



## City Council Minutes

Madison Lake City Council

Monday, July 14, 2014

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### 1) Call Meeting to Order

Mayor Reichel called the regular meeting to order at 7:01 pm.

### 2) Roll Call

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

**Members Absent:** Steve Bjerke (arrived at 7:06 pm)

**Staff Present:** City Administrator Ariel Klugman, Deputy City Clerk AmberRose Brudelic, Fire Chief Kevin Kennedy, City Engineer Chris Larson, Police Chief Dan Bunde, Public Works Supervisor Chris Roemhildt, Building Inspector Ron Voth, and Planning Commission Chair Mike Klassen.

### 3) Approval of Agenda

**A motion by Hoehn**, seconded by **Howard**, to approve the agenda moving 8G) Ordinance #2014-12 Preliminary Plat CIC Replat to 8A) and 10B) Liquor License for Barb Dillon to 8B).

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

Nays: None

Motion carried.

### 4) Approval of Vendor Claims

**A motion by Howard**, seconded by **Hiniker**, to approve vendor claims in the amount of \$235,647.71.

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

Nays: None

Motion carried.

### 5) Consent Agenda

- a) Approval of minutes from regular meeting of June 16, 2014
- b) Approval of Temporary Liquor License for the Madison Lake Fire Relief Association for Paddlefish Day.
- c) Approval of Liquor License transfer from The Boatlanding (Mark Bisch) to The Triple 8 Madison Lake, LLC dba Madison Lake Resort/The Boatlanding
- d) Resolution #2014-55 Accepting a Donation of Money from the American Legion
- e) Resolution #2014-56 Approving a Gambling License for the American Legion Post #269 at Madison Lake Resort/The Boatlanding
- f) Resolution #2014-57 Infiltration Basin (Rain Garden) Easement Agreement

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

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

Nays: None

Motion carried.

### 6) Open Public Comments

### 7) Appearances & Presentations

- a) Public Hearing on Land Reclamation – Scott Kelly
  - City Administrator Klugman stated that the Planning Commission was unable to hold the public hearing for this item at their meeting due to notification deadlines and decided to pass the public hearing to the City Council.
  - City Administrator Klugman explained what land reclamation is.

- The condemnation process for the Doran's property was discussed.
- City Administrator Klugman recommends that approval be conditional upon the completion of the acquisition of the Doran's property.
- Scott Kelly explained what he plans to do to his property.
- Mayor Reichel opened the Public Hearing at 7:14 pm.
  - (1) There is not a cost to the City for Holtmeier moving fill to Scott Kelly's property.
  - (2) City Administrator Klugman stated that if other people are in need of fill they should speak with her about obtaining an Interim Use Permit.
  - (3) The drainage in the area was discussed.
- Mayor Reichel closed the Public Hearing at 7:17 pm.

**A motion by Bjerke**, seconded by **Howard**, to approve an Interim Use Permit for Scott Kelly contingent upon the successful acquisition of the Doran property and any modifications to the plan that may be required after the acquisition is complete.

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

## 8) Ordinances & Resolutions

### a) Ordinance #2014-12 Preliminary Plat CIC Replat

- Warren Smith of Survey Services reviewed the Preliminary Plat for the Duck Lake CIC.
- City Administrator Klugman stated that this is the Preliminary Plat that was approved by the Planning Commission contingent on the acquisition of the Doran's property.
- City Administrator Klugman will look into Steve Wandersee's questions about what size building will be allowed at 400 Doran Drive.
- Scott Madigan of 402 Doran Drive would like to combine 400 and 402 Doran Drive and asked Council to consider lowering the assessment.
- Council directed City Administrator Klugman to find the welcome letter that was sent out asking property owners to have lots combined by a certain date.

**A motion by Bjerke**, seconded by **Howard**, to approve Ordinance #2014-12 Preliminary Plat CIC Replat conditional on the acquisition of the Doran property and allowing for potential changes to the common elements.

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

### b) Barb Dillon Liquor License

- City Administrator Klugman stated that Barb Dillon is requesting that her liquor license be extended to the sidewalk for Paddlefish Days.
- Police Chief Bunde and Fire Chief Kennedy are okay with the liquor license extension.

