



City Council Minutes

Madison Lake City Council

Monday, October 20, 2014

1) Call Meeting to Order

Mayor Reichel called the regular meeting to order at 7:04 pm.

2) Roll Call

Members Present: Mayor Ken Reichel, Steve Bjerke, Carolyn Hiniker, John Howard, and Kent Hoehn.

Members Absent: None

Staff Present: City Administrator Ariel Klugman, Deputy City Clerk AmberRose Bruderie, City Engineer Chris Larson, Planning Commission Chair Mike Klassen, Fire Chief Kevin Kennedy, and Public Works Supervisor Chris Roemhildt.

3) Approval of Agenda

A motion by Howard, seconded by **Hoehn**, to approve the agenda switching 7A) Public Hearing on Tomahawk TIF District 2-10 and 7B) Public Hearing on Annexation of Property into the City of Madison Lake.

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

4) Approval of Vendor Claims

- a) Council discussed the legal fee and engineering fee budgets.
- b) City Administrator Klugman will provide a budget to actual comparison at the upcoming work session.

A motion by Howard, seconded by **Bjerke**, to approve vendor claims in the amount of \$158,229.41.

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

5) Consent Agenda

- a) Approval of minutes from regular meeting of September 15, 2014
- b) Resolution #2014-81 Accepting Donations for Veterans Memorial

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

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

6) Open Public Comments

- a) Stan Legg of Madison Lake Resort/The Boatlanding Restaurant
 - City Administrator Klugman stated the Police Chief Bunde's only concern was that the person delivering the alcohol would be over twenty-one.
 - Stan Legg stated that only managers will be delivering and will taking licenses and requiring a signature upon delivery.

- City Administrator Klugman stated that per our attorney it is legal to allow alcohol delivery in the State of Minnesota.
- Council discussed the pros and cons of allowing alcohol delivery.
- The Lucky Lure was discussed and Council will look into the alcohol delivery currently happening.

A motion by Bjerke, seconded by **Hoehn**, to allow Madison Lake Resort to deliver alcohol pursuant to their liquor license.

Roll Call: Ayes: Reichel, Bjerke, Hiniker, Howard, and Hoehn

Nays: None

Motion carried.

7) Appearances & Presentations

- a) Public Hearing on Annexation of Property into the City of Madison Lake
- City Administrator Klugman stated that the Westman Property has petitioned for annexation.
 - Staff proposed an Orderly Annexation Agreement with LeRay Township.
 - LeRay Township provided a proposed agreement including the Lakewood Drive properties.
 - City Administrator Klugman, Mayor Reichel and Le Ray Township Chair Curt Kloss met and discussed the agreement provided by the Township. City Administrator Klugman provided her comments on LeRay Township's proposal and the Township reviewed.
 - Curt Kloss of LeRay Township stated that if Council approves the agreement as proposed as presented with City Administrator Klugman's revisions he believes the LeRay Township Board will pass the resolution with the exception of City Administrator Klugman's revision to give the City the ability to annex a portion if 80% or more of an area contiguous to city limits has requested annexation.
 - City Administrator Klugman reminded the Council, that the City has received a petition for annexation and has other options for annexation besides orderly annexation.
 - Council discussed the orderly annexation agreement.
 - Council wants more time to review the agreement before approving.
 - Mayor Reichel opened the public hearing at 7:34 pm.
 - (1) Ken Luhring of 22367 Lakewood Drive
 - (a) Mr. Luhring stated that the neighborhood approves of the language in the Townships version of the agreement.
 - (b) The neighborhood wrote a letter to the City with eighteen of the nineteen properties agreeing with the Townships Annexation agreement.
 - Mayor Reichel adjourned the public hearing until November 3, 2014.
- b) Public Hearing on Tomahawk TIF District 2-10
- Ed Tschida stated that when the public hearing was held this past summer there was an error in the publication due to a miscommunication between Mr. Tschida and City Staff.
 - Mayor Reichel opened the public hearing at 7:42 pm.
 - Mayor Reichel closed the public hearing at 7:43 pm.
- c) Department Updates
- Public Works Supervisor
 - (1) Public Works Supervisor Roemhildt stated that North Shore Park has been shut down for the year.
 - (2) WW Blacktopping provided a bid price for repairing Oak Avenue.
 - (3) Council discussed the repairs needed on Oak Avenue and directed staff to add gravel to Oak Avenue again.

