City of Medicine Lake

City Council Meeting Agenda November 2, 2026

6:00 PM - Call to Order

Pledge of Allegiance

Approval of agenda for November 2, 2026 meeting

Acknowledgment of Minutes for October 5, 2026 Council Meeting

Hennepin County Sheriff Report

Open Forum

Planning Commission Items: Brad Scheib

Department Reports

- Fire Department: Chief Rich Halvorsen/Asst. Mike Fox
- Bassett Creek Watershed Commissioner: Clint Carlson/Shaun Kennedy/Susan Wiese
- Planning Commissioner: Jesse Swanson
- Public Works: Bill and Ruth
- Treasurers' Report: Gary Englert

Officer Reports

- Councilmember Ruth Hovey
- Councilmember Ron Tomczik
- Councilmember Nina Zelazny (absent)
- Councilmember McNaughton
- Mayor Chris Heim

New Business

City of Medicine Lake

October 5, 2026
City of Medicine Lake
Council Minutes – DRAFT

Present: Mayor Chris Heim, Councilor Bill McNaughton, Ron Tomczik, Ruth Hovey; Treasurer Gary Englert, Clerk Therese Polum, BCWMC Commissioner Clint Carlson, Planning Commission Jesse Swanson

Council and Staff Absent: Councilor Nina Zelazny, TAC Shaun Kennedy, Fire Chief Rich Halvorson, BCWMC TAC Susan Wiese, Ast. Fire Chief Mike Fox

Other attendees: none

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

Minutes and Agenda

- **Motion to approve the agenda forwarded by Councilmember Hovey and seconded by Councilmember McNaughton. Yea – Heim, Hovey, McNaughton, Tomczik. Zelazny - absent. Motion passed.**

- **Motion to approve the September 8 regular and special city council minutes forwarded by councilmember Hovey and seconded by Councilmember McNaughton. Yea – Heim, Hovey, McNaughton, Tomczik. Zelazny - absent. Motion passed.**

Hennepin County Sheriff – absent

- No report

Open Forum

- No report

Fire Department Report – Rich Halverson and Mike Fox

- Councilor Hovey read the report

Bassett Creek Watershed Management Commission Report – Shawn Kennedy/Clint Carlson/Susan Wiese

- Reported on 2027 request for funds from the county
- Reported on conversations with Plymouth regarding lake quality

Planning Commission Report – Jesse Swanson

- Reported work in progress regarding the 2050 Comprehensive Plan and rental density

Public Works – Councilor McNaughton and Councilor Hovey

- No report
- Street sweeping discussed

Treasurer's Report – Gary Englert

- Receipts in reporting period: $26,693
- Receipts year to date: $628,820
- Disbursements in reporting period: $35,188
- Disbursements year to date: $523,322

Motion to approve the summary spending, receipts and cash balances through September 2026 forwarded by Councilmember Hovey and seconded by Councilmember McNaughton. Yea -Heim, Hovey, McNaughton and Zelazny. Tomczik absent. Motion passed.

Public Hearing:

Clerk Polum presented a brief review of the delinquent utility accounts. Three accounts remain delinquent.
Mayor Heim opened the public hearing.
Mayor Heim gave an additional discussion on what this is and why the city is having this public hearing.
Discussion among council members pursued regarding history of this action.
Mayor Heim closed the public hearing.

Motion to approve the resolution 26-13 a resolution approving certification to the county for delinquent utility accounts forwarded by Councilmember McNaughton and seconded by Councilmember Hovey. Yea - Heim, Hovey, McNaughton and Tomczik. Zelazny absent. Motion passed.

Officer Reports:

Councilmember Hovey

- Reported on the Sheriff's report
- Reported next Sheriff's contract is ready to be signed
- Contract will be signed after meeting

Councilmember Tomczik

- Reported on the garbage left along South Shore Drive and happy our provider picked it up so quickly
- Reported to encourage everyone to take the lake survey. Survey date closes October 15, 2026
- Reported a future item to think about is an ordinance regarding renting out dock space

Councilmember Zelazny – absent - Heim discussed these items

- Rental density and modifications to strengthen the rental ordinance ideas discussed
- Resolution regarding election judges
- Councilor McNaughton presented paying the election judges a higher pay rate

Motion to approve the resolution 26-14 a resolution appointing election judges for the November 3, 2026 general election by Councilmember McNaughton and seconded by Councilmember Hovey. Yea - Heim, Hovey, McNaughton and Tomczik. Zelazny absent. Motion passed.