**A motion by Bjerke**, seconded by **Hiniker**, to approve the request to extend the Lucky Lure's liquor license to the sidewalk for Paddlefish Days 2014.

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

**A motion by Hiniker**, seconded by **Bjerke**, to approve a liquor license for the Lucky Lure at 416 Main Street.

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

- c) Resolution #2014-58 to Contract with Council Member Kent Hoehn under MN Statute 471.88, Subd. 5 and 471.89, Subd. 2.

**A motion by Bjerke**, seconded by **Howard**, to approve Resolution #2014-58 to Contract with Council Member Kent Hoehn under MN Statute 471.88, Subd. 5 and 471.89, Subd. 2.

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

- d) Resolution #2014-59 Awarding G.O. Bond 2014A

- Shannon Sweeney of David Drown Associates reviewed the bids received for the \$4,210,000 Bond.
- Robert W. Baird and Company was the low bidder at 3.2990% interest.
- The City received an AA- credit rating from Standard and Poor's which is an excellent credit rating for a community our size.
- Mr. Sweeney recommends awarding the sale to Robert W. Baird and Company.
- The debt service payments are phased in so that the City does not need to immediately increase the tax levy or utility rates.
- The City will need to manage the prepayment of special assessments because if we receive a lot we will need to prepay the bond early.
- The early call date for the bond is February 1, 2019.

**A motion by Bjerke**, seconded by **Hoehn**, to approve Resolution #2014-59 Awarding G.O. Bond 2014A.

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

- e) Resolution #2014-60 Awarding G.O. Bond 2014B

- Mr. Sweeney of David Drown and Associates reviewed the bids received for the \$1,065,000 Bond.
- Robert W. Baird and Company was the low bidder at 3.444% interest.
- The early call date for the bond is February 1, 2019.

**A motion by Hiniker**, seconded by **Bjerke**, to approve Resolution #2014-60 Awarding G.O. Bond 2014B.

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

- f) Governmental Bonds Post-Issuance Compliances Policies and Procedures

- City Administrator Klugman stated that our bond council recommends that we approve this policy.
- The policy is reiterating what federal law says you are allowed to do with bond proceedings.
- Mr. Sweeney stated that this does not require you to do anything that you are not already supposed to be doing.

**A motion by Bjerke**, seconded by **Howard**, to adopt Governmental Bonds Post-Issuance Compliance Policies and Procedures.

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

- g) Bond Rating Rationale

- City Administrator Klugman stated that this was e-mailed out to the Council.
- This is the report from Standard and Poor's who provided our credit rating, the City rated very highly for a City of our size.

- h) Ordinance #2014-11 Rezoning Park Road Properties to Residential One (R-1)
- City Administrator Klugman stated that several properties located along Park Road were zoned as Agricultural (A-1) and the Planning Commission held a public hearing to re-zone these properties as that is not their use.
  - The Planning Commission removed Chad's Storage from the recommendation and will need to create a business district for this property.

**A motion by Hoehn**, seconded by **Howard**, to approve Ordinance #2014-11 Rezoning Park Road Properties to Residential One (R-1).

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

- i) Resolution #2014-62 Ordering Feasibility Study Fourth and Fifth Street
- The City experienced damage to the lower part of Fifth Street.
  - City Administrator Klugman met with FEMA to go over their process, which will be lengthy.
  - Repairs need to be made to lower Fifth Street before winter.
  - This resolution is to keep the process moving.
  - The feasibility study will cost approximately \$15,000.00.

**A motion by Hoehn**, seconded by **Bjerke**, to approve Resolution #2014-62 Ordering Feasibility Study Fourth and Fifth Street.

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

## 9) Unfinished Business

- a) Water Meters
- City Administrator Klugman stated that \$20,000 will go towards the purchase of the software and read equipment, \$6,000 will go towards the upgraded heads for the annexation area, and \$24,000 for meters for Main Street and to have on hand.
  - City Administrator Klugman recommends using money from the infrastructure fund for the software and read equipment as it will be used for all residents.

**A motion by Bjerke**, seconded by **Howard**, to approve the purchase of radio read water meters and software in an amount not to exceed \$50,000.00.

