

Attachment A



MEMORANDUM

DATE: September 16, 2019
TO: Honorable Mayor and City Councilmembers
FROM: Dave Perrault, City Administrator
SUBJECT: Karth Lake Expenditures

Budgeted Amount:	Actual Amount:	Funding Source:
N/A	\$12,000	Stormwater Fund

For Council Consideration

The City Council may consider how to fund Karth Lake projects moving forward.

Background

In 2003, the City Council approved the formation of the Karth Lake Improvement District. The first duty of the district is to act as an advisory board to the City Council on the construction and maintenance of a lake elevation control structure, other duties are also defined in the district's bylaws (see Attachment A). The first project the district undertook was the installation of a pump to aid in controlling lake levels. This project cost approximately \$99,000, and was split fifty percent by the City's stormwater fund and fifty percent by the district via a levy specific to the Karth Lake Improvement District. Although the initial funding mechanism was established for this project, it is not clear how future projects are to be funded and what, if any, City or improvement district participation is expected. The City Attorney was asked to weigh in and he noted that the previous funding mechanism does not dictate future projects, but any projects on the lake are primarily a benefit to the properties abutting the lake.

Public Works has identified upcoming capital projects for Karth Lake, which will likely fall under the purview of the improvement district, as an advisory body to the Council, to include the replacement of a pump (approximately \$12,000), reconstruction of the retaining wall (budgeted \$100,000), and the replacement of control panels (estimated \$30,000). The most immediate need is the replacement of the pump. The current pump is no longer operational and depending on future weather events, a pump will be needed to stabilize lake levels. It is recommended the City

move forward with replacing the pump in the near term out of the Stormwater Fund and begin discussions with the district on financing future improvements.

Council should provide direction on how it would like to proceed with funding future projects related to Karth Lake.

Budget Impact

The purchase of a pump for the Karth Lake Improvement District can be absorbed by the Stormwater Management Fund. However, future capital projects, such as, the retaining wall and control panels that have a greater cost burden, should be discussed with the district in order to appropriately plan for capital outlays.

Attachment

Attachment A: Karth Lake Improvement Bylaws

Attachment A

KARTH LAKE IMPROVEMENT DISTRICT BYLAWS

- 1.0 **Establishment of Board of Directors.** The Karth Lake Improvement District was established pursuant to Order of the City Council dated the 29th day of September, 2003.
- 2.0 **Composition of Board of Directors.** The Karth Lake Improvement District Board of Directors shall consist of five members initially appointed by the Arden Hills City Council and thereafter elected by qualified voters and owners of property within the Karth Lake Improvement District. Board Members shall reside within the City of Arden Hills. A majority of the board members shall own property within the Karth Lake Improvement District.
- 3.0 **Terms of Office.** Board members shall be elected for a term of three years. The first appointed Board of Directors shall be composed of two members whose terms expire on the 31st day of December, 2004 ; two members whose terms expire on the 31st day of December, 2005 ; and one member whose term expires on the 31st day of December, 2006. Board members shall be elected at the annual meeting by a majority of the votes cast. Voting shall be by secret ballot. Absentee ballots shall be received at the offices of the Arden Hills City Administrator, 1245 west Highway 96, Arden Hills, MN, no later than 3:00 p.m. on the date of the annual meeting or such ballots shall be void.
- 4.0 **Vacancies.** In the case of a vacancy during the term of a Board member, a majority of the remaining Board members shall declare a vacancy and appoint a new member who shall serve until the next annual meeting of the Karth Lake Improvement District. A vacancy shall exist if any office following events occur:
 - A. Death of a Board member;
 - B. Inability to perform the duties of a Board member;
 - C. Failure of a Board member to attend at least eight (80%) percent of the meetings;
or;
 - D. Loss of City residency by a Board member or sale of qualifying property within the Karth Lake Improvement District.
- 5.0 **Organization.** The Board of Directors shall annually elect one member to serve as chairperson. The chairperson is responsible for the agenda of the meetings, presiding at meetings, minutes of meetings, and reports and recommendations to the City Council. The Arden Hills Operations and Maintenance Department shall maintain all records of the Board.
- 6.0 **Meetings and Reports.** The Board of Directors shall hold at least one annual meeting. The first annual meeting of the elected Board shall be held during the month of April and in each April thereafter unless changed by vote at an annual meeting. The Board shall adopt Rules of Procedure for business and shall keep a public record of all motions, resolutions, findings, minutes and reports which shall be in writing and a copy forwarded to the City Council.

7.0 Duties and Functions. The Karth Lake Improvement District Board of Directors shall serve in an advisory capacity to the Arden Hills City Council and shall make recommendations to the City Council regarding the following:

- A. The construction and operation of water control structures as approved by the Commissioner of Natural Resources.
- B. The construction of projects to change the course, current or cross-section of the waters of Karth Lake.
- C. The acquisition of property, equipment or other facilities as necessary to improve the navigation of the waters of Karth Lake.
- D. The implementation of research projects to determine the condition and development of the waters of Karth Lake and the waters which enter Karth Lake.
- E. The development and implementation of a comprehensive plan to eliminate pollution of the waters of Karth Lake.
- F. The development and implementation of a comprehensive program to improve and conserve the waters of Karth Lake.
- G. The sources of funding for various projects proposed by the Board of Directors.
- H. An annual budget for the operation of the Karth Lake Improvement District.
- I. The maintenance of public beaches, docks, and other public facilities for access to the waters of Karth Lake.
- J. The adoption of water surface use regulations for Karth Lake.
- K. The amendment of Bylaws for the Karth Lake Improvement District.

8.0 Amendments. Amendments to the Bylaws for the Karth Lake Improvement District shall be approved by a majority of the City Council.

CITY OF ARDEN HILLS

By: _____

Beverly Apolowski
Beverly Apolowski, Mayor

Dated the 29th day of September, 2003.

ATTEST:

Michelle Wolfe
Michelle Wolfe, City Administrator