



## City Council Minutes

Madison Lake City Council

Monday, March 31, 2014

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### 1) Call Meeting to Order & Pledge of Allegiance

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

### 2) Roll Call

**Members Present:** Mayor Ken Reichel, Carolyn Hiniker, and Kent Hoehn.

**Members Absent:** John Howard (arrived 7:24 pm), Steve Bjerke

**Staff Present:** City Administrator Ari Klugman, Deputy City Clerk AmberRose Brudellie, City Engineer Chris Larson, and Fire Chief Kevin Kennedy

**Others Present:** Larry Prange of 302 Main Street, Madison Lake; Lisa, Ashley, Kortney, Brett and Travis Hammett of 901 Point Pleasant Road, Madison Lake; Christopher Schmahl and Amanda Thompson; Mark Hayes of 312 Krason Drive, Madison Lake; Teresa Baker of 404 Main Street, Madison Lake; Michael Tatge of 204 Lake Avenue, Madison Lake; Jeff Wagner of 708 Cherry Avenue, Madison Lake; Eric Peterson of 221 Park Road, Madison Lake; Matt Melvin and Calais Lehrke of 217 Park Road, Madison Lake; and Brian Lien of 508 Main Street, Madison Lake.

### 3) Approval of Agenda

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

Roll Call: Ayes: Reichel, Hiniker, and Hoehn

Nays: None

Motion carried.

### 4) Open Public Comments

a) Mark Hayes of 312 Krason Drive

- Mark Hayes stated that his property where he grows trees was zoned as R1.
- Mr. Hayes requested that the Council zone the property as agricultural until it is platted.

### 5) Ordinances & Resolutions

Because Council Member Howard is not present yet, the Council moved to consider Ordinances & Resolutions before returning to the hearing.

a) Resolution #2014-21 Receiving Bids, Adopting the Proposed Assessment Roll & Calling for Assessment Hearing (Annexation)

- City Administrator Klugman stated that this is for the Duck Lake and Lake Ballantyne Annexation project.
- City Engineer Chris Larson provided Council with an assessment roll.
- The bids came in higher than projected.
- City Administrator Klugman stated that the assessment hearing will be held on April 15, 2014 in the basement of All Saints Catholic Church.
- Bids will be awarded after the thirty day time period for processing appeals.
- City Engineer Larson stated construction should begin in June.

**A motion by Hoehn**, seconded by **Hiniker**, to approve Resolution #2014-21 Receiving Bids, Adopting the Proposed Assessment Roll Calling for Assessment Hearing (Annexation)

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

b) Resolution #2014-22 Accepting Petition for Public Improvement (Dahl Property)

- Donald and Natalie Dahl have petitioned to be annexed.
- City Administrator Klugman stated that letters were sent to the neighboring properties. One of the neighboring properties is not interested and the other has not responded the letter gave them until April 15, 2014 to respond.

**A motion by Hiniker**, seconded by **Hoehn**, to approve Resolution #2014-22 Accepting Petition for Public Hearing (Dahl Property)

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

c) Resolution #2014-23 Accepting Petition for Public Improvement (Point Wild)

- City Administrator Klugman stated that this petition is from Matt Oswald.
- The current estimate \$68,000 that Mr. Oswald agreed to represents the allocated costs for Point Wild and Night Owl Lane's portion of the main line. A portion of these costs is the water access charge for lots eight, nine, and ten and the rest could be allocated proportionately in the developers agreement upon annexation of the other properties.

**A motion by Hiniker**, seconded by **Hoehn**, to approve Resolution #2014-23 Accepting Petition for Public Hearing (Point Wild)

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

d) Ordinance #2014-04 Interim Ordinance

- City Administrator Klugman stated that the Planning Commission is recommending a temporary moratorium on construction along Main Street in order to allow the Main Street Visioning Committee time to complete their study.
- The Main Street Visioning Committee will reach out to get input from the business owners regarding signage.
- City Administrator Klugman stated that the goal is to have the study completed before construction begins.
- Council reviewed the provisions of the ordinance.

**A motion by Howard**, seconded by **Hiniker**, to approve Ordinance #2014-04 Interim Ordinance with an end date of July 15, 2014 under section 5.

Roll Call: Ayes: Reichel, Hiniker, Howard, and Hoehn  
Nays: Hoehn  
Motion carried.

