

**CITY OF EAGLE LAKE
CITY COUNCIL MEETING
JUNE 7, 2021**

CALL TO ORDER

- Mayor Auringer called the meeting to order at 6:00 p.m.

OATH OF OFFICE

- John Whittington was sworn in as a council member.

ROLL CALL

- Council Members present: Garrett Steinberg, Beth Rohrich, Anthony White, John Whittington, and Mayor Auringer.
- Staff present: City Administrator Jennifer Bromeland, Chief John Kopp, Public Works Director Brian Goettl, Fire Chief Dan Ruschmeyer, and Deputy Clerk Kerry Rausch.

PUBLIC COMMENTS

- None.

APPROVAL OF THE AGENDA

- Administrator Bromeland asked to add Tator Days Community Festival request to New Business.
- Council Member Rohrich moved, seconded by Council Member White, to approve the agenda. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

APPROVAL OF MEETING MINUTES

- Council Member Steinberg moved, seconded by Council Member Rohrich, to approve the May 3, 2021 and June 1, 2021 City Council meeting minutes. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

CONSENT AGENDA

- Mayor Auringer pointed out two resolutions, one a resignation of Ryan Wersal from the Park Board and the other appointing Jacob Fangmann to the fire department reserves.
- Council Member White moved, seconded by Council Member Rohrich, to approve the consent agenda.

Monthly Bills	Treasurer's Report	Police Report
Fire Report	Public Works Report	Building & Zoning Permits
Gambling Report	Contiguous Area Permit-American Legion	
Resolution 2021-26 Appointing Jacob Fangmann to Fire Department Reserves		
Resolution 2021-24 Resignation of Ryan Wersal from Park Board.		
- Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

PUBLIC HEARING

1. Special Assessment Hearing for CSAH 27 (Agency Street) Project
 - Administrator Bromeland explained that the City Council needs to consider whether to adopt the proposed special assessment roll as included in the council packet. Three property owners contacted the City with concerns about their proposed special assessment. The parcels in question include R12.10.257.002, R12.10.18.130.001, R12.10.18.181.007, R12.10.18.181.009 and R12.10.18.181.008. Council needs to hear all objections and can make amendments to the assessment roll. Once adopted liens will be placed against the properties. The proposed interest rate is 3 percent and a 15-year term. If a resident plans to file an appeal, they must raise an objection prior to Council adopting the assessment roll. Residents will have 30 days to pay their assessment in full, to the City. After the 30 days, the assessments will be filed with Blue Earth County. Once the assessments are filed with Blue Earth County residents can pay off their assessment without penalty if they so choose. After November 15, 2021 interest through the 15 year term will be accrued. Assessment payments for these 15 years will be equal amounts. Staff will mail final assessment notices to residents. Residents have 30 days to file a request for deferral with the City.
 - Brian Sarff, with Bolton and Menk, stated the public hearing is not geared towards construction issues. He explained the project is limited to Agency Street from Thomas Drive to LeRay Avenue. It was initiated due to watermain breaks and then sanitary sewer deficiencies. An improvement hearing has been held. The current 8-inch sanitary sewer line is in poor condition as is the 4-8 inch watermain. The storm water line is

8-24 inches which lies on top of the sanitary sewer line. The street is currently 44 feet wide with curb and gutter. Some areas along the project have 4-foot-wide sidewalks.

