



City Council Minutes
Madison Lake City Council
Monday, June 15, 2015

1) Call Meeting to Order

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

2) Roll Call

Council Members Present: Mayor Ken Reichel, Carolyn Hiniker, Laurinda Sohre, Pat Burt, and Kent Hoehn

Members Absent: None

Staff Present: City Administrator Ariel Klugman, Deputy City Clerk AmberRose Brudelic, Police Chief Dan Bunde, and City Engineer Chris Larson

3) Approval of Agenda

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

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

4) Approval of Vendor Claims

A motion by Hoehn, seconded by **Burt**, to approve vendor claims in the amount of \$305,734.95.

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

5) Consent Agenda

- a) Approval of minutes from the Council Retreat on June 1, 2015
- b) Approval of minutes from the Closed Session on June 1, 2015
- c) Approval of minutes from Regular Meeting on June 1, 2015
- d) Approval of Temporary Liquor License for Madison Lake Fire Relief Association on July 25, 2015

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

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

6) Open Public Comments

- a) Craig Jaskulke of 86 Evergreen Court
 - Mr. Jaskulke requested an adjustment on his sewer bill due to a water break under the slab of his house.
 - Mr. Jaskulke stated that he used the water but it did not go down the sewer.
 - Deputy Clerk Brudelic stated that in the past Council has adjusted bills in situation similar to this to 110% of the average usage.
 - Mr. Jaskulke was billed for 15,300 gallons of sewer for \$152.82.
 - Deputy Clerk Brudelic stated that 110% of the average used is 7,739 gallons which would result in an adjustment of \$84.03.

A motion by Hiniker, seconded by **Sohre**, to approve the adjustment of \$84.03.

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

Nays: None

Motion carried.

- Council discussed the patching on Evergreen Court.
- The road will be seal coated after all of the patching is completed.

b) Clell Hemphill of 381 N Duck Lake Avenue

- Mr. Hemphill stated that he spoke with twenty homes throughout the City about the maintenance building and provided those residents and Council with a picture of what the current maintenance building looks like.
- Mr. Hemphill stated that none of the households he talked to about the building are against it.
- Mr. Hemphill stated that staff need a safe place to handle repairs, complete maintenance and hook up winter equipment.
- Council thanked Mr. Hemphill for his work.

7) Appearances & Presentations

a) Public Hearing 720 Park Road

- City Administrator Klugman stated that this issue came to us a few months ago and involved the nuisance abatement on 720 Park Road owned by Dennis and Roberta Johnson.
- The public hearing has been re-noticed for this Council meeting.
- City Administrator Klugman stated that the property owners have done a lot of work on the property and have met with Council members and staff.
- City Administrator Klugman stated that Tim Fritz has not provided her with a list of things he would like to see done.
- Mayor Reichel opened the public hearing at 7:14 pm.
- Mrs. Johnson stated that she is always out there working and will be taking down the dead tree now.
- Mayor Reichel closed the public hearing at 7:15 pm.

b) Relief Association & Pension Benefits Presentation

- Bill Ward with the Relief Association came to Council to request a change in the benefits of the Relief Association pension.
- Mr. Ward stated that three and a half years ago the Relief Association requested a \$100.00 change in payout to \$1,200.00 per year of service.
- The Relief Association is requesting an increase to \$1,500.00 per year of service.
- Mr. Ward provided Council with a spreadsheet showing the breakdown of the pension contribution as well as a comparison of what other area Relief Associations are receiving.
- Mr. Ward stated that Madison Lake is on the low end of the neighboring fire departments.
- Mr. Ward provided Council with a schedule of funding and stated that at the end of 2014 the Relief Association pension is at a funded rate of 144%.
- Mr. Ward stated that if Council approves this increase the pension will still be at a funded rate of 114%.
- Mr. Ward stated that there are a number of people that have hit their twenty year of service on the department and this is an extra incentive to keep those people on the department and can be used a tool to convince new people to join the department.
- Council discussed the State requirements for funding the Relief Association.

A motion by Hoehn, seconded by **Burt**, to increase the Fire Relief benefit to \$1,500.00 per year of service effective July 1, 2015.

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

8) Ordinances & Resolutions

- a) Resolution #2015-22 Approving Preliminary Plat for 1120 Park Road
- City Administrator Klugman stated that this is a two lot subdivision.
 - The Planning Commission recommends approval with two conditions: a clarification of the lot boundary description on the northern edge and pending final annexation
 - City Administrator Klugman recommends approval with the attached memorandum of understanding being signed before the final plat comes before the Council.
 - City Administrator Klugman stated that the property owners are planning to remove the house and did get a building permit from Blue Earth County to build.
 - The Planning Commission does not feel that they need to see this for the final plat.
 - The City will be supplying the utilities for this house.
 - All of the properties in this area have paid their assessments.
 - The property owner will need to install a second connection once the lot is subdivided and will be required to pay water and sewer connection fees for the second connection.
 - The City will allow the owner one year to remove the second house.

