

**MINUTES OF THE  
OTTER TAIL COUNTY BOARD OF COMMISSIONERS  
Government Services Center, 500 Fir Ave. W.  
Commissioners' Room  
Tuesday, May 17, 2005  
9:30 a.m.**

**Call to Order**

The Otter Tail County Board of Commissioners convened Tuesday, May 17, 2005, at 9:30 a.m. at the Otter Tail County Government Services Center with Commissioners Bob Block, Chair; Roger Froemming; Vice-Chair, Dennis Mosher, Malcolm Lee, and Syd Nelson present.

**Approval of Agenda**

Motion by Froemming, second by Mosher, and unanimously carried to approve the County Board agenda of May 17, 2005, with the following additions:

Sheriff, Brian Schlueter – Approval to replace position  
and Personnel Committee Meeting

**Approval of Minutes**

Motion by Nelson, second by Lee, and unanimously carried to approve the County Board minutes of May 10, 2005, as mailed.

**Bill & Claims**

Motion by Nelson, second by Mosher, and unanimously carried to approve payment of the County Board bills per Attachment A of the official minutes.

**County Ditch No. 38**

Ditch Inspector, Randy Wasvick, reported that the culvert on County Ditch No. 38 by New York Mills, on 550<sup>th</sup> Avenue, is too high and needs to be lowered about a foot for proper drainage. The cost would be approximately \$400 - \$500. Motion by Nelson, second by Froemming, and unanimously carried to approve the lowering of the culvert in County Ditch No. 38.

**County Ditch No. 12**

Mr. Wasvick requested to purchase metal posts to put around a culvert to protect it. This culvert is 48 to 52 inches and needs continuous clean-out. The culvert is in Ditch No. 12 by Pelican Rapids. Motion by Mosher, second by Lee, and unanimously carried to authorize Ditch Inspector, Randy Wasvick, to purchase metal posts to put around the culvert in Ditch No. 12.

**License Approvals**

Motion by Froemming, second by Lee, and unanimously carried to approve the following applications for licenses:

Corner Store\*  
Battle Lake, MN 56515  
(Gregory Stich)

Off-Sale 3.2 Malt Liquor

Peak Supper Club* Clitherall, MN 56524 (Thomas M. Lorine)	On/Off-Sale 3.2 Malt Liquor On-Sale Wine
Playtime Sports Bar and Ballroom, Inc.* Clitherall, MN 56524 (Mark Wambach)	On-Sale Liquor and Sunday Liquor
Rolling Hills Golf Course* Pelican Rapids, MN 56572 (Cyril A. Flem)	On/Off-Sale 3.2 Malt Liquor
St Lawrence Church* Section 18 of Otto Township One Day License – Sunday, August 7, 2005)	On-Sale 3.2 Malt Liquor
Wee Villa Lodge* Fergus Falls, MN (Cory A. Heit)	On/Off-Sale 3.2 Malt Liquor
Zorbaz of Little Pine Lake, Inc.* Perham, MN 56573	On-Sale Liquor and Sunday Liquor

\*Approval is subject to review and approval by the County Attorney's Office and the County Sheriff's Office.

#### **Notification of Hearing**

The City of Perham has scheduled a Public Hearing at 7:00 p.m. on June 13, 2005, for the purpose of considering the establishment of Tax Increment Financing District No. 2-27. This will be a housing district. Tax increments collected from the district will enable the City to facilitate the construction of two separate, owner-occupied housing developments in the City.

#### **County Credit Card Approval**

Motion by Nelson, second by Lee, and unanimously carried to authorize the following employees to be issued an Otter Tail County credit card with Express One Master Card:

Michael Hanan	Solid Waste Department	\$2,500
Reed Reinbold	Sheriff's Department	\$1,000
Judith Siggerud	Sheriff's Department	\$1,000

#### **Application for Exempt Permit**

Motion by Nelson, second by Mosher, and unanimously carried to approve the LG220 Application for Exempt Permit as submitted by the Dead lake Association for an event scheduled on October 2, 2005, at the Richville Senior Citizen Center.

