fifty feet and according to the Zoning Ordinance, buildable lots need to be seventy-five feet. A 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. 2011 – 61 entitled "Resolution In The Matter Of Adopting The Assessment Roll For The 2011 Third Street NW/Lake Avenue Project, Perham, Minnesota" and reduced Eugene Malikowski's assessment \$500 for installation of driveways on his undeveloped lots.

#### **CITY ENGINEER MONTHLY UPDATE**

City Engineer Berube gave an update on various projects.

##### *Third Street Northwest and Lake Avenue*

Engineer Berube stated construction for Third Street and Lake Avenue has been completed for the construction season. Work remains along the County Highway and minor touch up throughout the project. Final bituminous paving will also be completed in 2012. This work will be completed by the end of June 2012.

##### *Fifth Avenue Southeast*

Engineer Berube stated construction for Fifth Avenue has been completed for the 2011 construction season. Seeding may be completed this fall if the current weather holds, but final seeding and paving will be completed by the end of June 2012.

**\*JOINT POWERS AGREEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved entering into a Joint Powers Agreement with the Department of Public Safety and Resolution No. 2011 – 62 entitled “Resolution Approving State Of Minnesota Joint Powers Agreement With The City Of Perham On Behalf Of Its City Attorney And Police Department”.

**\*FIRE TRUCK ADVERTISEMENT FOR BIDS**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council authorized the sale of Fire Truck Engine 9 with a minimum bid of \$32,500.

**\*ACCEPTANCE OF THE MONTHLY POLICE REPORT**

On a motion by Council Member Mattfeld, seconded by Council Member Spencer and carried without a dissenting vote, the Council accepted the Monthly Police Report for October 2011.

**INFORMATION AND ANNOUNCEMENTS**

The City Offices will be closed Thursday, November 24 and Friday, November 25 for Thanksgiving

Parade of Lights is at 5:30 on Friday, November 25

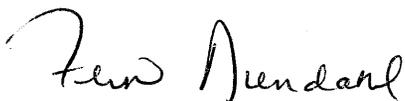
A Committee of the Whole is scheduled for November 30 at 5:15 and will be held in the Perham Public Library

The Regular Council Meeting is scheduled for December 12 at 5:15 pm

**ADJOURNMENT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the meeting was adjourned at 6:32 p.m.

Respectfully submitted by,



Fern Nundahl  
Administrative Assistant