- 1. Approval of the Agenda
- 2. Minutes
- 3. 2022 Income and Expense
- 4. Building Update

Floors

Doors between Main Area and Kitchen

- 5. Event Center Policy
- 6. Electronic Sign

Arvig request for messages

- 7. Event Center Security
- 8. Event Center Bar Area and Office
- 9. Kitchen Project Update
- 10. Follow up on Action Items

Table of Contents

2.	Minutes	3
	Building Update	
	Event Center Policy	
6.	Electronic Sign	. 11
8.	Event Center Bar Area and Office	12

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Files Attached

• 2022-04-06 Event Center Meeting Agenda Minutes.pdf

CITY OF VERGAS

Event Center Advisory Minutes Vergas Event Center & Zoom Teleconference 6:30 P.M. on Wednesday, April 6, 2022

The City of Vergas Event Center Advisory Committee was called to order by Chairperson Logan Dahlgren on Wednesday, April 6, 2022 at 6:34 pm with the following members present: Julie Lammers, Paul Haarstick, Logan Dahlgren, Paul Pinke, Mary Ditterich, and Vanessa Perry. Absent: Lyle Krieg. Guests included: None.

Approval of the Agenda

Motion made by Ditterich, seconded by Perry to approve the agenda. Motion carried unanimously.

Approval of Minutes

Motion by Perry, seconded by Ditterich to approve the meeting minutes. Motion carried unanimously.

2022 Income and Expense

Lammers presented to the committee the income and expense report. Two weddings are scheduled at the Event Center and the Vergas Maple Syrup Festival will be held this weekend. As requested by the committee, Lammers will add a budget comparison to future reports.

Building update

Carbon monoxide and smoke detectors have been installed in the Event Center. The stove was inspected and serviced and has been operational for the past two weeks. It is ready for the Maple Syrup Festival this weekend. Lammers stated that no previous tenants have reported issues with the stove. The cost for the repairs was approximately \$460.

Tenants have expressed concerns with the flooring in several areas, including missing and broken tiles. Committee members are asked to inspect the flooring before the next meeting. The flooring in the bar area and the flooring on the east side of the building are sloping and committee members are asked to pay special attention to that area for any problems with the flooring. Committee will table discussion the doors between the kitchen and main area until the next meeting

Event Center Walking

Consensus among committee members was to allow walking in the Event Center until April 30.

Electronic Sign

Lammers will send a note to businesses listed in the online business directory to see if there is interest in the last remaining sign spot.

Event Center Policy

Policies have been reformatted to be match existing city policies. Motion by Pinke, seconded by Haarstick to recommend the City Council approve the Event Center Policy. Motion carried unanimously. Motion by Pinke, seconded by Perry to recommend the City Council approve the Electronic Sign Policy. Motion carried unanimously.

Event Center Rates & Rental Agreement

No update.

Event Center Bar and Office Area

The Vergas Lions have proposed to sell to the City the existing bar equipment for one dollar and to have a ten-year lease of the office area for one dollar. Committee has asked for the City Attorney review the proposal and to report back the legal consequences of the proposal. Discussions will be tabled until next month.

Kitchen Project Update

City Utilities employees have worked in the kitchen, labeled areas, and improved storage. The Committee expresses gratitude for their hard work and dedication to improving the facility.

Council Recommendations

- Approve Event Center Policy
- Approve Electronic Sign Policy
- Hire 2 employees for event security

Follow up Actions

None

The business for which the meeting was called having been completed, the meeting was adjourned at 7:34 p.m.

