



**City Council Minutes**  
**Madison Lake City Council**  
Tuesday, September 2, 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, Steve Bjerke, Carolyn Hiniker, John Howard, and Kent Hoehn.

**Members Absent:** None

**Staff Present:** City Administrator Ariel Klugman, Deputy City Clerk AmberRose Brudelie, and City Engineer Chris Larson.

**3) Approval of Agenda**

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

Roll Call: Ayes: Reichel, Bjerke, Hiniker, 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 \$262,105.71.

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

**5) Consent Agenda**

- a) Approval of minutes from regular meeting of August 18, 2014
- b) Resolution #2014-71 Enventis: Consent to Change Control

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

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

**6) Open Public Comments**

- a) Joe Murilla of 556 Doran Drive

- Joe Murilla described the culvert located between 554 and 556 Doran Drive and asked the Council to consider changing it.
- City Engineer Larson stated that the DNR has jurisdiction and the culvert is owned by the CIC.
- Council discussed who will pay for the improvement.
- Warren Smith stated that current this section of limited common element is assigned to the property owners on either side of it and as the re-plat is completed all of the remaining limited common element of the CIC will be deeded to the City.

**A motion by Bjerke**, seconded by **Howard**, to allow ISG to engage the DNR to look at a proposed fix for the culvert and when it comes to determining who will pay for the proposed fix having another conversation.

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

Nays: None

Motion carried.

b) Ryan Sanders of 504 Sumac Road

- Ryan Sanders is trying to put together a farmers market here in town.
- Mr. Sanders asked the Council to sponsor the event by allowing the use of 400 Main Street or another public location if 400 is sold for the farmers market.
- Mr. Sanders asked Council for the City to hold all the finances for the farmers market to allow for application for grant dollars.
- City Administrator Klugman stated that as long as the City is sponsoring the event, our insurance will cover it.
- Council discussed the EDA helping with the set-up of the farmers market.
- Council is in favor of moving forward with the farmers market.

**A motion by Bjerke**, seconded by **Howard**, to have the EDA work with Ryan Sanders to develop a farmers market to start next spring.

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

Nays: None

Motion carried.

## 7) Appearances & Presentations

a) Public Hearing on Annexing Properties and Public Grounds

- Mayor Reichel opened the public hearing at 7:18 pm.
- City Administrator Klugman stated that Blue Earth County asked us to clean up our lines and reviewed the public grounds included in the proposed annexation.
- City Administrator Klugman stated that the other properties we are discussing are the three parcels on Duck Lake.
- The City received a petition for annexation from Natalie and Don Dahl.
- City Administrator Klugman stated that Mr. and Mrs. Dahl's septic tank is non-compliant, their basement is flooded, and they cannot be issued a building permit until they annex.
- All of the other properties on Duck Lake have been annexed into the City.
- City Administrator Klugman stated that for economic and environmental reasons the Council decided to call for a public hearing.
  - (1) Duane Mettler of 702 County Road 26
    - (a) Duane Mettler stated that he is not in favor of annexation into the City.
  - (2) Scott Haefner of 700 County Road 26
    - (a) Scott Haefner stated that this is a part time cabin and discussed the history of the original agreement for annexation.
  - (3) Don and Natalie Dahl of 704 County Road 26
    - (a) Don Dahl stated that the only reason they are in favor of annexation is because their septic system is not compliant and they are unable to purchase a building permit.
    - (b) Mr. Dahl stated that he did not want to cause hardships for his neighbors but they do not have a choice at this time.
    - (c) Natalie Dahl stated that she has contractors scheduled for September 11, 2014 to repair the damage in her basement.
  - (4) Clell Hemphill of 381 North Duck Lake Avenue
    - (a) Clell Hemphill discussed the original annexation of the fourteen homes on North Duck Lake Avenue.

(b) Mr. Hemphill stated that it would do the community good for the properties to come in unless it is going to be a battle.

