



CITY OF HAM LAKE

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CITY OF HAM LAKE CITY COUNCIL AND ECONOMIC DEVELOPMENT AUTHORITY MINUTES MONDAY, AUGUST 5, 2024

The Ham Lake City Council and Economic Development Authority met for its regular meeting on Monday, August 5, 2024 at 6:00 p.m. in the Council Chambers at the Ham Lake City Hall located at 15544 Central Avenue NE in Ham Lake, Minnesota.

MEMBERS PRESENT: Mayor Brian Kirkham and Councilmembers Jim Doyle, Gary Kirkeide, Al Parranto and Jesse Wilken

MEMBERS ABSENT: None

OTHERS PRESENT: City Attorney, Hannah Spencer; City Engineer, Dave Krugler; City Administrator, Denise Webster; and Deputy City Clerk, Dawnette Shimek

1.0 CALL TO ORDER - 6:00 P.M. – Pledge of Allegiance

Mayor Kirkham called the meeting to order and the Pledge of Allegiance was recited by all in attendance.

2.0 PUBLIC COMMENT

Kathy Lawson, 953 McKay Drive NE, was present before the City Council regarding the completion of repairing McKay Drive NE. Ms. Lawson stated that patching was done too early in the year and following a snowfall the patching came off the road. Ms. Lawson stated that a portion of the road was overlaid and why wasn't the entire road overlaid. Ms. Lawson stated that the overlay was done 2 months ago, yet the road is not striped yet and the construction debris alongside the road has not been removed. Engineer Krugler stated that reconstruction of streets is in rotation by when the subdivision was done. Engineer Krugler stated that 3,100 feet of McKay Drive NE was added to the 2024 overlay project because the contractor pricing came in low. Engineer Krugler stated that the remainder of McKay Drive NE is scheduled to be overlaid in 2025. Mayor Kirkham stated this could be discussed at a future Road Committee meeting. Ms. Lawson asked if the patching could be re-done this year. Administrator Webster stated she would contact Public Works Superintendent Witkowski to look at the road.

3.0 SPECIAL APPEARANCES/PUBLIC HEARINGS

3.1 Andy Grice, BerganKDV – Presentation of the 2023 Audit

Andy Grice was before the City Council to present the 2023 Annual Financial Audit and Single Audit Findings. Mr. Grice stated the Independent Auditor's Report gave the City a clean unmodified opinion for the audit. Mr. Grice noted there is a deficiency in internal control with lack of segregation of the accounting duties, which is common with a small staff. Mr. Grice summarized the financial analysis for the General Fund Performance. Revenues came in \$573,690 over budget due to the increase in the tax levy for 2023 and higher interest rates contributing to investment income. Licenses and Permits revenue for the year saw a significant decrease in revenue when compared to 2022 due to less building activity in the City. All other revenues sources remained consistent when compared to the prior year. Expenditures came in slightly under budget for 2023. Public Safety saw an increase in expenditures when compared to the previous year due to the addition of an investigator on the Anoka County Sheriff Contract. Public

Works also saw an increase in expenditures when compared to the previous year due to staffing changes. The remaining functions remained fairly consistent with prior years. Overall, 2023 total revenues exceeded total expenditures for the City causing an increase of \$578,650 to the General Fund Balance. Mr. Grice stated the City now has a Fund Balance Ratio of 63.5%, which is greater than the Fund Balance Policy of 35-50%. Mr. Grice also presented an analysis of the City's historical total tax capacity amounts, tax levy amounts and tax rate for the years 2019 – 2023. Mr. Grice explained that the tax capacity for the City continues to increase faster than relative flat tax levy amount, which helps explain why the tax rate for the City has decreased year over year. The tax rate for 2023 was 18.85%. The Council thanked Mr. Grice for his presentation. The Council also thanked Finance Director Murff and staff.

4.0 CONSENT AGENDA

These items are considered to be routine and will be enacted in one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from the Consent Agenda and considered in normal sequence. (All items listed on the Consent Agenda are recommended for approval.)

