

**PERHAM CITY COUNCIL
REGULAR MEETING MINUTES
October 9, 2023**

The regular meeting of the Perham City Council held both in person in the Council Chambers at Perham City Hall, 125 Second Avenue NE, Perham, MN 56573 and electronically via Zoom was called to order by Mayor Meehl at 5:15 p.m. with all members of the Council having been duly notified of the meeting and the business to be transacted. Council Members present were Meehl, Lehmkuhl, Spencer, Schmidt, and Meyer.

Staff present: City Manager Smith, Finance Officer Stokke, Public Works Director Schossow, EDA Director Murdock, Police Chief Gritz and Administrative Assistant Hoeft

Others present: City Engineer Berube, Todd Hagen, Elizabeth Vierkant, and Dan Goeden

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. Citizens please state your name and address for the record. 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 Schmidt, seconded by Council Member Spencer and carried without a dissenting vote, 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, Council approved the consent agenda as presented.

***APPROVAL OF MINUTES**

Council approved the minutes of the Regular Meeting of the Council held on September 11 and Special Meeting minutes from September 27, 2023.

PUBLIC HEARING

Mayor Meehl stated Council may wish to hear comments regarding a proposed property tax abatement. There were no public comments.

APPROVE TAX ABATEMENT

Mayor Meehl stated Council may wish to approve a property tax abatement. City Manager Smith explained that the tax abatement is part of the County's Big Build program.

On a motion by Council Member Meyer, seconded by Council Member Schmidt and carried without a dissenting vote, Council approved Resolution 2023-40 entitled "Resolution Approving Property Tax Abatements."

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 the following additional claims: Amazon for \$103.95; Auto Value for \$586.68, \$33.04, \$300.32, \$20.52, \$25.97, \$35.19, \$44.29, \$74.26, \$71.94, \$14.99, and \$42.97; Bergseth Bros. for \$6,785.05; Breakthru Beverages for \$(81.85); City of Perham Petty Cash for \$300.00; Eastman Fence LLC for \$9,600.00; Forum Communications for \$33.69; Granite City Jobbing for \$2,325.94; Hometown Repair for \$53.74 and \$68.93; Cassie Izarraraz for \$97.52; Kinect Energy for \$260,377.29; Lakes Country Landscaping for \$350.61 and \$618.08; Leighton Broadcasting for \$125.00; Marco Technologies for \$142.58 and \$138.36; MN Dept of Labor for \$10.00; Otter Tail Power for \$59,157.43 and \$581.52; Productive Alternatives for \$189.67; Quadiant Leasing for \$342.48; Quill Corporation for \$64.97; Southern Glazers for \$(107.00), \$3,046.61, and \$1,043.12; and Titan Machinery for \$1,295.75 and \$6,271.11 bringing the total Unpaid City Claims to \$1,187,779.69.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, Council approved payment of Prepaid and Unpaid City Claims in the amount of \$1,481,551.32 for September 2023.

BOND PRE-SALE REVIEW

Mayor Meehl stated Council may wish to review the Pre-Sale Report for the \$1,870,000 General Obligation Improvement Bonds, Series 2023A to finance the Prairie's Edge Third Addition Utility and Street Improvements.

Todd Hagen representing Ehlers was in attendance to review the Bond Pre-Sale Report. The \$1,870,000 General Obligation Improvement Bonds, Series 2023A will be used to finance the construction of the Prairie's Edge, Phase 3 improvements.

- The bonds are being issued for a term of 20 years.
- Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the bonds as “bank qualified” obligations.
- The City has a current bond rating of AA-.
- Other service providers involved are:
 - Bond Counsel – Dorsey & Whitney
 - Paying Agent – Bond Trust Services
 - Rating Agency – S&P Global Ratings
- It's expected that the size and term of the issue, with bank qualification, will attract several quality bids.

The City Council will consider awarding the sale of the bonds at the November 13 meeting with an estimated closing date of November 30.

Mayor Meehl stated Council may wish to authorize Ehlers to assist the City with the sale of the General Obligation Bonds, Series 2023A.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2023-41 entitled “Resolution Providing For The Sale Of General Obligation Bonds, Series 2023A.”

***APPROVE WEST CENTRAL INITIATIVE FUNDING REQUEST**

Council approved a funding request from West Central Initiative for \$3,000.00 for the calendar year 2024.

***ACCEPT DONATION**

Council approved Resolution 2023-44 entitled “Resolution In The Matter Of Accepting A Donation For Affordable Childcare, Perham, MN,” to accept a donation from Arvig in the amount of \$5,000.00 for affordable childcare.

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

Council accepted the PACC's Financial Reports for August 2023.

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

Council accepted the following City Financial Reports: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and the Utility Aging Report for September 2023.

