

APRIL 20, 2020

The Regular Meeting of the Lake Benton City Council was held on Monday, April 20, 2020 at 5:30 P.M. in the Heritage Center/City Office via conference call. Based on the emergency declared by the Governor, the Mayor determined an in-person meeting was not prudent due to the health emergency. Administrator/Clerk Eileen Christensen and Sheriff Chad Meester were present at the meeting location.

Conference Call Roll Call: Mayor Bob Worth, Trustees Rosie DeZeeuw, Mark Dunn, Dave Enke, and Daryl Schlapkohl were present at the meeting via conference call. Maintenance Supervisor Todd Draper, Nathan Kinner-Kinner and Company and Shelly Finzen from the Lake Benton Valley Journal also entered the meeting via conference call.

Mayor Bob Worth called the meeting to order.

Mayor Bob Worth then asked if anyone in attendance via conference call had an item, not on the agenda, to bring up during the Open Forum part of the meeting. If so they had two minutes to state their concern. No items were brought forward at this time.

The minutes of the Regular Meeting of April 6, 2020 were reviewed. **MOTION** by Dave Enke, seconded by Rosie DeZeeuw to approve the minutes of the Regular Meeting of April 6, 2020. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The next item of business was to review/act on the minutes of the Special Board of Review Meeting of April 14, 2020. **MOTION** by Mark Dunn, seconded by Daryl Schlapkohl to approve the minutes of the Special Board of Review Meeting of April 14, 2020. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

CLAIMS PRESENTED AGAINST THE CITY OF LAKE BENTON:

USTI	\$ 1.36	QUARNSTROM-DOERING	\$ 1,572.90
M & H COMMUNICATIONS	\$ 21.00	RICK'S WELDING	\$ 205.00
CITY OF LAKE BENTON	\$ 181.08	POSTMASTER	\$ 116.20
LINCOLN CTY TREAS.	\$ 100.00	S & E AUTO	\$ 329.90
KINNER & COMPANY	\$ 10,250.00	BIOAG ENERGY	\$ 314.82
CARDMEMBER SRVCS	\$ 933.37	BUFFALO RIDGE NEWS	\$ 198.55

MOTION by Daryl Schlapkohl, seconded by Mark Dunn to approve payment of the claims presented against the City of Lake Benton. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The next item of business was to review/act on rehab grant requests. Seven payment requests were received for the Rehab Grant Program: Contractor requests: \$12,924.00 to Construction Partners, \$4,205.00 to Thomas Electric, \$2,125.00 to Thomas Plumbing & Heating, Inc., and \$8,000.00 to DK Construction; Lead assessment request of \$250.00 to Scarcely, Recorder fee of \$46.00 to Lincoln County Recorder, and Administration fee of \$3,000.00 to DSI. The total funds of \$30,550.00 were requested and deposited into the account. **MOTION** by Daryl Schlapkohl, seconded by Rosie DeZeeuw to approve payment of the rehab grant checks presented. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

PUBLIC WORKS UPDATE

Maintenance Supervisor Todd Draper met with Pat Carey, Banner Associates for the DNR Lakeshore Drive project, and the sewer lagoon project. The wastewater lagoons have been a

problem for a while and escalated from the lagoons flowing to the creek that runs to Flandreau. The ponds were put there in 1967 and the side of the bank is starting to erode. The City does not have any violations with Minnesota Pollution Control. However, they require an engineer to give a quote on the control structure. The engineer's quote totaled \$9,500.00 which consists of \$7,000.00 for the design phase, and \$2,500.00 for the construction phase. It was the recommendation to replace the manhole and have the engineer sign off on the design specs. The City should also replace the pipes that discharge as that structure is leaking as well. Pat Carey and Maintenance Supervisor Todd Draper discussed that replacing the manhole and putting the design specs together would cost approximately \$30,000.00. Maintenance Supervisor Todd Draper talked with the City Attorney who informed him legally the City does not need more than one bid if the total project is less than \$100,000.00. However, it was suggested to get two quotes from D & G Excavating, and/or A & C Excavating, and/or Prunty who is out of state. Maintenance Supervisor Todd Draper sent the design specs to Minnesota Pollution Control and is waiting to hear back from them with comments on what the City can and cannot do. When the design is completed and signed off, Maintenance Supervisor Todd Draper would like to empty the ponds and complete the project by July 1, 2020. **MOTION** by Mark Dunn, seconded by Dave Enke to approve and sign the agreement with Banner Associates for \$9,500.00 for the City of Lake Benton's Wastewater Treatment Facility Outfall Structure Replacement Project. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The DNR Lakeshore Drive project was quoted by Banner for a total of \$27,000.00 which consists of \$13,500.00 for design and \$13,500.00 for construction. This project will be overlooked by the County Engineer at no cost to the City. The DNR requires the approval and sign-off on the agreement for this project. **MOTION** by Dave Enke, seconded by Daryl Schlapkohl to approve and sign the agreement with Banner Associates for \$27,000.00 for the Lake Benton Boat Ramp Access Road Improvements – Access Road to Lakeshore Drive / Matthews Addition Project. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