#### **Payment Approvals**

Motion by Mosher, second by Lee, and unanimously carried to approve payment to the State of Minnesota Office of Administrative Hearing, in the amount of \$440.30, for costs associated with Michael E. Harris et al versus Gary P. Ruehmann (Dead Lake Township).

Motion by Lee, second by Froemming, and unanimously carried to approve the following payments:

Egge Construction Inc.	County Ditch No. 12	\$315.00
Hess Excavating	County Ditch No. 21	\$150.00

**Bid Review & Recommendation for Award**

After previously advertising for bids, Assistant Highway Engineer, Chuck Grotte, presented the following quotations to raise the grade on CSAH 12:

	<u>Bid Amount</u>	<u>Corrected Amount</u>
Riley Bros. Construction, Inc. Morris, MN	\$353,398.40	\$353,758.40
Mark Sand & Gravel Co. Fergus Falls, MN	\$787,765.40	

Motion by Mosher, second by Lee, and unanimously carried to award the Raise Grade, Grading, Agg. Base and Bit. Surfacing (C.P.04:12RG) to Riley Bros. Construction, Inc. the lowest bidder, at the corrected amount of \$353,758.40.

**Contract Approval**

Motion by Froemming, second by Lee, and unanimously carried to authorize the Chair's signature to execute a contract between Otter Tail County and Quality Asphalt, Inc., Deer Creek, MN, for Seasonal Supply of Hot Bituminous Material (East Otter Tail County) in the amount of \$53,240.00

**Recess and Reconvene**

At 10:05 a.m., Chairman Block recessed the County Board of Commissioners' meeting for a short break. At 10:11 a.m., Chairman Block reconvened the County Board of Commissioners' meeting to continue with agenda items.

**Productive Alternatives Financing**

Kent Mattson, Attorney, gave an explanation of Productive Alternatives' request for financing. Productive Alternatives, Inc. will be refinancing the financing that exists on the Willows Day Program building through tax-exempt bank qualified notes to build a facility in which they can operate their detox operations for the benefit of Otter Tail County as well as other counties. Both of these projects qualify for tax exempt bank qualified financing, since Productive Alternatives is a charitable organization that can borrow money at a lower interest rate. In order to accomplish the tax exempt financing, Productive Alternatives must have a local unit of government to act as the Issuer. By default, it would be the City of Fergus Falls, since the project is located in the City of Fergus Falls. The City of Fergus Falls is not able to accommodate this and has adopted a resolution entering into a Joint Powers Agreement, which basically states that the County can act as the Issuer for this financing. Otter Tail County will facilitate the financing at the request of Productive Alternatives, Inc. The County is not issuing bonds. There will be no recourse against the County; the County will have no liability. County Attorney, David Hauser, stated that the only affect on the County is that it counts against total bonding authority. Larry Krohn, County Coordinator, explained that the

County can annually have \$10 million in bank qualified loans. Mr. Mattson stated that the County would need to call a Public Hearing to be held within the next fourteen to thirty days.

**RESOLUTION CALLING FOR A PUBLIC HEARING  
ON A PROJECT BY  
PRODUCTIVE ALTERNATIVES, INC.  
UNDER MINNESOTA STATUTES, CHAPTER 469  
OTTER TAIL COUNTY RESOLUTION NO. 2005-30**

Commissioner Mosher introduced the following Resolution and moved its adoption, with the Public Hearing set for June 7, 2005, at 9:30 a.m.:

BE IT RESOLVED, by the Board of County Commissioners (the Board) of Otter Tail County, Minnesota (the "Issuer"), as follows:

