

City of Madison Lake
City Council Minutes
Monday, October 7, 2013

Call to Order

Mayor Reichel called the regular Council meeting to order at 7:00 pm.

Pledge of Allegiance

Roll Call

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

Members Absent: None

Staff Present: Interim City Administrator Wendell Sande, Deputy Clerk AmberRose Brudelic, Public Works Supervisor Chris Roemhildt, Fire Chief Kevin Kennedy, Planning Chair Mike Klassen, and Building Inspector Ron Voth.

Others Present: Brian Welch of I & S Group; Gary Weiers of David Drown Associates; Amy Dresch of FMHC Corporation; Michael Wheaton of 233 Pinehurst Drive, Mankato; Brent Dauk of 140 438th Avenue, Madison Lake;

Consent Agenda

3A) Approval of Agenda

A motion by Howard, seconded by Bjerke, to approve the agenda with the addition of 9F) Right of Way for the Lake Washington Sanitary District.

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

3B) Accepting of Minutes from Regular Meeting of September 16, 2013

A motion by Howard, seconded by Hiniker, to accept the minutes from the September 16, 2013 regular meeting.

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

3C) Accepting of Minutes from Special Meeting of September 25, 2013

A motion by Howard, seconded by Hiniker, to accept the minutes from the September 25, 2013 special meeting.

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

3D) Approval of Vendor Claims Totaling \$186,500.31.

A motion by Bjerke, seconded by Howard, to approve vendor claims in the amount of \$186,500.31.

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

3E) Transfer of 2013 Liquor License from Brothers Pub to The Lucky Lure

A motion by Bjerke, seconded by Hoehn, to transfer the 2013 Liquor License from Brothers Pub to The Lucky Lure pending proof of the sale of the business, property taxes being current, and proof of insurance.

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

Open Public Comments

Appearances and Presentations

Ordinances and Resolutions

6A) Resolution #2013-583 Adopting the All-Hazard Mitigation Plan

- Mr. Sande stated Blue Earth County is requesting the City's endorsement of their All-Hazard Mitigation Plan.

A motion by Howard, seconded by Hiniker, to adopt Resolution #2013-583 Adopting the All-Hazard Mitigation Plan.

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

6B) Resolution #2013-584 Approving Building Exception for Duck Lake – Lake Ballantyne Annexation Area

- Mr. Sande requested that Council adopt this resolution in order to deal effectively with the necessary expansion of non-conforming structures in the Duck Lake – Lake Ballantyne annexation area.
- The resolution limits homeowners to an addition of not more than 120 square feet for the purpose of integrating sanitary sewer and water services into the existing or a replacement structure.
- Property owners will be allowed to rebuild on the same footprint plus an additional 120 square feet.
- The Planning Commission will provide other provisions for the annexation area in the zoning district R1-S.
- Council discussed the deadline.

A motion by Bjerke, seconded by Howard, to approve Resolution #2013-584 Approving Building Exception for Duck Lake – Lake Ballantyne Annexation Area with the Council revisiting this issue in the fall of 2018.

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

6C) Resolution #2013-585 Establishing 2014 Construction Fund – Fund Number 414

- Mr. Sande stated that establishing this fund is appropriate in order to properly account for the expenditures for the improvements to be done in 2014.
- The resolution provides for a temporary transfer of funds not to exceed \$750,000.00 from sewer reserves.
- Council discussed the funding of the construction fund and when bond proceeds will be received.

A motion by Bjerke, seconded by Howard, to approve Resolution #2013-585 Establishing 2014 Construction Fund – Fund Number 414.

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

6D) Resolution #2013-586 Approving Petition for Detachment

- Mr. Sande stated that this is to remove the annexed properties from the Lake Washington Sanitary District.
- The City Attorney has reviewed the petition and approves of it.

A motion by Bjerke, seconded by Hoehn, to approve Resolution #2013-586 Approving Petition for Detachment.

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

Nays: None

Motion carried.

Reports of Staff, Officers, Boards, and Committees

7A) Building Official

- Mr. Voth stated that six permits were issued in September.
- Sixty-nine rental inspections are complete, fifty-three units still need to be inspected, and twenty-seven of the remaining units have already scheduled appointments.
- Council discussed issuing building permits to the property owners in the annexation area.
- Building permits for properties on leased land must be countersigned the property owner.

7B) City Administrator

- Mr. Sande stated that he met with the departments heads to discuss the 2014 budget.
- Council discussed scheduling a workshop to discuss the budget and long term capital improvement plan.

A motion by Howard, seconded by Bjerke, to schedule a Council Work Session for November 4, 2013 at 5:00 pm.

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

Nays: None

Motion carried.

7C) City Council Member

- Council discussed the visitation and funeral arrangements for former Council Member Chuck Ries.

7D) City Engineer

- Bryan Welch stated that the Open House went well and
- Mr. Welch stated that they are continuing to work with individual property owners.

7E) Fire Chief

- Chief Kennedy stated that there have been five calls since the last meeting.
- The new to us fire truck is here and in service as is the new extrication equipment.
- The fire department covered fire prevention with All Saints and Eagle Lake schools last week.
- There are ten portables and two mobiles that are no longer used and Chief Kennedy requested permission to sell them for \$4,000.00.
- Chief Kennedy will be attending the Minnesota Fire Chief's Conference from October 16 to 19, 2013.
- The fire department will be conducting a drill involving extricating five cars and a helicopter on Wednesday, October 16, 2013 from 6:00 pm to 10:00 pm.

