

Detroit Lakes, Minnesota
September 8, 2015

The regular meeting of the City Council was called to order in the Council Chambers of the City Administration Building at 5:00 P.M., September 8, 2015; all members of the City Council having been notified of the meeting and the business to be transacted.

Present: Mayor Matt Brenk; City Administrator Robert Louiseau; City Clerk Glori French; Police Chief Tim Eggebraaten; City Attorney Charlie Ramstad; City Engineer Jon Pratt; Community Development Director Larry Remmen; Public Utilities General Manger Vernell Roberts; Finance Officer Pamela Slifka; Fire Chief Scott Flynn; Liquor Store Manager, Randy Buhr and Building Official Dave Neisen

Aldermen: Boeke, Imholte, Marks Erickson, Schiller, Schurman
Sukke, Wenner, Waller and Zeman

Absent: None

Mayor Brenk administered the Oath of Office to Police Officer Al Fowler who was hired full time effective September 1, 2015 with the Police Department.

There being no corrections to the minutes of the Regular City Council Meeting held August 11, 2015 and the Special City Council Meeting held on August 25, 2015 Mayor Brenk declared the minutes would stand approved according to copies sent to each member of the Council.

Mayor Brenk presented Gordon Grabow with a plaque and thanked Gordon for his 41 years as the Executive Director with the Detroit Lakes Public Housing Authority.

Mayor Brenk presented Nancy Grabow with a plaque and thanked Nancy for her 40 years as Housing Manager with the Detroit Lakes Public Housing Authority.

Mayor Brenk introduced and welcomed Kari Holmstrom as the new Executive Director with the Detroit Lakes Public Housing Authority.

Pursuant to notice having been published in the official newspaper that the Council, at this present meeting, would conduct a public hearing to receive public comment on the issuance of an On-Sale Intoxicating Liquor License and a Sunday On-Sale Liquor License and a 2:00 A.M. Liquor License to Long Bridge of Detroit Lakes Inc., DBA: The Bridge Marina Bar & Grill, the Mayor called the hearing to order at 5:08 P.M. There being no oral or written comments, Mayor Brenk closed the hearing at 5:09 P.M. and reconvened the Regular Council Meeting.

Upon the recommendations of the Liquor/Gambling Control Committee, a motion was made by Alderman Wenner, seconded by Alderman Waller and carried, without a dissenting vote, authorizing the issuance of an On-Sale Intoxicating Liquor License and a Sunday On-Sale Liquor License and a 2:00 A.M. Liquor License to Long Bridge of Detroit Lakes Inc., DBA: The Bridge Marina Bar & Grill, at 2000 Long Bridge Road, beginning September 9, 2015 through December 31, 2015, contingent upon receiving all the required documents.

Public Utilities General Manager Vernell Roberts introduced Senior Project Manager Tracy Ekola and Project Manager Susan Danzl with Short Elliot Hendrickson (S.E.H.) Ekola gave a presentation on the Waste Water Treatment Plant Project outlining the preliminary design and construction schedule. Project Manager Susan Danzl informed the Council that City staff, Council and the public will be informed and communication will be shared as mile stones are targeted. Public Utilities General Manager Vernell Roberts noted the Waste Water Treatment Plant Project will be approximately 31 million dollars, bonding for the Project is projected to start in 2017 to get construction started in 2018. Roberts clarified all financing for the Project will need to be approved by the City Council. City Administrator Bob Louiseau shared financing for this Project is likely to go through the State Public Utilities Authority, to obtain a lower interest rate.

Upon the recommendations of the Community Development Committee, a motion was made by Alderman Imholte, seconded by Alderman Wenner and carried, without a dissenting vote deferring the first reading of Ordinance 392 annexing a 4.64 acre tract of land in Section 36, Township 139, Range 41 West, and the zoning of the same as "R-A" Residential Agriculture District.

Alderman Marks Erickson requested City staff to provide an estimate of the costs that will be incurred by the City to serve the site when Council Members are asked to vote on the annexation.