Respectfully submitted,

Paul Haarstick, Secretary



4.	Bu	ildi	ing	U	pd	ate
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Floors

Doors between Main Area and Kitchen

Files Attached

• 2022 Event Center Income and Expenses.pdf

	<u>Budget</u>	<u>Actual</u>
2022 Income		
Rent/Event Center (36225)	29,900.00	4,520.00
Deposits/Bar Fees	1,000.00	375.00
Event Center other related charges (362	6,000.00	10,225.00
Contributions & Donations (36230)	2,000.00	0.00
Refunds & Reimbursements (36233)	0.00	0.00
Total of 2022 Income	\$38,900.00	\$15,120.00
2022 Expenses		
Part-Time Employees (103)	300.00	0.00
Employer Cont./Soc.Sec. (122)	0.00	0.00
Professional Services	2,500.00	1,142.03
Office Supplies (200)	100.00	0.00
Operating Supplies (210)	1,700.00	1,071.76
Repair & Maint. Supplies (220)	1,000.00	703.32
Internet	1,000.00	368.00
Security Services (300)	1,000.00	0.00
Advertising	3,500.00	150.00
Insurance (360)	1,900.00	0.00
Rug Rental (370)	1,000.00	0.00
Utility Services (380)	6,000.00	3,101.82
Rubbish Service (384)	1,500.00	354.85
Repair & Maintenance (400)	2,000.00	1,718.90
City Share/Assessments (440)	400.00	0.00
Improvements (530)	15,000.00	0.00
Refunds & Reimbursements	0.00	750.00
	\$38,900.00	\$9,360.68
Total Income and Expenses		\$5,759.32
*Electronic Sign Advertising		10,000.00
2022 Balance		(\$4,240.68)

5. Event Center Policy	5.	Event	Center	Policy
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Files Attached

• Event Center Policy Draft.pdf

City of Vergas Vergas Event Center

INTRODUCTION: To outline policy and procedures regarding the oversight, use, safety, and maintenance of the Vergas Event Center.

POLICY:

- 1. The Vergas Event Center is available for rent as outlined in the City Event Center Rental Agreement. Rental inquiries and the rental agreement are available at the City of Vergas Office. The rental agreement must be completed prior to any scheduled rental.
- 2. The Vergas Event Center offers a meeting room space with smart technology. Use of the smart room is as outlined in the City of Vergas policy; Vergas Event Center Smart Room Use Policy and requires reservations and completion of Vergas Event Center Rental Agreement.
- 3. Any untoward incident or accident requires the completion of the city incident report, which is to be filed with the City Office within 24 hours. If the incident or accident occurs on the weekend, reports must be received in the City Office immediately Monday morning. Any incident resulting in significant damage to the Event Center or injury to anyone in attendance at an event; requires an immediate phone call to the City Clerk. If a city employee is injured, the City Clerk must complete the Supervisor's Report of Injury and ensure treatment has been provided and conducts further review to address future action needs and/or policy change needs.

RESPONSIBILITIES:

- 1. Event Center Advisory Board provides oversight and guidance to the City of Vergas regarding Event Center policy, use, safety, maintenance, budget, and action needs.
- 2. City Clerk-Treasurer:
 - a. Provides administrative oversight of the event center and provides day to day direction, management of the rentals, response to safety issues, complaints and concerns, and addresses any disputes or incidents that may occur.
 - b. Prepares and reviews the Event Center budget with the Event Center Advisory

 Board
 - c. Provides a summary of Event Center activities to the Event Center Advisory Board and brings recommendations for action and policy.
- 3. City Receptionist:
 - a. Responds to rental inquiries and provides information regarding availability, policy and completion of a rental agreement.
 - b. Schedules events upon the completion of a rental agreement.
 - c. Provides tours of the Event Center.
 - d. Receives completed Event Center rental agreements, rental deposits and rental payments, and return of deposits.
 - e. Schedules Event Center security and verifies proof of liquor liability insurance with patrons scheduling an event that involves the offering of alcohol.
 - f. Provide patrons with the Event Center entry code; logging who code was given to, and date code was entered and removed from keypad.

g. Provides information regarding rental of sign, takes payments, schedules and updates posts in accordance with the Event Center Sign Policy.

4. Liquor Store Staff

a. In absence of the City Receptionist, Liquor Store employees will provide patrons with the Event Center Agreement form, take payments, and provide the Event Center entry code; logging who the code was given to and date.

5. City Maintenance Staff

- a. Provides general maintenance and repair of the Event Center, which includes the indoors and outdoors, and completes the laundry needs of mop heads, towels, etc.
- b. Maintains the maintenance logs for fire extinguishers, smoke alarms, carbon dioxide alarms, and all annual inspections; as well as the physical care and conditions of items in the event center.
- c. Unlocks the doors prior to Event Center events when keyless entry is not being used.
- d. Sets up meeting room for Council, Planning Commission and other meetings as indicated.
- e. Sets up Chairs for funerals and public hearings and when necessary, takes down chairs.
- f. Provides seasonal landscaping, as mowing of lawn and snow removal of sidewalk and parking lot.