- Mayor Reichel closed the public hearing at 7:32 pm.
- City Administrator Klugman stated the resolution in front of you, calls for annexing the properties tonight.
- Council discussed annexing the three properties into to the City.
- These three properties will be the only ones left on a lake in the tri-lakes region within 100 feet of any lake with septic systems.
- The three properties are 100% surround by City land which allows us to annex them under the Orderly Annexation Agreement with Jamestown Township.
- Council discussed what is in the best interest of the City and all the taxpayers.
- City Administrator Klugman stated that after the resolution is passed Don and Natalie Dahl could be issued a building permit.
- Council would like to discuss this again later in the meeting as there will be additional costs if we do not annex all three properties at the same time.

b) Public Hearing – Point Wild Second Addition Final Plat

- City Administrator Klugman stated that this is a continued public hearing from our last meeting per Matt Oswald's request.
- City Administrator Klugman recommends that the original covenants be put onto the properties until they are sold as it would give the current property owners the same protections they have on their properties.
- Mayor Reichel opened the public hearing at 7:52 pm.
  - (1) Greg Jackson of 3013 Mustang Drive
    - (a) Greg Jackson stated the current properties have made concessions because they are not supportive of one acre lots as that changes what they purchased into.
    - (b) Mr. Jackson stated that the City does not enforce covenants and the original land owner's cannot enforce the covenants on the other side.
    - (c) Mr. Jackson stated that Matt Oswald's property does not comply with the covenants or City ordinances.
    - (d) Mr. Jackson stated that the neighborhood wants a common set of rules that apply to everyone.
- The covenants were discussed.
- Matt Oswald is willing to accept the existing covenants.
- Council decided to add the statement: Upon signing the developer's agreement all properties shall be maintained in compliance with the set covenants.
- Mayor Reichel closed the public hearing at 8:09 pm.

## 8) Ordinances & Resolutions

- a) Resolution #2014-74 Annexing Properties and Public Grounds into the City of Madison Lake
- City Administrator Klugman reviewed the orderly annexation agreement with Jamestown Township and explained the map with the surround land.
  - Scott Haefner stated that there is a huge difference between hardship annexation and forced annexation and feels it is highly inappropriate to have them both on the same resolution.
  - The City has to look at zoning laws, the annexation process, and what is best for the City.
  - The Lake Washington Sanitary District's project was discussed.
  - Council discussed allowing the properties a finite period of time before they are required to connect to the City's water and sewer systems.
  - Robert Hobbs stated that the Council should annex the properties tonight and allow them five years to connect to the City's systems.

**A motion by Bjerke**, seconded by **Howard**, to add language to the resolution stating that the following items would provide the necessity to hook up: building permit, sale of home, a system failure, or five years.

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

Nays: None

Motion carried.

**A motion by Bjerke**, seconded by **Hiniker**, to approve Resolution #2014-74 Annexing Properties and Public Grounds into the City of Madison Lake as amended.

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

Nays: None

Motion carried.

b) Resolution #2014-72 Adoption Point Wild Second Addition Developers Agreement

**A motion by Bjerke**, seconded by **Hoehn**, to approve Resolution #2014-72 Adoption Point Wild Second Addition Developers Agreement.

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

Nays: None

Motion carried.

c) Resolution #2014-73 Approving Final Plat Point Wild Second Addition

**A motion by Bjerke**, seconded by **Hoehn**, to approve Resolution #2014-73 Approving Final Plat Point Wild Second Addition.

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

Nays: None

Motion carried.

d) Resolution #2014-75 Accepting Petition for Public Improvement and Requesting for Feasibility Report

- City Administrator Klugman stated that this is to accept a petition from the Vogelgesang Family.
- Council discussed the options for providing service to this property.
- Rome Reichel stated that he does not want his property annexed in to the City and does not want City services at his lot as he believes it is not a buildable lot.
- Council stated that the City surrounds these properties.

**A motion by Bjerke**, seconded by **Hoehn**, to approve Resolution #2014-75 Accepting Petition for Public Improvement and Requesting for Feasibility Report.

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

Nays: None

Motion carried.

e) Resolution #2014-76 Calling for Public Hearing LWSD Detachment.

- City Administrator Klugman stated that this is part of the detachment process we have been working on and is required by State Statute.
- Council Member Bjerke will attend the meeting on September 22, 2014 to represent the City.