- The proposed project includes 8-10 inch PVC water and sewer lines and the replacing of manholes and hydrants. Private services up to the property line will be installed. A 40-foot road will be constructed with curb and gutter along with an 8-foot shoulder for parking. A 6-foot sidewalk will be installed on the south side and a 5 foot sidewalk on the north side.
- Council discussion included if residents would be able to add to their assessment amount if they would like to run a new line from the property line to the house. This is typically not done due to trying to coordinate with the contractors.
- Bids were received and opened on March 31, 2021 with a total project cost of \$3.2 million. The City is partnering with Blue Earth County and the City's portion of project costs are \$1.8 million.
- The city's current assessment policy is not being followed for this project, instead a special benefit analysis was conducted by an third party which resulted in a much lower assessment amounts. In this analysis properties were identified as residential, commercial, non-residential, and agricultural. A written appeal must be submitted tonight to allow a resident to file a court appeal.
- Council discussion included asking if the various parcels with prior questions have been worked through, which they have.
- Remaining questions include the Hansen parcels R12.10.18.251.002 and R12.10.18.181.007 which function as one residential unit. The east portion of the parcel is agricultural and is ready for development. In a meeting with the property owners, it was discussed that the parcel does not front Agency Street and that the property owners have no intention of selling or dividing the parcel into a residential subdivision. The revised proposed assessment roll shows an assessment equal to a residential parcel.
- Winkler parcels R12.10.18.181.009 and R12.10.18.181.008 have been reviewed by the Dan Murphy, the City's building official, who provided documentation stating the north parcel is not buildable. It is recommended that Council consider combining these parcels for special assessment purposes.
- The Fromm parcel R12.10.18.130.001 has been analyzed and determined to be a common ownership in the initial report. It has since been determined it should not be lumped together with the other parcel due to pending sale. This change would result in a reduction of the special assessment from \$9625 down to \$4250.
- An email from Kathy Foley, dated June 7, 2021, who is viewing the meeting remotely, was read. The email pertains to the Donald P. Foley acreage and states the proposed assessment is based on the premise that this is residential land or at least prime development land. The land has been prime for development for over 25 years, however they have continued to use it as agricultural land. They have rented to the same farm family over that time. They derive no benefit from the improvements on the road. They do not have homes to use the system and to be assessed. She stated she believes they are being over assessed for their property and contests the amount and is asking for consideration.
- Council discussion included that Mr. Foley has mentioned that people are interested in this land and what would happen if this land were developed. Once the assessments are adopted, they cannot be changed.
- Council discussion included asking if the 1983 deferred assessment is still deferred or if it has been paid. Administrator Bromeland indicated she contacted Blue Earth County and they have no record of the previously deferred assessment. It was also stated that a deferment will not eliminate an assessment.
- The public hearing was opened with the following comments hearing heard.
- Bob Winkler, 313 S Agency Street, asked why the special assessment interest rate is at 3 percent when the bond interest rate is at 1.8%. Administrator Bromeland stated that the City's financial advisor recommended the 3% rate to manage prepayments which are likely to occur and to cover the City's costs.
- Kevin Rykhus, 524 S. Agency Street, stated his property was classified as a miscellaneous property in the special benefit analysis, but in reality, is a residential property and asked why the special assessment is so high. The analysis identified this parcel as being large enough to split into two lots. The assessment amount has been discounted down from \$16,000 to \$12,000.
- Council discussion included the house is located in the middle of the property and would be difficult to split. There is currently a sanitary sewer stub from Connie Lane to this parcel which is not being used at this time. The distance of this line is to far to make it feasible to connect, and would council consider extending this line.
- The public hearing was closed at 7:52 p.m. with no more comments being offered.
- Brian Sarff explained that the property located at 404 Linda Drive, R12.10.18.180.017 is an odd shaped parcel which received special consideration and this parcel would not receive a second assessment if there is a Linda Drive project.

- Brian Sarff explained that Kevin Rykhus's property, 524 S. Agency Street, has a sanitary sewer stub onto the parcel and that it is on a septic system. He asked if Council would consider extending the sewer line to this property. The potential assessment modification would range from \$8,000 to \$12,000.
- Council Member Steinberg moved, seconded by Council Member White to assess the Rykhus property as a single family parcel.
- The current proposed assessment for the Foley property is \$97,000.
- Council Member White stated he is in favor of the Foley email and stated there is some value to this parcel. There may be two access points for this parcel. The Foleys have requested that water and sewer be stubbed in for the properties. Mayor Auringer stated that by requesting the stub-ins with full size utilities, this shows the possibility of development. The cost of the stub-ins is not included in the proposed assessment amount and would need to be calculated. Council Member Rohrich stated she believes the \$97,000 assessment is too high and that the Foley's have expressed an interest to sell several times. She also stated that she does not want to see the Foley's receive a better deal than other residents. Mr. Whittington asked for other construction costs relating to this parcel. Mayor Auringer stated with the request for utilities to be stubbed in, it seems to indicate development is coming.
- Council asked Mr. Sarff to calculate the cost of water and sewer stubs to the Foley property.
- Mr. Sarff calculated the cost of water and sewer stub ins to range between \$6,200 to \$6,800. This would include the larger pipe extensions with curb cut access costing another \$1,000.
- Council discussion included how the lost assessments will be covered, these dollars will be absorbed by the city. Council consensus was to assess the Foley property \$8,000.
- If a property owner chooses to defer the assessment, the deferred amount must be paid within 30 years or to the life of assessment for an undeveloped property. The landowner would need to request a deferment. Age based deferments are also available to property owners and must be requested within 30 days.

