

**CITY OF EAGLE LAKE  
CITY COUNCIL MEETING  
SEPTEMBER 12, 2022**

**CALL TO ORDER**

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

**ROLL CALL**

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

**PUBLIC COMMENTS**

- Mike Guentzel, 60374 224<sup>th</sup> Lane, Madison Lake, stated that the annexation agreement with LeRay Township ends on October 8, 2022, and asked what happens at that point. Mayor Auringer stated that will be a township decision.

**APPROVAL OF THE AGENDA**

- Added to the agenda was the public hearing for Mayor and Council compensation and under New Business the addition of a Community Forestry member.
- Council Member Steinberg moved, seconded by Council Member Rohrich to approve the amended agenda. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

**APPROVAL OF MEETING MINUTES**

- Council Member White moved, seconded by Council Member Rohrich, to approve the August 1, August 22, and August 30, 2022 City Council meeting minutes. The motion carried with Council Members Steinberg, Rohrich, White, Whittington and Mayor Auringer voting in favor.

**CONSENT AGENDA**

- Added to the consent agenda were additional payables and the Fire Chief's report.
- Council Member Rohrich moved, seconded by Council Member Steinberg, to approve the consent agenda as amended.

Monthly Bills

Treasurer's Report

Police Report

Fire Report

Public Works Report

Building & Zoning Permits

Gambling Report

WEX Agreement

Resignation of Amy McGuire

- The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

**PRESENTATIONS**

1. Supplemental EAW for Mankato Motorsports Park Project: Jason Femrite and Addy Tuese with Bolton and Menk
  - Mayor Auringer explained that Council had asked for more information on the effects the motorsports park would have on climate change.

- Ms. Tuese stated that the existing greenhouse gas (GHG) output for Highway 14 is 37,045 MTCO<sub>2e</sub> a year and 185.28 MTCO<sub>2e</sub> from the 230 acres of cropland for a total of 37,230.28 MTCO<sub>2e</sub>.
  - The output from the proposed facility, which includes buildings, course use and employees/vendors/patrons will be 35,221.87 more MTCO<sub>2e</sub> a year than existing conditions. The per acre GHG is 315 MTCO<sub>2e</sub> per year for the proposed facility versus 161.87 MTCO<sub>2</sub> per year for the existing condition.
  - There are no Minnesota or National ambient air quality standards for GHGs which means there is no threshold identified.
  - Traffic levels in this study included a 20 mile stretch to include commuters. The only ag land data is from California which averages a variety of farming techniques.
  - During construction the first year, the result will be less than a 50% increase in GHS; this includes construction equipment emissions and then the continued operational use of the track, facility and vehicles. Electric cars were not figured into these calculations. Residential housing use of land was not available for comparison purposes due to the variability of housing.
  - Administrator Bromeland explained the next step is for the Council to make a determination of completeness of the supplemental EAW, if found complete, there will be a 30-day comment period after which it will come back to the Council to determine if an EIS is needed.
  - Mayor Auringer stated that when comments come back from agencies who have reviewed the supplemental EAW it may provide Council with more information.
  - Council Member White moved, seconded by Council Member Steinberg, to declare the Supplemental EAW as complete. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
2. Sewer and Water Extension Project Update and Next Steps: Brian Sarff with Bolton and Menk
- Brian Sarff with Bolton and Menk explained that this project has been in progress for over a year, plans have been prepared, bids received, and the project awarded to Bromeling Construction who is set to begin installing the fire hydrant tomorrow. Last week Chad Ragan informed the city that he is looking at other options. Mr. Sarff also stated that there have been two meetings with Mr. Ragan and that Bolton and Menk proceeded accordingly. Parties involved are unwilling to sign easement documents.
  - Chad Ragan, 804 Parkway Avenue, stated that at the first meeting 3 of 6 owners were present and at that meeting a rough draft was presented as to where the line would run. Another option was presented to push the line to the north. At the second meeting a proposed line from the existing manhole which would follow the railroad tracks was presented. He was informed the line would be 8 feet and no deeper and a hydrant would be installed in his back yard. Mr. Ragan stated at that time he was told to get personal bids to install a private line to the house and shop and was not given an idea of the cost. His contractor told him he would need an E1 grinder system which could cost between \$10,000-\$20,000 and this pump would need to be replaced every 8 years. On December 6<sup>th</sup>, Pete Forrey, Mr. Ragan's contractor, informed Mr. Ragan that a new septic system would not work due to soil quality. Mr. Ragan stated he thought the sewer system would be brought to the front of the house and that to do this project on his own it would cost him \$2,000 more and that he would not lose property due to an easement and he would still need an E1 grinder system. He then clarified by stating he would need a lift pump, not a E1 grinder pump which can only be used if the run is less than 300 feet.
  - Mr. Ragan stated it would be less distance to run this line through his front yard. Mr. Sarff stated that to run the line in front of the property, instead of where proposed, would be a longer distance and would cost more due to the paved trail and parking lot.
  - City Attorney Chris Kennedy stated the Council needs to consider the cost to the City with any changes to the scope of the project. He also stated costs to date will be absorbed by the city and if the City is to rebid this project there will be additional costs.

