

Detroit Lakes, Minnesota
January 12, 2016

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., January 12, 2016; 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; Assistant Fire Chief Todd George; Police Chief Tim Eggebraaten; Liquor Store Manager Randy Buhr; Public Works Director Bradley Green; Finance Officer Pamela Slifka and Building Official Dave Neisen

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

Absent:

There being no corrections to the minutes of the Regular City Council Meeting held December 8, 2015 and Annual City Council Meeting held January 5, 2016. Mayor Brenk declared the minutes would stand approved according to copies sent to each member of the Council.

Mayor Brenk presented Harry Johnston a plaque thanking Harry for his ten plus years serving on the Planning Commission.

Becker County Museum Executive Director Becky Mitchell appeared before the Council and gave a presentation on the status of the fund raising efforts of the Museum. Mitchell noted the Museum is requesting a \$500,000 donation from the City of Detroit Lakes. Alderman Marks Erickson noted the Finance Committee had a discussion and realize and understand the importance of the Becker County Museum. City staff will be working the Becker County Museum staff to creatively determine ways the City of Detroit Lakes may contribute to the museum.

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 Application to allow an eleven (11) foot rear yard setback for construction for a twenty-nine (29) foot high accessory structure at 1465 Menard Drive; subject to the following condition; project be constructed as shown on the approved site plan. The motion for the adoption of the resolution was

seconded by Alderman Sukke and carried without a dissenting vote. Mayor Brenk declared the Resolution 0112A 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 Application to allow a 70.5 foot setback from the Ordinary High Water Mark for construction of a 16 x 24 foot deck at 1111 North Shore Drive. Alderman Imholte noted the property owner was unaware a permit was needed to build the deck. The deck is already constructed as a pervious deck and constructed as shown on the site plan. The motion for the adoption of the resolution was seconded by Alderman Sukke and carried without a dissenting vote. The Mayor declared Resolution 0112 adopted.

Upon the recommendations of the Community Development Committee, a motion was made by Alderman Imholte introducing for its second reading and adoption of Ordinance 394 amending Section 3 of the Zoning Ordinance relative to measuring the height of fences in residential districts. The motion was seconded by Alderman Zeman and carried, without a dissenting vote.

Upon the recommendations of the Community Development Committee, a motion was made by Alderman Imholte introducing for its second reading and adoption of Ordinance 395 amending Section 3 of the Zoning Ordinance relative to required landscaped screening. The motion was seconded by Alderman Sukke and carried, without a dissenting vote.

Pursuant to the recommendations of the Community Development Committee, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, that the building permits for the month of December, 2015 in the estimated construction value of \$37,868 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.

Community Development Director Larry Remmen informed the Council, City staff is in the process of developing an easier to follow monthly nuisance report.

Building Official Dave Neisen gave a status report on several nuisance properties. 419 Central Street, Neisen took pictures and is in the process of preparing a report for the City Attorney's review and recommendations for proceeding. Neisen reported he is also preparing a report on the property at NP Avenue for the City Attorney's review. Building Official Dave Neisen informed the Council the property at 1007 McKinley Avenue has a Purchase Agreement and Neisen will attempt to see if he can find out what the future for the property will be. A motion was made by Alderman Imholte, seconded by Alderman Zeman and carried without a dissenting vote approving the December Nuisance Report.

Community Development Director Larry Remmen gave a brief recap of the Community Development Department 2015 Annual Report. A motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote approving the 2015 Community Development Department 2015 Annual Report.

A motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote approving the 2015 Annual Building Report.

A motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote approving the December Variance and Conditional Use Permit Status Report.

Pursuant to the recommendations of the Public Works Committee a public informational meeting will be held on January 14, 2016 at 5:30 P.M. in the Council Chambers at 1025 Roosevelt Avenue regarding the Long Lake Annexation Phase IV (North and West sides of Long Lake).

City Engineer Jon Pratt informed the Council of a Limited Use Permit (LUP) to approve a non-motorized recreational trail within the right-of-way of Highway 10 and Highway 34. Upon the recommendations of the Public Works Committee a motion was introduced by Alderman Zeman, seconded by Alderman Imholte and carried without a dissenting vote approving and authorizing the acceptance of Limited Use Permit between the City of Detroit Lakes and MNDOT for a non-motorized recreational trail within the right-of-way of Highway 10 and Highway 34.

Alderman Zeman introduced a resolution, who moved for its adoption, accepting a Limited Use Permit for a non-motorized recreational trail within the right-of-way of Highway 10 and Highway 34. The motion for the adoption of the resolution was seconded by Alderman Imholte and carried without a dissenting vote. Mayor Brenk declared Resolution 0112B adopted.

