



City of Medicine Lake

June 6, 2022

City of Medicine Lake Council Minutes

Present: Mayor Scott Marks; Councilors Jo Meyer, Chris Heim, Ron Tomczik; Treasurer Gary Englert, City Clerk Therese Polum; Public Works Superintendent Chris Klar, BCWMC Commissioner Clint Carlson, Planning Commissioner Jesse Swanson

Council and Staff Absent: Councilor Shaffer

Other attendees: Susan Wiese, Shaun Kennedy, Gretchen Lennon, Dave Hutton with SEH Consulting, Deb Gatz with Randy's a Republic Services Company

Mayor Marks called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

Minutes and Agenda

- **Motion to approve the agenda as presented forwarded by Councilmember Meyer and seconded by Councilmember Mayor Marks. Councilmembers Mayor Marks, Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion passed.**
- **Motion to approve the May 2, 2022 city council minutes and the May 2, 2022 special city council minutes forwarded by Councilmember Meyer and seconded by Councilmember Mayor Marks. Councilmembers Mayor Marks, Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion passed.**

Open Forum

- Presentation given by Deb Gatz with Randy's Republic Services Company regarding renewal pricing to the City of Medicine Lake:
 - Republic Services would like to renew with the City a trash and recycling contract for the next 5 years, including cart based curbside organics recycling
 - 95-gallon trash service with option to choose a smaller size cart serviced weekly, year-round
 - 35-gallon organics/food waste cart based serviced weekly, year-round
 - 95-gallon recycle cart with option to choose a smaller size cart serviced by-weekly, year-round
 - Service day change from Tuesday to Thursday, proposed to start late summer/early fall 2022
 - Residents able to purchase yard waste collection
 - Residents able to purchase carry down service
 - Reported currently approximately 1/3 of residents participate in the organics/food waste program
 - Reported specifics on how the City waste is currently processed including blue bag organics
 - Acknowledged the company did have customer service issues with the transition however these are being resolved
- Resident Gretchen Lennon asked for update on Road Project. That will be discussed during Chris Heim report.

Hennepin County Sheriff – Lieutenant Koski absent

- Absent, no report

Fire Department Report – Rich Halvorsen

- Reported 2 calls in May
- Reported improving water rescue relationships with Hennepin County
- Reported the Fire Department was awarded a matching grant of \$2,300 from the Community Safety Grant Program from CenterPoint Energy. The matching grant will be used for two-frequency pagers as now required for Hennepin County.

Public Works Superintendent Report – Chris Klar

- Reported on power in both parks
- Reported on the park pavilion construction
- Reported goal is to finish the park pavilion by national night out.
- Reported City needs a 5-year tree removal plan with additional yearly funds. Council approved spending to have hazardous trees removed as soon as possible.

Motion to approve Resolution 22-18 a Resolution Accepting a Monetary Gift of \$500 from the L Paul Samson Family Fund to Benefit the City of Medicine Lake Parks Department for new Jevne Park playground equipment acquisition/installation forwarded by Mayor Marks and seconded by Councilmember Meyer. Mayor Marks, Councilmembers Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion carried.

Bassett Creek Watershed Management Commission Report – Clint Carlson and Shaun Kennedy

- Reported on the BCWMC regular monthly meeting
- Reported no update on Jevne park funds
- Reported BCWM would like the City to ask residents if they support an engineering firm entering their private property to evaluate shoreland restoration potential projects on private property. BCWM suggested this be discussed at the June 23 public hearing.

Planning Commission Report – Jesse Swanson and Shaun Kennedy

- Reported on the shoreland ordinance, public hearing is scheduled for June 23, 2022 at 6:00pm.
- Reported Proposed Wetland Ordinance and Proposed Medicine Lake Shoreland Ordinance are available on the City website.
- Reported both the DNR and the watershed district have the proposed ordinance for their review.
- Reported on the short-term rental survey results
 - See attachment for summary of results
 - Reported the City Council needs to set a date for a public hearing. Public hearing will be run by the City Council.
 - Reported the planning commission recommends that the City Council move forward with this topic after the public hearing is held

Treasurer's Report – Gary Englert

- Receipts in reporting period: \$20,965
- Receipts year to date: \$52,465
- Disbursements in reporting period: \$57,225
- Disbursements year to date: \$250,654
- Capital Project Reserve Balance: \$1,246,756
- Debt Service Reserve Balance: \$22,043

- Reported receipts this month coming from Liquor License and Escrow deposits
- Reported 2021-2022 Winter season snow plowing and '22 spring sweeping paid
- Reported City Hall expenditure: tree removal, snow plowing, spring sweeping
- Reported Advisory/Engineering fees, excluding lift station and road project, are related to general services, 11.5 Kaiser and 238 Peninsula Road

Motion to approve the summary spending, receipts and cash balances through May 31, 2022 forwarded by Councilmember Mayor Marks and seconded by Councilmember Meyer. Mayor Marks, Councilmembers Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion carried.