Maintenance Supervisor Todd Draper than informed the Council he spoke with Greg at Ottertail to install four or five more lights in the blacktop area around the water access on Lakeshore Drive. Ottertail said it will cost the City \$9.08 per pole, per month and Ottertail puts the poles and lights in and will maintain the lights. The plans for the lights were sent to Phil Nasby with the DNR and we are waiting for his response. Discussion took place on the Lake Benton Area Foundation and their plans for vintage lights by the picnic shelter. **MOTION** by Dave Enke, seconded by Rosie DeZeeuw to approve the funding for the street lights in the blacktop area around the water access on Lakeshore Drive. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The next item of business was to review/act on a building permit for Emily McKee to build a 6.4' x 12.51' x 9.2' chicken run at 108 Kent Street. Maintenance Supervisor Todd Draper confirmed there were no setback concerns and everything is in compliance with the Ordinance. The fee of \$25.00 has been paid. **MOTION** by Dave Enke, seconded by Daryl Schlapkohl to approve the building permit for Emily McKee to build a 6.4' x 12.51' x 9.2' chicken run at 108 Kent Street. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

LAW ENFORCEMENT UPDATE

Sheriff Chad Meester presented the quarterly calls for service and hours worked in March, 2020. The stats Chad presented showed calls for service per month in a detailed format. COVID-19 slowed down some of the calls, but they are still answering calls. The detailed monthly report is in chronological order showing civil threats, hit and runs, etc. The detailed synopsis showed if an incident number was assigned or the Sheriff's office was just responding. If any of the Council would like to meet with Sheriff Chad Meester, he can explain the reports in more detail.

Sheriff Chad Meester then gave a recap of progress made at the Lake Benton Police Office and property has been taken care of. The Sheriff's office will shred excess forms and other files are secured at the Sheriff's office. All firearms have been returned to their lawful owners and paraphernalia has been disposed of. Sheriff Chad Meester will take the laptops to his office and have his IT make sure there is no sensitive data on them and see if they are usable for the City offices. They will be wiped and refreshed at no cost to the City. A warrant check to the City for the purchase of the squad vehicle will be written and delivered to the City on Friday, April 24, 2020. The City had a couple PBT machines and it can cost up to \$300.00 to recertify and inspect the machines. The Sheriff's office offered the City \$50.00 per PBT machine.

The Council thanked Sheriff Chad Meester on the outstanding job the County is doing. The community is very happy. **MOTION** by Daryl Schlapkohl, seconded by Rosie DeZeeuw to approve the law enforcement update by Sheriff Chad Meester. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The next item of business was to review/act on the 2019 Audit with Nathan Kinner from Kinner & Company. Nathan thanked the City for selecting Kinner & Company for doing their audit again, and thanked Administrator/Clerk Eileen Christensen for a fantastic job.

Nathan explained the Management Comment Letter for non-public data which explains the report on governmental activities and GASB standards. The qualified opinion on government activity present fairly, and the unmodified opinion is positive for the business-type activities.

Nathan then explained the Management's Discussion and Analysis, which as a whole, went down \$1,992.00 in 2019 compared to \$227,616.00 in 2018. In 2019 and 2018, business activities increased the City's net position by \$205.00 and decreased by \$216,068 respectively. Revenues in the City's business-type activities decreased by 11% in 2019 and increased by 9% in 2018 and the expenses decreased by 30% in 2019 and increased by 48% in 2018. Revenue increased due to fewer assessments collected and the decrease in expenses relating largely to expenses for the bond funding in 2018.

As the City completed the year, its governmental funds reported a combined fund balance of \$833,346.00 and \$765,737 in 2019 and 2018. The increase in fund balance can be attributed to the sale of the community center and less expenses for police. The revenues were \$16,982 greater than budgeted in 2019 and \$52,322 greater than the budget in 2018. The variance relates to property tax collections greater than expected. Expenditures were \$71,933.00 higher and \$294,235 higher than budget. The variance in expenditures relates mainly to capital outlay purchases, repairs and maintenance, and legal fees relating to the previous Police Chief.

In 2019 and 2018, the City had \$4,467,336.00 and \$4,630,619.00 invested in a broad range of capital assets, net of accumulated depreciation. The amount represents a net decrease of 4% compared to last year. Major additions for the year include community center tables and chairs, air packs for the Fire Department, a snow blower and a new police vehicle.