APPROVE TRUSTEE PAY INCREASE

Mayor Meehl stated Council may wish to consider a trustee pay increase for the Perham Fire Relief Association. The trustees currently don't receive any pay.

On a motion by Council Member Meyer, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved the trustee pay increase as recommended by the Perham Fire Relief Association.

APPROVE PURCHASE AGREEMENT

Mayor Meehl stated Council may wish to approve a purchase agreement with Teho, LLC for the sale of a lot in the Industrial Park Third Addition.

On a motion by Council Member Schmidt, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution 2023-42 entitled "Resolution By The City Of Perham, A Municipal Corporation, Approving The Sale Of Real Estate Legally Described Herein To Teho, LLC," for the sale of Lot 14, Block 5, Industrial Park Third Addition, Otter Tail County.

CITY ENGINEER MONTHLY UPDATE

City Engineer Berube gave an update on various projects.

2022/2023 Project

All project areas were opened to traffic on September 28 with the repairs on County 8 and the alley parking lots being the last areas paved. Additional grading is still being completed behind the curb in the Southwest and Pinewood areas with some of the open areas receiving a hydromulch for stabilization last week. Additional mulching will be required this fall following the remaining grading to hold existing soils in place over the winter.

Seeding in Southwest will follow a similar schedule as this last spring, where the soils were mulched in the fall to reduce erosion and allow for boulevard settlement. In the spring, additional topsoil will be placed, and the entire site will be re-worked and cleaned before fertilizer, seeding and re-mulching.

A correction and completion list has been sent to Central Specialties and is in the process of being updated based on recent conversations with City staff and property owners. This fall, staff will continue to review the project deadlines, liquidated damages and impacts to the City and County and discuss the figures with Central Specialties.

Local Road Improvement Program Grant Application

Preparation of an application for the Local Road Improvement Program is underway. In the past, the City has received funds from the program for the improvements to Coney Street East (2016) and Seventh Avenue Northeast (2020). This year, the City is applying for a continuation of the Seventh Avenue project with improvements proposed along Second Street and Sixth Avenue Northeast near the Prairie Lakes Solid Waste Management facility and Steve's Sanitation. Applications are due by December, with grant announcements expected in March of 2024.

Main Street Project

Design continues on the Main Street project with utility design being the primary focus. With illustration rendering staff out in the field, updates for the downtown business owners have been pushed back in the schedule. Staff is anticipated to return from the field this month and a priority will be placed on the option layouts to schedule meetings with the Chamber and business and property owners to show the various options for the replacement of the existing surface features.

Prairie's Edge Phase 3

RL Larson started working in Prairie's Edge last Monday, with grading of the roadways and basin adjustments early in the week. Last Thursday, they installed the concrete structure for the new pumping station on the northeast corner of the project and followed up with the deeper sanitary sewer installation.

RL Larson will be continuing with sanitary sewer, watermain and storm sewer installation throughout the course of the next few weeks before weather conditions restrict the underground improvements.

Wastewater Treatment Facility

Internal discussion continues with the various alternative options and potential impacts to rates with staff. Meetings with industries will be the next step to discuss the options being considered before the possibility of a future project moves forward.

Following the meetings with the industries, an informational presentation outlining the various discussions, project alternatives and needs will be outlined to the Council to review the history regarding the City's wastewater system.

APPROVE LRIP APPLICATION

Mayor Meehl stated Council may wish to approve a resolution in support of applying for Local Road Improvement Program funding.

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, the Council approved Resolution 2023-43 entitled “Resolution In The Matter Of Applying For Funding For Local Road Improvement Program Funding Perham, Minnesota.”

***PARADE OF LIGHTS**

Council approved the closing of streets for the Parade of Lights on Friday, November 24 from 5:30 – 6:30pm.

INFORMATION AND ANNOUNCEMENTS

Hydrant Flushing will take place Sunday, October 15 – Friday, October 27

A Budget Meeting is scheduled for Friday, October 20 @ 7:00 am for Public Works General, General Capital Fund, Administrative General Fund and Fire

The Committee of the Whole is scheduled for Wednesday, October 25 @ 5:15; A Budget meeting will follow for Police, EDA and Library

The City Offices will be closed on Friday, November 10 in observance of Veteran’s Day

The next regular Council Meeting is scheduled for Monday, November 13 @ 5:15

A Budget Meeting is scheduled for Friday, November 17 @ 7:00 am for Enterprise Funds

ADJOURNMENT

On a motion by Council Member Lehmkuhl, seconded by Council Member Schmidt and carried without a dissenting vote, Mayor Meehl adjourned the meeting at 5:41 pm.

Respectfully submitted by,



Heather Hoeft
Administrative Assistant

ATTEST:


Mayor