- Brian Sarff explained the contractor has the materials ordered for the project and the hydrant is on hand. There are no major material costs to date. He also stated that no property owners were guaranteed a gravity system.
- Mr. Ragan asked how the bid was accepted and awarded when he was still determining his cost. Mr. Kennedy explained that state statute does not require a property owner be part of the process and that property owners do not need to sign off on a city project for a bid to be awarded. He also stated he is unsure if he can get an easement from family members for this project but should know within a couple of days.
- Council discussion included that past discussions recognized that a line installed at the rear of the property was not an optimal location, but it is a location that worked.
- Mr. Sarff explained that if development occurs to the west of these properties, easements would be needed and that a gravity system would not be installed. The only other option would be to come off of Parkway Avenue and this would involve Blue Earth County's force main system. Brian Goettl, Public Works Directed, stated that connecting into the force main is not an option because there is no meter. This would need to go to a lift station.
- Mr. Ragan asked if the commercial property he owes to the east of 598<sup>th</sup> could be added to this project. Mr. Sarff stated that he is unsure of the depth and that it would need to cross County Road 17 and it may disturb the trail and parking lot. He stated he does not believe Blue Earth County would allow the City to go into the road (598<sup>th</sup>).
- Council Member Rohrich stated that taxpayers are fronting the cost of this project and asked why the City has not heard from Mr. Ragan until it is an emergency situation and that there have been several meetings where this could have been discussed. She also stated the City does not hold up other projects for property owners. This project affects only two properties and is costing the City \$110,000. She also stated Mr. Ragan has had 1 ½ years to obtain the easement from family members. Without an easement the city is unable to help.
- Mr. Kennedy explained that an easement does not change ownership of land. Mr. Ragan responded that an easement would make future construction impossible. Mr. Kennedy explained that the type of easement would determine if construction could occur.
- Council discussion included that if no easement is granted, the City has no way to proceed with the project and that the City has spent a lot of money to date on this project. The City will need to know by the end of this week if easements will be granted.
- Council Member Rohrich moved, seconded by Council Member Whittington, to set a deadline of September 16, 2022 to obtain an easement for the project and if an easement is not granted within the deadline then a reduction to the scope of the project will be pursued. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## **PUBLIC HEARING**

### 1. Mayor and Council Compensation

- Mayor Auringer explained that any changes to Mayor and City Council wages would need to be approved prior to the November election.
- Administrator Bromeland stated that a public hearing notice was published in the Free Press to amend City Code Chapter 2.020. The current wages are \$325 per month for the Mayor and \$225 per month for City Council members. Each are paid \$50 for special meetings. The last wage increases for the Mayor and Council occurred in 2013. Included for Council review is a summary of other city's pay rates.
- The public hearing was open and closed with no comments being offered.
- Council discussion included that Eagle Lake's pay rates are in line with other communities.