Officer Reports:

Councilmember Heim and Dave Hutton with SEH Consulting

- Reported update on the Road Project.
- Reported our requested State Bonding is included in the 400M bonding bill which did not pass during the regular Minnesota Legislature session.
- Reported if the City awards the contract now without the State Bonding money the yearly project costs would increase from the planned/projected \$230,000 yearly to \$373,000 yearly over a 30 year life of loan. This increase is due to the bids coming in higher than estimated by roughly 5% and inflation in loan rates.
- Reported current contract language requires the City to award or not award the contract by June 30, 2022. Contract language and State Law does allow the contractor to offer an extension to award.
- Reported the low bid contractor, Eureka Construction, Inc. did offer an extension to award and will honor their submitted bid proposal package through July 31, 2022. After this time frame if no decision has been made, Eureka Construction, Inc. will reevaluate monthly as needed. Letter from Eureka Construction is included in attachments.
- Reported the City may choose to not award the contract.
- Reported the City may choose to not award the contract at this time and re-bid the project at another time.
- Reported the City may choose to revise the scope of work and re-bid the project at another time.
- Reported if State bonding does not happen with a special session the City will re-submit for State bonding in the next session.
- Additional discussion pursued
- Resident Gretchen Lennon asked specific question regarding pedestrian safety, biker safety, power lines, and project scope.
- Additional discussion pursued regarding: pedestrian safety, eagle nest, phone lines, power lines, cable lines, poles (poles are owned by CenturyLink), hook-up fees, etc..
- Reported current estimate to bury power lines is an additional \$2 million dollars. In addition, each property would then pay the utility company to have their property connected to the lines. Per State law all utility costs for this are passed onto property owners.
- Reported power company stated they prefer overhead power as repair work is much quicker to perform; while underground power is more complicated and more difficult to repair.
- Discussion pursued

Motion to accept the subject letter Medicine Lake 2022 Street Utility Improvement Project submitted June 6, 2022 from Eureka Construction, Inc. honoring Eureka's submitted bid proposal package through July 31, 2022 forwarded by Councilmember Heim and seconded by

Councilmember Mayor Marks. Mayor Marks, Councilmembers Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion carried.

Councilmember Meyer

- Reported on technology update
- Reported on Nation Night Out
- Reported on data practices update

Councilmember Tomczik

- Reported on trash service
- Discussion pursued

Motion to authorize Councilmember Tomczik to request contract from Randy's a Republic Services company forwarded by Councilmember Mayor Marks and seconded by Councilmember Meyer. Mayor Marks, Councilmembers Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion carried.

Councilmember Shaffer

- Absent

Mayor Marks

- Reported on data practices requests

New Business

- None

Motion to adjourn forwarded by Mayor Marks seconded by Councilmember Tomczik. Mayor Marks, Councilmembers Meyer, Tomczik, and Heim in favor. Councilmember Shaffer absent. Motion carried at 8:48 p.m.

Respectfully submitted,

Therese Polum
City Clerk

Approved on: Approved July 11, 2022

Attachments:

Eureka Construction, Inc. Letter
Short Term Rental Results



6/6/2022

Dave Hutton
Short Elliot Hendrickson

RE: Medicine Lake 2022 Street & Utility Improvement Project

Dave,

Eureka Construction Inc. will honor our submitted bid proposal package through July 31st, 2022. After this time frame if no decision has been made, we will reevaluate monthly as needed.

If you have any questions, please let us know.

Regards,
Al Ames
Eureka Construction Inc.

A handwritten signature in black ink, appearing to read "Al Ames". The signature is written in a cursive style with a large initial "A" and a stylized "A" for the second name.

