

CITY OF BALATON
REGULAR CITY COUNCIL MEETING

February 10, 2025 - 7pm

- 1) **CALL TO ORDER:** The regular meeting of the Balaton City Council was called to order at 7pm on Monday February 10, 2025, by Mayor Lonnie Lambertus
- 2) **ROLL CALL**
 - a) **Present:** Lonnie Lambertus, Council Members: Dylan Fricke, Tracy McCloud, Greg Erickson
 - b) **Absent:** Lonnie Lambertus, Curt Paradis
 - c) **Also Present:** Lyon County Sheriff's Department, Kimberly Wall-Clerk/Treasurer, Joshua Torgeson-Public Works, Ashley Haroldson-Bar Manager, Theresa Zaske, Scott Marquardt (President of Southwest Initiative Foundation), Charles Anderson and Sara Shingledecker
- 3) **APPROVE MINUTES:** A motion was made by Tracy McCloud and seconded by Dylan Fricke to approve the minutes of the Regular Meeting on December 09, TNT Meeting December 09, 2024, and the Special Meetings December 16th and 23rd, 2024. Motion carried by all present.
- 4) **FINANCIALS:**

No questions or corrections. A motion was made by Dylan Fricke and seconded by Tracy McCloud to approve the bills as presented. Motion carried by all present.
- 5) **REQUESTS AND COMMUNICATIONS:** Nothing
- 6) **PUBLIC COMMENT PERIOD**
 - a) Theresa Zaske requested permission from the council to use the existing funds that were allocated to the community center to purchase a projector. A motion was made by Tracy McCloud and seconded by Dylan Fricke to approve the purchase of a projector using existing allocated funds that were donated by Balaton Area Community Foundation/Southwest Initiative Foundation (BACF/SWIF) for the community center. Motion carried by all present.
- 7) **REPORTS – OFFICERS, BOARDS, COMMITTEES**
 - a) **Water/Sewer/Garbage Delinquent Accounts** – Clerk advised the council that water/sewer was shut off to one resident for non-payment.
 - b) **City Personnel** - Employee Hours YTD – Nothing
 - c) **Public Works:**
 - 1) Josh Torgeson informed the council that DGR dropped the ball however, he spoke with DGR to restart the process to look for SEARCH funding for the preliminary report.
 - d) **Zoning:** Nothing
 - e) **EDA:**
 - 1) Matt Gross informed the council that they are still waiting for the abstract to be concluded and the appraisal.
 - f) **Lyon County Sheriff Department**
 - 1) The Lyon County Sheriff Department Officer handed out a January 2025 incident report. He stated no concerns.
 - g) **Liquor Store:**
 - 1) Ashley Haroldson informed the council that the curb/sidewalk (in front of the bar, next to the garbage carts) needs to be fixed. Josh Torgeson informed the council that the previous attorney advised him to spray paint the curb and put a light above it. Ashley Haroldson informed the council that someone had fallen off the curb and was transported to Marshall by ambulance. Josh told the council that they cannot raise the curb to sidewalk level because it will damage a vehicles bumper. Matt Gross suggested to the council that when they fix it, they be ADA compliant. Josh and Greg stated that they will look at it and determine what needs to be done to fix the curb and be ADA compliant. Matt Gross also suggested that the city put out signed stating “Warning Uneven Concrete” (signs on both ends) until it gets fixed for liability reasons.
 - 2) **Fun Fest-** Ashley told the council that the golf course (Ronnie Council) can do the liquor for fun fest. She stated that she doesn't have the time or manpower to continue to ID throughout the night. Greg stated that the Legion will continue to sell at the beer garden. The Legion split 50/50 with the supplier of the beer, which has been the golf course in the past years. Ashley agreed to let the Balaton Golf Course supply the beer and alcohol (at the street dance) during the Balaton Fun Festival.
 - 3) **Off-sale Price Increase:** Ashley informed the council that the previous bar manager did not increase off-sale prices in 2024 and that she is working with Kathy Olson to increase prices (off-sale). Matt Gross informed the council that if the bar loses money two (2) out of three (3) years, the council will need to have a public hearing to consider the operation of the municipal bar. The municipal profited in 2023.
 - 4) **Cooler:** Ashley stated that the cooler behind the bar will need to be replaced as the maintenance man told her that they are unable to get parts any longer. Clerk informed the council that there are grants available – Ashley and council will look into it. The council advised Ashley to get prices and report back to the council.
 - 5) **Cameras:** Dylan informed the council that he has them and will bring them to the bar this week. Josh Torgeson said he will look at the camera system to install. Greg Erickson suggested that the camera system be installed first on the off-sale portion of the building.
 - 6) **Longs/Shorts:** Dylan asked about the long/shorts and questions if it's working with the new system. Ashley stated that they are expecting a call from TOAST for further training. Discussion about having the Deputy Clerk helping as she has experience with TOAST – council agreed.
 - h) **Community Center:** Nothing
 - i) **Fire/Ambulance Department:** Nothing
 - j) **Nuisance:** Nothing
 - 8) **Resolutions**
 - a) Resolution 2025-03 Resolution Accepting a Donation of the City of Balaton
 - 1) Balaton American Legion Post 237- \$3,000 Sound Panels for the Community Center: A motion was made by Dylan Fricke and seconded by Tracy McCloud to accept three thousand dollars (\$3,000) donated by the Balaton American Legion Post 237 for sound panels for the community center. Motion was carried by all present.