Upon the recommendations of the Planning Commission that were submitted to the City Council and the recommendations of the Community Development Committee a resolution was introduced by Alderman Imholte, who moved its adoption, adopting the finding of fact and reasons for approval of the Variance application allowing a 38 foot setback from the Ordinary High Water Mark, a 19 foot front yard setback, a six foot nine inch side yard setback and a 25.8% impervious surface coverage to allow construction of a two story home and also a Variance to allow construction of a 12 x 24 foot pervious deck in the Shore Impact Zone at 1189 West Lake Drive subject to the following conditions: 1) project be constructed generally as shown on the site plan; 2) owners reduce the amount of impervious surface coverage from 56.2% to 25.8%; 3) owners implement the following stormwater mitigation measures a. rain gutters are installed on the home to direct stormwater away from the lake, b. construct an infiltration basin between the parking area and the lawn to capture and infiltrate storm water from the rock parking area between the road and the proposed home/garage, c. install rain gutters and discharge rain water into vegetated rain gardens on either side of the home and away

from the lake, d. construct a vegetated swale along the north side of the property, between the home and the neighboring property; this will control and convey stormwater from the narrow side yard to the NW raingarden, e. slope final property grade in a manner to ensure the water is diverted toward all constructed raingardens and infiltration basins, f. lakeside deck in the Shore Impact Zone use pervious materials and not exceed 12 x 24 feet; 4) driveway area be constructed with semi-permeable river rock with an infiltration trench not to exceed 24 feet wide, and be approved by the Pelican River Watershed District; 5) owners obtain a Pelican River Watershed District Permit prior to issuance of a building permit; 6) owners sign a pervious surface maintenance agreement prior to issuance of a building permit; 7) owner complete a survey after construction showing setbacks and impervious surface coverage. The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. Mayor Brenk declared Resolution 0908C adopted.

Alderman Imholte requested City staff to confirm the properties located directly beside 1189 West Lake Drive have received the appropriate building permits.

Alderman Zeman reported a permit application was submitted by Gina Benson to have three dogs at 1324 Jackson Avenue. Benson currently has three (3) dogs and would like to be able to keep all three (3) dogs. Alderman Zeman noted the Police Department and Animal Control had received a few complaints regarding the property. Gina Benson, 1324 Jackson Avenue appeared before the Council and assured the Council she will do everything possible to eliminate any future complaints. Benson noted her dogs have completed several dog training sessions. After further discussion a motion was made by Alderman Zeman, seconded by Alderman Schurman and carried without a dissenting vote authorizing the issuance of Special Permit to have three (3) dogs to Gina Benson at 1324 Jackson Avenue subject to the following condition: If any complaints are filed against the property at 1324 Jackson Avenue, the approved Special Permit will be revoked and no future More Than Two Animal Special Permits will be issued to Gina Benson at 1324 Jackson Avenue.

Upon the recommendations of the Planning Commission that were submitted to the City Council and the recommendations of the Community Development Committee a resolution was introduced by Alderman Imholte, who moved its adoption, adopting the finding of fact and reasons for approval of a Conditional Use Permit to allow a hair salon, at 1035 Roosevelt Avenue (Park Manor) to serve the general public subject to the following conditions: 1) salon is limited to one room; 2) no other commercial activities are permitted; 3) only one exterior sign, not to exceed four square feet, is allowed for advertising the salon. The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. Mayor Brenk declared Resolution 0908F adopted.

Upon the recommendations of the Planning Commission that were submitted to the City Council and the recommendations of the Community Development Committee a resolution was introduced by Alderman Imholte, who moved its adoption, adopting the finding of fact and reasons for approval of a Variance to allow construction of a 28 x 56

foot home and attached garage at 500 South Shore Drive with a 20 foot front yard setback and a setback from the Ordinary High Water Mark less than 75 feet at 500 South Shore Drive subject to the following conditions: 1) the project be constructed as shown on the approved site plan with a 20 foot front yard setback and a setback from the Ordinary High Water Mark that is no closer than the adjacent garage; 2) the project not exceed the 25% impervious surface requirement; 3) the owners direct stormwater run-off to a French Drain adequately sized for the impervious surface on the lot; 4) the owner leave the existing berm in place on the lot; 5) only four boat slips be allowed for personal use of the owners; 6) owner will work the Pelican River Watershed District to provide appropriate stormwater mitigation prior to issuance of a building permit. The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. Mayor Brenk declared Resolution 0908B adopted.

Pursuant to the recommendations of the Planning Commission that were submitted to the City Council and the recommendations of the Community Development Committee a resolution was introduced by Alderman Imholte, who moved its adoption, adopting the finding of fact and reasons for approval of a Variance to allow a six foot (6) chain link fence in the front yard at 903 8th Street South East subject to the following condition: 1) fence be setback from the fire hydrant an adequate distance acceptable to the Fire Chief in order to provide access to the hydrant for fire fighters. The motion for the adoption of the resolution was seconded by Alderman Zeman and carried without a dissenting vote. Mayor Brenk declared Resolution 0908D adopted.

