



City Council Minutes

Madison Lake City Council

Monday, January 11, 2016

1) Call Meeting to Order

Mayor Reichel called the regular meeting to order at 7:00 pm.

2) Roll Call

Council Members Present: Mayor Kenneth Reichel, Carolyn Hiniker, Laurinda Sohre, and Kent Hoehn

Members Absent: Pat Burt (arrived at 7:03 pm)

Staff Present: City Administrator Ariel Lenz, Deputy City Clerk AmberRose Brudellie, City Engineer Chris Larson, ISG Project Designer Nate Hermer, Police Chief Dan Bunde, Fire Chief Kevin Kennedy, and Planning Commission Chair Mike Klassen.

3) Approval of Agenda

A motion by Hiniker, seconded by **Hoehn**, to approve the agenda.

Roll Call: Ayes: Reichel, Hiniker, Sohre, and Hoehn

Nays: None

Motion carried.

4) Approval of Vendor Claims

A motion by Sohre, seconded by **Hiniker**, to approve vendor claims in the amount of \$363,950.43.

Roll Call: Ayes: Reichel, Hiniker, Sohre, and Hoehn

Nays: None

Motion carried.

5) Consent Agenda

a) Approval of minutes from regular meeting of December 21, 2015

A motion by Hiniker, seconded by **Sohre**, to approve the consent agenda.

Roll Call: Ayes: Reichel, Hiniker, Sohre, and Hoehn

Nays: None

Motion carried.

6) Open Public Comments

- None

Council Member Burt arrived at 7:03 pm.

7) Appearances & Presentations

a) Improvement Hearing 4th and 5th Project

- City Administrator Lenz briefly reviewed the public hearing procedure.

- Nate Hermer of ISG reviewed the project area, the existing water and wastewater systems, the existing streets, and the proposed improvements.
- The estimated project cost is \$2,456,069.37 including contingencies and soft costs.
- The actual cost of the project will be based on bid results.
- Mr. Hermer reviewed how the special assessments were determined.
- The special assessments will appear on the 2017 tax statements and are assumed to be over a fifteen-year term at an interest rate of five percent, but the actual term and interest rate will depend on the actual bond rates and terms obtained by the City.
- City Administrator Lenz gave a brief overview of Minnesota Statute 435 and asked residents interested in assessment deferral to contact her.
- Mr. Hermer reviewed the project procedure and schedule.
- The City's listserv will be used as the primary resource for fast communication.
- City Administrator Lenz stated that we are aware that this project is going to be an inconvenience and asked residents to have their questions or concerns in writing to help staff better track them.
- Mr. Hermer reviewed the plans for Spruce Avenue.
- City Engineer Larson stated that the contingency is calculated at approximately eight percent.
- Council discussed how the assessment procedure works if the project were to come in under budget when completed.
- City Administrator Lenz stated that the City likes to bond before the project in order to maintain our cash flow.
- Mayor Reichel opened the Improvement Hearing at 7:36 pm.
 - (1) Council discussed enforcement of weight limits on Spruce Avenue.
 - (2) Dale Lee of 401 4th Street and 420 Spruce Avenue
 - Mr. Lee is concerned about the overlay on Spruce Avenue being assessed.
 - Mr. Lee is concerned about being assessed for the water main looping.
 - Mr. Lee asked if he could have his sidewalk replaced by his own contractor.
 - (3) City Engineer Larson stated that the portions of Spruce Avenue being overlaid are not being assessed.
 - (4) City Engineer Larson and City Administrator Lenz explained Mr. Lee's assessment for water main and that the area by his lot is not looping. Mr. Lee is being charged the same as any other property.
 - (5) Staff will provide Mr. Lee with a breakdown of the assessments.
 - (6) City Engineer Larson asked that Mr. Lee provide his request in writing for the sidewalk and that there would be not cost savings or adjustments if he did the sidewalk himself.
 - (7) City Engineer Larson stated that the properties will be receiving a concrete driveway apron.
 - (8) Jerry Groebner of 513 Main Street
 - Mr. Groebner stated that he sees no benefit to the alley being paved on his vacant lot and is total oppose to paving the alley.
 - Mr. Groebner asked if there is going to be a policy of paving all the alleys throughout the entire City.
 - (9) City Administrator Lenz stated that the majority of the parcel owners on block 17 and block 18 voted to have the alley paved.
 - (10) The City is picking up twenty percent of the cost of paving the alley.
 - (11) Council discussed the preliminary assessment hearing last year.
 - (12) Mike Klassen of 709 Spruce Avenue
 - Mr. Klassen stated that the work on Main Street affected the quality of Spruce Avenue over the last year and as a citizen we keep paying for stuff that gets wrecked by other people.
 - (13) Mayor Reichel stated that Spruce Avenue has been deteriorating for many years.