The Statement of Net Position is positive for the City's restricted and unrestricted and has \$1.17 million as a whole. Nathan then reviewed the City's Statement of activities which includes the balance sheet for governmental funds (General and Fire Funds), and the non-governmental funds (Library, Revolving, EDA and TIF Funds). The Proprietary funds include water, sewer and garbage. Water is up, sewer is up and garbage has a deficit of \$555.00. This is the third or fourth year in a row that garbage is at a deficit. The City should consider subsidizing the Garbage fund and not have it run negative.

The net position classification is displayed in three components: Net investment in capital assets, restricted net position, and unrestricted net position. The City's policy is to maintain a

minimum unassigned fund balance between the ranges of 35%-50% of budgeted operating expenditures for cash flow needs. On December 31, 2018, the unassigned fund balance of the General Fund was 53% of the subsequent budgeted expenditures.

The Library fund is not a long term debt and has a cash deficit of \$82,285.00. The Revolving Loan and EDA are positive.

Nathan then explained the comments on the current year findings which consisted of an inadequate segregation of duties among its accounting personnel due to the fact the City has a limited number of employees to perform financial reporting duties. This is the same finding as the prior year. Nathan stated it is a very clean audit overall and it has been a pleasure to work with everyone at the City. **MOTION** by Daryl Schlapkohl, seconded by Dave Enke to approve the 2019 audit completed by Kinner and Company. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The next item of business was to review/act on a resolution and Earnest Money Contract of Sale with Mike and Lynn Carpenter. City Attorney Mike Cable prepared the Earnest Money Contract of Sale to convey the real estate in the Replat of Mork & Giles Addition described as Lots 7 & 8. The Earnest Money Contract of Sale will need to be authorized by the City of Lake Benton and after authorization is obtained, the Earnest Money Contract of Sale will need to be signed in the presence of a Notary Public by Mayor Bob Worth, Administrator/Clerk Eileen Christensen, and Mike and Lynn Carpenter. After the Earnest Money Contract of Sale is signed by all parties, Mike and Lynn will need to send a check in the amount of \$1,000.00 to Quarnstrom & Doering, P.A. Trust Account. Mike and Lynn Carpenter have agreed to order an Abstract of Title for the property and pay the same. The remaining amount of \$10,000.00 will be paid to the City on or before the date of closing which is June 1, 2020.

City Attorney Mike Cable also prepared the necessary resolution that will need to be approved to convey said real property: **WHEREAS**, the City of Lake Benton met in regular session to sell that real property described as follows: Lots Seven (7) and Eight (8) of Block Two (2) of the Replat of Giles and Morks Addition, City of Lake Benton, State of Minnesota, **WHEREAS**, Michael W. Carpenter and Lynn M. Carpenter, husband and wife, submitted an offer to buy the real property for Eleven Thousand and No/100 (\$11,000.00) Dollars, and **WHEREAS**, there is an Earnest Money Contract of Sale describing the terms of said sale and a closing to occur on or before June 1, 2020. **NOW, THEREFORE**, upon a motion made by Daryl Schlapkohl, seconded by Dave Enke, the City of Lake Benton sells said real property to Michael W. Carpenter and Lynn M. Carpenter, husband and wife, as Joint Tenants, in accordance with the terms of an Earnest Money Contract of Sale submitted to the Council, and the Mayor and City Administrator/Clerk are authorized to sign the Earnest Money Contract of Sale and any documentation at the closing in accordance with said Earnest Money Contract of Sale. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Adopted by the Council this 20th day of April, 2020.

The next item of business was to review/act on the appointment of a new member to the Lake Benton EDA Board. The Lake Benton EDA board regrettably accepted Brooks Bennett's resignation from the board. The board unanimously nominated First Security Bank's Branch President Matt Schreurs to be a member of the board. The Lake Benton EDA would like to request the City Council appoint Matt Schreurs to the Lake Benton EDA Board. **MOTION** by Rosie DeZeeuw, seconded by Dave Enke to appoint Matt Schreurs to the Lake Benton EDA Board. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The next item of business was to review/act on city licenses for May 1, 2020 through April 30, 2021. City Administrator/Clerk Eileen Christensen provided the Council with information on the liquor and tobacco licenses for the City as well as the temporary Liquor and Dance licenses for

the Fireman's Dance from 8:00 PM on June 20, 2020 through 1:00 AM June 21, 2020. City Administrator/Clerk Eileen Christensen also stated the Sheriff needs to sign the Liquor applications so she can get them sent into the state before May 1, 2020. Sheriff Chad Meester said he will perform the background checks and if approved, will sign the applications.