Pursuant to the recommendations of the Public Works Committee, a motion was made by Alderman Zeman, seconded by Alderman Imholte and carried without a dissenting vote approving the Special Event Permit submitted by Sanford Health for the 6th Annual Simply Pink Truly Teal Breast & Ovarian Cancer Race on Saturday, May 7, 2016.

Pursuant to the recommendations of the Public Works Committee, a motion was made by Alderman Zeman, seconded by Alderman Waller and carried without a dissenting vote approving the Special Event Permit submitted by Northern Drag Racing for the Minnesota State Championship Ice Drag Race January 14 through January 17, 2016.

Pursuant to the recommendations of the Public Works Committee, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried without a

dissenting vote to issue allow Jonathon Lee Jasch DBA: Jonny's LLC, 30200 Tower Road, to operate a food trailer during the 13th Annual Detroit Lakes Vintage Snowmobile Swap Meet and Rally on February 20, 2016, in the designated area.

Alderman Zeman informed the Council, the Public Works Committee along with City Engineer Jon Pratt had meet earlier in the day on January 12, 2016 with the Becker County Highway Committee to discuss future joint projects. Zeman noted it was a very good meeting with discussion from both Committees. Properties discussed included West Lake Drive and Heartland Trail.

Pursuant to the recommendations from the Public Works Committee, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried without a dissenting vote authorizing the issuance of a More Than Two Animal Permit to Kyle Braaten at 1313 Lake Avenue effective Janaury1, 2016 through December 31, 2016.

Public Works Director Brad Green shared information on when an excavation permit is required by a property owner or contractor and how his Department processes the permits.

City Engineer Jon Pratt gave a project status report. Pratt noted the Washington Avenue Reconstruction Project from Highway 10 to Willow Street is substantially complete, minor punch list items will be addressed in the Spring; Highway 10 and Highway 59 Frontage Road Improvement Project work is substantially complete for the 2015 season, additional work will be done on the frontage road between Grovers and MNDOT and may take place in the coming months pending the progress of the settlement on the surcharge; Highway 10 West segment of the frontage road will be completed in the spring/summer of 2016; Dan Street, Peter Street and Tower Road street improvements projects are substantially complete, the assessments have been adopted, final clean-up and punch list to be completed in the Spring of 2016; the Preliminary Engineering Report on the West Lake Drive Reconstruction and Multi-Use Trail (Legion Road to County Highway 6) is about completed, Pratt will be finalizing after further discussion and input from the City Council and Becker County, the Transportation Alternatives Program (TAP) funding application was submitted on January 8, 2016. Pursuant to the recommendations from the Public Works Committee, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried without a dissenting vote approving the monthly City Engineer's Report.

Pursuant to the recommendations from the Public Works Committee, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried without a dissenting vote approving the 2015 Annual Animal Control Report and the 2015 Public Works Director Annual Report.

Detroit Lakes City Assessor Loren Tolkkinen appeared before the Finance Committee and reviewed the Commercial Assessment Policy.

City Attorney Charlie Ramstad did an overview of the proposed Management and Program Services Contract between the City of Detroit Lakes and the Detroit Country Club. Mayor Brenk will recommend three names to sit on the Detroit Country Club Board representing the City. Pursuant to the recommendations of the Finance Committee, a motion was made by Alderman Marks Erickson, seconded by Alderman Sukke, and carried without a dissenting vote approving entering into a Management and program Services Contract between the City of Detroit Lakes and the Detroit Country Club for the period of January 1, 2016 through December 31, 2023.

Pursuant to the recommendations of the Finance Committee, a motion was made by Alderman Marks Erickson, seconded by Alderman Waller, and carried without a dissenting vote authorizing entering into an Agreement with Flaherty & Hood, P.A. to provide legislative services to the Cities of Detroit Lakes and Frazee related to the 2016 Legislative Session. The City of Frazee will be paying 2/3 and City of Detroit Lakes will be paying 1/3 of the cost of \$13,000. Note: The City of Frazee will act as the administrative agent for 2016.

Pursuant to the recommendations of the Finance Committee, a motion was made by Alderman Marks Erickson, seconded by Alderman Sukke, and carried without a dissenting vote approving a funding request from the Pelican River Watershed District in the amount of \$25,000 to help with the cost of herbicide treatments and the on-going study for aquatic invasive species of flowering rush. Alderman Marks Erickson noted this is a budgeted item and funds to be used from the Food and Beverage Tax.