Short Term Rental Survey Design

- Elicitation survey
 - Primary goal is to uncover general attitudes and to inform a preference survey or other action
 - Provides some rough indication of preferences
 - Opportunity sample base – we got what we got
 - No control over respondents for demographic representation, multiple responses from one household or duplicate submissions
 - No obvious duplicate submissions

STR Questions

- What is your opinion on the use of STRs in the City
 - Strongly in favor
 - In Favor
 - Indifferent
 - Opposed
 - Strongly opposed
- If STRs were allowed, how likely would you be to use your property or part of your property as an STR?
 - Very Likely
 - Likely
 - Unsure
 - Unlikely
 - Very Unlikely
- If you were to use part or all of your home as an STR, how often would you likely rent it out?
- Most of the time – once/week or more
 - Often – more than once/month
 - Regularly – once every few months
 - Seldom – once or twice/year

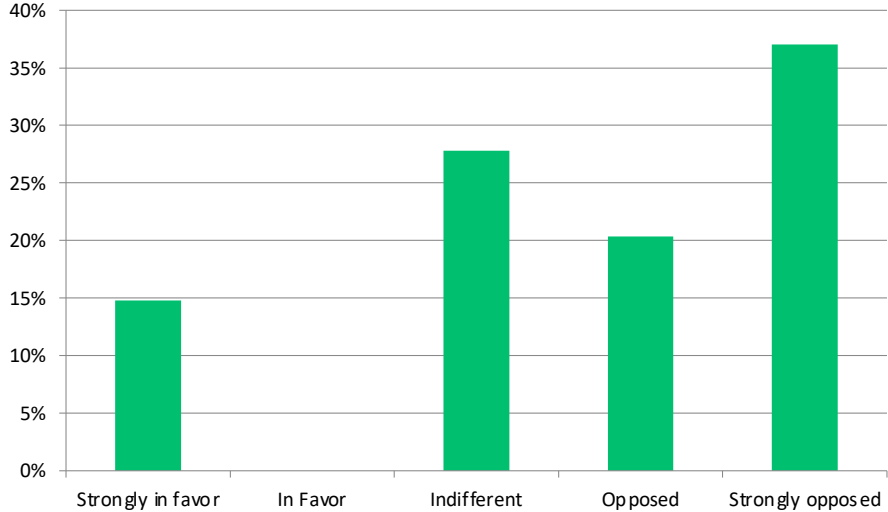
STR Questions

- What concerns do you have, if any, with STRs in Medicine Lake?
- What benefits to you think STRs provide, if any, to the residents of Medicine Lake?
- If the City were to enact STR specific regulations, what do you think the key provisions should include? Examples from other communities include, but please be as expansive as you would like:
 - Number of guests
 - Duration of rentals
 - Frequency of rentals
 - Renter compliance responsibility

STR Responses

- Total of 54 responses (~36%), most of them electronic
- For Concerns
 - 8 provided no voluntary comments
 - 3 answered “None” on concerns
 - 43 provided voluntary comments, usually multiple
- For Benefits
 - 13 provided no voluntary comments
 - 18 answered “None” (4 - financial benefit to owners - no benefit to city)
 - 27 provided voluntary comments,

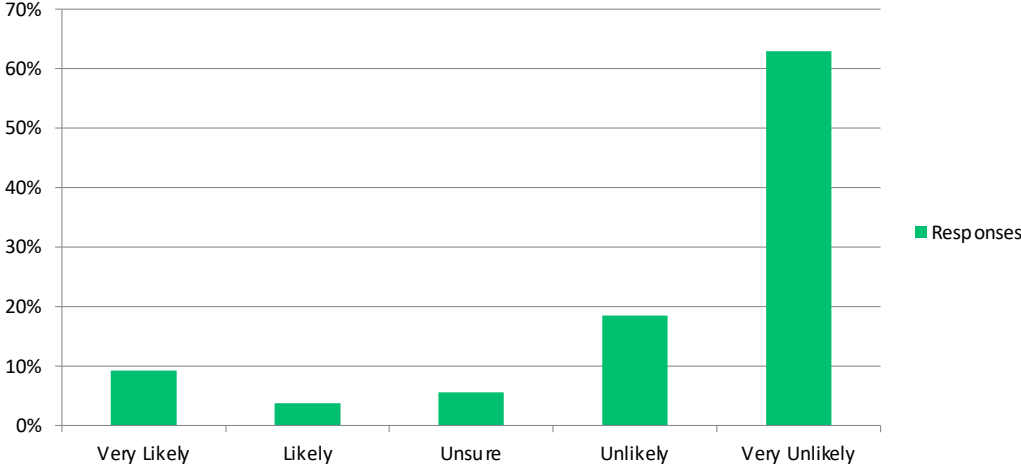
What is your opinion on the use of Short Term Rentals (STRs) in the City?