1. Authority. Minnesota Statutes Sections 469.152 through 469.165, as amended (the "Act"), authorizes a municipality or redevelopment agency to issue revenue obligations to finance a project consisting of any properties, real or personal, used or useful in connection with a revenue producing enterprise, including refinancing outstanding indebtedness incurred by nonprofit corporations primarily engaged in activities for mentally or physically disabled persons.
2. The Project.
  - a. Representatives of Productive Alternatives, Inc., a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower"), have advised the Issuer that the Borrower desires to undertake the following project: refinance commercial indebtedness incurred by the Borrower, for constructing and equipping Willows, 1011 North Tower Road, Fergus Falls, Minnesota, an approximately 5,580 square foot program facility for persons with developmental disabilities and finance constructing and equipping an approximate 3,200 square foot facility located at 1017 North Tower Road, Fergus Falls, Minnesota, to be used to provide detoxification and other chemical dependency services (collectively, the "Project").
  - b. The Project is located within the jurisdiction of the Issuer.
3. The Obligations. The Borrower has requested that the Issuer and the City of Fergus Falls, Minnesota cooperate, through a joint powers agreement, to finance the Project through the issuance of obligations by the Issuer pursuant to the Act. The Borrower has requested that the Issuer issue such obligations, in one or more series, in order to finance the cost of the Project (the "Obligations").
4. Issuance of Obligations.
  - a. The Obligations shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Issuer, and the Obligations, when, as and if issued, shall recite in substance that the Obligations, including interest thereon, are payable solely from the revenues received from the Borrower and the

property pledged to the payment thereof and shall not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitation.

- b. All details of and conditions precedent to the issuance of the Obligations and the provisions for payment thereof shall be subject to final approval of the Issuer.
5. Public Hearing. The Issuer will conduct a public hearing on the issuance of the Obligations and the proposal to undertake and finance the Project, pursuant to the requirements of Minnesota Statutes, Section 469.154, Subd. 4, and Section 147(f) of the Internal Revenue Code of 1986, as amended.
6. Authorization to Staff.
- a. The Clerk is authorized and directed to complete the public notice, substantially in the form attached hereto as *Exhibit A*, and cause the notice to be published in the official newspaper of the Issuer and a newspaper of general circulation in the jurisdiction of the Issuer not less than 14 days nor more than 30 days prior to the date set for the public hearing; provided that if the official newspaper of the City is a newspaper of general circulation in the jurisdiction of the Issuer, the notice may be published only once.
  - b. The administrative staff of the Issuer and its agents are hereby authorized to take such further action necessary to carry out the intent and purpose of this resolution and the requirements of the Act.
7. Issuer Costs. Approval of this resolution is subject to the agreement by the Borrower that it will pay the administrative fees of the Issuer and pay, or, upon demand, reimburse the Issuer for payment of, any and all costs incurred by the Issuer in connection with the Project and the issuance of the Obligations, whether or not the Project is carried to completion, or the Obligations are issued.
8. Rights Reserved. Nothing in this resolution shall be construed as an indication of intent to approve this Project and issue the proposed Obligations. The Board specifically reserves the right to approve or disapprove the request after said public hearing.

Commissioner Froemming seconded the motion, and upon being put to vote, was unanimously adopted.

Adopted this 17<sup>th</sup> day of May, 2005.

Dated: \_\_\_\_\_

OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_

Robert Block, County Board Chair

Attest: \_\_\_\_\_

Larry Krohn, Clerk

### **Replacement of Position**

Sheriff, Brian Schlueter, requested to fill a position that was vacated due to a resignation of a Sergeant. The position will be filled by a promotion, leaving a position for patrol deputy. Motion by Mosher, second by Lee, and unanimously carried to authorize the Sheriff to promote a patrol deputy to fill the vacant position and then hire an entry-level patrol deputy.

### **Seasonal Employees**

County Coordinator, Larry Krohn, explained that several departments require seasonal, temporary help and requested that these departments be able to fill returning seasonal, temporary positions. Motion by Lee, second by Mosher, and unanimously carried to authorize Department Heads to fill returning, seasonal, temporary positions with the appropriate paperwork through the Coordinator's Office.

