

City of Madison Lake
City Council Minutes
Monday, August 20, 2012

Call to Order

Mayor Reichel called the regular Council meeting to order at 7:03 pm.

Roll Call

Members Present: Mayor Ken Reichel, Steve Bjerke, Chuck Ries, and Kent Hoehn

Members Absent: John Howard

Staff Present: City Administrator Kelly Steele, Deputy Clerk AmberRose Brudellie, Public Works Supervisor Chris Roemhildt, Fire Chief Kevin Kennedy and City Engineer Chris Larson.

Others Present: Carolyn Hiniker of Mankato Area Community Education & Recreation, Roy Leighter of 201 Park Road, Madison Lake, Tonya Morsching and Annette McBeth of the Main Street Committee, and Shannon Sweeney of David Drown Associates.

Pledge of Allegiance

Consent Agenda

1A) Approval of Agenda

A motion by Ries, seconded by Hoehn, to approve the agenda.

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

1B) Accepting of Minutes from Regular Meeting of August 6, 2012

A motion by Hoehn, seconded by Bjerke, to accept the minutes from the August 6, 2012 regular meeting.

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

1C) Approval of Vendor Claims Totaling \$94,234.23.

- Council discussed the invoice from Brandt Law Office.
- Council discussed the repair bill for the black and white police car.
- Council discussed the safety equipment purchased by the public works department.
- Council discussed the Mid-American Research Chemical invoice.

A motion by Ries, seconded by Bjerke, to approve vendor claims in the amount of \$94,234.23.

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

Public Open Forum

3A) Roy Leighter of 201 Park Road

- Mr. Leighter asked Council to reduce his sewer bill as he had a water leak under his home. The water went onto the ground and not into the sewer system.
- Ms. Brudellie stated that in the past we have adjusted the sewer portion of the bills to 110% of the average usage for similar situations.

- Ms. Bruderie stated that 110% of Mr. Leichter's average usage is 2,746 gallons.
- The adjustment to Mr. Leichter's account would be approximately \$350.00 which would leave a balance due of approximately \$305.00.

A motion by Bjerke, seconded by Ries, to adjust the sewer portion of Roy Leichter's bill to 110% of his average usage.

Roll Call: Ayes: Reichel, Bjerke, Ries, and Hoehn

Nays: None

Motion carried.

3B) Carolyn Hiniker for Mankato Area Parks Program

- Ms. Hiniker stated that the parks program was very successful this year and is now over.
- Ms. Hiniker presented the Council with a flag and a thank you card created by the Madison Lake kids.
- There were thirty-three children that participated in the program with an average of fifteen children each week.
- Ms. Hiniker thanked the Fire Department and the Police Department for their assistance with Emergency Day.
- The City's contribution to the program helped pay for a lifeguard, busing to and from field trips outside of Madison Lake, field trip activities, and new game equipment for the playground.

Unfinished Business

4A) Draft 2013 Financial Budget Review

- The levy is currently at 10%.
- Council discussed the water and sewer rates as well as the water fund and sewer fund budgets.
- The Civil Defense capital outlay budget was discussed.
- Council requested a spreadsheet from each department head showing their reserve fund allocations.
- Administrative Fine revenue was discussed.
- Mayor Reichel stepped out from 7:52 pm to 7:55 pm.
- The Public Works fuel budget was discussed as was the Street Reserve Fund.
- Council directed Mr. Roemhildt to add street reconstruction to his spreadsheet showing his reserve fund allocations.

4B) AT & T Agreement

- Council discussed when AT & T's equipment can be relocated.
- Demolition of the old water tower could happen as soon as the week after Labor Day.
- Verizon requested they be allowed additional time to relocate their equipment from the old water tower. Council is not in favor of allowing Verizon extra time.

A motion by Ries, seconded by Bjerke, to approve both agreements based upon our attorney's recommendation.

Roll Call: Ayes: Reichel, Bjerke, Ries, and Hoehn

Nays: None

Motion carried.

4C) Main Street Committee Update

- Mr. Larson presented a preliminary design plan for Main Street.
- Mr. Larson stated that everything is subject to County and State Aid approval.
- Council discussed Cherry Avenue.
- Mr. Larson met with Xcel Energy and to bury the power lines on Main Street it will cost between \$60,000.00 to \$80,000.00 and approximately \$45,000.00 on Chestnut Avenue. Council directed the Main Street Committee to make a recommendation on the power lines.
- The Main Street Committee is going to start looking at tree and light placement.
- Council discussed the Xcel Energy and North American Communication agreements.
- The proposed curb cut at 400 Main Street was discussed.
- Council discussed the bump outs and directed I & S Group to paint the curb bump outs.
- The Public Hearing for Main Street reconstruction will be held on September 17, 2012.

- Council requested that the Main Street Committee meet with the Main Street business owner's before the September 17, 2012 public hearing.

New Business

6A) Financial Project Presentation

- Mr. Sweeney stated that our water fund performance is poor and would suggest a rate increase of 0% to 2%.
- The City has a good credit rating.
- There are six bonds retiring in the next five years. All that will be left is PFA water debt that runs through 2029.
- Mr. Sweeney said that the City should be cautious of very-long term debt.
- Council looked at a model with various proposed projects to see how they affected property tax values, water rates, and sewer rates.
- The City's tax rate is slightly below average for a greater Minnesota community.
- Council discussed deferred assessments and annexation.
- Council would like to revisit this model in a month.
- Council directed Mr. Larson and Ms. Steele to provide Mr. Sweeney with annexation and water meter replacement information.

6B) Storm Water Treatment Grant

- There is a grant available for storm water treatment. The application is due on September 14, 2012.
- Council discussed the possible options for storm water treatment.
- It will cost approximately \$1,500.00 for I & S Group to complete the application.
- Council discussed whether the Madison Lake Association would be willing to contribute to the project.
- The City would be required to match 25% of the grant at a cost of approximately \$30,000.00 to \$60,000.00.
- The work must be completed by 2015.

A motion by Bjerke, seconded by Ries, to move forward with the storm water treatment grant application.

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

6C) Sheppard Agreement

- Ms. Steele spoke with Jim Brandt and he feels that the agreement says what we need and want it to say.
- Council discussed the agreement and asked Mr. Ries to review the agreement and make changes as needed.

6D) January – June 2012 Budget Review

- The report shows six months of expenditures.

Adjournment

A motion by Ries, seconded by Bjerke, to adjourn the meeting at 10:23 pm.

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



Kenneth Reichel, Mayor

Attest:



Kelly Steele, City Administrator-Clerk