A motion by Sohre, seconded by **Hiniker**, to approve Resolution #2015-22 Approving Preliminary Plat for 1120 Park Road.

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

9) Unfinished Business

- a) Project Updates
- Annexation Update
 - (1) Pay Apps & Change Orders
 - (a) City Engineer Larson stated that with the exception of Nutmeg Road they are working on restoration.
 - (b) WW Blacktopping is planning to work on Nutmeg Road this week and will be starting at the cul-de-sac end.
 - (c) City Engineer Larson reviewed change order #5 and the application for payment #7 for Holtmeier and recommends approval.
 - (d) Council is not changing Doran Drive to North Duck Lake Avenue.
 - (e) Xcel Energy is almost done with their installation of gas lines.

A motion by Hiniker, seconded by **Hoehn**, to approve Change Order Number 5 and Application for Payment Number 7 for Holtmeier.

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

- Facility Update
 - (1) City Administrator Klugman stated that we received a petition for a reverse referendum on the tax exempt bonds for the facility.

- (2) City Administrator Klugman provided Council with the different options available to them along with the pros and cons of each option.
- (3) City Administrator Klugman provided a breakdown of known funds for the project.
- (4) Council discussed the water tower lease revenue.
- (5) Council discussed the financing options available and the cost of the building.
- (6) The tax exempt bonds at \$600,000 would have impacted a \$100,000.00 house \$10.47 annually.
- (7) City Engineer Larson stated that any licensed contractor can bid on the building.
- (8) Council stated that they are trying to break the project up so that smaller companies could bond for the project.
- (9) Council directed City Administrator Klugman to have ISG stop working on the specs and plans for the facility.
- (10) Tabled until a future meeting.

b) Hydrant Buddy

- City Administrator Klugman stated that the total cost for the hydrant buddy is \$4,500.00.
- Council would like to discuss sharing the hydrant buddy with Eagle Lake.
- Council tabled this until the next meeting when Public Works Supervisor Roemhildt is present.

10) New Business

a) Oak Avenue

- City Administrator Klugman stated that the contractor has run into problems with Oak Avenue.
- Additional base work is needed for around \$7,700.00 bringing the cost of this street to \$37,000.00.
- Council discussed different options for the road.
- Tabled until the next meeting when Public Works Supervisor Roemhildt is present.

b) Point Wild Cul-de-sac

- Matt Oswald has requested to remove and reuse some of the current material from his cul-de-sac.
- City Administrator Klugman explained Mr. Oswald's request and asked if this is something the Council will consider.
- Any agreement would involve meeting the conditions provided by Mr. Jackson with Mr. Oswald will take on any costs related to his request.

A motion by Hiniker, seconded by **Sohre**, to give City Administrator Klugman the authority to negotiate the agreement with Matt Oswald.

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

Nays: None

Motion carried

c) Budget Prep – Base fee discussion

- City Administrator Klugman stated that she is working on the budget and before anything is proposed she would like to discuss base fees on utilities.
- City Administrator Klugman stated that seasonal accounts only pay base fees when their service is turned on.
- The City of Mankato wants to rearrange the contract based upon each City's peak rate which will put the City in a position where we will have to charge more to the year round residents to make up for the seasonal residents.
- City Administrator Klugman explained the spreadsheet she providing showing the base fees and how it breaks out.
- City Administrator Klugman explained most of our regional comparable communities charge base fees year round, Mapleton is looking into changing their policy and Cleveland is the only other community that does not.

- Council said they would like to look into this change further.
- City Administrator Klugman said she will be proposing the change in the budget.
- Council tabled this discussion until budget meetings.

d) Mankato Area Community Education Request

A motion by Hoehn, seconded by **Burt**, to approve a donation of \$1,000.00 to the Mankato Area Community Education for the Madison Lake Parks Program.

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

Nays: None

Motion carried

11) Staff Reports

a) Police Chief

- Police Chief Bunde requested to have the alley by Mid-Central Realty surveyed for \$700.00 - \$900.00.
- Police Chief Bunde stated that the alley is a mess and getting it surveyed is the first step to getting it cleaned up, especially if we end up in court over it.
- The burn pile will be removed before July 4, 2015.
- City Administrator Klugman and Police Chief Bunde will discuss getting the alley surveyed.

12) Mayor & Council Reports

13) Adjournment

A motion by Hiniker, seconded by **Burt**, to adjourn the meeting at 8:45 pm.

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

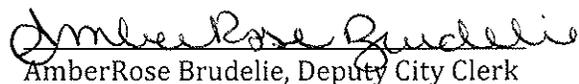
Nays: None

Motion carried.

Attest:



Kenneth Reichel, Mayor



AmberRose Brudellie, Deputy City Clerk