- (4) Public Works Supervisor Roemhildt stated that the castings on Park Road will be repaired.
- (5) Public Works Supervisor Roemhildt reviewed the details of the L8000 truck he would like to purchase as an even swap for the orange truck from Environmental Equipment and Services.
- (6) Council discussed the pros and cons of the new truck versus our current truck.
- (7) City Administrator Klugman recommends the trade.

A motion by Hoehn, seconded by **Howard**, to trade the orange truck in for the new truck.

Roll Call: Ayes: Reichel, Bjerke, Hiniker, Howard, and Hoehn

Nays: None

Motion carried.

- Fire Chief
 - (1) Fire Chief Kennedy stated they have responded to ninety-seven calls year to date.
 - (2) The new heart was installed. This gives the department three heart starts.
 - (3) The department was approved for a DNR grant and will be using it to outfit the grass and rescue trucks with new hose.
 - (4) The fire department was able to reach 350 kids during Fire Prevention Week.
 - (5) Fire Chief Kennedy stated that the Harvest Moon Festival is Friday. The department will be taking two trucks to it.
 - (6) Council discussed hiring a few new firefighters.
 - (7) Fire Chief Kennedy stated that there will be some repairs coming on a few trucks soon.

8) Ordinances & Resolutions

a) Resolution #2014-68 TIF 2-10 Jolitz Agreement

- City Administrator Klugman reviewed the differences between the original agreement and the proposed agreement.
- Mr. Tschida reviewed the history of the TIF 2-10.

A motion by Bjerke, seconded by **Howard**, to approve Resolution #2014-68 TIF 2-10 Jolitz Agreement.

Roll Call: Ayes: Reichel, Bjerke, Hiniker, Howard, and Hoehn

Nays: None

Motion carried.

b) Resolution #2014-69 TIF 2-10 Messenbrink Agreement

A motion by Bjerke, seconded by **Howard**, to approve Resolution #2014-69 TIF 2-10 Messenbrink Agreement.

Roll Call: Ayes: Reichel, Bjerke, Hiniker, Howard, and Hoehn

Nays: None

Motion carried.

c) Resolution #2014-82 to Confirm Previous Action to Establish TIF No. 2-10.

A motion by Bjerke, seconded by **Howard**, to approve Resolution #2014-82 to Confirm Previous Action to Establish TIF No. 2-10.

Roll Call: Ayes: Reichel, Bjerke, Hiniker, Howard, and Hoehn

Nays: None

Motion carried.

- d) Resolution #2014-83 Calling for Feasibility Report – Donald and Natalie Dahl
- City Administrator Klugman stated that because the Dahl's pulled a building permit to repair the issues at their home from the June flooding they need to connect to City water and sewer.
 - Council directed City Engineer Larson to provide a feasibility report for all three properties.

A motion by Howard, seconded by **Bjerke**, to approve Resolution #2014-83 Calling for Feasibility Report adding Parcel ID R37.05.27.276.009 and R37.05.27.276.008.

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

- e) Resolution #2014-84 Awarding 5th Street Repairs.
- City Administrator Klugman stated that the numbers have been submitted to FEMA.
 - If approved FEMA should be reimbursing us \$38,000.00 of the project cost.
 - Council reviewed the quotes received.
 - City Engineer Larson stated that staff solicited quotes instead of advertising for bids as the cost is under \$100,000.00.

A motion by Howard, seconded by **Hoehn**, to approve Resolution #2014-84 Awarding 5th Street Repairs to Holtmeier Construction.

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

9) Unfinished Business

- a) Project Updates
- Facility Update
 - (1) City Administrator Klugman stated that a structural engineer from ISG is here to answer Council's questions.
 - (2) Staff sat down with two construction companies to discuss the project.
 - (3) City Administrator Klugman provided Council with a proposed floor plan.
 - (4) Council discussed the funding of the project.

A motion by Bjerke, seconded by **Hiniker**, to complete Phase One of the engineering for the new building.

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

- Main Street Update
 - (1) Council discussed the potential purchase of banners for the light posts on Main Street.
- Annexation Update
 - (1) City Engineer Larson reviewed the progress of the project.
 - (2) Payments
 - (a) Kunkel Electric Fourth Payment Application
 - (b) RL Larson Second Payment Application
 - (c) Holtmeier Construction First Payment Application

- (i) City Engineer Larson reviewed what the requests for payments are for and recommends Council approval.