6. Cleaning Service

- a. Cleaning of the Event Center is through a cleaning service contractor, that reports to the City Clerk-Treasurer.
- b. If Event Center needs additional cleaning, the City Utilities Department will provide.

7. Security Service

- a. Security of the event center is through a contract with a security service, that reports to the City Clerk-Treasurer.
- b. The Security Service ensures no alcohol is brought in or taken out of the Event Center, other than the organization with liquor liability insurance.
- c. Monitors and intervenes when underage drinking.

Adopted this 19th day April by the City Council of the City of Vorge

d. Monitors and intervenes if any disruptions, i.e., fight, and contacts the Otter Tail County Sheriff's Department (218) 998-8555 for back up needs.

Adopted this 12th day April by the City t	Council of the City of Vergas	
ATTEST:	Julie Bruhn Mayor	
Julie Lammers City Clerk-Treasurer		

6. Electronic Sign

Arvig request for messages

8. Event Center Bar Area and Office

Files Attached

- Vergas Building Space Lease Agreement Template.pdf
- vergas.lions-city of vergas.bill of sale.pdf

BUILDING SPACE LEASE

	THIS A	AGREEME	NT, made t	his	day o	f			_, 20		, by
and be	etween tl	ne City of	Vergas, a M	innesota	municipal	corpo	oration,	P.O. B	ox 32,	111 Ma	in St,
Vergas	s, MN 5	6587 hereir	after referr	ed to as	"Lessor"	or "C	City," ar	nd The	Vergas	Lions	Club,
hereina	after refe	rred to as "	essee"								

RECITALS

- A. The City provides community recreation, education and wellness services and programs at the "Vergas Event Center," a municipal recreation facility owned and used by the City as part of its program of public recreation as authorized by Minn. Stat. 471.191 Subd. 1 (hereinafter the "Facility").
- B. The City has determined that it is advisable to lease the herein described portion of the Facility to Lessee, a nonprofit club, and has recommended to the Council that the City consent and agree to this Building Space Lease.

NOW THEREFORE, in consideration of the matters recited above, and of the mutual benefits and obligations set forth in this concession lease, and other good and valuable consideration, the City of Vergas as Lessor and the above identified Lessee do hereby agree as follows:

- 1. **LEASE**. Lessor does hereby remise, lease, and let unto Lessee, and Lessee does hereby hire and take from Lessor possession of the defined portion of the Facility consisting of the closet adjacent to the bar area of the Event Center and highlighted on the floor plan attached as "Attachment A" hereinafter referred to as the "Premises," to have and to hold said premises just as they are without liability or obligation on the part of the Lessor of making any further alterations, improvements, or repairs of any kind on or about said premises, except as herein provided, for the term herein provided.
- 2. **TERM OF LEASE**. The term of this lease shall be through the remainder of 2022 ending on December 31, 2022, unless earlier terminated pursuant to the provisions hereof, for the purposes described on "Attachment A" attached hereto and incorporated herein. There shall be no automatic renewal of this lease.