Councilmember McNaughton

- Reported on rental policy ideas: potential to limit the number of rentals with regards to the law discussed
- Reported on ideas regarding adding something to each property title to trigger city water hookup
- Reported sewer easements are not included in all property titles and could add this to titles when the city water part is added
- Veit still has an open punch list

Mayor Heim

- Reported on the city directory
- Council McNaughton said he is the one who will finish the city directory

New Business:
None

Motion to adjourn at 6:50 pm by councilmember Hovey seconded by councilmember McNaughton. Yea – Heim, Hovey, McNaughton, Zelazny. Tomczik - absent. Motion passed.

Respectfully submitted,

Therese Polum
City Clerk

Approved on: _____

MEMORANDUM

To:	Medicine Lake City Council
From:	Brad Scheib, Consulting Planners/Zoning Administrator
Subject:	Ordinances and Administrative Planning Item updates
Date:	October 31, 2026

Agenda Items Covered

1. Ensuring properties connect to water when transferring title
2. Managing the density of rental housing
3. Recording of historical sanitary sewer easements that were never recorded
4. Comprehensive Plan process update
5. On-going code compliance items
6. 2027 Fee Schedule Ordinance

Ensuring properties connect to city water when transferring title

Since the installation of municipal water and sewer infrastructure through the joint powers agreement with the City of Plymouth, completed in 2024; the City has taken a gradual approach to requiring property owners to connect to the system. While the connection process can be costly and disruptive for individual property owners, widespread participation is important to ensure the long-term functionality of the utility system, maximize the City's infrastructure investment, and uphold its partnership obligations with Plymouth.

The Joint Powers Agreement with the City of Plymouth to provide water to the City of Medicine Lake was based on a total of 136 connections (curb stops.) The City of Medicine Lake pays the City of Plymouth an annual fee that is decreased proportionately based on the number of connections each year until the city has 75% of the total connections completed (75% of 136 or 102 connections.) The fee also increases each year by an inflationary factor. For these reasons it is important for the City to continue to encourage residents to connect.

As of the date of this memorandum, approximately 45 (of the City's 136 connections 26 completed in 2024, 9 completed in 2025, and 10 to date in 2026) have been completed, leaving 91 remaining connections.

Currently, City Ordinance 142 establishes the circumstances under which properties are required to connect to municipal water. These include when a property is ***sold, advertised for sale, or otherwise undergoes a transfer of ownership***. This essentially is a 'point of sale' provision. As it stands today, it places the burden and responsibility entirely on property owners and their agents to ensure the municipal water connection is made or that the requirement is communicated and agreements are made to ensure the connection is completed by the new owners upon the transfer of ownership. The City has issued multiple notices and distributed information to property owners regarding this requirement since the ordinance was passed in February of 2024. This requirement is ***generally widely*** known; however, there have been a handful of circumstances (that we know of) where properties were transferred, and connections were not completed before the property was put up for sale, and in at least one case still has not been completed. This puts the city into a costly and time-consuming enforcement process.

Staff has been exploring approaches to strengthen the implementation of ordinance 142 and specifically the trigger for connecting water before a transfer of title.

There are two logical paths for this. Path one is to increase the City's efforts to communicate the requirement by more proactively communicating to real estate brokers, agents, and title companies. Path two is to pass a resolution that would be recorded on each of the 91 properties yet to be connected so that the notice is discovered through title searches. This would require drafting the resolution and physically recording the document on the 91 properties and paying 91 recording fees.

Council direction is requested on which alternative approach should be pursued. Depending on direction, staff will prepare materials to be acted on at the December council meeting.

Managing the Density of Rental Housing

A topic of concern among many communities across the country is the growing number of corporate owned or investor-owned housing. Homes will be acquired often by non-local entities, rented out, and managed by a combination of non-local or local management entities. This is the case of a couple properties on the Peninsula. Issues arise around maintenance related nuisances, frequent changes in occupancies, or extended periods of vacancies among other concerns. Complaints around weed control, standing / stale water, deteriorating structures/nuisance building conditions, property value implications are among some of the growing issues.