**A motion by Howard**, seconded by **Hoehn**, to approve Resolution #2014-76 Calling for Public Hearing LWSD detachment.

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

Nays: None

Motion carried.

9) Unfinished Business

a) Project Updates

- Main Street Update
  - (1) Benches and Garbage
    - (a) Council discussed the purchase of garbage cans and benches.
    - (b) Council directed staff to have the Main Street Committee pick out the garbage cans and benches and order them early next year so they arrive by spring.
    - (c) City Administrator Klugman stated that the garbage cans benches will be installed next year.
  - (2) Peoples State Bank is interested in having their sidewalk replaced with the City paying fifty percent of the cost and has petitioned the City for the improvement.
  - (3) City Administrator Klugman stated that Max's Main Street Hardware is not interested in having their sidewalk replaced at this time.

**A motion by Bjerke**, seconded by **Hoehn**, to approve the Holtmeier bid of \$10,094.25.

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

Nays: None

Motion carried.

- Annexation Update
  - (1) Warren Smith of Survey Services explained to Council that Bob Maes would like to purchase part of the common element that is being deeded to the City.
  - (2) City Administrator Klugman recommends that the City keeps the portion of the land Mr. Maes is interested in for future public use.

**A motion by Hoehn**, seconded by **Bjerke**, to keep the common element for city purposes.

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

Nays: None

Motion carried.

- Kunkel Second Payment Application
  - (a) City Engineer Larson reviewed what the request for payment is for and recommends Council approval.

**A motion by Howard**, seconded by **Bjerke**, to approve Contractor's Application for Payment No. 2 for Kunkel Electric in the amount of \$77,927.95.

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

Nays: None

Motion carried.

- Hiniker Improvement
  - (1) City Engineer Larson stated that Gary Hiniker wants to extend his service stubs another foot feet so that they are away from other future utilities.
  - (2) City Administrator Klugman stated that Mr. Hiniker is planning to pay his assessment in full.
  - (3) Staff will need to sit down with Shannon Sweeney in November to decide what to do with the pre-payments we have received.

**A motion by Howard**, seconded by **Bjerke**, to approve the agreement pending Gary Hiniker's signature.

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

Nays: None

Motion carried.

- Facility
  - (1) Proposal for Services
    - (a) City Engineer Larson stated that Public Works Supervisor Roemhildt with comments from Police Chief Bunde met with an architect at ISG to plan for a new facility.
    - (b) City Engineer Larson provided information about the proposed new public works and police facility.
- Water Meter Software
  - (1) Bids
    - (a) City Engineer Larson reviewed the two bids received for water meters.
    - (b) Council directed staff to provide a three year plan for phasing in the remote read meters.

**A motion by Bjerke**, seconded by **Hiniker**, to Minnesota Pipe and Equipment as the supplier for the water meter software and meters at the proposed rates.

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

- Veteran's Memorial
  - (1) Approval of Location
    - (a) Council discussed the proposed location of the Veteran's Memorial at North Shore Park.

**A motion by Bjerke**, seconded by **Hoehn**, to approve the proposed location at North Shore Park.

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

- (2) EDA Allocation of \$3,000.00
  - (a) City Administrator Klugman stated that the EDA has money in their fund and wishes to allocate \$3,000.00 towards the Veteran's Memorial.

**A motion by Hoehn**, seconded by **Bjerke**, to approve the EDA's allocation of \$3,000.00 to the Veteran's Memorial.

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

- (3) Council discussed the project as a joint venture between the City and the American Legion.
- (4) City Administrator Klugman stated that the City will continue to accept the donations for the Veteran's Memorial.

## 10) New Business

## 11) Staff Reports

## 12) Mayor & Council Reports

## 13) Adjournment

**A motion by Hiniker**, seconded by **Howard**, to adjourn the meeting at 9:48 pm.

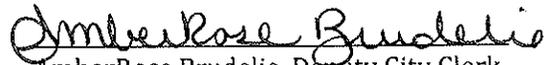
Roll Call: Ayes: Reichel, Bjerke, Hiniker, and Hoehn  
Nays: None  
Motion carried.



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Kenneth Reichel, Mayor

Attest:



AmberRose Brudeli, Deputy City Clerk