- 4.1 Approval of minutes of July 15, 2024, Workshop minutes of July 15, 2024 and Budget Meeting minutes of July 15, 2024
- 4.2 Approval of claims in the amount of \$532,610.14
- 4.3 Approval of scheduling a Budget Meeting on August 19, 2024 following the regularly scheduled City Council meeting
- 4.4 Approval of a Proclamation proclaiming October as Domestic Violence Awareness Month
- 4.5 Approval of an Exempt Permit for Future Anglers of Minnesota to hold a raffle on September 22, 2024 at Majestic Oaks Golf Club, 701 Bunker Lake Boulevard NE
- 4.6 Approval of Resolution No. 24-35 accepting a \$7,000 donation from the Ham Lake Chamber of Commerce
- 4.7 Approval of accepting the 2024 Bituminous Overlay Project and commencing the one-year warranty period
- 4.8 Approval of an oversized accessory building located at 2300 153rd Avenue NE
- 4.9 Approval of accepting the grant from GameTime for a playground structure at Hidden Forest East Park

Councilmember Kirkeide stated there was a clerical error in the minutes, the correction was noted on the clerk's copy. **Motion by Kirkham, seconded by Doyle, to approve the Consent Agenda, with a clerical error correction as noted on the clerk's copy. Mayor Kirkham and Councilmembers Doyle, Parranto and Wilken voted yes. Councilmember Kirkeide abstained. Motion carried.**

5.0 PLANNING COMMISSION RECOMMENDATIONS – None

6.0 ECONOMIC DEVELOPMENT AUTHORITY – None

7.0 APPEARANCES

7.1 Fire Chief Raczkowski – Discussion of Fire Station #3 bay flooring

Fire Chief Raczkowski was present before the City Council to discuss issues with the concrete bay floor at Fire Station #3. Fire Chief Raczkowski stated that the plans state that there should be a clear polish on the floor. The floor has been coated, but something is coming through and showing stains wherever water has made contact. The contractor has since replaced the sealer twice with other products and the problem continues. Fire Chief Raczkowski stated they have three options: 1. Leave the floor as is and try to get a refund from the contractor; 2. Have core samples done to see if there is a problem with the concrete

which will cost \$6,000 and take 4 weeks to get the results; and 3. Have the floor epoxied with the cost \$15,000 and still have concern that the epoxy will not stick to the concrete. Engineer Krugler stated that core samples would show if there is some type of additive in the concrete that could be causing these problems and if so, the cement company, Cemstone, would be responsible for the floor and would need to replace it. The General Contractor, Ebert Construction, has stated that they are not responsible for the problem. Councilmember Wilken stated that the general contractor has overall responsibility for the project and the City should not be liable. **It was the consensus of the City Council to have core samples taken of the concrete floor at Fire Station #3.**

8.0 CITY ATTORNEY – None

9.0 CITY ENGINEER – None

10.0 CITY ADMINISTRATOR – None

11.0 COUNCIL BUSINESS

11.1 Committee Reports

Councilmember Parranto stated that he and Mayor Kirkham had a park meeting to discuss ordering playground equipment for Hidden Forest East Park.

11.2 Discussion of the Anoka County Election Integrity Team (ACEIT)

Mayor Kirkham stated that he asked that this item be added to the agenda for council discussion. Mayor Kirkham stated that the ACEIT has six goals they would like to achieve. The ACEIT's goals are 1. Small voting precincts, 2. Secured election judge data, 3. Verified registered voters, 4. Validated paper ballots, 5. Paper poll books, and 6. Hand-counted paper ballots. Mayor Kirkham stated that other cities have adopted Resolutions requesting post-election review for the General Election. Mayor Kirkham stated that a hand-count would be the only option to consider. Mayor Kirkham stated that he spoke with Tom Hunt, Elections Manager of Anoka County Elections, regarding election procedures. Councilmember Doyle stated these procedures should start at the state level. Councilmember Parranto stated he would be open to a recount. Councilmember Kirkham stated that Anoka County has 128 precincts and currently randomly recounts six precincts and feels they should recount more than six precincts. Councilmember Kirkeide stated that there is a lack of trust in government, and he would rather have a recount rather than have questions about the integrity of the election. Councilmember Kirkeide stated he would be in favor of adding one precinct for a recount to be done at City expense. **It was the consensus of the City Council to draft a Resolution to have Post-Election Review (PER) conducted on the results of one of its precincts for the 2024 General Election pursuant to Minnesota Statutes, Section 206.89.**

11.3 Announcements and future agenda items

Councilmember Wilken stated that a speed monitoring sign was placed on East Lake Netta Drive NE and the car count was 11,000 in one week with 80% of the vehicles speeding. This traffic was caused by the detour for the Highway 65 road construction project.

Motion by Kirkeide, seconded by Parranto, to adjourn the meeting at 6:46 p.m. All in favor, motion carried.


Dawnette Shimek, Deputy City Clerk