

Mayor Richard Bullard called the regular council meeting to order at 7:00 p.m. on Tuesday, August 8, 2023, with Council members Don Maslow, and Julia DeMars. Absent were Marjorie Quammen and Ryan Christensen – both joined the meeting at a later time. Also present at City Hall were Clerk/Treasurer, Val Martin; Public Works Superintendent, Chris Johnson; Chief of Police, Todd Quaintance; Attorney Crystal Lemmers in place of attorney JJ Cline. Additional visitors from the public were in attendance.

The Pledge of Allegiance was recited. DeMars made a motion to approve the agenda. Maslow seconded. MCU

Public Hearing – Conditional Use Permit

Beach House Resort Condominium located at 719 Lake Shore Drive is applying for a second Conditional Use Permit. This request is a small change to the Conditional Use Permit received for Unit 1 earlier this year. The additional request is to extend the depth of the patio by 2 feet and straighten the driveway to the street on the new, previously approved home they are building on the Unit 1 parcel. Total impervious space will not exceed 22% for the Beach House CIC. Beach House CIC association members have approved these changes. No other property changes will occur within the Beach House CIC and access to the 4 units will remain unchanged.

Ekre
Conditional
Use Permit

Ekre's explained that they overlooked the availability of an additional two feet they could add to their deck before reaching the setback requirement. They also found that Otter Tail Power was willing to move a light pole and Arvig was willing to move a pedestal allowing them to straighten the driveway. They also have been working with the County on the change to the driveway.

STAFF FINDINGS:

- 1. The subject property is located at 719 Lake Shore Drive and is zoned residential.**
- 2. The original CIC (also known as a Planned Unit Development) was approved in 2008.**
- 3. The first CUP was approved in March of this year after working on the project for several months to determine the appropriate plan of action. When this plan was approved, the condition of the approval was any future changes would need a new CUP including a revised plat. The revised plat was completed.**
- 4. The plan includes an extension of the patio by two feet and straightening the driveway.**
- 5. Ekre's have also contacted the County for the change to the driveway.**
- 6. The CIC submitted a revised plat showing the changes, impervious surface, and open space calculations which changed very little.**
- 7. The CIC was also required to hold a meeting and get approval from all its members. This was done with minutes attached to their application. No other members were planning on making future changes at this point.**
- 8. Property owners of this CIC own their building along with additional land outside their building. The Ekre's are planning on staying within the boundaries of their specific lot and within the allowed setbacks for the whole CIC.**

Planning Commission adopted the checklist that was approved with the CUP the Ekre's received in March. The council reviewed this checklist.

1. Will it be harmonious with the comprehensive plan of the City?

The granting of the variance will be consistent with the Comprehensive Plan. The Comprehensive Plan lists the protection of the public waters as such: *The lakes are subject to increasing pressure from growth and development. Protecting this resource is critical to the long-term health of the entire community.* Granting the variance will lessen the flow of stormwater to the lake. Also, the Comprehensive Plan lists the maintenance of existing homes as an important goal: *Citizens take care of their homes and neighborhoods, and the City wishes to continue this sense of pride throughout the town by encouraging residents to maintain their yards and homes and by providing assistance where necessary. Upholding existing building and land use standards with new housing construction and existing housing will also help to ensure high-quality homes in beautiful neighborhoods with minimal nuisances or conflicts between property owners.* **Construction of this new home will improve the area appearance and will blend well with other houses on Lake Shore Drive. The public waters will not be impaired due to this construction project as the stormwater will stay on the property or go into the street's stormwater system.**

2. Will it be harmonious with the Zoning Code?

The intent of the Shoreland Management Ordinance reads: The uncontrolled use of shorelands of the city affects the public health, safety and general welfare not only by contributing to pollution of public waters, but also by impairing the local tax base. Therefore, it is in the best interests of the public health, safety and welfare to provide for the wise subdivision, use and development of shorelands of public waters. The Legislature of Minnesota has delegated responsibility to local governments of the state to regulate the subdivision, use and development of the shorelands of public waters and thus preserve and enhance the quality of surface waters, conserve the economic and natural environmental values of shorelands, and provide for the wise use of waters and related land resources. This responsibility is hereby recognized by the city. The Council and Planning Commission recognizes the preservation of local waters and tax base in this request. Stormwater runoff will go to the west, and into the wetlands on the CIC property and the balance will go to the street which has curb and gutter, and a stormwater system, keeping the water out of the lake. The house will provide an additional tax base and an improved appearance to this area.

3. Will it be designed, constructed, operated, and maintained so as to be harmonious and appropriate in appearance with the existing or intended character of the surrounding area and will not change the essential character of that area?

Yes, it will blend in well with other homes along Lake Shore Drive and be an improvement to the area.