A motion was made by Alderman Zeman, seconded by Alderman Wenner and carried without a dissenting vote authorizing up to two City Attorneys to attend the 2016 Annual Minnesota City Attorneys Association Educational Conference February 5 & 6, 2016 in Bloomington, Minnesota.

A motion was made by Alderman Zeman, seconded by Alderman Wenner 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 \$15,035,276.51 as of December 31, 2015, be accepted, approved and placed on file.

Pursuant to the recommendations of the Finance Committee, a resolution was introduced by Alderman Zeman, who moved its adoption, approving the payment of claims paid by proper authorization covering the period December 9, 2015 through January 12, 2016 in the amount of \$7,569,158.21 the motion for the adoption of the resolution was seconded by Alderman Wenner and carried without a dissenting vote. The Mayor declared Resolution 0112C adopted.

Pursuant to the recommendations of the Public Safety Committee a resolution was introduced by Alderman Waller, who moved its adoption, authorizing the submitting of an application from the Detroit Lakes Fire Department for an Air Pac Grant Program through the Federal Emergency Management Agency (FEMA), the motion for the

adoption of the resolution was seconded by Alderman Wenner and carried, without a dissenting vote. The Mayor declared Resolution 0112D adopted.

Pursuant to the request of the Police Chief, the following quotes were received for the purchase of two police squad vehicles for the Police Department, which are budgeted items:

Bidder		Quote Amount
Nelson Auto Center Fergus Falls, MN	2016 Ford Utility Police Interceptor	\$26,702.95
Webber Family Ford Detroit Lakes, MN	2016 Ford Utility Police Interceptor	\$26733.18
Ford of Hibbing Hibbing, MN	2016 Ford Sedan	\$24,100.00
Webber Family Ford Detroit Lakes MN	2016 Ford Sedan	\$24,082.00

Upon recommendations of the Public Safety Committee, a motion was made by Alderman Waller, seconded by Alderman Wenner and carried without a dissenting vote, authorizing the purchase of a 2016 Ford Utility Police Interceptor in the amount of \$26,733.18 from Webber Family Ford, Detroit Lakes, MN and the purchase of a 2016 Ford Sedan in the amount of \$24,082.00 from Webber Family ford, Detroit Lakes, Minnesota. Alderman Waller noted the additional cost of the \$12.23 is offset by the cost of having City employees pick up the vehicles in Fergus Falls and Hibbing respectively.

Pursuant to the recommendations of the Public Safety Committee a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote authorizing Police Chief Eggebraaten and Sergeant Glander to attend the 2016 Minnesota Chiefs of Police Association Executive Training Institute April 17-20, 2016 in St. Cloud, Minnesota.

Pursuant to the recommendation of the Public Safety Committee, a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, approving the following Slate of Officers for the Detroit Lakes Volunteer Fire Department for 2016:

Chief:	3-Year Term	Scott Flynn (3 rd yr)
Assistant Chief:	2-Year Term	Todd George (1 st yr)
Deputy Chief:	2-year Term	Ryan Swanson (1 st yr)
Captains:	1-year Term	Mason Pender
	1-year Term	Jason Harrier
	1-year Term	John Wiedemann

	1-year Term	Lee Disse
	1-year Term	Ryan Esser
Training Officer:	1-year Term	Corey Metalak
Secretary:	1-year Term	Dave Shipman
Trustee:	3-Year Term	Andy Castagneri
	2-Year Term	Jason Talbert

Upon the recommendations of the Liquor/Gambling Committee a motion was made by Alderman Wenner, seconded by Alderman Schurman and carried, without a dissenting vote, approving the request from the Boys and Girls Club of Detroit Lakes for a donation of \$300 from the Liquor Fund to cover the Pavilion Rental fee for the 20th Annual Polar Fest Plunge.

Upon the recommendations of the Liquor/Gambling Committee a motion was made by Alderman Wenner, seconded by Alderman Waller and carried, without a dissenting vote, approving the request from the Polar Fest Plunge Committee for a donation of \$400 from the Liquor Fund to help cover the fireworks display to be held on February 13, 2016 in conjunction with the Polar Plunge.

Upon the recommendations of the Liquor/Gambling Committee a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, authorizing the issuance of permit to consume for the Lake Region Builders Association Event that will be held at the Kent Freeman Arena on March 19 & 20, 2016. Note can only consume in the designated area and must be at least 21 years old.

Upon the recommendations of the Liquor/Gambling Committee a motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, authorizing the issuance of permit to consume for the wedding reception of Vanesa Hustel that will be held at the Pavilion on May 15, 2016. Note can only consume in the designated area and must be at least 21 years old.