- 3. **RENT**. Lessee shall pay rent for the premises to the City of Vergas, on behalf of Lessor, the sum of \$1 per annum, payable upon the signing of this lease. In addition, Lessee shall pay as additional rent any and all taxes associated with this lease, including without limitation all personal property, real property, sales, use and excise taxes and charges in the nature of taxes of any kind or nature related to or assessed as a consequence of this lease of public property. Should Lessee fail to pay any expense allocated to Lessee by this lease, Lessor may pay the same and the amounts so paid by Lessor shall, at Lessor's option on notice to Lessee, be considered additional rent due and owing in full from Lessee to Lessor with the first installment of rent thereafter due and payable, and may be collected and enforced as by law and this lease provided for failure to pay rent.
- 4. **LEGAL DESCRIPTION**. In the event it becomes necessary or desirable to record this lease at the office of the Otter Tail County Recorder, Lessee hereby authorizes Lessor to attach the legal description of the leased premises to this lease and hereby agrees to incorporate the same into the provisions of this lease.
- 5. **QUIET ENJOYMENT.** Lessee shall keep and maintain said premises during the aforesaid term and quit and deliver up said premises to Lessor peaceably and quietly at the end of any lease term, or at any previous termination thereof for any cause, in as good order, condition, and state of repair, reasonable use, and wear thereof, and inevitable accidents excepted, as the same now are.
- 6. **IMPROVEMENTS.** Lessee shall obtain Lessor's written consent, by and through the City prior to remodeling the premises in any manner, including but not limited to changing the dimensions of the interior or adding any additional square footage to the concession. Lessor shall have the right to demand evidence of prepayment and waiver of mechanics liens for all such remodeling prior to commencement of any work. Any such remodeling shall be at Lessee's expense; such improvements to the structure becoming the property of Lessor. Lessee shall obtain Lessor's written consent, prior to affixing any furnishings or other equipment to the interior or exterior of the leased premises in a manner such that the furnishings or equipment become fixtures. The costs or expenses of any furnishings or equipment affixed to the premises shall be borne exclusively by Lessee but Lessor shall own all such items once affixed. Lessee shall pay all costs of installation of any such furnishings or equipment and, upon termination of this lease, such items shall remain on the premises and be the property of Lessor. Lessee hereby disclaims any ownership thereof.
 - 7. **COMMON AREAS**. Lessee shall have the right to use the common hallways,

automobile parking areas, driveways, footways and loading facilities in the building area available for the nonexclusive use of the City, all to be subject to the terms and conditions of this Building Space Lease Agreement and to other reasonable rules for the use thereof prescribed by Lessor. Lessor shall have the right to make changes or revisions to the common areas of the building and building area and Lessor shall have the right to construct building alterations or additional buildings as Lessor shall deem appropriate in the sole discretion of Lessor.

- 8. **CONDITION OF PREMISES/UTILITIES**. Lessee will put and keep said premises continually in a neat, clean, and respectable condition. Lessee will not make or suffer any waste thereon or thereof, and said Lessee shall also pay when due for all gas, electricity, power, and other utilities used in the premises during the term of this lease.
- 9. **MAINTENANCE.** Lessee shall keep all plumbing, toilets, sinks, water pipes, drains, water meters, and other equipment or fixtures, in and for said premises, in good working order and repair at said Lessee's own cost and expense during said term.
- 10. **ENTRY BY LESSOR**. Lessee shall permit Lessor, their agents, contractors, or employees to enter said premises at all reasonable times to view them, or to make repairs, alterations, or improvements to the premises, building or parts, a part of which is herein leased, and insert such tools, appliances, and pipes as they may deem necessary for the purposes of making said repairs, alterations and improvements, Lessee hereby waives any and all claims and demands for loss or damage, or diminution of rent on account thereof, or on account of any obstruction to sidewalk, entrance, or windows. Lessee will also provide one key to the Lessor. Lessor will give notice prior to entry with said key.
- 11. **COMPLIANCE WITH LAW**. Lessee shall not commit or permit any action to be performed on the premises which will be in violation of any statute, regulation, or ordinance of any governmental body or which will be in violation of any insurance policy carried on the premises.
- 12. **ASSIGNMENT/SUBLEASE**. Lessee may not assign this lease or sublet the premises or any part thereof, whether by voluntary act, operation of law or otherwise, without the prior written consent of Lessor in each instance. Written consent by Lessor to one assignment of the lease or to one subletting of the premises or any portion thereof shall not be a waiver of Lessor's rights under this lease as to any subsequent assignment or subletting.
- 13. **CASUALTY**. If fire or other casualty shall render the premises untenantable, this lease shall terminate forthwith and any prepayments of rent shall be refunded by the Lessor pro-rata.