4. Will it not be hazardous, unhealthy or unsafe to existing or future neighboring uses?

Yes, the building will be new construction with no safety concerns.

5. Will it be served adequately by essential public facilities and services, including streets, police and fire protection, drainage structures, refuse disposal, water and sewer systems, and schools?

Yes, it will be served by existing water and sewer connections and the driveway will be in the same location. Drainage will be similar with a portion going into the street's stormwater system and the rest staying on the property, moving to the wetland.

6. Will it not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community?

Yes, No need for additional public facilities or services. It will enhance the economic welfare of the community by providing additional tax base.

7. Will it not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons, property, or the general welfare because of excessive production of or offensive traffic, noise, smoke, fumes, dust, glare, vibrations, odors or other pollutants?

Yes, no change to the use. Outside lighting will be minimal.

8. Will it have vehicular approaches to the property which are so designed as not to create traffic congestion or an interference with traffic on surrounding public thoroughfares?

No change to the approach - it will be in the same location.

9. Will it not result in the destruction, loss or damage of a natural, scenic, or historic feature of major importance?

Yes, nothing in this area.

10. Will it be compatible with surrounding buildings, circulation, open space, landscaping, and parking, and compatible with the existing natural topography, natural water courses, vegetation, exposure to sunlight and wind, and views?

Yes, it is residential in a residential area and will not change any of these concerns.

The planning commission recommended approval based on the checklist with the condition that any future changes to the CIC must be requested through a Conditional Use Permit along with an updated plat. Motion made by Maslow and seconded by DeMars to approve the Conditional Use Permit with the condition listed and directed the Clerk/Treasurer to prepare a Resolution with the details of the decision for the next council meeting. MCU

Ekre
Conditional
Use Permit

Quammen and Christensen joined the meeting.

Visitors

Amy Baldwin from the Otter Tail County Community Development Agency (CDA) to discuss the former Youth Center Building owned by Bethel Church. The CDA is purchasing this property in the very near future. A demolition permit was presented for approval along with a Memorandum of Understanding. The CDA plans to move forward with the acquisition, removal of asbestos, demolition of the old building, preparation of the TIF agreement, etc. for a future developer. They will also work with the City to attract a future developer and will assist with a grant application to MN Housing for the project. The program is for workforce housing which means that the area is within a median household income to qualify for the grant funding. DeMars made a motion to approve the Demolition permit along with the Memorandum of Understanding as presented. Quammen seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Amy
Baldwin,
OTC CDA

Bob Wolf from Indigo Signs was in attendance. Maslow made a motion to approve **Resolution 2023-08-08A Conditional Use Permit for Lake Region Healthcare**. Christensen seconded. With a roll call vote, those in favor included Christensen, Quammen, Maslow, DeMars, and Bullard with no members voting no. MCU

LRHC
CUP
Resolution

Reba Gilliland and Craig Haukebo presented an update from the Art Advisory Committee on the Art Alley.

- Lighting has been completed.
- Flowerpots were planted
- Some artwork has been added.
- Concrete benches will soon be completed. This is an Eagle Scout project.

Art
Advisory
Committee
Update

Jayd Sharp, Casey Love, and Katrina Ball from the Lakes Area Community Center were in attendance to present the projects they had completed over the last year. DeMars made a motion to approve the 2023 contract payment of \$5,000. Quammen seconded. MCU The group also asked the council to consider an increase in the contract for 2024 due to the added projects they have completed. Mayor Bullard suggested increasing the amount to \$10,000. Maslow made a motion to provide a fee of \$7,500 for the 2024 contract. Christensen seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

LACC

Ben and Josie Stich were in attendance as the council was discussing boat slip rental and shared access/rental to the lake. The Stichs currently rent a few 25-foot sections of lakeshore for others to have access to the lake. They want to expand this amount. Martin worked with our zoning consultant and Attorney Cline on both scenarios with a recommendation for Attorney Cline to have the ordinance committee review and send it to the Planning Commission and Council. There is a joint City Council/Planning Commission meeting on September 5th and Martin will put this on the agenda for the group to discuss as a whole.

Boat slip
rentals &
lake access

Han Henrich and Jeff Godwin from CI Construction were in attendance to request approval to extend the closure of Henning Street and to discuss possible changes to the City parking lot as it gets connected to the Hatchery parking lot. There has not been a final decision on the cost share for the joint project. Once a final cost can be established, the council can make a decision down the road. The street committee will meet in August and discuss the options for the parking lots. They will also discuss Henning Street and if there needs to be some repair. It was noted that Henning Street is a County street so any work would need to be approved by the County. DeMars made a motion to extend the closure of Henning Street to November 1, 2023. Christensen seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

C I Const.
Extend
Henning St.
Closure &
Shared
Parking lot

2022 Audit

Dean Birkeland from Carlson SV was in attendance to review the 2022 audit report:

- They presented an unmodified opinion – this is the best opinion they can provide.
- The financial statements are in good condition. Val and her team keep the records in good shape.
- The City is financially in good shape.