## 6) Appearances & Presentations

a) CSAH-26 Assessment Hearing

- City Administrator Klugman reviewed the procedures for the public hearing.
  - The Council will hear all public comments.
  - City Administrator Klugman stated that due to a public notice issue the Council will hold the assessment hearing open until April 7, 2014.
  - Mike Tatge of 204 Lake Avenue
    - (1) Mr. Tatge stated that he was assessed 100% of the costs for Highway 60.
    - (2) Mr. Tatge stated that Main Street is their side yard.
  - Larry Prange of 302 Main Street
    - (1) Mr. Prange is concerned about the increase to his assessment from what was provided at the last meeting. City Administrator Klugman will review Mr. Prange's assessment with him after the meeting as the increase could be an error.
    - (2) Mr. Prange stated that he looked into the state aid being provided for the project and was informed that it had increased. Mr. Prange hopes the difference between the two numbers can be applied to the assessments.
    - (3) Mr. Prange is concerned that the driveways will not be heavy enough for commercial vehicles.
    - (4) Mr. Prange stated that he is not happy with his total assessment.
  - Jeff Wagner of 708 Cherry Avenue
    - (1) Mr. Wagner questioned why the City is not going with the 25% number.
    - (2) Mr. Wagner stated that he is not getting curb and gutter across his total frontage.
    - (3) Mr. Wagner asked the City to do something with the alley near his house as it floods.
    - (4) Mr. Wagner asked the Council to lower his assessment.
  - Jerry Groebner of 513 Main Street
    - (1) Mr. Groebner stated that state law requires assessments to be under a 3% increase in his property value. He does not believe that will happen.
    - (2) Mr. Groebner stated that Main Street is dying.
  - Kent Hoehn of 808 7<sup>th</sup> Street
    - (1) Mr. Hoehn stated that his mother owns three buildings on Main Street.
    - (2) Mr. Hoehn stated that the numbers worked with the 25% number and he does not understand why the Council went with the 30% figure.
    - (3) Mr. Hoehn stated that the project is going to hurt the businesses and they are be required to pay the assessments so they should be given every break possible.
  - The CSAH-26 Assessment Hearing was tabled until the April 7, 2014 Council Meeting.
- b) City Engineer Larson explained that the difference in the state aid numbers is due to an increase in Blue Earth County's costs and increases proportionately with project costs. This increase will not be applied to the City's portion of the project going towards assessments.
- c) All commercial properties will receive eight inch driveways.
- d) City Administrator Klugman stated that this is the assessment hearing and the numbers cannot increase from what was presented today, she also apologized for a clerical error in the notice requiring her to send out another notice and push the hearing back.
- e) City Administrator Klugman stated that work on an alley is 100% assessed but we can look into the drainage issues.
- f) City Administrator Klugman corrected Mr. Gruebner stating State Statute requires the assessments pass a special benefit test, if appealed but there is not a set percentage in the statue.
- g) City Administrator Klugman informed the residents present that the Assessment Hearing will continue on April 7, 2014 and they are welcome to speak at that time as well.
- h) The assessments will be finalized at the April 7, 2014 meeting.

## 7) Unfinished Business

## 8) New Business

- a) Facility Renovation Analysis Proposal
- City Administrator Klugman requested permission from Council to complete a \$3,250 structural analysis to determine if a second story can be added to City Hall.
  - Council discussed the staff's space needs.
  - Tabled until April 7, 2014.

**9) Staff Reports**

**10) Mayor & Council Reports**

**Closed Session**

- a) Closed Session under Minnesota Statute 13D.05, subd. 3(b).
- Council will be closing the open meeting under Minnesota Statue 13D.05, subd. 3(b) to discuss litigation strategies regarding the Schultz vs. Mende case the City is involved with.

**A motion by Hoehn**, seconded by **Hiniker**, to close the open meeting at 8:25 pm under Minnesota Statute 13D.05, subd. 3(b) for attorney-client privilege.

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

**A motion by Howard**, seconded by **Hiniker**, to close the closed meeting at 8:48 pm.

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

**11) Adjournment**

**A motion by Hiniker**, seconded by **Howard**, to adjourn the special meeting at 8:50 pm.

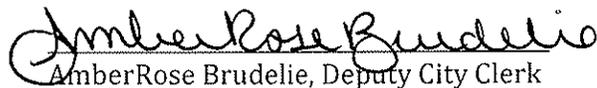
Roll Call: Ayes: Reichel, Hiniker, Howard, and Hoehn  
Nays: None  
Motion carried.



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Ken Reichel, Mayor

Attest:



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Amber Rose Brudelic, Deputy City Clerk