The City of Medicine Lake has a rental housing ordinance and program to manage some of the property management issues. Staff is reviewing this ordinance to determine if there are provisions that can be added to mitigate some of these issues. Strategies include capping the number of rental licenses issued or establishing rental 'density' standards. Some considerations worth of Council discussion include the following:

- What is the proper cap as a percentage of total homes (Maximum rental density percentage?) There are approximately 165 housing units in the City including the Cabins and a few duplex

units. A number of precedents have been evaluated. Most are based on a residential block pattern, which is difficult to emulate in Medicine Lake. Most are also isolated to specific areas within a community and not applied community wide.

- Who is responsible for administering rental density?
- IF the cap is reached, is there a waiting list and how is that structured. This is often the case in owner occupied condominiums but requires a fair and equitable process.
- Treatment of existing rental properties, owner-occupied arrangements, family occupancy situations, and other potential exemptions. The easiest approach is not to allow any exceptions to the standard. However, that is not practical and will likely result in challenges, requests for amendments, or variances.
- Enforcement, administration, and ongoing monitoring procedures.
- Methodology for measuring density and defining the limits or geographic boundaries.
- Additional licensing requirements and administrative fees.
- Enforcement and compliance procedures.
- Strategies focused on nuisance prevention versus limiting investor-owned properties.
- Waiting periods or eligibility criteria before a property may become a licensed rental.

Staff will walk through these considerations for discussion purposes and *council direction* at the meeting on Monday. The intent would be to bring forth a recommended ordinance amendment at the December meeting.

Recording of historical sanitary sewer easements that were never recorded

When the sanitary sewer system was built in the 60s', easements were established along lake side and some side yards of a number of properties. The easements were never recorded on Hennepin County records. This means that there is no title work documenting the easements and unless it is communicated during the sale transaction, it can be overlooked. While the location of these easements are widely known and understood, as property ownership changes and as property owners do minor improvements on their land that don't require permitting, the easements are at greater risk of being overlooked. It is my understanding that recording the easements has been explored in the recent past; however, it was decided not to proceed with the task. Recording the easements will require a number of tasks: 1. Confirming with county examiner of titles and county recorder that the format of the easements we currently have 'can' be recorded. It may be that due to the age of the survey and easement document, additional survey work could be required. 2. Drafting a document that can be presented to all affected property owners who must each acknowledge and agree to the easement in writing for it to be recorded. 3. Preparing the easement document to be recorded. And, 4. Physically recording the easement document. Costs associated with this include consultant staff time (planner, engineer if survey is needed, and attorney) to prepare the proper documents and to help facilitate property owner discussions, and physically record the documents including recording fees per doc. There are approximately 80 parcels affected by the easements.

This is for *council information and direction t*o staff to proceed with the first step in the process.

2050 Comprehensive Plan Update

HKGi staff have been working on drafting the various comprehensive plan elements to meet the regional planning requirements. We are on task with completing rough preliminary draft materials that can be reviewed 1st quarter of 2026. The review process will include informal discussion and presentations to Planning Commission and Council followed by general community /public engagement and then a formal public hearing at the Planning Commission anticipated for summer of 2027. Following the public hearing, Council will review the plan and authorize distribution of the plan for a mandatory 6 month review period. After completion of that, it will be submitted to the Metro Council for formal consideration. We anticipate this to be done in early 2028 if not end of 2027.

No discussion is needed on this item unless council has questions.

Ongoing Code Compliance Matters

2026 has been a bit busier than normal for code compliance related matters. Staff is actively working on a number of different cases this year and will provide a verbal update at the Council meeting.

2027 Fee Schedule Ordinance

At the start of every new year, the City of Medicine Lake updates the Land Use Related Fee Schedule and adopts the updated schedule as an ordinance. These fees help to offset the cost of consultant time in processing various related permits and providing guidance to property owners, contractors and potential buyers. We will be working on over the course of the next month in preparation for a December or January action. If you have questions or thoughts on this item, a brief discussion would be beneficial.