- Findings on the report are indicative of communities the size of Battle Lake and are reported in about 95% of the communities they work with:
 - Segregation of duties.
 - Preparation of the financial statements.
 - Preparation of the audit adjustments.
- They found no difficulties in working with City staff, in fact, they made it go very smoothly.
- There were no disagreements with management.

DeMars made a motion to approve the 2022 audit report. Christensen seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Jade Berube, City Engineer Report:

Berube Report

- **Well No. 5:**
 - The Minnesota Department of Health reviewed the Wellhouse Improvements on July 26th and indicated the work has been completed per their requirements. A letter will be sent soon from the department outlining the remaining items necessary for the closeout of the contract.
 - No pay requests were completed this month for the wellhouse project.
- **Olaf Avenue/Memory Lane:**
 - The turf establishment and cleanup of Railroad Park has been the remaining portion of the Olaf Avenue Project. Watering and turf cleanup have been necessary due to the spotty significant rainfalls that have occurred over the past month.
- **Bluff Repair:**
 - Ben Wolden Landscaping met with the Soil and Water Conservation District Engineer to review the site following the removal of trees and other vegetation in the bluff repair zone. Following the meeting, a minor modification to how the material will be placed has been approved by the District Engineer, which will reduce the number of steps necessary down the slope and the price of the improvements by approximately \$400.
 - Ben Wolden plans on being on site this week to work on the remaining repairs.

Maslow made a motion to approve the Consent Agenda. DeMars seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Consent Agenda

- *Treasurer's Report*
- *Claims List*
- *Minutes*
- *Extra Hours Report*
- *Work Log Compilation*
- *Special Event Permit to Extend Farmer's Market to October 28, 2023*
- *Special Event Permit – AKC Water Test – October 13, 2023 @ Lions Park*
- *Special Event Permit – 542 Foundation Tastes, Toasts and Traditions – Sept. 30, 2023*
- *Gambling Permit – LACC for Bingo at Stella's – 9/28/23, 10/26/23, 11/30/23, and 12/28/23*

Liquor Store Report

DEPARTMENT HEAD REPORTS:

Liquor Store Report – Adam Freyholtz

Month – July			
Sales	486,818	+ 22,231	+ 4.7%
Transactions	11,790	+ 308	+ 2.6%
Average Sale	\$41.29	+ 0.83	
Gross Profit	31.23%		

Year			
Sales	1,449,739	+ 107,271	+ 8.0%
Transactions	38,497	+ 1,718	+ 4.6%

DeMars made a motion to approve the resignation of Kayla Beck. Maslow seconded. MCU

Public Works Report June 2023

- Contract jetting was completed in July, as well as the GPS/camera work of the sewer lines.
- Most of the lift station work has been completed, with just the removal of old valves on the east summit lift yet to be done.
- Work continues on mowing, patching, trimming, and especially weed spraying.
- Curbs, some parking areas, and an enhanced Handicap area at lions are almost completed.
- Getting very close to getting all the parts to put together NG meter sets, should be able to install services in the next month.
- Unexpectedly PFAS (a plastic forever chemical) has been found in our well #4. We have taken the precaution of not using well #4 as we work through the very new process of dealing with this. The city is being supplied exclusively from the new well #5 which has only shown a tiny trace of PFAS and is completely safe.

Public
Works
Report

Administration Report – Val Martin

Report from Otter Tail County Community Development Agency (CDA) – June 20, 2023

- A grant was awarded to Pelican Rapids to help pay for the demolition of the old Ace Hardware building for parking.
- A grant was awarded to New York Mills for a future senior housing project to help offset the assessments on the property.
- We are still waiting on the completion of the paperwork needed for the closing on the former Youth Center property.
- Meetings were held in Battle Lake and Pelican Rapids to provide information regarding the process for starting a daycare in your home.
- The CDA is applying for a grant through MN Housing to help with infrastructure costs on a housing development in Pelican Rapids along with building three homes as they did in Battle Lake.