b) Resolution 2025-07 Resolution – Borchert Challenge

- 1) A motion was made by Dylan Fricke and seconded by Tracy McCloud to submit a grant application on behalf of the Borchert Challenge. The City of Balaton has no obligation to provide matching dollars for this initiative. Matching dollars will be secured through non-city sources. The City of Balaton will provide any information needed to complete the grant application in collaboration with the grant writing staff. The Balaton Acting Mayor and council is authorized to execute such agreements as necessary to implement the project on behalf of the applicant. Motion carried by all present.

9) **NEW BUSINESS**

a) Renewal of Certificate of Deposit 7152-200927152 (Ambulance)

- 1) A motion was made by Dylan Fricke and seconded by Tracy McCloud to renew CD 7152-200927152 for seven (7) months at 4.10%. Motion carried by all present.

b) Renewal of Certificate of Deposit 8936-200918936 (General Fund CD)

- 1) A motion was made by Dylan Fricke and seconded by Tracy McCloud to renew CD 8936-200918936 for twenty-seven (27) months at 3.89%. Motion carried by all present.

- c) **Borchert Challenge – Grant Resolution Decision:** Greg Erickson advised all present that the City of Balaton needs to clarify if we are eligible to apply for the Taylor Family Farm Grant and to assure that the City of Balaton will not be held financially responsible for the fifty percent (50%) match that the Borchert Challenge would like to apply for. Matt Gross stated that he spoke with Brad Knudson regarding the language that is written in the resolution pertaining to the city being responsible for the match of the possible grant including the requirements needed in the proposal to apply for Taylor Family Farm grant donation. Scott Marquardt (President of Southwest Initiative Foundation) addressed the council regarding the Borchert Challenge group in reference to the Taylor Family Farm Foundation Grant. Scott informed the council that the City is the applicant of record for the Borchert Challenge group, therefore the city would be financially responsible for the matching funds. He stated that the grant will be highly competitive and would be seeking as much information as possible about the likelihood or sources of the matching funds. Scott said all matching funds should be in the one (1) page essay that is required which will need to be detailed. The Taylor Family Farm Foundation is not seeking funding for capital projects. Theoretically, if the grant were to be awarded to the City of Balaton, the City of Balaton would also be responsible for deployment of funds, however there is no project (at this time) to deploy any funds to that could be received by the Taylor Family Farm Grant. The essay questions, which would need to lift up community collaborations (which is required) and would need to know what other partners in the community that are committed and list them accordingly. Scott stated that after reviewing the grant that is available through the Taylor Family Farm Foundation and speaking with Brad Knudson, it would be realistic to apply, however if the fifty percent (50%) is not raised, the City of Balaton would not receive the funds. He also suggested to the council and the city attorney that ‘fiscal sponsor’ should be removed from the current resolution that is to be signed; the current resolution would need to be amended (by the city attorney) prior to being signed by the Balaton Mayor and the City Clerk (all parties agreed). The Taylor Family Farm Application is due by midnight February 28, 2025. Charles Anderson stated that the funding partners would be the Borchert Challenge. Charles Anderson also stated that a red flag for him is that the grant is not for capital projects as the Borchert Challenge intends to build things down the road and the grant money would be for planning purposes only at this time. Scott Marquardt told Charles that he would need to be very clear on how the planning would lead to broader things that promote healthy lifestyles and accessibility to all ages and abilities for everyone. Scott informed the city council that an approved resolution is not listed in the submittals that are required but is necessary for execution of the grant agreement, however what is most important is the one (1) page essay with project purpose objectives and outcome which would have to be submitted by the City Clerk/Treasurer and or the mayor of the city. When the final one (1) page essay is received by the city council, the council will then decide to either approve or deny the proposal to be submitted to the Taylor Family Farm Foundation. Charles stated that he is aware of the one-page essay and Sara advised that they (Borchert Challenge) would be the authors of the essay. Sara Shingledecker informed Scott Marquardt as well as the as city council that they would never submit a request for a grant that they do not already have matching funds for; she then stated that the Borchert Challenge group is in the process of finding the money (matching funds, which the balance is unknown at this time). Scott Marquardt reiterated that the more certainty, clarity and details that they can provide at the time for the final draft would be important. Matt Gross informed the council that the Borchert Challenge will need to correct the resolution before being signed by the council and city clerk. The City Clerk advised the council that the city has not submitted a grant request on behalf of the Borchert Challenge as it’s only been done by the grant writers (of their choosing) in the past. Sara Shingledecker informed the council that this would be the third grant the city has applied for and the city submitted the application – the clerk advised that it’s only been done by the grant writers, not clerks. Scott stated that there is an online portal that is set up for the applicant to apply. There is also a non-optional question about how soon we will need the money so there will need to be a shared meeting on what the estimated date will be. Theresa Zaske asked if the Borchert Challenge is an agency fund, or a donor advised fund. Scott answered that the City of Balaton would be the applicant and would be listed under the City of Balaton’s EIN. Scott told the council that the City of Balaton will accept the funds and is authorized as to how the funds are spent. Matt Gross advised the council to approve/pass the resolution (with the modifications) to authorize the city to submit the grant after receiving the paperwork from the Borchert Challenge for approval.

