

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
January 14, 2010**

1. CALL TO ORDER

Mayor Rud called a meeting of the Lonsdale City Council to order at 7:00 pm in the Council Chambers at 415 Central Street West.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the Pledge of Allegiance.

3. ROLL CALL

Present: Daleiden, Kodad, Rud, Furrer, and Pelava

Absent: None

Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker, City Engineer Kevin Kawlewski, and Public Works Director Russ Vlasak

4. AGENDA

Mayor Rud asked if anyone had any additions, deletions, or corrections to the agenda.

A motion was made by Kodada and seconded by Furrer to approve the agenda as presented. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

5. APPROVAL OF MINUTES

None

6. PUBLIC HEARINGS

None

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

None

8. APPROVAL OF THE CONSENT AGENDA

None

9. OLD BUSINESS

a. None

10. NEW BUSINESS

a. 2009 Community Development Report

Planner Baker presented the Council with a yearly building permit report, Lonsdale area building permit statistics report, and a lot inventory report. He provided the Council with

colored charts, tables, and maps that correspond with the statistics. He went through a report that showed new home and other permit numbers from the last 10 years. He showed a breakdown of Lonsdale's 31 new home permits by builder. He provided a map showing recent and anticipated building by development. Baker also provided a breakdown of buildable lots remaining per subdivision and percentages of completed developments. Rud thanked Baker for the excellent report.

b. Discussion with Senator Kevin Dahl and Representative David Bly Regarding the 2009 and 2010 Legislative Sessions

Erickson provided the Council with recent background information on cuts to Local Government Aid and a LMC handout regarding the facts about LGA cuts. Rud invited Senator Dahl and Representative Bly up to the podium to provide insight into the upcoming legislative session.

Dahl addressed the Council first. He stated that the State just went through a \$1.2 billion shortfall and is projecting a \$5.4 – \$8 billion shortfall for next year. He said that it is going to be difficult for the State to balance the budget. He said that cities around Minnesota are really hurting for the recent cuts to LGA, and he asked how much in cuts can cities manage. He said that the task for state legislators is daunting. He said that the State Auditor just released a report that said that intergovernmental services are relying more and more on property taxes. He said that it is no secret that property taxes are going up, and property owners are crying foul. He asked the City to help the State look for solutions to the project large deficit.

Bly also addressed the Council. He mentioned that besides dealing with the looming budget deficit is a struggling economy. He said the future doesn't look rosy, but the state legislators are looking at a sizable bonding bill to create jobs.

Rud stated that it would be nice if the State could forewarn cities about potential LGA cuts. He mentioned that last year, cities were left scrambling to make cuts. Rud stated some of the positive things going on in Lonsdale including the Hwy 19 Mill & Overlay Project, Garfield Avenue Industrial Park, and new assisted living facility and public library. He asked the two legislators to consider helping Lonsdale with letters of support for the industrial park, grants for the library, or funding for a water treatment plant. Daleiden stated that other governmental entities could learn from Lonsdale in how to be progressive and innovative during tough economic times. He mentioned that over the past year Lonsdale initiated a joint powers agreement between Elko-New Market and Lonsdale for planning services.

Bly and Dahl both agreed that in the midst of the worst recession in 60 years, the State needs bipartisan solutions to dig out of the economic hole. Dahl said that health care is consuming the State's budget. Bly and Dahl thanked the Council for having them. The Council thanked them for their time.

c. Update on the Business Park Meeting

Erickson stated that there was a meeting regarding the proposed business park on Monday, January 11th. He went through the list of attendees at the meeting including city representatives, Ag Star, Steele Waseca Electric, On-Site Marketing, DEED, and USDA Rural Development. He stated that the meeting focused on how to finance the project through loans, grants or private/public investments. He noted that both the DEED and USDA grants would be hard to obtain because there is not a business ready to build or locate in the new industrial park. He reviewed the DEED and USDA loans. Rud said that it was an excellent meeting and the attendees were all impressed with Lonsdale and the new meeting rooms. He said that he hopes that the City can land one business to keep the project moving down the tracks.

d. Consider Approval to Request a Proposal from WSB & Associates, Inc. to Complete the Florida Street SE Feasibility Study

Kawlewski stated that in October 2004, WSB completed a draft feasibility study for Florida Street SE. Since that time nothing further has proceeded with the project, but just recently the Council has been discussing the project again. Kawlewski said that if the Council wants to move forward with the project, that the next step is to get a proposal from WSB for the completion of the feasibility study. Kodada, who is also a property owner along Florida Street, said that it has been a problem maintaining the unpaved section of Florida Street. Erickson mentioned that BME Tool has asked the City a few times about paving Florida Street SE.

A motion was made by Daleiden and seconded by Kodada to request a proposal from WSB & Associates, Inc. to complete the Florida Street SE Feasibility Study. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

e. Consider Approval of a Proposal Submitted by Eide Bailly, LLP in the Not to Exceed Amount of \$17,900.00 to Conduct the City's 2009 Year End Audit

Erickson said that this will be the third year that Eide Bailly has completed the City audit. He said that Eide Bailly's fees are consistent with previous years. He said that Eide Bailly does not charge for calls or emails throughout the year to ensure a smoother audit process. Erickson said that he has been satisfied with Eide Bailly's work over the past few years.

A motion was made by Kodada and seconded by Pelava to approve a proposal submitted by Eide Bailly, LLP in the not to exceed amount of \$17,900.00 to conduct the City's 2009 Year End Audit. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

11. OTHER BUSINESS

Council Member Daleiden

Daleiden said that he will be moving from the Planning & Zoning Commission to the EDA. He said that the Liquor Store posted a pretty good profit in November and is excited about December 2009. He thanked the Liquor Store Manager and Assistant Manager for their

cooperation and hard work to turn things around from a year ago. He mentioned that \$30,000 was paid back to the sewer fund.

Council Member Kodada

Kodada welcomed new member Shelly Narum to the Park Board. He mentioned that the Board voted for their 2010 officers at their last meeting, and he listed the members and their official titles. He said that Park Board will be ordering more trees for the Idaho Street Tree Nursery. He also stated that the City is looking into MN/DOT's Community Roadside Partnership Program for landscaping around the new City welcome signs along Hwy 19.

Council Member Furrer

Furrer said that she attended that industrial park meeting on Monday, January 11th. She mentioned that the EDA will host the Lonsdale First Program drawing at their meeting on January 21st.

Council Member Pelava

Pelava mentioned that he recently attended a fresh water treatment plant meeting. He said that the Planning & Zoning Commission meeting will be on January 21st.

Council Member Rud

Rud mentioned that the compost site is getting cleaned up by Big Stone. He said that the City will save \$10,000 by letting Big Stone haul the compost away. He mentioned that the Community Days Committee may not be able to close Hwy 19 this year. Rud welcomed Andrea Nelson as the new president of the Lonsdale Area Chamber of Commerce. He said that the LACC Annual Meeting will be held on January 31st at Willingers.

12. ADJOURNMENT

A motion was made by Daleiden and seconded by Furrer to adjourn the meeting. Vote for: Kodada, Rud, Smith, Furrer, Pelava. Against: None. Vote: 5-0. Motion carried. The meeting closed at 7:56 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator