

4. PUBLIC INQUIRIES/INFORMATIONAL**A. Lake Johanna Volunteer Fire Department**

- i. Firefighter Appreciation
- ii. Proclamation Fire Prevention Month

Tim Boehlke, Fire Chief Lake Johanna Fire Department, stated this year was the Fire Department's 60th Anniversary. He noted they were coming up on Fire Prevention week and they were having two open houses - one open house at Station 1 on New Brighton Road, and another open house at Station 3 on County Road I and Lexington Avenue on October 11, 2003, both beginning at 10:00 a.m. through 1:00 p.m.

5. PUBLIC HEARINGS**A. Karth Lake Improvement District – Karth Lake Pumping**

- i. **Resolution No. 03-60: Establishing the Lake Improvement District**

Mayor Aplikowski opened the public hearing at 7:12 p.m.

Mr. Parrish stated this Resolution created the Karth Lake Improvement District and adopted bBy-Laws for the district. He noted instead of adopting a uniform assessment of all properties, it would be necessary to levy taxes to each property within the Karth Lake Improvement District.

B. Award Bid for Lift Station #7 and Karth Lake Pumping

Mr. Brown stated bids were received and opened for Lift Station #7 Rehabilitation project on September 18, 2003. He indicated Jay Bros., Inc. had submitted the low bid with a total bid amount of \$232,772.50. He indicated the low bid was approximately \$35,000 (15%) more than the Engineer's estimate. He noted the Engineer had direct experience working with the low bidder and felt confident that Jay Bros., Inc. was capable for successfully completing the work included with this project. He stated based on review of the bids and subsequent discussion with the contractor, he felt that the bids represent reasonable costs for the work and a re-bid would not likely decrease the costs.

Councilmember Holden asked if there was a way to put an end to the District in the future. Mr. Filla replied according to State law, if the City determined the District was no longer serving a public interest the District could be terminated. He also noted a citywide petition with 26 percent of the citizens requesting an end of the District could end the District.

Ron Hagkull, 1289 Karth Lake Circle, stated the residents of the lake did not cause this issue and he believed it was due to inadequate planning in the 1970s. He questioned the assignment of payment. He asked why only the lakeside owners should bear the 50 percent cost on an estimate that has increased almost 40 percent. He noted it seemed to him that the drainage district (the drainage area that contributed to this, both commercial and residential) should bear responsibility for this and he asked for a valid reason as to why it was just the lakeside owners. He noted it was not just the lakeside owners that caused the lake to rise.

Frank Stodola, 1281 Karth Lake Circle, expressed concern how this item was being assessed. He stated he believed all the people who contributed to this problem should pay for the solution, including other residents and businesses.

Susan Johnson, 1220 Karth Lake Drive, stated she was excited that a solution was going to be taken for this problem. She noted better management of the lake levels and quality of the water would enhance the property values on the lake. She indicated while nobody wanted to pay for this, she believed this was a good solution. She noted the people living around the lake had the most to benefit from the lake's condition.

Mayor Aplikowski closed the public hearing at 7:28 p.m.

Mayor Aplikowski asked if there were any advantage the District would benefit from other than this particular project. **Mr. Filla** stated the Lake District could have the authority to suggest other kinds of projects to the City also.

Mr. Parrish stated the reason they had adopted the Lake District approach instead of assessing for drainage was because they would not meet the applicable tests and thresholds for assessing for drainage. He recognized the fact that the problem was not exclusively caused by the residents along the lake and that was the reason the City was paying 50 percent of the cost of this project.

Councilmember Grant asked if the City could be a member of the Lake Improvement District. **Mr. Filla** replied it could, but it would only have one vote, the same as the other residents.

Councilmember Rem expressed concern regarding the higher cost estimate received. **Mr. Parrish** replied the costs had increased and the bids had come in higher. He noted the assessment would be based on the value of the home and not spread out equally among the residents.

Mayor Aplikowski asked if they went to a unit assessment with this, would they be closer to the \$700-\$800 originally estimated. **Mr. Filla** replied the County would spread this out based on market value. He noted it could not be assessed equally per residence.

