

## City of Battle Lake City Council Minutes

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The Battle Lake City Council met in regular session Tuesday, May 12, 2015 at 7 pm at City Hall. Present were Mayor Chuck Reeve and Council members Don Maslow, Marjorie Quammen, Janet Ruhland and Ryan Christensen. Also present was city attorney JJ Cline.

The agenda was approved as amended. M-Ruhland, S-Quammen, M/C.

The 04/14/15 minutes were approved as amended. M-Ruhland, S-Quammen, M/C.

Treasurer's report was reviewed and approved. M-Maslow, S-Christensen, M/C.

The Extra Hour Report was reviewed and corrections noted.

Liquor Store report was reviewed; manager Adam Freyholtz reported April sales were up from last year, all new employees have started work, most employees have completed server training and noted the MN Municipal Beverage Association Conference is next week. He also reported rock work on the store front will be completed soon and presented quotes for sealing and re-stripping the parking lot. Following discussion the Council approved a quote from Alpha Seal for \$2387 for parking lot maintenance. M-Quammen, S-Ruhland, M/C.

Police Chief Kent Kortlever reported on April activities, mileage and training; he also presented resignations from Joshua Pesta and Michael Wing which were accepted. The Council also agreed to approve full-time employment for Officer Tim Sweazey. M-Ruhland, S-Maslow, M/C. A 2002 Ford Taurus acquired through a DWI forfeiture was declared surplus property and sale of the vehicle was authorized through Mid State Auto Auction. M-Christensen, S-Ruhland, M/C.

Mayor Reeve reported on a Safe Communities Coalition luncheon earlier in the day at which Chief Kortlever was honored with an Outstanding Law Enforcement Officer award for his work with the Toward Zero Deaths (TZD) program, school programs educating young drivers and participation in the alternative transportation committee. Chief Kortlever was congratulated on his work and the award.

Rescue Squad Vice-Captain Nic Drusch reported 5 runs in April with a year-to date total of 29 runs. He also gave an update on training activity and noted the calendar fund raiser is nearly complete.

Fire Chief Alex Morical was not present; he submitted a report indicating no runs in the last month and also noted some training activities. Minutes of Fire Department meetings were not available.

Public Works Director Steve Seufert reported being busy with spring work, public dock is in and natural gas construction has resumed. Water/Sewer and Street Committee meetings were scheduled for 5/28 at noon and 1pm.

The Project List was reviewed and engineer Jeremy Anderson gave an update on the natural gas construction project; following meetings with Arvig representatives and city staff, review of construction completion cost estimates and analysis of several service areas outside city limits, some changes to the scope of the project were recommended as a contingency. Due to a projected shortage of construction funds, it was decided to delay installation at Clarissa Haven and instead complete installation work at the Hideaway Lane and Rockmar areas, resulting in little to no impact on customer base however a savings of approximately \$47,000 in construction costs. It was noted that borrowing additional funds to complete all construction at this time would result in higher rates for customers. Following discussion the Council approved the recommendation. M-Quammen, S-Ruhland, M/C. Customers in the affected areas will be notified.

There was a brief discussion on some calls received from an employee of the Fergus Daily Journal regarding an issue with a natural gas customer who had apparently asked to be disconnected despite having signed a contract and allowing service line installation to be completed. It was noted that utility customers are still responsible for base rate charges whether usage is involved or not because the City needs to recoup the cost of infrastructure installation.

**Committee Reports: BL Motor Patrol**-April minutes/financials were reviewed; Christensen reported on the 5/6 meeting at which purchase of new trucks was discussed; Townships and the City will be billed after the trucks are purchased; also discussed projected costs for a new building; next meeting is 6/8 – the annual meeting will also be held on that date with board members from all member entities invited. **BL Area Fire & Rescue**-March and April minutes/financial reports were reviewed; next meeting is 5/21. **LACC**- April minutes were not available.

**Emergency Management**-Chief Kortlever reported on the 4/27 meeting at which the updated Emergency Management Plan was reviewed and updates to the Natural Gas Emergency Plan were discussed. He also noted Fire Department personnel and some City staff members still need to complete NIMS/ICS training. **BL Arts Advisory Committee**-Reba Gilliland introduced Committee members in attendance, reported the recent award of a \$14,990 Lake Region Arts Council grant and presented a summary of the 2015 LRAC grant project activities for a pedestrian walkway known as ART Stream to include a ribbon cutting ceremony scheduled for 8/29. Gilliland will work with

Clerk-Treasurer Val Martin to develop a process for activities under the control and direction of the Committee and that process will need to be reviewed and approved by the Council. It was also noted that a light pole will need to be moved in order to start work on the project and Otter Tail Power has agreed to pay half of the \$2400 cost. The Council authorized payment of the \$1200 remaining cost for moving the light pole. M-Quammen, S-Ruhland, M/C. There was a question on whether bike traffic would be allowed within the project area and it was noted that while it may not be prohibited, it would not be encouraged. **South Central Otter Tail Economic Region** Director Mike Henkenius reported working with various agencies and the school on developing daycare services.

Claims were approved for payment in the amount of \$ 218,404.16. M-Christensen, S-Ruhland, M/C.

The Council was informed that a variance request from Lakes Area Community Center had been withdrawn; minutes of the 5/5 Planning Commission were reviewed.