- (14) Peter Falk of 404 4th Street
- Mr. Falk thanked the Council for their patience and effort to bring this project to a conclusion.
 - Mr. Falk is concerned about his assessment for the water main on Spruce Avenue because it does not benefit him.
- (15) City Engineer Larson explained how the water main assessments are determined.
- (16) Council discussed whether there should be assessments for water main looping.
- (17) The water main looping on Point Avenue and County Road 26 are regional improvements to the water system.
- (18) City Administrator Lenz stated that the water main looping will benefit our fire protection. This area was mentioned in our ISO rating.
- (19) Jon Schneider of 409 Main Street
- Mr. Schneider thanked everyone involved in the Main Street project, it turned out great and we have a nice Main Street now.
 - Mr. Schneider asked about the tonnage for the alley.
 - Mr. Schneider stated we have use the streets our whole lives, it is our turn to replace them. It is not fair to leave them or push it on the kids.
- (20) City Engineer Larson stated that the alley will be able to handle garbage trucks.
- (21) Kent Hoehn of 808 7th Street
- Mr. Hoehn stated that he was speaking on behalf of his mother who owns the post office building.
 - Mr. Hoehn stated that the construction is not going to improve your property.
 - Mr. Hoehn stated that the Main Street construction did not raise the value on the post office at all and that his cousin told him that it would only raise his property value \$2000 to \$3000 not the cost of the assessment.
 - Mr. Hoehn stated that the County did not increase his value at all.
- (22) Council Member Burt stated that there was a newspaper article showing how values are calculated in Blue Earth County.
- (23) City Administrator Lenz stated that Blue Earth County's appraisal process is not based upon an individual property.
- (24) Mayor Pro-Tem Carolyn Hiniker took control of the meeting at 8:19 pm.
- (25) Ken Reichel of 420 4th St
- Mr. Reichel stated that he will own the property on Friday and will gladly pay to have the street improved and improved water quality.
 - Mr. Reichel stated that he does not have a problem paying market value for a property and the assessment to have something that works well.
- (26) Mayor Reichel took control of the meeting at 8:22 pm.
- (27) City Engineer Larson stated that the road will be moved five feet to center it. Now is the time to move the road to the middle of the right of way where it belongs as it will be completely torn up. There is not an added cost for moving the road over.
- (28) The estimated cost for the project is \$2.5 million and the amount to be assessed is around \$600,000.00
- (29) Tim Austad of 500 5th Street
- (a) Mr. Austad asked Council what the maintenance plan is for the town?
- (30) City Administrator Klugman stated that the Council spent almost \$100,000.00 last year on maintenance projects and has budgeted \$50,000.00 for road improvements this year.
- (31) Council discussed construction traffic.
- Mayor Reichel closed the public hearing at 8:39 pm.
 - Council discussed the proposed sidewalks.

- Council discussed a parking area at Fasnacht Park.
- b) Public Hearing on Ordinance #2016-01 Adjusting Fees and Charges
- Mayor Reichel opened the public hearing at 8:54 pm.
 - City Administrator Lenz stated that Council reviewed the proposed ordinance at the last meeting and briefly reviewed the proposed changes.
 - Council discussed the WAC and SAC fees.
 - Mayor Reichel closed the public hearing at 8:59 pm.
- c) Department Updates
- Fire Chief
 - (1) Fire Chief Kennedy stated that the Christmas Party will be held on January 22, 2016 at The Landing with a social hour at 6:00 pm and dinner at 7:00 pm.
 - (2) City Administrator Lenz stated that she will be meeting with Jamestown Township at 7:30 pm tomorrow to discuss the fire contract.
 - Planning Commission
 - (1) City Administrator Lenz stated that the Planning Commission has been working on the Comprehensive Plan and should have a draft completed at the end of their next meeting.
 - (2) City Administrator Lenz stated that there will be some proposals for zoning changes that the Planning Commission will send to the Council for review and comment before the public hearing.

8) Ordinances & Resolutions

- a) Resolution #2016-01 Ordering Improvement Project 4th and 5th and Preparation of Plans
- City Administrator Lenz stated that Council approved this resolution last year but we are required to have one on file within a year of construction.

A motion by Hiniker, seconded by **Burt**, to approve Resolution #2016-01 Ordering Improvement Project 4th and 5th and Preparation of Plans.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

- b) Resolution #2016-02 Accepting Plans and Specifications on the Madison Lake 4th and 5th Street Project and Authorizing Advertising for Bids.
- Council discussed Spruce Avenue.
 - Council would like to include an alternate for increasing the tonnage on Spruce Avenue.
 - Council discussed the sidewalks.