MOTION by Dave Enke, seconded by Rosie DeZeeuw to approve the following City Licenses for May 1, 2020 through April 30, 2021 with proof of liability insurance from those with On Sale Liquor Licenses: **Cigarette:** Express Way-Lake Benton, Lake Benton Bar & Grill; **Off Sale Beer:** Express Way-Lake Benton; **Off Sale Liquor:** Lake Benton Bar & Grill; **On Sale Liquor:** Country House Supper Club, Lake Benton Bar & Grill, Lake Benton Resort; **On Sale Liquor (Sunday):** Country House Supper Club, Lake Benton Bar & Grill, Lake Benton Resort; **Dance:** Lake Benton Bar & Grill; **General Corporation:** Lake Benton Bar & Grill; and to approve the Temporary Liquor and Dance Licenses to the Lake Benton Fire Department at 110 Benton Street for the Fireman's Dance from 8:00 PM on June 20, 2020 through 1:00 AM on June 21, 2020. **Conference Call Roll Call:** Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

The Council then discussed the 2:00 AM Closing from the request of the Lake Benton Bar and Grill for \$750.00. The standard close time is 1:00 AM. Last year a Council member voted not to extend the closing as there had been numerous calls at 2:00 AM which was substantiated by the former Police department. In the past year, the establishment has been closed at 9:00 PM, 10:00 PM or 11:00 PM, and there might be three or four events to substantiate being open until 2:00 AM. There is nothing to warrant the Lake Benton Bar and Grill from getting their 2:00 AM closing license. Mayor Bob Worth asked for a Motion to approve the 2:00 AM Closing to the Lake Benton Bar and Grill. Mayor Bob Worth asked a second time for a Motion to approve the 2:00 AM Closing to the Lake Benton Bar and Grill. Mayor Bob Worth asked a third time for a Motion to approve the 2:00 AM Closing to the Lake Benton Bar and Grill. No motion was made, therefore the motion died.

The next item of business was to review/act on the 2020 contract for mowing the north ditch at cemetery hill for \$285.75 per time not to exceed seven (7) times or \$2,000.25. Mike Otto mowed the hill last year at a cost of \$285.75 per time not to exceed seven (7) times or \$2,000.25. If the ditch needs to be mowed more often Mike will contact the Mayor for approval. Mike also provided proof of liability insurance. **MOTION** by Daryl Schlapkohl, seconded by Rosie DeZeeuw to approve the 2020 contract with Mike Otto to mow the north ditch at cemetery hill at \$285.75 per time not to exceed seven (7) times or \$2,000.25. **Conference Call Roll Call:** Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

COMMITTEE REPORTS:

Trustee Mark Dunn – No report.

Trustee Rosie DeZeeuw – The Chamber met via conference call and the April business of the month is Western Veterinary Clinic, and May's business of the month is Allete. The Chamber moved the business of the month for the greenhouse to a later date. The Food Shelf expansion is getting more funding and grants, and should be operational by June. Nothing has been canceled or confirmed for Saddle Horse Holiday. Karen Lichtsinn will contact the company hosting the Fireworks to confirm they will still do the fireworks Friday evening.

Trustee Dave Enke – The EDA met via conference call. The Rental Housing Rehab Grant/Loan program for the 4-plexes is on hold. Inspections of the premises are temporarily on hold. The EDA approved one local Business Assistance Loan, with the possibility of two more later this week. The EDA was approached by the Chamber regarding their interest in sponsoring a full page ad in the Peach to support Lake Benton businesses and encouraging the community to help. The Chamber requested the City also consider sponsoring this ad. Buffalo Ridge

Newspaper offered a reduced rate for a total of \$490.00 which is equal to \$165.00 per entity (Chamber, EDA, and the City). **MOTION** by Dave Enke, seconded by Daryl Schlapkohl to approve contributing \$165.00 to the ad and move forward as a standard expenditure. Conference Call Roll Call: Mark Dunn – Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

Trustee Daryl Schlapkohl – No report

ADMINISTRATOR/CLERK REPORT:

The rabies clinic is still scheduled for Tuesday, May 5, 2020 from 4:00-6:00 PM at the Fire Hall. The Veterinary Clinics require all dogs be vaccinated. Therefore, the 6' rule will be enforced. Western Vet Clinic will have two representatives and Administrator/Clerk Eileen Christensen will be there to sell licenses.

MAYORAL REPORT:

Mayor Bob Worth was approached by people from the Lake Benton School and how COVID-19 has caused a lot of difficult situations for the seniors. They asked if the City would mind if they had a grand march down one of the streets in downtown Lake Benton. The seniors will wear their attire and stay a safe distance apart from one another. No one on the Council was opposed to this idea.

Mayor Bob Worth expressed his hopefulness to meet in person at the May 4, 2020 regular Council meeting at the Event Center.

There being no further business to come before the Council at this time, a **MOTION** was made by Daryl Schlapkohl, seconded by Mark Dunn to adjourn the meeting. Conference Call Roll Call: Mark Dunn Yeah, Rosie DeZeeuw – Yeah, Dave Enke – Yeah, Daryl Schlapkohl – Yeah. Motion carried.

MAYOR

ADMINISTRATOR/CLERK