- 14. **NO PARTNERSHIP CREATED**. This Lease shall not be deemed to give rise to a partnership relationship and neither party shall have authority to obligate or bind the other in any manner whatsoever without the other party's written consent.
- 15. **HOLDOVER**. In the event that Lessee remains in possession of the premises after expiration of the lease term without the renewal or execution of a new lease, Lessee shall be deemed to be occupying the premises as a tenant from month to month, subject to all of the conditions, provisions, and obligations of this lease in so far as they are applicable to a month to month tenancy. Lessor does not waive its rights under such circumstances to any of the other terms of this lease.
- 16. **INSURANCE BY LESSEE**. Lessee shall assure that Lessee's use and occupancy is covered by any and all necessary insurance.
- 17. **LESSOR DEFAULT**. Lessor shall not be deemed to be in default under this lease until the Lessee has given written notice specifying the nature of the default and the Lessor does not cure such default within thirty (30) days after receipt of such notice or within such reasonable time thereafter as may be necessary to cure such default where such default is of such a character as to reasonably require more than thirty (30) to cure.
- 18. **HOLD HARMLESS/INDEMNITY**. Except in the event of negligence or intentional act of the Lessor, their agents or its employees, the Lessee agrees to save, hold harmless, defend, and indemnify the Lessor against any liability for damages to any person or property in or about the premises, or as a result of Lessee's occupancy of the premises. Except in the event of negligence or intentional act of the Lessor, its agents or its employees, Lessor and shall not be liable to the Lessee, its agents, employees, representatives, customers, or invitees for any personal injury, death, or damage to property caused by theft, burglary, water, gas, electricity, fire, or any other cause occurring in or about the premises. All property kept, stored, or maintained on the premises shall be so kept, stored, or maintained at the sole risk of Lessee.
- 19. **LIENS**. Lessee agrees to promptly pay all sums of money in respect of labor, services, materials, supplies, or other equipment furnished or alleged to have been furnished to Lessee in or about the premises. Lessee hereby covenants and agrees that the Lessee will not permit or allow any mechanics or materialmen's liens to be placed on the Lessor's interest in the premises during the term hereof. Not-withstanding the previous sentence, however, in the event that such lien shall be so placed on the Lessor's interest, the Lessee shall take all necessary steps to see that it is removed within thirty (30) days of its being filed; provided, however, that the Lessee may contest any such

lien provided the Lessee first posts a surety bond, in favor of and insuring the Lessor, in an amount equal to One Hundred Twenty-five percent (125%) of the amount of any such lien.

- 20. **COSTS/ATTORNEY FEES**. If any action at law or in equity shall be brought in court to recover any rent under this lease or for or on account of any breach of or to enforce or interpret any of the covenants, terms, or conditions of this lease or for the recovery of the possession of the premises, Lessor shall be entitled to recover from Lessee its reasonable attorneys' fees, the amount of which shall be fixed by the court and shall be made a part of any judgment or decree rendered.
- 21. **SUCCESSORS AND ASSIGNS**. This lease shall be binding on and shall inure to the benefit of the parties hereto and their respective assigns and successors.
- 22. **AMENDMENT/MODIFICATION**. No amendment, modification, or waiver of any condition, provision, or term of this lease shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or by its duly authorized representative, and specifying with particularity the extent and nature of such amendment, modification or waiver. Any waiver by any party of any default of another party shall not affect or impair any right arising from any subsequent default.
- 23. **SEVERABLE**. Each provision, section, sentence, clause, phrase of this lease is intended to be severable. If any provision, section, sentence, clause, phrase, or word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this lease. This lease shall be construed and enforced in accordance with the laws of the State of Minnesota.
- 24. **LESSEE DEFAULT**. If any term, condition, or covenant of this lease to be by Lessee kept or performed, shall be violated or neglected then, and in any of such said cases, the Lessee does hereby authorize and fully empower Lessor, or Lessor's agents, to cancel and annul this lease after 5 days notice for breach of the obligation to pay rent, and after 10 days notice of default for any other incident of default, during which periods Lessee has the right to cure such default, and if such default is not so cured by Lessee the Lessor shall have the right thereafter to re-enter and take possession of said premises by force, if necessary, without any other notice of intention to re-enter and remove all persons and their property therefrom, and to use force and assistance in affecting and perfecting such removal as Lessor may deem advisable to recover full and exclusive possession of all of the said demised premises whether in possession of Lessee or of third persons, or vacant;

or, Lessor or Lessor's agent may, at its option, after such default or violation of condition or covenant re-enter and take possession of said premise, without such re-entry working a forfeiture of the rents to be paid and covenants to be kept by Lessee for the full term of this lease. In such case Lessor shall be obligated to attempt to mitigate its damages.