Pursuant to the recommendations of the Planning Commission that were submitted to the City Council and the recommendations of the Community Development Committee a resolution was introduced by Alderman Imholte, who moved its adoption approving the Preliminary Plat of the Oaks on Munson subject to the following conditions: 1) owner provide road dedication as shown; 2) owner obtain approval from the township for his road; 3) owner provide any utility easements required by the City; 4) owner pay the required 6% Park Dedication Fee; 5) owner obtain a land disturbance permit from the City; 6) owner obtain a Pelican River Watershed District Permit if one is required by the Pelican River Watershed District. The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. Mayor Brenk declared Resolution 0908E adopted.

Upon the recommendations of the Community Development Committee that were submitted to the City Council a resolution was introduced by Alderman Imholte, who moved its adoption authorizing the Mayor and City Administrator to execute such Agreements necessary to implement the project and support for Grant Funding. For a Regional Park or Trail in Greater Minnesota. The Grant Application will be in the \$3.0 million dollar range and will include land acquisitions and development of trails and facilities at Detroit Mountain Recreation Area and Mountain View. The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote (Marks Erickson abstained from voting). Mayor Brenk declared Resolution 0908G adopted.

Community Development Director Larry Remmen commented the exact dollar amount of the Grant is uncertain but could be in the range of \$2.5 to \$3.0 million dollars, using some of the funds for land acquisitions and major trail developments.

Pursuant to the recommendation of the Community Development Committee, a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, that the building permits for the month of August, 2015, in the estimated construction value of \$1,524,821.00 to be issued pursuant to their applications accompanied by the required City fees and State surcharges, the issuance of such permits having been recommend by the Building Official and approved by the Community Development Committee.

A motion was made by Alderman Zeman, seconded by Alderman Imholte and carried without a dissenting vote authorizing the issuance of a Transient Merchants License to Jonathon Lee Jasch, DBA: Jonny's LLC, 20200 Tower Road to operate a Food Trailer on the approved private properties with restrictions on the location the trailer can be park and limited hours.

Finance Officer Pamela Slifka updated the Council on the current Contract with the Marshmallow Foundation who operates the City pound. The terms of the Contract require the City of Detroit Lakes to pay the Marshmallow Foundation a monthly fee of \$1,600.00 which is 1/12 of the annual fee of \$12,800.00. Slifka noted at the end of the year the actual cost versus the annual fee amount are reconciled and settled up according to the Contract. Alderman Imholte requested Finance Officer Pam Slifka to meet with the Marshmallow Foundation, discuss the Contract balance and make appropriate adjustment to bring the contract as close as possible to a zero balance. A motion was made by Alderman Zeman, seconded by Alderman Imholte and carried without a dissenting vote approving the August 31, 2015 Animal Control Report.

City Engineer Jon Pratt updated the Council on several City Projects throughout the City. Downtown Washington Avenue Reconstruction Project is substantially complete with minor punch lists items to be completed. Final project costs and assessments are being prepared. Existing Highway 10 West Frontage Road has been reconstructed and is open to traffic. Marrow Avenue reconstruction (including underground utilities) is substantially complete. The Highway 59 Bridge is nearly complete and will be open by the middle of September. Curb and gutter is being installed on Holmes Street and the paving will be completed by the middle of September. Highway 10 west bound concrete paving will be complete by the middle of October. Frontage road between MNDOT and the old Grover Lindberg Site will likely not be completed until Spring 2016. Airport Watermain Loop, Highway 10 and Grant Street Lift Stations project is substantially complete. Pratt noted the Dan Street, Peter Street and Tower Road street project contract have been awarded to Hough of Detroit Lakes. The Project is scheduled to start later in September and should be completed by the end of October 2015. Upon the recommendations of the Public Works Committee a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote approving the Engineer Project Status Report.