Pursuant to the recommendations of the Public Utilities Commission, Detroit Lakes City Council member Bruce Imholte introduced Resolution 0112E entitled "RESOLUTION TO APPROVE AMENDMENTS RELATING TO THE MISSOURI BASIN MUNICIPAL POWER AGENCY d/b/a MISSOURI RIVER ENERGY SERVICES POWER SALE AGREEMENT (S-1) AND ASSOCIATED TRANSMISSION AGREEMENTS," and moved its adoption. Detroit Lakes City Council member Ron Zeman seconded the motion to adopt.

The members of the Detroit Lakes City Council discussed the motion and the amendments to the power supply and transmission contracts identified in the Resolution. Vernell Roberts, General Manager of Detroit Lakes Public Utilities gave a presentation highlighting the reasons for the changes to the power supply and transmission arrangements, the proposed changes, and the schedule for completing consideration and

approval of the agreements. General Manager Roberts answered questions and explained how the amendments will impact the City of Detroit Lakes, MN.

Resolution 0112E came to a vote, the roll was then called, and Resolution 0112E was adopted unanimously:

- Ayes/Voting in favor of adoption of the Resolution: Aldermen Wenner, Zeman, Marks Erickson, Schurman, Boeke, Waller, Imholte, Schiller and Sukke
- Nays/Voting against adoption of the Resolution: None

Mayor Brenk declared the following Resolution 0112E duly adopted on the 12 day of January, 2016:

RESOLUTION NO. 2016-0112E

**RESOLUTION TO APPROVE AMENDMENTS RELATING TO
THE MISSOURI BASIN MUNICIPAL POWER AGENCY DBA
MISSOURI RIVER ENERGY SERVICES POWER SALE AGREEMENT (S-1)
AND ASSOCIATED TRANSMISSION AGREEMENTS**

WHEREAS, City Council of Detroit Lakes, Minnesota is currently purchasing all electric power and energy it requires to meet the needs of its customers in excess of City's firm power allocation from the Western Area Power Administration ("WAPA") ("Supplemental Power") from Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services ("MRES"), pursuant to the terms and conditions of the Power Sale Agreement (S-1) ("S-1 Agreement") for a term extending through December 31, 2045; and

WHEREAS, the S-1 Agreement requires that MRES physically deliver Supplemental Power to City over the Integrated System ("IS") transmission facilities administered by WAPA; and

WHEREAS, MRES has assisted City of Detroit Lakes to obtain delivery of power and energy by acquiring transmission service within the Midcontinent Independent System Operator, Inc. ("MISO") Regional Transmission Organization ("RTO") and, to facilitate such services, the parties have executed two transmission-related agreements: the Midwest ISO Market Implementation Agreement between MRES and City of Detroit Lakes, and the Northern Cities Group Transmission Service Agreement among MRES, Western Minnesota Municipal Power Agency ("Western Minnesota"), and City of Detroit Lakes; and

WHEREAS, WAPA joined the Southwest Power Pool ("SPP") RTO effective October 1, 2015, and the IS transmission facilities were moved into SPP (which now has functional control over those facilities) and, as a result, MRES can no longer physically deliver power and energy over the IS transmission facilities. Further, because all MRES

members are now in the footprint of either the MISO market or SPP market where power and energy are financial (and no longer physical) transactions, the S-1 Agreement no longer accurately reflects how power supply and the delivery of that power and energy are actually transacted in the RTOs. The RTOs, including SPP and MISO, operate energy markets and transmission networks that have fundamentally changed the way MRES provides power and energy to its members under the S-1 Agreement; and

WHEREAS, these market changes require that Supplemental Power must be separated from Transmission Service because Members are located in one of two different RTOs that operate markets for energy (and capacity), and the physical delivery of power and energy (i.e. transmission service) is now separate from the actual commodities; and

WHEREAS, it is mutually beneficial to all parties that the base term of the S-1 Agreement which currently continues to 2046 be extended until 2057 to facilitate future financing of projects on the most advantageous terms and with the least impact on the wholesale power costs of City of Detroit Lakes, and other MRES Members; and

WHEREAS, other changes proposed to the S-1 Agreement will enable MRES to meet the new transmission service and energy market demands of the changing electric utility industry in a way that enhances the ability of MRES to effectively and economically provide Supplemental Power and Transmission Service to City of Detroit Lakes, will provide clarification to the existing obligations of the parties, will provide flexibility for City of Detroit Lakes to provide for a limited amount of its customers' needs from its own local renewable resources, and will address the privacy and security of information on individuals; and