### **Upcoming Meetings**

Motion by Nelson, second by Lee, and unanimously carried to set the following meeting dates:

June 7, 2005, 12:00 noon	Fergus Falls City Council Meeting
June 14, 2005, 9:30 a.m.	County Board Meeting will be held at the New York Mills office building

### **Agriculture Advisory Committee Update**

Chuck Erickson, Otter Tail County Agriculture Advisory Committee member, reported on agriculture in Otter Tail County and provided several handouts. About thirty per cent of the land in Otter Tail County is farmland, with 341 dairy farms and 13 certified organic farms. The mission of the Ag Advisory Committee is to promote and preserve the long-term viability of all livestock and crop farms and their related industries. The Ag Advisory Committee discussed the idea of having a 'County Ag Person', who would identify and research issues. Lee Rogness, Ag Advisory Committee member, explained how Otter Tail County ranks in agriculture and reported that there is potential for more livestock.

### **Planning Commission Recommendations**

#### **Conditional Use Permit – Dora Township/%Daryl Haarstick:**

Motion by Lee, second by Mosher, and unanimously carried to approve a Conditional Use Permit to raise the driving surface of a town road three feet as recommended by the Planning Commission. The property is described as GL1, Lands End Road, Section 2 of Dora Township; Loon Lake (56-523).

#### **Preliminary Plat and Conditional Use Permit – "Puppy Point"/Bruce Qvammen et al:**

Motion by Lee, second by Froemming, and unanimously carried to approve a Preliminary Plat consisting of 15 lots for single family residential use and a Conditional Use Permit to build a road to serve the plat with conditions as recommended by the Planning Commission. The property is described as Lot 3 ex tr & ex plat & pt GL 2...(26.16 ac) & Lot 2 lying SE of narrowest pt (32.63 ac) & Lots 1,4, & 5 (65 ac), Section 34 of Dunn Township; Franklin Lake (56-759).

Conditional Use Permit – Vic Haugrud:

Motion by Lee, second by Nelson, and unanimously carried to approve a Conditional Use Permit to build up an existing driveway as presented. The property is described as Pt of GL 7 & pt of GL 8... (9 ac), Section 1 of Norwegian Grove Township; Grove Lake (56-952).

Conditional Use Permit – Michael J. Peterson & Nancy Peterson:

Motion by Lee, second by Mosher, and unanimously carried to approve a Conditional Use Permit for topographic alterations and to create a driveway as presented. The property is described as Lot 14 Blk 2 Lizzie View Estates, Section 28 & 29 of Dunn Township; Lake Lizzie (56-760).

Preliminary Plat – “Ouren’s Beach” John H. Myhre Estate:

Motion by Mosher, second by Froemming, and unanimously carried to approve a Preliminary Plat known as “Ouren’s Beach” consisting of 2 Lots for single family residential use with a condition as recommended by the Planning Commission. The property is described as Tr called Lots 39 & 40 of Beverly Beach in GL 2, Section 26 of Everts Township; West Battle Lake (56-239).

Preliminary Plat – “Heath-nic Pleasant View Estates”/Theodore Kunza:

Motion by Nelson, second by Lee, and unanimously carried to approve as presented a Preliminary Plat known as “Heath-nic Pleasant View Estates consisting of 18 lots, 1 Blk for single family residential use. The property is described as NE¼ SW¼ ex tract & Lot 2 (68.85 ac) & GL 3 (40.75 ac), Section 33 of Corliss Township; Big Pine Lake (56-130).

Preliminary Plat and Conditional Use Permit – “Loony Acres”/Josh Hanson et al:

Motion by Lee, second by Froemming, and unanimously carried to approve a Preliminary Plat consisting of 5 Lots, 1 Block for single family residential use and a Conditional Use Permit to construct a road with conditions as recommended by the Planning Commission. The property is described as Lot 2 ex tracts (12 AC), Section 3 & S 386’ ex W 816’ of Lot 8 ... (4 ac) & GL 1, 2, & 8 ex trs...(110.04 ac), Section 4 of Dora Township; Loon Lake (56-523).

Preliminary Plat – “L. Nielson Addition”/Larry D. & Carol T. Nielson:

Motion by Lee, second by Nelson, and unanimously carried to approve a Preliminary Plat as presented consisting of 2 residential and 2 non-residential backlots, 1 block. The property is described as Part GL 5 Com Sly Cor Lot 2 Blk 1 Sunset Beach 3<sup>rd</sup> Addn., Section 28 of Dunn Township; Lake Lizzie (56-760).