Finance Officer Pamela Slifka summarized the proposed tax levy and City Budget informing the Council the preliminary general gross property tax levy for 2015, collected in 2016, is \$4,543,210 an increase over the 2015 Budget of \$383,488. The City tax base increased by 10% putting the tax base at \$11,428,000. The City tax rate in 2015 was 39.83% and the proposed City tax rate in 2016 will be 39.75%. Slifka advised that the levy has gone up but the City tax rate has gone down. The overall increase for operating expenses for the City is increasing by 1.9%. Debt Service Funds will be increasing by 7.2%. Slifka advised that the Budget Committee reviewed the detailed line item Budget thoroughly and is recommending a preliminary approval of the Budget. Upon the recommendation of the Budget and Finance Committee, a resolution was introduced by Alderman Marks Erickson, who moved its adoption, approving the Preliminary 2016 Tax Levy in the following amounts:

General Fund	\$2,845,990
Library Fund	285,000
Airport Fund	45,000
Development Authority Fund	87,000
Equipment Fund	420,220
Permanent Improvement Fund	825,000
1999 Fire Hall Bonds	<u>35,000</u>
Total	\$4,543,210

The motion for the adoption of the resolution was seconded by Alderman Sukke. Alderman Marks Erickson, Chairman of the Finance Committee, thanked the City Council and City staff for all the work and attendance at the Budget Meetings. The Mayor also thanked everyone who participated in the Budget Meetings. Mayor Brenk then called the questions and the motion for the adoption of Resolution 0908 carried without a dissenting vote. Mayor Brenk clarified the Preliminary 2016 Tax Levy cannot be increased once approved, but could be decreased before the Final Budget and Tax Levy is approved.

Alderman Zeman is concerned about the future of taxes, even though revenues are increasing. Alderman Zeman would like the Budget and Finance Committee to see if it would be possible to decrease any more expenses before the Final Budget is approved in December.

Alderman Imholte clarified the majority of the increase in the budget is in the Permanent Improvement Fund, as a result of decisions the Council has made over the past years.

Upon the recommendation of the Budget and Finance Committee, a resolution was introduced by Alderman Marks Erickson, who moved its adoption, providing for the adoption of the Preliminary City of Detroit Lakes Budget for the Calendar Year of 2016 in the following amounts:

<u>Fund</u>	<u>Budget Amount</u>
-------------	----------------------

General Fund	\$6,143,087
Special Revenue Funds	3,173,410
Debt Service Funds	462,488
Special Assessment Funds	<u>4,805,491</u>
Total Budget	\$14,584,476

The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. The Mayor declared the Resolution 0908A adopted.

A motion was made by Alderman Marks Erickson, seconded by Alderman Zeman and carried, without a dissenting vote, to set December 8, 2015 as the date at which Finance Officer Pamela Slifka will present information on the final 2016 Budget, Tax Levy and the Council will listen to public comments at 6:01 P.M. Meeting will be in the Council Chambers at 1025 Roosevelt Avenue. The public is welcome to attend and comment.

Upon the recommendations of the Finance Committee a motion was made by Alderman Marks Erickson, seconded by Alderman Sukke and carried without a dissenting vote to authorize extending the Audit Services Contract with Brady Martz, Thief River Falls, MN for one more year.

Upon the recommendations of the Finance Committee the discussion on amending the Cooperative Agreement with The Housing and Redevelopment Authority and the City be deferred.

Pursuant to the recommendations of the Finance Committee, a resolution was introduced by Alderman Marks Erickson, who moved its adoption, authorizing the amendment to the Detroit Lakes Fire Department Relief Associations By-Laws increasing the retirement benefits lump sum pension to \$6,250.00 for each year a firefighter serves as an active member of the Fire Department effective April 1, 2016.

City Administrator Bob Louiseau informed the Council on how the Fire Department Pension is achieved. The City receives the Fire Relief Association Aid from the State which must be given to the Detroit Lakes Fire Relief Association for the pension of the volunteer firefighters. These funds come from a portion of the fire insurance premiums. In addition to this the Detroit Lakes Fire Department has been actively holding fund raising events and hosting Fire Chief Conferences to add additional monies into the Fire Relief Association. Louiseau noted as a result the Detroit Lakes Fire Department is able to fund 100% of their pension requirement obligations without further contributions from the City. The adoption of the resolution was seconded by Alderman Zeman and carried without a dissenting vote. The Mayor declared Resolution 0908H adopted.

Pursuant to the recommendations of the Finance Committee, a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting

vote, authorizing participation in the Rotary Blood Screening Program, sponsored by the Noon Rotary and area health care providers on September 11, 2015, or the week of September 14-18, 2015.

A motion was made by Alderman Waller, seconded by Alderman Sukke and carried without a dissenting vote that the trial balance, submitted by Finance Officer Pamela Slifka, showing a balance in the City treasury to be in the amount of \$10,354,527.76 as of August 31, 2015, be accepted, approved and placed on file.