WHEREAS, City of Detroit Lakes desires that MRES continue to plan for, provide, and arrange for delivery of all Supplemental Power needed by City of Detroit Lakes; and

WHEREAS, Detroit Lakes Public Utilities Commission has passed a Resolution by which it has recommended to the City of Detroit Lakes that MRES continue to plan for, provide, and arrange for delivery of all Supplemental Power, and that City of Detroit Lakes should approve and execute the documents necessary to do so.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Detroit Lakes, Minnesota that:

- (1) The "Amendment 5 to the Missouri Basin Municipal Power Agency Power Sale Agreement (S-1)" among MRES, Western Minnesota, and City is approved in the form presented; and
- (2) The "Missouri Basin Municipal Power Agency Power Sale Agreement (S-1) (as amended and restated effective January 2, 2017)," and "Schedule A" among MRES, Western Minnesota, and City Council, Detroit Lakes, Minnesota are approved in the form

presented; and

(3) The “Amendment 1 to Midwest ISO Market Implementation Agreement” between MRES, and City is approved in the form presented; and

(4) The “Amendment 1 to the Northern Cities Group Transmission Service Agreement among MRES, Western Minnesota, and City is approved in the form presented.

IT IS FURTHER RESOLVED that each of the Mayor and City Administrator shall be, and each of them acting individually hereby is, authorized and directed to execute and deliver to MRES each of the foregoing documents on behalf of City Council, Detroit Lakes, Minnesota.

Upon calling of the roll, the votes were as follows:

Voting for adoption of the Resolution: Wenner, Zeman, Marks Erickson, Schurman, Boeke, Waller, Imholte, Schiller and Sukke

Voting against adoption of the Resolution: None

Whereupon, Mayor Brenk declared the Resolution 0112E duly adopted on the 12 day of January, 2016.

A motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, that the November Becker County Court Report of \$6,781.12, Chief of Police Monthly Report; Police Departments 2015 Annual Report, Fire Chief Monthly Report, Animal Control Report, Liquor Store Manager’s Monthly Report, November Parking Violations Monthly Report \$290.00, be approved and placed on file.

A motion was made by Alderman Zeman, seconded by Alderman Wenner and carried, without a dissenting vote, approving the following licenses for 2016:

Plumbing Licenses:

Bjelde Plumbing
Campbell Plumbing, Inc.
Country Side Plumbing & Heating
Ellingson Plumbing, Heating, A/C & Electrical
Glenz Plumbing, Inc.
Grant’s Mechanical
Green’s Plumbing & Heating, Inc.
Home Heating, Plumbing & Air Conditioning, Inc.
Johnson’s Plumbing LLC
Kahle Plumbing & Heating, Inc.
Metropolitan Mechanical Contractors, Inc.

Prime Plumbing & Heating, LLC
Randy Januszewski Plumbing, LLC
Ripplinger Plumbing, Inc.
PFAFF Plumbing
Precision Plumbing
Plumbers, Inc.
Sonnenberg Plumbing & Heating
Xtreme Plumbing, Inc.

Pawn Broker Licenses:

E.Z. Pawn (Lakes Sport Shop)

Taxi Licenses:

Becker County Transit
DL Transportation

Solid Waste Licenses:

DL Disposal
Jon & Sons Disposal Services
MinnKota EnviroServices, Inc.
Waste Management

City Administrator Bob Louiseau informed the Council the Facility Needs Assessment Committee (administration building and police department) will be interviewing the top three architect firms on January 26, 2016.

Upon the recommendations of Mayor Brenk, a motion was made by Alderman Imholte, seconded by Alderman Waller and carried, without a dissenting vote appointing Tom Trowbridge to the Planning Commission effective January 1, 2016.

Mayor Brenk announced he will present the “State of the City Address” at the February 9, 2016 Regular Council Meeting.

Mayor Brenk announced a public informational meeting will be held on January 14, 2016 starting at 5:15 PM in the Council Chambers at 1025 Roosevelt Avenue, regarding the Long Lake Annexation Phase IV Utilities.

Mayor Brenk announced the Detroit Lakes Regional Chamber of Commerce will be hosting a 2016 Economic Development Summit on March 17, 2016, more information to come.

Mayor Brenk announced the Detroit Lakes Regional Chamber of Commerce will be hosting a 2016 Tour of Manufacturing on March 31, 2016 for the public and April 1, 2016 for area high schools.

There being no further business to conduct, by general consent, Mayor Brenk adjourned the meeting at 6:10 P.M.

Respectfully submitted,

A handwritten signature in cursive script that reads "Glori French".

Glori French, City Clerk