- Council Member Steinberg stated he would like to see Eagle Lake move to two council meetings a month due to the amount of activity in Eagle Lake and then use Bryon's pay scale of \$400 for Mayor and \$300 for City Council a month. The two meetings a month should eliminate the need for most special meetings.
- Discussion included how moving to two meetings a month would affect staff's workload and overtime pay, that residents would know there are two meetings scheduled each month instead of having special meetings periodically. Two meetings a month would require an ordinance change.
- Council concern included the need to wait until additional staff are brought on board to assist with the workload and that such a decision in an election year will affect potential new members to the Council.
- Administrator Bromeland stated from experience in other cities where two meetings a month were held she noticed that it makes twice as much work and take twice the amount of time.
- Council asked that staff determine where the year to date budget is at for the Mayor and Council wages. Council Members Rohrich and White stated they are not concerned with wages and Council Member Rohrich stated she is more concerned about the amount of time two meetings a month will take. Council Whittington stated his concern is that two meetings a month will turn into two meetings expanding into two long meetings.
- Council Member Steinberg moved, seconded by Council Member White, to table discussion on mayor and council wages until the October City Council meeting. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## **OLD BUSINESS**

- None

## **NEW BUSINESS**

1. Hazardous Buildings Report from Building Inspector for Eagle Lake Regency Manufactured Home Park
  - Administrator Bromeland stated that Dan Murphy, the City's building inspector, was asked to inspect eleven homes in Eagle Lake Regency Manufactured Home Park. As per Mr. Murphy's report, all eleven homes have been deemed structurally unsafe per MN Rules 1300.0180. The unsafe homes shall be demolished and placed in a licensed landfill/recycling center per MN Statute 463.15. Mr. Murphy estimated that it will cost \$6,000 per structure for demolition and removal. He also stated that Regency Manufactured Home Park does not have titles to the structures.
  - Administrator Bromeland explained that in April of 2015 the City agreed to remove a large special assessment of unpaid utility bills in exchange for Regency replacing sewer infrastructure within the park. A provision of the agreement references vacant homes and the demolition timeline and process. This applies to homes within the ownership of Regency.
  - Mr. Murphy has recommended that the City establish a timeline that is reasonable for Regency to be able to demolish the structures due to the potentially large upfront costs to the City if abatement is initiated.
  - Randy Roiger with Regency had the Park Manager, Kim Stumne, on the phone who stated all units are vacant and that she is unable to tear them down without a title, but since the units have been condemned, she can start the tear down process. Ms. Stumne asked if there would be any assistance the City could provide, but it is unlikely that funding could be obtained through outside funding sources. Ms. Stumne stated that the corporate office is exploring options and are looking to remove the first 5-6 units within the next 60-90 days. The remaining units would be removed in the spring of 2023.
  - Council asked that a map of the units to be removed be provided. When asked Ms. Stumne stated the units to be removed would be secured.
  - Council consensus was that removing 5-6 units in 2022 and the remaining units in the spring 2023 is a reasonable plan.

## 2. Copier Proposal from Loffler

- Administrator Bromeland explained that the City of Eagle Lake currently leases its copier from Metro Sales and that under the current agreement with Metro Sales, there is a cost escalator for black and white and color copies. Depending on print volume, our monthly cost can vary significantly and so far in 2022 we have averaged approximately \$800 per month.
- Kirk Hankins with Loffler recently reached out with a proposal for a copier that has all the same features as the current copier and would allow for the ability to make unlimited black and white and color copies. The proposal from Loffler entails a 60-month lease agreement at \$388.00 per month and pricing is locked for 60 months. The proposal includes new copier equipment; delivery, installation, on site training, and networking; ship back via Loffler truck of the current copier with Metro Sales; and \$1,482 for Loffler to satisfy the current lease with Metro Sales. All toner, parts, and labor are included. The proposal from Loffler would result in an immediate cost savings of at least 50% of our monthly copier lease and printing costs. The current lease with Metro Sales is set to expire in September 2023.
- Council Member White asked if staff could reach out to Riverbend Business Products to learn what they could offer the City for a copier agreement.
- Council Member White moved, seconded by Council Member Steinberg, to approve the Loffler copier proposal unless Riverbend Business Products can offer a better cost savings. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## 3. Sale of 2006 Leaf Collector