The Borchert Challenge group will need to prepare the two pages worth of essays, a project budget, the list of current partnerships and collaborations to include the City of Balaton 2025 budget (because the city is the applicant of record) the city clerk could then submit the grant on the online portal once approved. The clerk asked that if the City of Balaton were to be awarded the grant, should the money be put in the savings account ending in 3081 or be sent to SWIF. Per Scott Marquardt, he has not reviewed the Taylor funding agreement of how the expenses will be distributed, however he believes the savings account would be okay. Funds to be spent at the discretion of the council. Scott Marquardt made it clear that if the city were to receive funding through the Taylor grant, the city will need to prove how the funds are spent. Theresa Zaske shared her concerns of the BACF being treated differently than other non-profit groups within the Balaton area. She informed the council (and all present) that she's either been told (or reads on social media) that the BACF isn't doing enough for the city and is putting the city in a financial situation. Scott informed Theresa that any funds that are donated for the endowment must be given to SWIF and any funds that are donated (not directly to the SWIF) can be put in savings and or side account that is not officially part of the challenge endowment fund. Scott told the city council members, Charles Anderson and Sara Shingledecker that if matching funds are raised and the City of Balaton is award grant funds, the funds become an asset to the city. If the matching funds are proposed as coming from another source, then there would need to be surrender of power to the city depending on how the grant agreement is set up (Borchert Challenge would need to surrender legal control of all funds to the City of Balaton). Dylan Fricke asked Scott Marquardt if the city is allowed to send the awarded funds back to the endowment to grow? Scott advised the council that if the city receives interest from the endowment, the city council has the option to not take it and send it back to the endowment to continue to grow. Greg Erickson stated that they have done that in the past. Matt Gross explained to the council that by approving the resolution put forth by the Borchert Challenge, it would authorize the city to submit the application that is as presented to the city from the Borchert Challenge with no obligation financially to the City of Balaton.

10) **UNFINISHED BUSINESS:** Nothing

11) **MISCELLANEOUS:** nothing

12) **ADJOURNMENT:** With no further business, a motion to adjourn was made by Dylan Fricke and seconded by Tracy McCloud. Motion was carried by all present. The meeting was adjourned at 8:14pm.


Kimberly Walli, City Clerk-Treasurer


Lonnie Lambertus, Mayor