PRESENTATIONS

1. Brian Sarff, Engineer with Bolton and Menk: CSAH 27 (Agency Street) Reconstruction Project
 - This presentation was handled during the Public Hearing.
2. John Graupman, Engineer with Bolton and Menk: Water Treatment Improvements Project
 - Mr. Graupman stated the request to the MN Department of Health has been submitted for their project priority list, this is where they rank their water improvement projects. An application has been submitted to MN PFA which is the financing agency. City staff has contacted the City of Mankato to discuss the regionalization process with a written request for a response. A face-to-face meeting will take place in July or early August. Full Council consideration can be expected later this year. State lists their funded projects in September which will give the city more information as to funding and if funded whether it will be a grant or a loan.
 - Mayor Auringer updated new council members on this project explaining that the City is looking into options which include a full water treatment plant or regionalization with Mankato who has a water filtration system.
3. Julie Blackburn, Engineer with ISG: (1) Annual MS4 Presentation; and (2) Overview of Stormwater Ponds and Maintenance
 - Ms. Blackburn explained that the Municipal Separate Storm Sewer System (MS4) requires an annual meeting. The programs concern is water runoff, water that is not absorbed into the land. The program looks at six control measures which include: public participation, public involvement, illicit discharge detection and elimination, construction site stormwater runoff control on parcels greater than one acre, post construction storm water management, and pollution preventions and good housekeeping. A new requirement in public involvement includes picking up litter and use of rain gardens. Illicit discharge inspections are also a new requirement. New ordinances and internal check lists will be drafted. Ponds inlet and outlets need to be inspected every five years.
 - The annual report has been submitted, the MPCA will review permit request.
 - Complaints have been received about pond odor on Owl Lane. These ponds are designed to be retainers of pollution. Ms. Blackburn presented a proposal which would include a topographic survey, sediment, inlets and outlets, a volume analysis, stormwater pond inspections and recommendations. The cost of the proposal is \$4,500. Optional tasks include water quality sampling and continuous water level data logger. This work is expected to take 4-6 weeks, if approved. Monitoring events over the course of an entire season is ideal, with a timeframe of April through the end of summer.
 - Council discussion included how to avoid issues with other ponds. The best approach is to educate resident to the fact that these are working ponds and are a part of the city's infrastructure.

- Council Member Steinberg moved, seconded by Council Member Rohrich, to approve the professional services proposal from ISG for assessment of Owl Lane ponds. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
4. Jayne Overstreet, Community Philanthropy Consultant with Southern MN Initiative Foundation: Annual Presentation
 - Ms. Overstreet explained that SMIF serves a 20-county region in south central and southeast Minnesota. Their organization focuses on three areas: economic development, early childhood development, and community vitality. The EDA portion has start up grants and bridge loans available. Early Childhood Development has included grants, bridge lending and start up grants. Community Vitality has included funding for events such as Eagle Lake’s Music on Parkway.
 5. Dan Ruschmeyer, Fire Chief: Fire Department
 - Chief Ruschmeyer explained the fire truck for sale is listed at \$50,000 and asked Council for permission to lower the asking price and to list it on the state bid site.
 - Council consensus was to set a minimum sale price of \$40,000.