- 57% Strongly Opposed/Opposed
- 81% Very Unlikely/Unlikely to do STR

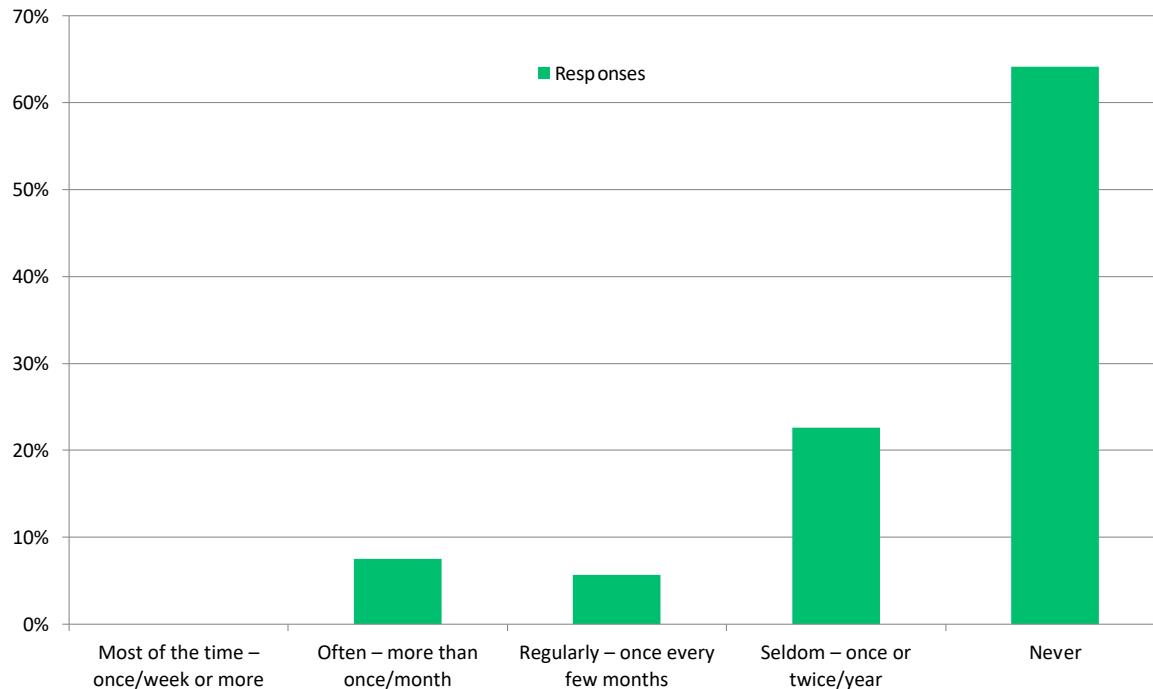
■ Responses

If STRs were allowed, how likely would you use your property or part of your property as an STR?