A motion by Bjerke, seconded by **Howard**, to approve the Contractor's Applications for Payment No. 4 to Kunkel Electric, Payment No. 2 to RL Larson, and Payment No. 1 to Holtmeier Construction.

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

(3) Michael Wheaton Payment

- (a) City Administrator Klugman stated that Shannon Sweeney provided a sample amortization schedule for us that Mr. Wheaton use to negotiate his agreements with the Cabin owners.
- (b) When Mr. Sweeney re-ran the amortization schedule the numbers did not match up as the sample schedule did not include interest from May 21, 2014 through the end of the year.
- (c) Council discussed how to the cover the difference and directed staff to contact Mr. Sweeney and Mr. Wheaton.

- Veterans Memorial

- (1) City Administrator Klugman stated that the Madison Lake Community Foundation is going to donate \$4,000.00 to the Veterans Memorial.
- (2) Public Works Supervisor Roemhildt stated that Holtmeier Construction donated the sand and rock.
- (3) At the end of the month, the project should be approximately fifty percent funded.
- (4) City Administrator Klugman stated that the American Legion would like the Council to authorize payment for one-third the cost of the stone, approximately \$4,276.67.

A motion by Hoehn, seconded by **Bjerke**, to authorize payment for one-third the cost of the stone.

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

10) New Business

a) Outlot B, Dauk Subdivision (North Side of Elm Avenue)

- Mayor Reichel and City Administrator Klugman spoke with Brent Dauk about obtaining the north side of Elm Avenue for \$3,500.00.

A motion by Bjerke, seconded by **Hoehn**, to begin putting the papers together for the purchase of the north side of Elm Avenue.

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

b) Accept Resignation – Tana Stoufer

A motion by Howard, seconded by **Bjerke**, to accept Tana Stoufer's resignation from the Planning Commission.

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

- c) EDA Application – Matt Chmielewski
 - City Administrator Klugman provided Council with Matt Chmielewski’s EDA application.
 - Council will need to appoint Mr. Chmielewski by Resolution at a future meeting.

- d) Minnesota Valley Council of Government
 - Council discussed becoming members of the Minnesota Valley Council of Government.
 - City Administrator Klugman stated the City was previously a member.
 - The membership cost is \$80.00 an hour up to \$2,864.42 or \$2,864.42 up front for access to all of the services they offer.
 - Council stated they were supportive if City Administrator Klugman thought there would be value in the service.

11) Staff Reports

- a) City Administrator
 - City Administrator Klugman reviewed the letter the City received from Mankato Area Community Education and Recreation regarding their advisory council.
 - City Administrator Klugman received a request from a resident asking the Council to promote the Great Healthy Yard Project and will forward details to the Council.
 - The results of the performance measures survey will be ready for the second meeting in November.
 - City Administrator Klugman submitted an RFP for a five acre project. Greater Mankato Growth stated that it will be two to three months before we know if our proposal will be considered.
 - City Administrator Klugman will be meeting with a Minnesota Department of Transportation Planner next week and asked Council to provide her with any requests regarding Highway 60 they would like to see addressed.
 - City Administrator Klugman will provide Council with dates and times for a closed meeting with our City Attorney.

12) Mayor & Council Reports

- a) Council Member Hoehn
 - Council Member Hoehn stated that Don Borneke would like to donate an ox yoke to the City that was used when the City was founded.
 - Council discussed where the ox yoke could be displayed.
 - Council Member Hoehn directed staff to get the water turned off at the T-Ball field.

- b) Council Member Hiniker
 - Council Member Hiniker directed staff to look into the Park Program donation as Mankato Area Parks and Recreation did not receive the check.

13) Personnel

- a) Closed meeting under MN Statute 13D.05, Subd. 1 (d), 3 (a) Annual City Administrator Review

A motion by Hoehn, seconded by **Reichel**, to close the regular meeting and open the closed meeting under MN Statute 13D.05, Subd. 1(d), 3(a) to discuss the annual review of the City Administrator at 9:32 pm.

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

A motion by Hiniker, seconded by **Hoehn**, to close the closed meeting and open the regular meeting at 10:22 pm.

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

- Council discussed the performance of City Administrator Klugman.

14) Adjournment

A motion by Howard, seconded by **Hoehn**, to adjourn the meeting at 10:23 pm.

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

Attest:



Kenneth Reichel, Mayor


AmberRose Brudellie, Deputy City Clerk