- Administrator Bromeland stated that following the special city council meeting on August 22<sup>nd</sup>, the 2006 leaf vac unit was posted on Surplus Services (MinnBid.org) website. The bidding closed on Thursday, September 1<sup>st</sup> with the high bid of \$6,550. The sale proceeds should be credited to the 201 Storm Water Fund. The auction administrative fee is 8 percent of the sale price.
- Council Member Steinberg moved, seconded by Council Member White, to approve the sale of the 2006 Leaf Collector and to designate the sale proceeds to the 201 Storm Water Fund. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## 4. Electronic Fund and Wire Transfer Policy

- Administrator Bromeland stated that as electronic banking becomes more widely accepted, the City of Eagle Lake has experienced an uptick in the number of vendors requiring or requesting electronic payment. The purpose of the proposed Electronic Funds Transfer Policy is to ensure that electronic funds transfers are completed in a manner that conforms to Minnesota Statutes governing electronic or wire transfer to pay claims or make investments.
- Included in the Council packet was an “Avoiding Pitfalls” from the Minnesota Office of the State Auditor regarding Electronic Funds Transfers and a copy of Minnesota Statute 471.38. According to the MN OSA, while electronic transactions are convenient, they present unique opportunities for fraud. As a result, state law requires local units of government to adopt certain policies and procedures before electronic transfers are made. These policy controls include delegating on an annual basis a designated person the authority to make electronic funds transfers, the disbursing bank must keep on file a certified copy of the delegation of authority; the person initiating the electronic transfer must document the request and obtain approval from the designated person before initiating the transfer; written confirmation of the transaction must be made within one business day after the transaction; and a list with all transaction made by electronic funds transfer must be submitted to the governing body at its next regular meeting.
- Council Member White moved, seconded by Council Member Steinberg, to approve the Electronic Funds Transfer Policy as presented. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## 5. Utility Rate Discussion and Recommendations – Water, Sewer, and Stormwater Rate Analysis

- Administrator Bromeland directed Council to the letter from Shannon Sweeney with David Drown Associates pertaining to his utility rate recommendations for water, sanitary sewer, and storm water.
  - The water utility is making debt payments on the 2021 bonds and planning a water tower rehab project for 2023 that is estimated to cost approximately \$500,000. The impact of these expenditures will require modifications to water rates. A 5% annual increase is recommended for years 2023 through 2026, and a 3% annual increase for years 2007 and 2008.
  - Based on inflation and operating costs, it is recommended that sewer rates be increased 4% annually for years 2023 through 2028.
  - A 15% annual storm water rate increase is recommended to cover debt service contributions for the 2021 bonds and operating costs.
  - No increases to refuse and recycling collection are proposed.
  - The projected monthly increase for an average residential customer based on an average monthly water consumption of 4,300 gallons is \$3.40. The proposed increase would take effect with January's water usage which would be billed in February 2023.
  - Council discussion included the need to keep up with inflation and that smaller incremental increases are better than large increases. The possibility of early bond payoffs was discussed, but with bonds being refinanced last year, this is not an option.
  - Concern with staffing shortages for LJP and the possible need for an RFP was mentioned.
  - Council Member Whittington moved, seconded by Council Member Rohrich, to adopt a 5% increase in water rates, a 4% increase in sewer rates, and a 15% increase in storm water rates for 2023. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
6. Drug and Alcohol Testing and Drug-Free Workplace Act Policy
- Administrator Bromeland referred to the proposed Drug and Alcohol Testing and Drug-Free Workplace Act Policy for Non-DOT Employees which is based on a model policy provided by the League of Minnesota Cities. The policy reflects recent changes to legislation passed that went into effect related to legalized cannabinoids, including tetrahydrocannabinol (THC), in some circumstances. Also before Council is a proposed Drug and Alcohol Testing and Drug Free Workplace Act Policy for DOT Employees.
  - Administrator Bromeland explained that action is not needed tonight and once the policies are adopted they will be reviewed with staff and staff will be asked to sign an acknowledgement form.
  - Currently the City tests as part of the pre-employment process and there is no review of driver's license citations.
  - Council discussion included the desire to test for suspicious behavior, which is covered in the proposed policies.
  - City Attorney, Chris Kennedy, stated the problem with THC is complex in that the Federal law is clear with DOT licenses there can be nothing in your system. The issue is if an employee tests positive, it does not necessarily mean they are impaired.
  - Council Member Rohrich moved, seconded by Council Member Whittington, to adopt the DOT and Non-DOT Drug and Alcohol Testing and Drug-Free Workplace Act Policies. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.
7. Fire Department Policy
- Administrator Bromeland explained that Sheila with the MN Valley Council of Governments has provided feedback on the proposed policies. A small committee of fire department members worked on the updated policy and presented it to the department. Department members are comfortable with this policy.