A motion by Hoehn, seconded by Bjerke, to declare the old fire department radios and the old extrication equipment as surplus and authorize Chief Kennedy to sell it.

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

Nays: None

Motion carried.

7F) Mayor

- None

7G) Planning Commission Chair

- None

7H) Police Chief

- None

7I) Public Works Supervisor

- Mr. Roemhildt stated that on Saturday, September 14, 2013 the lift station at North Shore broke down.
- Mr. Roemhildt had the lift station pump and piping repaired on September 27, 2013.
- North Shore Park will be closing up for the season.
- Siren coverage was discussed at the department head meeting.
- WW Blacktopping will be in town tomorrow to patch Highway 60.

Unfinished Business

8A) City Administrator Search Update

- Mr. Sande stated that he is pleased to announce that we have a new City Administrator.
- Mr. Weiers stated that Ari Klugman will start on November 12, 2013.
- Mr. Weiers read a statement from Ms. Klugman that said, "I am excited for the opportunity and look forward to being part of the team."
- Council thanked Mr. Weiers for his assistance in the hiring process.

8B) Online Billing and Payments

- Mr. Sande stated that this is the item that was previously discussed regarding online billing and payments.
- Ms. Brudelic stated that postcards cost \$0.07 each and postage costs \$0.33 each.
- If 100 customers sign up for e-billing we will save \$480.00 annually.
- There is a monthly service fee of \$39.95 a month.
- The total estimated cost for offering online billing and payments is \$2,100.00 annually.
- Council discussed purchasing a credit card terminal for City Hall.
- The upfront cost is \$995.00 for a Banyon module and \$149.00 for PSN for the initial set up.
- Council discussed the length of the contract.
- Mr. Sande stated that the City Attorney will review the agreement before execution.

A motion by Hiniker, seconded by Howard, to approve the agreement with Payment Service Network.

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

Nays: None

Motion carried.

8C) Conditional Use Permit for Verizon Wireless

- Mr. Sande stated that the public hearing was held on September 24, 2013.
- The Planning Commission recommends approval of the Conditional Use Permit with the following conditions: 1) Comply with all applicable state and federal regulations and 2) Obtain required MN DOT access driveway permit.
- Council discussed the removal of the temporary tower and potential penalties if the tower is not taken down in a timely manner.

- The Planning Commission recommends extending the Conditional Use Permit for the temporary tower until August 1, 2014 unless the tower is removed before then.

A motion by Bjerke, seconded by Hoehn, to approve the Conditional Use Permits with the conditions as recommended by the Planning Commission.

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

New Business

9A) Proposed Right of Acquisition Schraml Property

- Mr. Sande stated that he spoke with the purchaser of the Schraml property.
- The new owner would like the City to consider acquiring outlot B as indicated on the map provided.

A motion by Bjerke, seconded by Hoehn, to allow the Mr. Sande to negotiate the acquisition on behalf of the City.

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

9B) Tax Impact of Annexation

- Mr. Sande stated that there will be a significant increase in the tax capacity of the City.
- The tax capacity of the City for 2013 is \$743,877 and for 2014 is \$947,488.
- The increase over the prior year includes \$173,371 from the annexed area and \$25,000 from other property.
- Tax capacity rate is 60.188 this year and for 2014 will decrease approximately 17% to 49.83.
- Mr. Sande stated that the City portion of property taxes will decrease on existing properties.
- For the annexed properties, the City will replace the Township and their taxes will increase.

9C) Request Authorization to purchase computer equipment

- Mr. Sande stated that we are requesting additional computer equipment for the Deputy Clerk.
- The existing computer will be used for utility billing.
- The new computer will have two screens which should increase efficiency.
- Council discussed where the funds for the purchase would come from and directed staff to split the purchase between the water, sewer, refuse, and general funds.

A motion by Bjerke, seconded by Hoehn, to authorize the purchase of computer equipment.

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

9D) Rezoning Request for 115 Park Road

- Mr. Sande stated that this item was heard by the Planning Commission at the previous two meetings.
- Mr. Sande stated that this property is already an R-2 zone which is one step higher than the abutting and adjacent properties, changing the zone to R-3 would result in spot zoning as this is not a transition area, and based upon future plans for the surrounding area the Planning Commission recommends denial of the rezoning request.

A motion by Bjerke, seconded by Hoehn, to deny the rezoning request for 115 Park Road.

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

Motion carried.

9E) Request to install concrete bypass vault in Lindbergh Park

- The City of Mankato is requesting permission to install a concrete bypass vault in Lindbergh Park.
- The bypass vault will provide better physical access in the event a bypass is every needed.
- Council discussed the need for the vault and the placement of the vault.

A motion by Bjerke, seconded by Hiniker, to approve installation of the concrete bypass vault in Lindbergh Park by the City of Mankato.

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

9F) Right of Way for the Lake Washington Sanitary District

- Mr. Bjerke stated that the Lake Washington Sanitary District is out for bids.
- The closing date for the bids is October 25, 2013.
- Council discussed where the Lake Washington Sanitary District will be running their lines.
- Council discussed metering and sampling issues.
- Council would like to review a few schedule for Right of Way Permits at the next meeting.
- Mr. Sande stated that he will contact the Lake Washington Sanitary District regarding the bill we received as it exceeds what was anticipated.

Adjournment

A motion by Howard, seconded by Hoehn, to adjourn the meeting at 8:15 pm.

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

Attest:



Ken Reichel, Mayor



AmberRose Brudellie, Deputy Clerk