MOTION: Councilmember Rem moved and Councilmember Grant seconded a motion to approve Resolution No. 03-60: Establishing the Karth Lake Improvement District and adopting the Board By-Laws. The motion carried unanimously (4-0).

Councilmember Rem again expressed concern about the expense of the project and the increased estimated cost. She noted she was uncomfortable approving this increased cost. She asked if the residents had seen these increased costs. **Mr. Parrish** stated the residents had been notified that the approach to assessments would be different. He noted the residents were informed they could call the City for the cost estimate for their property.

Councilmember Rem asked how much more had the City's contribution gone up. **Mr. Parrish** stated the City's contribution went from \$35,000 to \$56,000.

Councilmember Holden noted she had not heard that the residents did not want the Karth Lake pumping project done and she encouraged the City not to take the pumping project from this proposal.

Councilmember Grant agreed with Councilmember Holden. He stated he believed the issues were over financing. **Mr. Filla** noted the By-Laws gave the Council options as to how to finance the cost of this project.

Mayor Aplikowski asked if Council wanted to drop the lift station from this project. She stated she personally did not see a reason why they would want to do this.

Councilmember Holden asked how much time the City had to respond if Lift Station 7 failed. **Mr. Moore** replied they had 33 minutes to respond if it failed. He noted they had just televised that line and found a major blockage. He recommended immediate replacement of this Lift Station for environmental safety reasons.

Mayor Aplikowski asked what the possibility would be of the City putting in another \$5,000.00 into the project to lower the resident's cost. **Mr. Filla** replied the City could finance a higher portion of this project.

Councilmember Holden stated the City could pick up some of the administrative cost and only assess for the bid estimate. She stated the residents of the lake were benefiting from this project.

Mayor Aplikowski noted it was not the homeowners or this Council that created this problem, but she believed it needed to get fixed.

Councilmember Grant stated he wanted the City to pick up all of the administrative cost and not charge this back to the residents. He noted the City may also be willing pay 60 percent of the cost of this project because the City owned a large portion of land. He stated the residents would then be paying 40 percent, and not 50 percent.

Mr. Parrish noted in the preliminary 2004 budget, the City was nearly running at a deficit within the Storm Management Fund. However, if the Council was interested in increasing the funding, they could do an inter-fund loan. He noted this fund had the lowest fund balance and ran the potential for running a deficit in future years.

Councilmember Grant stated it was his intent to make a fair decision and not base it on a fund balance. He indicated a ten percent increase would not deplete the fund. He noted there were ways of funding, and the Council would need to discuss this in the future, but Council's decision should not be based on a fund balance.

Mayor Aplikowski stated Council did not need to make a decision tonight on the cost the City would contribute and she directed staff to come up with some cost estimates taking out the administrative costs and possibly increasing the City's contribution. She noted they needed to take more time to look at this more carefully.

MOTION: Councilmember Rem moved and Councilmember Holden seconded a motion to award the bid for Lift Station #7 and Karth Lake Pumping to Jay Bros., Inc. in the amount of \$232,772.50. The motion carried unanimously (4-0).

Mr. Parrish noted this would come back to Council with the funding information at the October Work Session.

6. **COMMUNITY SERVICES**

A. **Ordinance 341: Extending the Moratorium on the Construction of Boathouses**

Mr. Hellegers stated the Council had previously approved a moratorium on the construction of boathouses. Currently, staff was working on modifying the Zoning Ordinance, incorporating and including the Shoreland Ordinance into the Zoning Ordinance, which should eliminate any conflicting language between the two ordinances. He noted, however, that the Zoning Ordinance revisions would not be ready for adoption until sometime later this year. He indicated the moratorium would expire on October 16, 2003 unless the Council took action. He recommended a six-month extension of a development moratorium on the construction of boathouses.

Councilmember Rem requested the actual six-month date be placed in the Ordinance under the duration of the moratorium.

MOTION: Councilmember Grant moved and Councilmember Rem seconded a motion to approve a six (6) month moratorium on the construction of boathouses as amended. The motion carried unanimously (4-0).