- Spencer Kolles with the Fire Department stated the current policies are outdated and the proposed policies are more in-depth and include job descriptions, drug testing policy, driving policy, and leave of absence policy.
- Council Member Steinberg moved, seconded by Council Member White, to adopt the fire department policies as presented. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## **OTHER**

- None

## **CITY ADMINISTRATOR REPORT**

1. Storm Drain Stenciling Activity-Eagle Heights Park
  - As part of the MS4 program, the City is responsible for completing education and outreach with the public. A storm drain stenciling activity has been coordinated for Wednesday September 14<sup>th</sup> from 5:30-7:30 p.m. in the Eagle Heights Subdivision. To date, there are 15 volunteers signed up to help between the Eagle Lake Area Lions Club and Girls Scouts.
2. Fall Clean Up
  - The Fall Clean Up is scheduled for October 15<sup>th</sup> from 8:00 a.m. to noon in Lake Eagle Park
3. Fox Meadows Development Status
  - Following the completion of the EAW, applications for re-zoning and the preliminary plat were received from the developer. Public hearings for re-zoning and preliminary plat have been scheduled for the upcoming Planning Commission meeting on September 19<sup>th</sup> at 6:00 p.m. The developer's agreement will be included on the October 3<sup>rd</sup> City Council agenda.
4. Road Inquiry from Mankato Township
  - City staff was recently contacted about the City of Eagle Lake taking over the gravel road on 598<sup>th</sup> Avenue from Peregrine Avenue to 211<sup>th</sup> Street. The Public Works Director was consulted and advises against the City accepting this segment of 598<sup>th</sup> Avenue at this time as it was expressed that there is no benefit to the City to do so. Mankato Township also asked about the portion of the 211<sup>th</sup> Street from 598<sup>th</sup> to the area where the leaves are hauled. The Public Works Director indicated that the City is currently maintaining all of 211<sup>th</sup> Street from 598<sup>th</sup> to CSAH 27 and that it makes sense for the City to have ownership of this portion.
5. Fall Newsletter
  - The fall newsletter will go out towards the end of the month.
6. Upcoming Mandatory Staff Trainings in September
  - There will be a safety committee meeting for all staff on September 20<sup>th</sup>. After the safety committee meeting, there will be a brief mandatory MS4 training for all staff with more in-depth training for field staff. Another annual related safety training will take place on September 22<sup>nd</sup> for all staff.
7. Special City Council Meeting
  - A special City Council Meeting will be held on Monday, September 26<sup>th</sup> at 6:00 p.m.
8. Community Forestry Member 2022-2023
  - If available, the City may want to consider a part-time Community Forestry Member who could help assess storm water ponds vegetation, and work with the rain gardens and buckthorn. This is a no cost program to the City.
  - Depending on staffing levels, this person may be officed in the Council Chambers or at the Public Works building.

- Council Member Rohrich moved, seconded by Council Member Steinberg, to authorize the contracting of a part-time community forestry person. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

## **COUNCIL REPORTS**

- None

## **ADJOURNMENT**

- Council Member Steinberg moved, seconded by Council Member White, to adjourn the meeting at 8:41 p.m. The motion carried with Council Members Steinberg, Rohrich, White, Whittington, and Mayor Auringer voting in favor.

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Tim Auringer, Mayor

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Kerry Rausch, Deputy Clerk