NEW BUSINESS

1. Adoption of Special Assessment Roll for CSAH 27 (Agency Street) reconstruction Project
 - Council Member White moved, seconded by Council Member Steinberg, to adopt Resolution 2021-29: A Resolution Adopting Assessments as amended. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
2. Planning Commission Recommendation for Variance at 112 Parkway Avenue (former Uncle Albert’s Café)
 - Administrator Bromeland explained that a public hearing was held on May 17, 2021 at the Planning Commission meeting to consider a variance application from Mark and Rolene Fromm, owners of the property located at 112 Parkway Avenue in the Eagle Lake “Parkway Avenue Business District, from 598th Avenue to Agency Street. The owners are seeking a variance to convert an existing commercial building into multi-family apartments.
 - The Parkway Avenue District will accommodate residential uses when located above or behind commercial development. The proposed use does not include a commercial use for the property. The owners are seeking a variance for a property use that otherwise is not allowed in a B-1 Community Business District. In order to grant a variance a property owner must demonstrate a practical difficulty. A variance will be tied to the property, not the property owner. City code detailing practical difficulty was reviewed which included that a practical difficulty must relate to a physical situation and cannot be an economic situation.
 - Notices have been mailed and no opposition was received. The Planning Commission, in a not unanimous vote, has recommended approval of the variance request.
 - Mayor Auringer voiced concern that he does not see a practical hardship and that the Planning Commission looked at the setback requirements and that is not the issue. He stated that Parkway Avenue is specifically designated as a business district and asked if there is any ability to create a business on the front side.
 - Mr. Fromm stated that the property used to be located on Center Street and that frontage was lost when Parkway Avenue was redevelopments. The hardship is finding a tenant.
 - Mr. Fromm’s realtor stated that many people have looked at the building and that the economy is not good to operate a restaurant and that there is not enough income to support a small business.
 - Mayor Auringer stated his concern is that City Code states that the Parkway Avenue District is specifically for businesses and asked if there is anyway that a business could be created on the front side of the property.
 - Council discussion included that the Parkway Avenue District waives parking requirements for businesses, that residential properties along this corridor is a lost opportunity for future businesses and the potential for future variance requests.
 - Council Member Rohrich moved, seconded by Council Member Steinberg to approve the variance request for 112 Parkway Avenue. Motion carried with Council Members Steinberg, Rohrich, and White voting in favor. The motion was opposed by Council Member Whittington and Mayor Auringer.
3. Promotion of Part-Time Officer to Full-Time Officer
 - With the resignation of a full-time officer, an internal announcement was posted advertising the full-time officer opening. Police Chief Kopp and Administrator Bromeland interviewed one internal candidate for the position. The committee recommends that Ben Romig be promoted from a part-time police officer to a full-time officer.
 - A conditional offer of employment was made to Officer Romig to start at Step 1 on the wage scale for a full-time police officer. Officer Romig will have a performance evaluation following the completion of 6 months and 12 months, with a pay increases upon satisfactory evaluations.

- Council Member Rohrich moved, seconded by Council Member Steinberg, moved to approve Resolution 2021-25 to promote Ben Romig to a full-time police officer. Motion carried with Council Members Steinberg, Rohrich, White, Whittington and Mayor Auringer voting in favor.
4. Hiring of Part-Time Police Officer
- Five applications were received for the position of part-time police officer. The hiring committee, consisting of Chief Kopp, Administrator Bromeland, and the program director with MN Valley Council of Governments interviewed all five candidates. The hiring committee recommends that Evan Chirpich be hired as a part-time officer at Step 1. Mr. Chirpich recently received his Bachelor of Science degree in Law Enforcement.
 - Council Member White moved, seconded by Council Member Rohrich, to approve Resolution 2021-27 authorizing the hiring of Evan Chirpich. Motion carried with Council Members Steinberg, Rohrich, White, Whittington and Mayor Auringer voting in favor.
 - Council requested that new hires be asked to attend the Council meetings to be introduced.
5. Review Bids Received Street Repairs
- There was \$115,000 budgeted in 2021 for street repairs with an available balance of \$112,600 remaining. The unused street repair funds from 2020 were carried over to capital outlay for this purpose.
 - Three bid requests were requested with WW Blacktopping submitting the only bid in the amount of \$87,831.55 plus additional cost for unknown manhole adjustment rings and water valve irons that may be needed. The approximate cost for these items is \$3,500.
 - Public Works Director Brian Goettl stated work would be coordinated with traffic patterns relating to the Agency Street project and that crack sealing and gravel work are also being considered for 2021.
 - Council Member Steinberg moved, seconded by Council Member White, to approve WW Blacktopping's bid in the amount of \$87,831.55. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
6. Park Land Access Request from 1001 Timberidge Trail
- A request has been received from Pan and Dave Serdar, owners of 1001 Timberidge Trail, to access the rear of their property on limited occasions using City park land.
 - The Serdar's written request stated they would like to continue the access previous owners have occasionally used through their back gate in May and September to move their camper, occasionally for tree trimming access, and to dispose of leaves. They would ensure that they utilize their property through this access point when it is dry so as not to cause any damage to park land.
 - Discussion included the request that the Serdar's contact City staff prior to accessing the property and that the Serdars' are aware that the City may withdraw access approval in the future if the park expands.
7. Sewer Connection Variance Request from 804 Parkway Avenue
- Administrator Bromeland explained that Chad Ragan, owner of 804 Parkway Avenue, was notified some time ago by Blue Earth County of a septic system upgrade required for the property. Since that time, Mr. Ragan has been in contact with City staff to discuss connecting to City sewer. Recently, Mr. Ragan advised City staff that he is unable to obtain an easement from the owner of 800 Parkway Avenue for this purpose. After consulting with the City's engineer with Bolton and Menk, Brian Sarff, and the City's Public Works Director, Brian Goettl, it was suggested that perhaps Mr. Ragan be allowed to replace his septic system and granted a variance from connecting to City sewer until sewer is made available in front of his property along Parkway Avenue in the future.
 - If the City is agreeable to allowing Mr. Ragan to replace his septic system, the City will need to send a letter to MPCA informing them of an exception being granted for 804 Parkway Avenue. City staff has confirmed with Jesse Anderson with Blue Earth County that the county will be the entity performing the inspection and issuance of a permit for the septic system.
 - Mr. Chad Ragan explained he has 90 days to fix the issue. The existing line is approximately 500 feet from his property and he would need a grinder pump. The family is not interested in granting an easement due to potential future hardship of selling the commercial property.
 - Administrator Bromeland stated that the City has the ability to authorize the septic system and also require the property owner to connect to future city services once the new septic system reaches the end of its useful life.
 - Council Member White moved, seconded by Council Member Rohrich, to approve the variance request allowing a new septic system for 804 Parkway Avenue. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
 - Brian Sarff with Bolton and Menk stated that Mr. Rykhus, 524 Agency Street, has a similar situation and that Mr. Sarff will bring connection information to the Council at the July meeting.