A draft Developers Agreement between the City and Crystall LLC-John Krenz setting out the expectations of both the City and the developer, regarding a proposed housing project, along with some amendments were presented by Economic Development Consultant Traci Ryan. The following items were discussed in detail: tax incentives either through Tax Abatement or Tax Increment Financing, a developer's fee to cover administrative, legal and consulting costs incurred by the City, installation of utilities, a request for street vacation, reporting requirements and a time line for building construction. Ryan and City Attorney JJ Cline have been working with Krenz to fine-tune the agreement which was approved as amended. M-Ruhland, S-Maslow, M/C with Christensen opposed.

Krenz also submitted a request for vacating a portion of Minnesota Avenue. Following discussion the Council passed Resolution #05-12-2015 setting a public hearing on a vacation commenced by a petition of a majority of abutting landowners. The hearing is scheduled for 6/9 at 8pm. M-Ruhland, S-Maslow, M/C on a unanimous roll-call vote.

The Council was also informed that Krenz has submitted a variance request which the Planning Commission will review at their 6/2 meeting.

Ryan informed the Council of the next Tri-City Housing meeting on 5/20 at 2pm at Battle Lake City Hall at which she will present information on another potential new housing development.

There was discussion on how to clarify a motion made at the previous meeting regarding the buyout of the BL Motor Patrol's interests in the current Fire Hall/Motor Patrol building and property. Although the motion stated the dollar amount as \$76,000, that amount was apparently not based on the most recent appraisal of the properties. Following a lengthy discussion it was decided to amend the motion to read as follows: (3) purchase the Motor Patrol's interest in the building and land at the current fire hall site for "up to \$76,000 based on appraisals" ..... M-Quammen, S-Ruhland, M/C. Christensen said he thought some other townships should participate in this purchase and plans to talk to some township representatives about the matter; he will also ask the Motor Patrol Association for a determination on an acceptable purchase price.

Council members were reminded of the online training opportunity in Land-Use Basics recommended for elected officials by the League of MN Cities Insurance Trust.

Additional information on the City's options for establishing a lodging tax was presented by Clerk-Treasurer Val Martin. According to the Department of Revenue the City may establish a tax of up to 3% by ordinance, collect the tax locally and must use 95% of the proceeds for marketing and promoting the City or to fund a local tourist or convention center. A draft ordinance would be reviewed by the Department of Revenue legal department.

Following discussion the Council authorized Martin to proceed with a draft lodging tax ordinance. M-Ruhland, S-Maslow, M/C.

The Council clarified the waiver for permits for ice ridge repair would have an end date of September 1, 2015. M-Ruhland, S-Christensen, M/C.

A summary of the Battle Lake Hotel Partners Tax Abatement agreement provided by Consultant Traci Ryan was reviewed. There were questions on the payment of special assessments on those properties and 1<sup>st</sup> National Bank's role in ownership/financing. City attorney JJ Cline indicated he would follow up on this matter.

A draft Escrow Agreement between the City and Wayne & Kimberly Elmer related to the fence and gate adjacent to the bike trail and airport was reviewed and discussed at length. Following an amendment to Item 3-Distributions noted by city attorney JJ Cline, the Council approved the agreement as amended and the Mayor was authorized to sign on behalf of the City. M-Maslow, S-Ruhland, M/C.

A resolution was passed updating authorized signatures to include Val Martin for banking transactions at First National Bank of Battle Lake. M-Christensen, S-Maslow, M/C on a unanimous roll-call vote.

The Council agreed to not waive the monetary limits on municipal tort liability coverage. M-Christensen, S-Ruhland, M/C.

The following transfers of funds were approved: \$23,000 from the General Fund to the Street Improvement Debt Service Fund; \$7500 from the 2015 Police Department budget to assigned investments for Police Department vehicle replacement; \$5000 from the 2015 General Government budget to assigned investments for emergency contingencies. M-Ruhland, S-Maslow, M/C.

A proposal for a one year renewal of the phased retirement option (PRO) through Public Employees Retirement was approved for Berton Olson. M-Quammen, S-Maslow, M/C.

An executed warranty deed from Otter Tail Power was reviewed and the Mayor was authorized to sign a sewage treatment system property transfer form on behalf of the City. M-Ruhland, S-Maslow, M/C. The documents are related to a land swap in South Battle Lake Addition between the City and Otter Tail Power.

A Special Event Permit was approved for the Battle Lake Lions for the annual Walleye Tournament June 20-21. M-Ruhland, S-Maslow, M/C.

A Special Event Permit was approved for the Battle Lake Lions for a food stand in conjunction with Wenonga Days July 25. M-Ruhland, S-Quammen, M/C.

A Special Even Permit was approved for Kim Peterson/Dean Nordstrom, a sub-committee of the "125 Committee", for a community Wenonga Days Picnic and activities at the Lions Shelter and public beach, with the condition that an insurance certificate be provided. M-Ruhland, S-Quammen, M/C.

A 5/28 Open House from 4-6 pm was noted for the retirement of Clerk-Treasurer Wanda Berg-Vorgert and to welcome new Clerk-Treasurer Val Martin to the community.

The next City Council meeting will be Tuesday, June 9, 2015 at 7:00pm.

The Council was provided information on Otter Tail Country Tourism's "Find Your Inner Otter" tourism campaign.

There was a discussion on various items placed on sidewalks downtown; it was noted that signage, etc. should be placed in the amenity zone while the sidewalk adjacent to businesses should be a handicapped accessible area. It was suggested that a reminder be sent to businesses.

There being no further business the meeting was adjourned at 9:15pm.

Wanda Berg-Vorgert  
Clerk-Treasurer