**Approval of Final Plat – “West Lost Lake Addition**

Motion by Froemming, second by Mosher, and unanimously carried to approve the Final Plat of Bruce C. Carr and Terri A. Carr, and Charles A. McElevey and Karin E. McElevey, known as West Lost Lake Addition. The property is located on West Lost Lake (56-481) Section 22 of Maine Township consisting of seven lots. Land & Resource Director, Bill Kalar, explained that this had been approved last winter with a bond in lieu of constructing a road and the bond has been received.

**Prairie Snow Drifters**  
**Otter Tail County Resolution No. 2005 – 31**

Commissioner Froemming offered the following and moved its adoption:

WHEREAS, Otter Tail County has sponsored Grant-In-Aid Systems in the past; and

WHEREAS, acceptance of the Grant-In-Aid Systems proposed extensions are subject to the review and approval of the County Attorney.

THEREFORE, BE IT RESOLVED that Otter Tail County shall continue to sponsor Grant-In-Aid Trail Systems as they exist for Prairie Snow Drifters and proposed extensions of Grant-In-Aid Trails with the aforementioned condition.

Commissioner Nelson seconded the resolution and, upon being put to vote, was unanimously adopted.

Adopted this 17<sup>th</sup> day of May, 2005.

Dated: \_\_\_\_\_ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_  
Robert Block, County Board Chair

Attest: \_\_\_\_\_  
Larry Krohn, Clerk

**Pelican Lake Property Owners Association**

Norm Robinson, property owner on Pelican Lake, spoke on behalf of the Pelican Lake Property Owners Association. Mr. Robinson stated that there are over 800 members in this association. The Pelican Lake Property Owners Association is requesting that the Moratorium be extended for another six months until appropriate productive ordinances are in place to address concerns.

**Approval of Temporary Position**

Motion by Lee, second by Mosher, and unanimously carried to authorize the Sheriff to hire a temporary employee for paper service throughout the County.

**Recess and Reconvene**

At 11:27 a.m., Chairman Block declared the Otter Tail County Board of Commissioners meeting recessed for a short break. The meeting was reconvened at 11:43 a.m.

**Shoreland Management Ordinance Discussion**

Chairman Block gave a brief explanation of the smaller committee that had been formed, some of whom had served on the Shoreland Rules Revision Committee. At a previous County Board meeting this committee was allowed to continue their meetings and asked to keep them open to the public and include a member that was a resort owner. Chairman Block reported that there had been an article in the newspaper stating the Press was not allowed at the meeting. Since that time, this has been resolved. Chairman Block also stated

that there had been reference that the Commissioners had picked another committee and this was not the case.

Bob Russell, member of the smaller group, explained that the smaller group is not operating on behalf of the County. They are meeting to possibly form constructive consensus of some of the unresolved issues. Mr. Russell stated that this had not been a closed meeting; however, it was requested that anything talked about during the meeting, stayed in the room and not talked about elsewhere until there were written recommendations. Mr. Russell further stated that the group has established procedures for visitors, and that any group of individuals can form a committee just as this group has done and make recommendations to the County Board. This group meets on a volunteer basis.

Mr. Russell identified areas of unanimous agreement and provided a copy of the minutes of the May 16, 2005, meeting. The concept was to start on the issues that they could agree upon and build to the bigger issues with the hopes that when they got to the bigger issues, there wouldn't be as much difference of opinion as when the group first met. To date, the group has identified the following areas of unanimous agreement:

- Pre-hearing meeting and written staff reports
- Vegetative Buffer Strips
- Shoreland Alteration Permit
- Compliance with Sanitation Code
- Impervious Surface Area
- Recreational vehicles
- Increase Land & Resource Staff and Budget

The committee would like to continue with its 13 members. The public is welcome to listen, and the committee will allow 3-5 minutes at the end of the meetings for additional input.