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

- b) Main Street Update
- City Engineer Larson stated that the project is moving along very well.
  - The plantings will be installed before Paddlefish Days and barricades from Blue Earth County will be used to protect them from the foot traffic during Paddlefish Days.
  - Blue Earth County would like the final lift of black top to be installed next year.
  - City Engineer Larson stated that if there is any settlement it can be patched before the final lift of blacktop is installed.
  - Council discussed how to protect the curbs and who should pay for it.

- c) Annexation Update
- Doran Easement Acquisition Update  
(1) City Administrator Klugman stated that this was discussed earlier.

- Natural Gas
    - (1) The CIC voted to have natural gas installed and is working to determine how to pay for it.
  - Resident Requests
    - (1) The request from Scott Madigan was already discussed.
    - (2) City Engineer Larson stated that Anita Dittrich's property will still be an overflow point but we hope less often as curb, gutter, and storm sewer are being installed.
- d) Mark Hayes Land Reclamation
- City Administrator Klugman stated that the DNR was noticed and has not responded.
  - Council must make a decision tonight due to the sixty day time frame.

**A motion by Bjerke**, seconded by **Howard**, to approve an Interim Use Permit for Mark Hayes for Land Reclamation conditional upon Mark Hayes obtaining approval from the DNR and compliance with MPCA regulations.

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

## 10) New Business

- a) Paddlefish Days Solicitor/Peddler's License
- City Administrator Klugman stated that last year at Paddlefish Days there was a problem with vendors not obtaining a peddler's license.

**A motion by Howard**, seconded by **Hiniker**, to give City Administrator Klugman the authority to approve Solicitor/Peddler's Licenses for Paddlefish Days weekend.

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

- b) Appoint Election Judges

**A motion by Hoehn**, seconded by **Bjerke**, to appoint the 2014 Primary Election Judges.

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

- c) HRA/EDA Discussion

- City Administrator Klugman explained the differences between an HRA and EDA.
- Council directed City Administrator Klugman to send out more information explaining the differences between an HRA and EDA.

- d) Budget Schedule

- City Administrator Klugman will e-mail out the budget schedule.

- e) Facility Discussion

- City Administrator Klugman received estimates for installing water and sewer service at the water tower site.
- City Engineer Larson reviewed the three options available.
- City Administrator Klugman asked for direction on where we are headed.
- Council decided to schedule a future work session to discuss a five or ten year plan.
- City Administrator Klugman will set up a tour of the public works and city hall buildings in Eagle Lake.

### 11) Staff Reports

- a) Police Chief Bunde
  - Officer Marx has been here for a month.
  - Police Chief Bunde stated that things are going good and the police department is extremely busy.
- b) Fire Chief Kennedy
  - Fire Chief Kennedy stated that the number of calls are up.
  - Fire Chief Kennedy would like permission to hire a seven year veteran of the St. Clair fire department after a background check and interview is completed.
  - Council gave Fire Chief Kennedy and City Administrator Klugman permission to hire a new fire fighter contingent on a background check with a six month probationary period.
- c) Public Works Supervisor Roemhildt
  - Public Works Supervisor Roemhildt stated that they are starting to get caught back up after the flooding.
  - There were pressure problems when the mains were flushed that will need looking into.
- d) Planning Commission Chair Klassen
  - The Planning Commission discussed the preliminary plat for the CIC at their last meeting. The questions tonight were nothing like the ones they heard at their meeting.
  - A site plan review for Barb Dillon was discussed.
  - The Hammett's have not requested a site plan review.
- e) Building Inspector Voth
  - Building Inspector Voth stated that nineteen permits were issued in June.
  - Two new construction permits were issued, one for Sarah Circle and one for Balsam Lane.
  - A permit was issued for a remodel on Doran Drive, however, they have decided to take the house down instead.

### 12) Mayor & Council Reports

### 13) Adjournment

**A motion by Hoehn**, seconded by **Howard**, to adjourn the meeting at 8:55 pm.

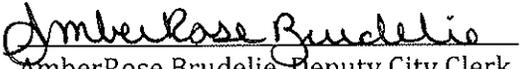
Roll Call: Ayes: Reichel, Hiniker, Bjerke, Howard, and Hoehn

Nays: None

Motion carried.

Attest:

  
Kenneth Reichel, Mayor

  
AmberRose Brudellie, Deputy City Clerk