A motion by Hiniker, seconded by **Sohre**, to approve Resolution #2016-02 Accepting Plans and Specifications on the Madison Lake 4th and 5th Street Project and Authorizing Advertising for Bids.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

- c) Resolution #2016-03 Official Council Appointments

A motion by Burt, seconded by **Hiniker**, to approve Resolution #2016-03 Official Council Appointments with the following change to the Park and Trail Committee, Kent Hoehn shall replace Kenneth Reichel.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

d) Resolution #2016-04 A Joint Resolution Creating the "Greater Mankato Cities Water Quality Coalition".

- City Administrator Lenz stated that this is the same resolution that North Mankato and Eagle Lake have passed.

A motion by Hoehn, seconded by **Burt**, to approve Resolution #2016-04 A Joint Resolution Creating the "Greater Mankato Cities Water Quality Coalition".

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

e) Resolution #2016-05 Accepting Madison Lake Firefighters Relief Association Actuarial Report

- City Administrator Lenz stated that we are in good standing and the actuarial report will need to be done every two years as a GASB requirement.

A motion by Hiniker, seconded by **Sohre**, to approve Resolution #2016-05 Accepting Madison Lake Firefighters Relief Association Actuarial Report.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

f) Resolution #2016-06 Accepting Annexation Agreement with Everett Nelson

- City Administrator Lenz stated that this is the same agreement we have in place with the Chaders and Bushkowsky and gives Mr. Nelson until 2023 to annex.

A motion by Hiniker, seconded by **Burt**, to approve Resolution #2016-06 Accepting Annexation Agreement with Nelson, Everett

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

g) Resolution #2016-07 Official Designations

A motion by Hiniker, seconded by **Sohre**, to approve Resolution #2016-07 Official Designations

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

h) Ordinance #2016-01 Adjusting Fees and Charges

A motion by Burt, seconded by **Sohre**, to approve Ordinance #2016-01 Adjusting Fees and Charges.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None

Motion carried.

9) Unfinished Business

- a) Seasonal Resident Ordinance (Review)
 - City Administrator Lenz provided Council with a brief ordinance to create the seasonal property garbage exemption.
- b) Assessment Policy Revisions
 - City Administrator Lenz stated this is the policy Council previously reviewed and briefly went over the changes.

A motion by Hiniker, seconded by **Burt**, to accept the assessment policy revisions.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn

Nays: None

Motion carried.

- c) Project Updates
 - Annexation Project
 - (1) Pay Applications
 - (a) City Engineer Larson reviewed Holtmeier's application for Payment #10, Payment #11 and Change Order #7.
 - (b) City Engineer Larson stated that all the work is completed as far as the pay items.
 - (c) Council would like to withhold \$10,000.00 instead of the \$2,500.00 for the work left to be completed.

A motion by Hoehn, seconded by **Sohre**, to approve contractor's application for payment #10 for \$15,673.29, payment #11 for \$107,039.82, and change order #7 for Holtmeier.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn

Nays: None

Motion carried.

10) New Business

- a) Appointing Andrew Hartman to Public Works Maintenance Worker I position
 - City Administrator Lenz stated that interviews have been completed for the Public Works Maintenance Worker I position and staff recommend appointing Andrew Hartman to the position at \$15.03 an hour.

A motion by Hiniker, seconded by **Sohre**, to approve the hiring of Andrew Hartman at \$15.03 an hour for the Public Works Maintenance Worker I position.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn

Nays: None

Motion carried.

11) Staff Reports

- a) City Administrator
 - City Administrator Lenz stated that in order to apply for the grant for Lindbergh Park building the City needs to have the building designs completed.

- ISG has provided a proposal of \$4,500.00 to create the design.
- City Administrator Lenz stated that the cost of the building design is not reimbursable for the grant but may count towards our match portion.

A motion by Hoehn, seconded by **Burt**, to approve ISG's proposal of \$4,500.00 for the Lindbergh Park building design.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried.

- City Administrator Lenz stated that the League of Minnesota Cities will be held on January 22 and 23, 2016 in Brooklyn Park and asked Council to let her know this week if they would like to attend.
- City Administrator Lenz stated that there will be online training in July for the Board of Appeal and Equalization.
- If Council is able to attend the tornado exercise with Blue Earth County to please let City Administrator Lenz know.
- Board and commission recruitment has begun. If Council knows of anyone interested in an open position on Planning Commission, EDA, or Parks and Trails Committee please let staff know.
- The Council will hold a special meeting on February 8, 2016 to accept the bids and order an assessment hearing at 6 pm.
- The assessment hearing will be on February 25, 2016 at 7 pm.
- The Council retreat will be held on February 8, 2016 at 6:30 pm.

12) Mayor & Council Reports

13) Adjournment

A motion by Hoehn, seconded by **Burt**, to adjourn the meeting at 9:53 pm.

Roll Call: Ayes: Reichel, Hiniker, Sohre, Burt, and Hoehn
Nays: None
Motion carried



Kenneth Reichel, Mayor

Attest:


AmberRose Brudeli, Deputy City Clerk