Justine Kingham, Architect, stated that her family has resided in Otter Tail County for 120 years, owning property on both Pelican Lake and Lake Lida. Her professional career included serving on the Advisory Council for the City Council in Washington D.C. For fifty years the City Council tried to tweak codes and realized you could not tweak enough, you need a master plan. By having a master plan you would be including more people, not just the people around lakes. Ms. Kingham served on the Shoreland Rules Revision Committee and stated that they were never asked to reach a consensus. Ms. Kingham felt that it was a dis-service to members of the Shoreland Rules Revision Committee to have the smaller committee and stated that the information they were providing to the County Board was no new information, but shaped from a different point of view. Ms. Kingham requested that the Moratorium continue for at least three months and that County staff be allowed to draft revisions to the ordinance.

Cheryl Harris, Northern Lights Resort, spoke in opposition of the recommended vegetative buffer strips at resorts, explaining that people are not going to want to wade through tall grass and mosquitoes to get to shore land. Resort owners have planted grass and keep the resorts manicured. Ms. Harris requested that Commissioners allow other groups to give suggestions before any decisions are made; stating that there needs to be more diverse representation.

Commissioner Froemming suggested it was time to put an end to the meetings and have Commissioner Block, Bill Kalar, David Hauser, Marsha Bowman, and maybe Terry Lejcher, DNR, go through the recommendations of the committees and bring this back to the County Board of Commissioners for a change to the ordinance.

County Attorney, David Hauser, stated that he would prefer that this should not be done as the purpose of the committee was to get community feedback. When an outline and language drafted regarding the recommendations are completed, this should be brought to the large committee so there can be some input on it. Ultimately it is the County Board's decision of what changes should be made. What is needed is direction from the Board on how to proceed to draft the language for changes. Mr. Hauser requested to keep the public involved and before any changes are made there would need to be a public meeting.

Bob Russell stated that the smaller committee is trying to improve living on the lakes in Otter Tail County, and they are trying to do this as quickly as possible. They are trying to build a framework for success, not failure. The small committee would like to continue to meet; they are not shying away from public input. They need a body that is functional and going beyond 13 members just would not work.

Justine Kingham stated that she felt the smaller committee is not open and fair and requested that the Commissioners not endorse or support this committee. Chairman Block stated that what this committee is reporting is nothing new, they give ideas on how to tweak the ordinance.

Commissioner Lee stated that there is a great deal of work to do and made a motion to continue the Moratorium for another six months. Commissioner Block seconded the motion. Mr. Hauser referred to the recent decision from the Minnesota Supreme Court stating that our ordinance does not authorize cluster developments, and any changes that are made to the ordinance needs to address those concerns. This would be a reason to extend the moratorium.

Chris Svingen, representing Echo Bay project, requested that if the County is considering extending the moratorium that it excludes Conditional Use Permits that had been applied for and projects started before the first moratorium was put in place. Mr. Hauser stated that this would authorize for the Environmental Review Process to pick up where it was left off. Those applicants are probably entitled to have their applications reviewed in light of the existing ordinance at the time they applied. The Environmental Review Process will take time.

Justine Kingham requested that the developments should continue to be on hold until the moratorium is over.

Chris Svingen requested not to delay the Echo Bay project any further and asked if Commissioner Lee's motion could be amended to accept the applications for Conditional Use Permits submitted prior to the Moratorium of May 25, 2004. Commissioner Lee stated he would not amend his motion.

Chairman Block called for a roll call vote:

	<u>Yea</u>	<u>Nay</u>
Commissioner Lee	X	
Commissioner Nelson		X
Commissioner Mosher		X
Commissioner Froemming		X
Commissioner Block	X	

Motion failed 3-2. The small group will continue to meet. Mr. Hauser stated that the committee should be open to comment by other people and give some direction to Bill Kalar so that ordinance can be drafted and be brought to the larger committee. Mr. Kalar asked for a cut off date for recommendations. A date of June 28, 2005, was set.

**Adjournment**

At 12:32 p.m. Chair Block declared the meeting of the Otter Tail County Board of Commissioners adjourned until Tuesday, May 24, 2005.

Dated: \_\_\_\_\_ OTTER TAIL COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_  
Robert Block, County Board Chair

Attest: \_\_\_\_\_  
Larry Krohn, Clerk

CB/ab