- 25. **INTERPRETATION**. This agreement has been made following negotiations and review by the parties, and it is, therefore, not to be construed against either party because of its draftsmanship. This lease should be construed according to the laws of the State of Minnesota.
- 26. MINNESOTA GOVERNMENT DATA PRACTICES ACT. Lessee must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to (1) all data provided by the City pursuant to this Agreement, and (2) all data, created, collected, received, stored, used, maintained, or disseminated by Lessee pursuant to this Lease agreement. Lessee is subject to all the provisions of the Minnesota Government Data Practices Act, including but not limited to the civil remedies of Minnesota Statutes Section 13.08, as if it were a government entity. In the event Lessee receives a request to release data, Lessee must immediately notify the City. Lessee agrees to defend, indemnify, and hold the City, its officials, officers, agents, employees, and volunteers harmless from any claims resulting from Lessee's officers,' agents,' partners,' employees,' volunteers,' assignees,' unlawful disclosure and/or use of protected data. The terms of this paragraph shall survive the cancellation or termination of this Lease agreement.
- 27. **COMPLETE AGREEMENT**. This lease contains the entire understanding of the parties hereto with respect to the lease of the concession contemplated hereby.
- 28. **EXECUTION**. This Building Space Lease Agreement may be executed by the parties in separate counterparts and delivered by e-mail in .pdf format, by facsimile and/or by printed document, each separately executed counterpart of which shall be considered as an original of this Agreement and shall be afforded the same force and effect as a duly signed original and each of which shall be binding upon the parties hereto, even if an executed counterpart is delivered only by e-mail in .pdf format or by facsimile.

(2 separate signature pages attached)

LESSEE:	
By: Its:	
STATE OF MINNESOTA)):ss COUNTY OF)	
On this day of	, 20, before me, a Notary Public, within
and for said County, personally appeared	, who
executed the foregoing instrument on behalf	of, Lessee
as its	
NOTARY STAMP	
	Notary Public
	My commission expires:

LESSOR: CITY OF VERGAS,	
THE CITY OF VERGAS, MINNESOTA	
By: Julie Bruhn Its: Mayor	
By: Julie Lammers Its: City Clerk	
STATE OF MINNESOTA)):ss	
COUNTY OF OTTER TAIL)	
within and for said County, personally appear	, 20, before me, a Notary Public eared Julie Bruhn, Mayor and Julie Lammers, City Clerk n behalf of the City of Vergas, a Minnesota municipa
NOTARY STAMP	
	N D.11'
	Notary Public My commission expires:

THIS INSTRUMENT WAS DRAFTED BY: RAMSTAD, SKOYLES & WINTERS, P.A. Thomas P. Winters City Attorney 114 Holmes Street West Detroit Lakes, MN 56501 (218) 847-5653

BILL OF SALE

This Bill of Sale is executed and delivered Lions Club, a Minnesota Non-Profit Org Minnesota Municipal Corporation ("Buyer"	ganization ("Seller") in fav	, 20, by or of City of Ve	Vergas rgas, a
This is in consideration of One Dollar (\$1.	00), receipt of which is her	eby acknowledge	d.
Seller and Buyer agree to the following eq Events Center (VEC):	uipment associated with th	ne bar area at the	Vergas
Wooden Bar with drawers and storage spa Serving Bar Apartment size upright freezer 3 Door Pepsi Cooler 1 Door Coke Cooler	ace, located on back wall o	f VEC	
In addition, the City of Vergas will allow the Cooke Cooler to midnight on December 3:	_	limited use of the	1 Door
For the consideration described in the consideration, Seller hereby conveys, sel successors and assigns, all of Seller's righ	ls, assigns and transfers	to Buyer, and to	
This Bill of Sale includes and is subject warranties, and provisions in the Agreeme		ditions, represent	tations,
Seller has signed this Bill of Sale on the obelow, Buyer acknowledges receipt of the	•		signing
	SELLER: VERGAS LIONS CLUB		
	By: Mary Ditterich Its: President		
	BUYER: CITY OF VERGAS		
	By: Julie Bruhn Its: Mayor		