Admin
Report

Other Activities to note:

- Economic Development Authority.
 - General phone calls and requests for information
 - Staff continue to keep the information kiosk filled with visitor info.
 - Continue working on the removal of contaminated soil from the City farm. We're getting a little closer to getting this done.
 - Promotion of Wenonga Days activities.
 - Participated in state housing listening session.
- Planning and Zoning:
 - Several site visits and permits were completed, and several phone calls were answered.
 - Lake-controlled access research and conversation with the owners.
 - Conditional Use Permit
- TIF reporting.
- Met with staff and solid waste department – single sort recycling.
- Met with the Mayor and TriCity group.
- Completed special event permits that were approved.
- Completed DEED annual reports.
- Financial report for publication completed.
- Ordinance committee meeting – prepare and post ordinance changes.
- Safety committee meeting.
- Meeting at the County with the Mayor – discussion on opioid settlement and legalization of cannabis.
- Liquor licensing transfer for Stubs.
- 2022 year-end journal entries.
- Street committee meeting.
- Attended Region I MCFOA meeting in Glyndon.
- Several LMC webinars – cannabis, new safe and sick leave, PERA police program.

BLAFRA – Maslow reported

BLAFRA

Lakes Area Community Center (LACC) – DeMars reported a board meeting will be held next week and potential new board members will be interviewed.

Art Advisory Committee – *No meeting*

EDA – *minutes and financials*

UNFINISHED BUSINESS:

Natural Gas Rate: October 2021: \$1.07; November 2021-\$1.63; December 2021-\$1.09; January-\$1.09; February-\$1.15; March-\$1.19; April-\$1.10; May-\$1.52; June - \$1.60 July Rate - \$1.66; August Rate - \$1.51; September Rate - \$1.66; October Rate - \$1.64; November Rate \$1.45; December Rate - \$1.65; January 2023 Rate: \$1.61; February 2023 Rate: \$1.57; March 2023 Rate: \$1.61 April 2023 Rates: \$1.56: May rates \$1.02; June rates: \$.99; July rates: \$1.02; August rates: \$1.04

NG Rates

Bullard made a motion to approve the changes to Chapter 90 – Animals along with the summary publication. DeMars seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Animal Ordinance

DeMars made a motion to approve an amendment to Chapter 74 – Regulating Special Vehicles along with summary publication. Maslow seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Special Vehicles Ordinance

Cannabis Use Ordinance

Maslow made a motion to approve the addition to Chapter 110 – Public Use of Cannabis with summary publication. Christensen seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

2024 Licensing Fees

Licensing fees were discussed as follows with all in agreement on the fee/due date. This will be included in the 2024 Fee Ordinance which will be presented for formal approval at the December council meeting.

- o \$15 Yearly Fee for Pet Licenses and No fee for Pet Owners that Have a Lifetime License for 2024 and 2025 – Must Still Provide Proof of Rabies and Get the new Tag with a Yearly Due Date of April 30, 2023
- o ATV License Fee of \$10/year – Allow Current Licensees to Not Pay Until the Year their License is Up but Must Provide Insurance Info Yearly to Get the new Tag with Yearly Due Date of June 30, 2023

Donation Resolution

DeMars made a motion to approve **Resolution 2023-08-08B Accepting Donations for Fireworks.** Maslow seconded. With a roll call vote, those in favor include Bullard, Maslow, Quammen, DeMars and Christensen with no members voting no. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Storm Shelter

Martin presented an email from Patrick Waletzko, County Emergency Manager regarding possible future funding for a storm shelter/safe house. The email provided some information on future webinars and the possibility of financial assistance for pre-project costs.

State Aid

Martin provided clarification on the LGA and other state funding.

Hollo Gravel Classic

A request to waive the insurance requirement for the Hollo Gravel Classic. DeMars helped plan this event and explained the issue of trying to get affordable insurance. The City Council felt that the insurance for any event would need to stay in place for the protection of the City. The Hollow Gravel Classic location will be moved outside of the City limits.

Fund Transfer

NEW BUSINESS

Christensen made a motion to approve **Resolution 2023-08-08C Fund Transfer from the Liquor Store and General Fund for EDA, Liquor Store Construction, and Fireworks.** DeMars seconded. With a roll call vote, those in favor include DeMars, Christesen, Bullard, Maslow, and Quammen with no members voting no. MCU

Hangar Leases

2022 TIF Report

TIF 2 Decertification

Bullard made a motion to approve an increase in the airport hangar lease for 2024-2029 to \$465.85. DeMars seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Bullard made a motion to approve the 2022 TIF reports as presented. Maslow seconded. With a roll call vote, those in favor include Quammen, Christensen, Bullard, Maslow, and DeMars with no members voting no. MCU

Maslow made a motion to approve **Resolution 2023-08-08D Decertification of TIF #2**. Christensen seconded. With a roll call vote, those in favor include DeMars, Christesen, Bullard, Maslow, and Quammen with no members voting no. MCU

NOTICES/ANNOUNCEMENTS/CORRESPONDENCE:

- Council Meeting/Budget Work Session – August 22, 2023 – 7:00 p.m.
- Council Meeting – September 12, 2023 – 7:00 p.m.

Adjourn 9:02 p.m.

Valerie Martin, Clerk/Treasurer