8. Lease for Land to Stockpile Leaves Collected During Fall Pickup

- City staff have been notified by Blue Earth County wetland officials that the City is no longer allowed to stockpile leaves collected during the fall leaf pickup near the Public Works Building due to its proximity to a wetland. At the present time, there is no other City owned land available to stockpile leaves.
- City staff contacted Gary Hiniker about the possibility of leasing an acre of his land on parcel R43.09.24.200.003 to stockpile leaves year-round. Upon Council approval, staff will work with legal counsel to establish terms. The Public Works staff requests the ability to haul in gravel for the access to the site and to install a chain link fence perimeter. It was suggested that the annual lease amount be established at \$250.
- Council Member Rohrich moved, seconded by Council Member White, to authorize City staff to work with legal counsel to draft a lease with Gary Hiniker for 1 acre on parcel R43.09.24.200.003 for the purpose of stock piling leaves. Motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

9. Tator Days Request

- Administrator Bromeland explained that a request came in today asking that Tator Days be classified as a community festival and to waive the fees for liquor establishments' contiguous area permits. Administrator Bromeland stated she would like to research further the need to deem a community festival for liquor licensing purposes or whether the City could just waive the fees as requested.
- Council Member Rohrich moved, seconded by Council Member White, to waive the 2021 contiguous area permit fees associated with Tator Days 2021. The motion carried with Council Members Steinberg, Rohrich, White, Whittington and Mayor Auringer voting in favor.

CITY ADMINISTRATOR REPORT

1. Update on UWP Application Submitted for Pedestrian Connectivity Study along CSAH 27 from Thomas Drive to 211th Street
 - City Administrator Bromeland updated the City Council that she is working with MAPO to obtain funding for a pedestrian connectivity study for the area along CSAH 27 between Thomas Drive and 211th Avenue.
2. Outdoor Movie Event will be held at the Eagle Lake Elementary School on Friday, June 11, 2021.
3. Comprehensive Plan Update and Possible Next Steps
 - It was noted that MN Council of Governments can assist with an update at no additional charge but that City staff will research further whether an update is appropriate or if a more in depth update is required and the need to contract out for this work.
4. Update from Minnesota State Demographic Center
 - Due to COVID 19 the census results are delayed.
5. Overview of 2022 Budget Timeline and Process
 - Budget work sessions will begin in August. The preliminary tax levy must be set by the end of September.
6. MetroNet
 - A pre-construction meeting was held today.
7. American Rescue Funds Resolution
 - It is anticipated that the League of MN Cities will have a model resolution available for the July City Council meeting.

COUNCIL MEMBER'S REPORT

- Mayor Auringer stated the Region 9 Development Commission represents Blue Earth County cities with a population under 10,000. Tim will attend their meeting within the next couple of weeks.

ADJOURNMENT

- Council Member Rohrich moved, seconded by Council Member White, to adjourn the meeting at 9:28 p.m.

Tim Auringer, Mayor

Kerry Rausch, Deputy Clerk