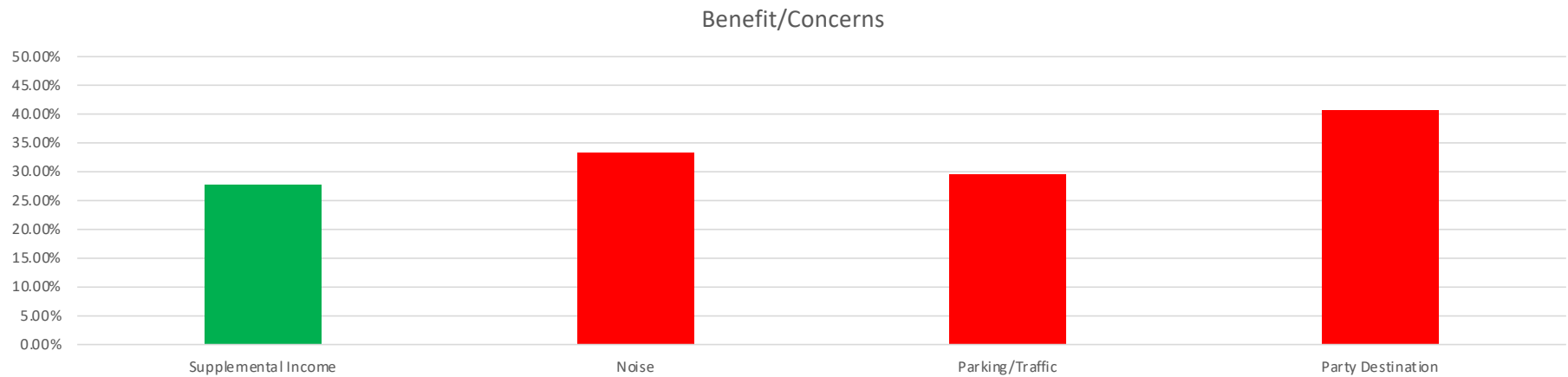
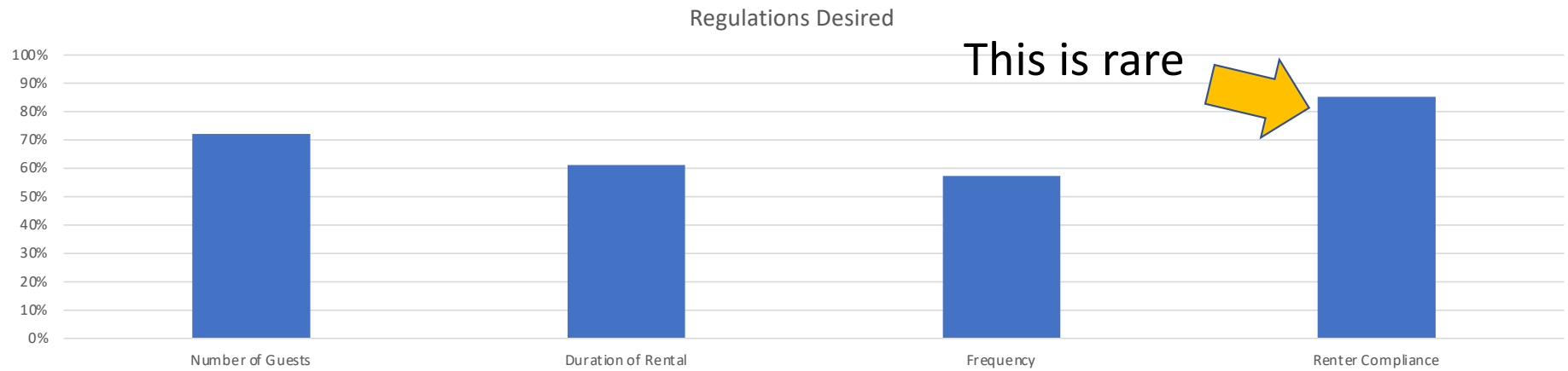
■ Responses

If you were to use part or all of your home as an STR, how often would you likely rent it out?



- Several responding “Seldom” linked rentals to friends or relatives rather than as an ongoing concern
- Several (7) respondents who answered “Never” were “Indifferent”

- Further efforts need to explicitly address the three groups of:
 - Never plan to
 - Rarely, only for friends and family
 - Regularly for revenue and upkeep (snowbirds/travelers)



- 2 respondents also cited upkeep/maintenance when not owner occupied
- 2 conflicting responses on impact on property values

Selected Voluntary Comments

- That the city implement fair rules for administration of STR's to protect residents from abuses by renters and that rules are not simply designed to make STR's unworkable.
- Can we expect that safety to be maintained or even be considered from folks that are only here for a weekend or even just a night.
- There would need to be a comprehensive set of ordinances to address the situation as well as adequate city staff to handle problems that will arise. I am concerned that the city will not have the resources to address problems.
- Potential for Criminal element renting in Medicine Lake
- What has not been mentioned is the increase in law enforcement services that will inevitably come with short term rentals.

Selected Voluntary Comments

- Given that STR's are likely of interest to a minority of home owners, any consideration of STR's should ensure that those receiving the benefits of renting out their property as an STR incur all of the costs while ensuring that their STR's do not negatively impact on their immediate neighbors or the community.
- STRs for lake properties are a source of significant income. Leave the owner responsible for their renters - no reason to implement restrictions
- It seems it should be a property owners' right. Rentals are already allowed without time specifications

Selected Voluntary Comments

- It is very possible and even likely, that with short term rentals, will come some of those rare folks we all hope to meet during our lifetime. The truly friendly, the truly considerate. Folks we can call friend from the day we meet them. The balance lies in the ability to put our community first. With that I believe we are not equipped in this wonderful small community to deal with the enormous possibility for fowl play.