Pursuant to the recommendations of the Finance Committee, a resolution was introduced by Alderman Waller, who moved its adoption, approving the payment of claims paid by proper authorization covering the period August 12, 2015 through September 8, 2015 in the amount of \$3,088,596.93 the motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. The Mayor declared Resolution 0908I adopted.

Upon the recommendation of the Public Safety Committee, a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, to approve the issuance of a parade permit for the Detroit Lakes Homecoming Parade on October 2, 2015.

Alderman Waller informed the Council the Detroit Lakes Volunteer Fire Department responded to 23 calls of service. Waller thanked each member of the Volunteer Department for their service, noting it is not easy to respond to all the calls. Waller informed the Council the Detroit Lakes Police Department responded to more than 1000 calls for service in the past month. Waller thanked each member of the Police Department for their service and commend them on a great job they are doing.

Upon the recommendations of the Liquor/Gambling Control Committee a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, approving the sale of 20 used racks from the former liquor store location (\$10 per rack).

Upon the recommendations of the Liquor/Gambling Control Committee a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, approving the issuance of Special On-Sale Intoxicating Liquor License to the Sandbar, 1150 Randolph Road, to sell and serve intoxicating liquor at the Pavilion for a wedding reception on August September 26, 2015.

Upon the recommendations of the Liquor/Gambling Control Committee a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, approving the issuance of a Temporary On-Sale Intoxicating Liquor License to the Detroit Lakes Jaycees to sell and serve intoxicating liquor at the Pavilion for the Sportsman Stag on October 3, 2015.

Upon the recommendations of the Liquor/Gambling Control Committee, a motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, approving the gambling application submitted by the Detroit Lakes Jaycees to conduct a raffle at the Pavilion, 1361 Washington Avenue, on August 3, 2015.

Alderman Imholte informed the Council the Minnesota Senate Bonding Committee will be meeting on September 29, 2015 in Moorhead Minnesota and will be spending the evening in Detroit Lakes. The City is seeking \$15,000,000 in State Bonding Funds to help pay the cost for construction of the new Wastewater Treatment Facility. Public Utility General Manager Vernell Roberts will be making a presentation to the Committee at the Moorhead Meeting and will be having dinner with the Committee Members in Detroit Lakes that evening.

City Administrator Bob Louiseau informed the Council the hearing for Burnside's Charhouse and Pub is no longer required, they are in compliance with the Minnesota Department of Health requirements.

A motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, approving the following licenses for 2015:

Tobacco Licenses:

Holiday Stationstores, Inc. 233 Frazee Street East
M&H, 1157 South Washington Avenue
Murphy Oil USA, Inc., 1557 Highway 10 West

Plumbing Licenses:

J-Berd Mechanical Contractors, Inc. 3308 Southway Drive., St. Cloud
Maloney Plumbing Inc., 23946 County Highway 22, Detroit Lakes
Superior Plumbing LLC., 5407 88th Avenue South, Horace ND

A motion was made by Alderman Waller, seconded by Alderman Sukke and carried, without a dissenting vote, that the July Becker County Court Report of \$7,581.10, Chief of Police Monthly Report, Liquor Store Manager's Monthly Report, Nuisance Monthly Report, August Parking Violations Monthly Report \$320.00, and the Variance/Conditional Use Permit Status Report be approved and placed on file.

Mayor Brenk announced a Special Community Development Committee Meeting will be held on September 24, 2015, at 4:00 P.M. in the Council Chambers at 1025 Roosevelt Avenue.

Upon the recommendations of Mayor Brenk, a motion was made by Alderman Sukke, seconded by Alderman Wenner and carried, without a dissenting vote, re-appointing David Karsnia to the Police Civil Service Commission effective October 1, 2015.

Upon the recommendations of Mayor Brenk, a motion was made by Alderman Imholte, seconded by Alderman Schurman and carried, without a dissenting vote, appointing G.L. Tucker to the Detroit Lakes Development Authority effective August 6, 2015.

Upon the recommendations of Mayor Brenk, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, re-appointing Marty Waller to the Housing and Redevelopment Authority Board effective October 6, 2015.

There being no further business to conduct, by general consent, the Mayor adjourned the meeting at 6:15 P.M.

Respectfully submitted,

A handwritten signature in cursive script that reads "Glori French". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

Glori French,
City Clerk