

**City of Madison Lake**  
City Council Minutes  
Monday, August 19, 2013

**Call to Order**

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

**Pledge of Allegiance**

**Roll Call**

**Members Present:** Mayor Ken Reichel, Kent Hoehn, John Howard, Chuck Ries, and Carolyn Hiniker

**Members Absent:** None

**Staff Present:** City Administrator Kelly Steele, Deputy Clerk AmberRose Brudelic, Planning Commission Chair Mike Klassen, Police Chief Dan Bunde, Fire Chief Kevin Kennedy and City Engineer Chris Larson.

**Others Present:** Richard (Bim) and Cindy Vogelgesang of 22897 Kopps Lane, Madison Lake; Richard Vogelgesang of 61703 230<sup>th</sup> Street, Madison Lake.

**Consent Agenda**

3A) Approval of Agenda

**A motion by Hiniker**, seconded by Howard, to approve the agenda with the addition of 9G) Water Meters and Online Payments.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
Nays: None  
Motion carried.

3B) Accepting of Minutes from Regular Meeting of August 5, 2013

**A motion by Howard**, seconded by Hoehn, to accept the minutes from the August 5, 2013 regular meeting.

Roll Call: Ayes: Reichel, Howard, Hiniker, and Hoehn  
Nays: None  
Abstained: Ries  
Motion carried.

3C) Approval of Vendor Claims Totaling \$84,824.96.

**A motion by Howard**, seconded by Hiniker, to approve vendor claims in the amount of \$84,824.96.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
Nays: None  
Motion carried.

**Open Public Comments**

4A) Richard (Bim) Vogelgesang

- Mr. Vogelgesang discussed annexing his property at 61703 230<sup>th</sup> Street, Madison Lake into the City.
- Blue Earth County is requiring Mr. Vogelgesang to replace his septic system as it is out of compliance.
- Mr. Larson reviewed the cost of providing sewer service to this property.

- Council directed Mr. Larson to provide a cost for running sewer service to the following properties 61583 230<sup>th</sup> Street, 61633 230<sup>th</sup> Street, 61703 230<sup>th</sup> Street, and 61705 230<sup>th</sup> Street.
- Mr. Vogelgesang offered to pay for two connections for his property in order to lower the cost to the City.
- Council directed Ms. Steele to send a letter to James Hoehn and Rome Reichel to determine their interest.
- Ms. Steele will send a letter to the County to let them know that we are trying to work something out with Mr. Vogelgesang.

### Appearances and Presentations

### Ordinances and Resolutions

#### 6A) Ordinance #2013-09 Regulating the Use of Private Wells

- Ms. Steele has incorporated Blue Earth County's recommendations into the ordinance.

**A motion by Ries**, seconded by Hoehn, to approve Ordinance #2013-09 Regulating the Use of Private Wells.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
 Nays: None  
 Motion carried.

#### 6B) Resolution #2013-580 Calling Hearing on Improvement

- Council scheduled the public hearing for September 25, 2013 at 7:00 pm.
- Ms. Steele will check with Shannon Sweeney regarding the credits on assessments.
- The individual meetings with residents will be held on September 27, 2013 from 3:00 pm to 7:00 pm and on September 28, 2013 from 10:00 am to 2:00 pm.

**A motion by Ries**, seconded by Hiniker, to approve Resolution #2013-580 Calling Hearing on Improvement.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
 Nays: None  
 Motion carried.

### Reports of Staff, Officers, Boards, and Committees

### Unfinished Business

#### 8A) Annexation

- Ms. Steele is waiting to hear from Bill Goldy at I & S on where they are at with the detachment process.
- Council directed Ms. Steele to provide a recommendation for the garbage ordinance at the next meeting.

#### 8B) 2014 Draft Financial Budget

- Ms. Steele stated that we are currently at a five percent levy increase.
- Council discussed the water and sewer rates.
- Council directed Ms. Steele to add a line item for the taxes we will have to pay Jamestown Township.
- Council discussed wage increases and directed Ms. Steele to add a two percent cost of living increase.
- Ms. Steele stated that the preliminary levy will need to be set at the September 3, 2013 meeting.

### New Business

#### 9A) Accept City Administrator Resignation

- Council asked Mr. Howard and Ms. Hiniker to set up an exit interview with Ms. Steele.

**A motion by Ries**, seconded by Howard, to accept Ms. Steele's resignation.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
Nays: None  
Motion carried.

#### 9B) City Administrator Search

- Ms. Steele stated that four applications have been received to date.
- Gary Weiers with David Drown Associated discussed how he could help with City Administrator search.
- Mr. Weiers stated that the hiring process typically takes three months.
- Council discussed Mr. Weiers qualifications.
- Mr. Weiers will provide a formal proposal by Wednesday.

**A motion by Ries**, seconded by Hoehn, to retain David Drown Associates for a fee of \$8,000.00 to assist with the search to attain a City Administrator with Mr. Howard and Ms. Hiniker approving the final language of the agreement.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
Nays: None  
Motion carried.

- Ms. Steele and Mayor Reichel spoke with Wendell Sande regarding an Interim City Administrator.
- Mr. Sande works for the South Central Service Cooperative.
- The cost to join the South Central Service Cooperative is \$150.00 annually.
- Ms. Steele stated that if Council would like to move forward with this option she will meet with Mr. Sande tomorrow to update him on our current projects.

**A motion by Ries**, seconded by Howard, to join the South Central Service Cooperative for at least one year.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
Nays: None  
Motion carried.

#### 9C) Fire Truck Purchase

- The Blooming Prairie Fire Department is selling a 1998 Fire Truck for \$50,000.00.
- Chief Kennedy stated that the Fire Department Truck Committee recommends purchasing this truck.
- Chief Kennedy stated that they would like to sell the yellow truck for \$15,000.00.
- The new truck that Blooming Prairie ordered to replace this one cost \$386,000.00.
- There is \$184,000.00 in the truck fund.

**A motion by Hiniker**, seconded by Ries, to purchase the fire truck for \$50,000.00 subject to verification that it is in good mechanical order and selling the 1986 Ford with sealed bids based upon the recommendation of the Fire Chief and Assistant Chief.

Roll Call: Ayes: Reichel, Ries, Howard, Hiniker, and Hoehn  
Nays: None  
Motion carried.

#### 9D) Police Department Staffing

- Chief Bunde stated he would like to hire an additional part-time officer.
- Chief Bunde stated that his current staff is not able to cover the hours he needs.
- Council discussed the uniform and training budget.
- Council approved hiring an additional officer as long as Chief Bunde stays within his budget.

9E) Pro Fab Loan Subordination Agreement

- Ms. Steele stated that Pro Fabrication has two loans outstanding for approximately \$60,000.00.
- Pro Fabrication is refinancing to pay off some debt and to purchase new equipment.
- They are working with Home Federal Savings out of Saint Cloud and would like the City to sign a new subordination agreement.
- Council discussed the subordination agreement.
- Mr. Ries and Ms. Steele will draft a new subordination agreement.

9F) Hager Car Wash Agreement

- Ms. Steele stated that in 2010 the City signed an agreement with Barry Hager regarding the outside drain at the car wash giving Mr. Hager until December 31, 2013 to resolve the problem.
- Ms. Steele stated that as far as she knows, no changes have been made to prevent storm water from entering the sanitary sewer system.
- Council discussed the history of the car wash.
- Council directed Ms. Steele to send the property owners a letter reminding them of the agreement.

9G) Water Meters and Online Payments

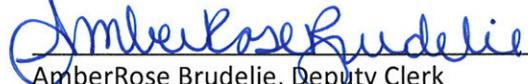
- Council discussed the benefits of electronically read water meters and online payments.
- Ms. Brudelie stated that Banyon Data Systems, our utility billing software provider, recommends that we use Payment Service Network for accepting online payments as it integrates the best.
- The initial costs for accepting online payments would be \$995.00 to purchase an additional module from Banyon Data Systems and \$199.00 to Payment Service Network for set-up costs.
- Ms. Brudelie stated that there is a \$39.95 monthly charge from Payment Service Network for online billing.
- Ms. Brudelie discussed the credit card and e-check fees with the Council.
- Annually, it will cost the City approximately \$2,100.00 to offer online payments and billing.
- Ms. Brudelie stated that customers would have many different options for making their payments.
- Council discussed the time and costs involved with mailing bills and entering payments.
- Council directed Ms. Brudelie to continue researching the City's options for online payments.

Adjournment

**A motion by Ries**, seconded by Howard, to adjourn the meeting at 9:38 pm.

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

  
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Ken Reichel, Mayor

Attest:  
  
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Amber Rose Brudelie, Deputy Clerk