

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
MAY 8, 2008**

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: Duban, Kodada, Rud, Smith, and Furrer

Absent: None

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

4. AGENDA

Mayor Rud asked if anyone had any additions, deletions, or corrections to the Agenda. Duban asked if Skywarn battery invoice could be added to the agenda as 10(1).

A motion was made by Duban and seconded by Kodada to approve the agenda with said addition. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

5. APPROVAL OF MINUTES

None

6. PUBLIC HEARINGS

None

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

Steven Duban, property owner at 108 Main Street North, addressed the Council regarding a higher than normal water bill in the amount of \$885.19 (Agenda Item 10(f)). Mr. Duban said he purchased the property 6 years prior and he has only had an issue once with his water bill. He said he usually averages around 16,000 gallons. He said he wasn't a snoopy landlord, and he assumed that no news is good news, but apparently a toilet had been running. He recommended that the City go to monthly billing in the future so that issues like this could be caught sooner. Duban said he was at the Council's mercy, and he asked the City to consider helping him out by paying \$400 - \$500.

Rud asked if anyone else had comments from the floor.

8. APPROVAL OF THE CONSENT AGENDA

None

9. OLD BUSINESS

a. None

10. NEW BUSINESS

a. Consider Approval of a Temporary On-Sale Liquor License for the Lonsdale Fireman's Relief Association on May 17, 2008 for Their Annual Steak Fry

Erickson stated that this was an annual request, and he said that there have not been any issues in the past.

A motion was made by Duban and seconded by Kodada to approve a temporary on-sale liquor license for the Lonsdale Fireman's Relief Association on May 17, 2008 for their annual Steak Fry. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

b. Consider Approval of a Quote Submitted by Grass Master Lawn Service, LLC in the Amount of \$63.90 per Lot for Rough Cut Mowing of Properties in Violation of the City Code Chapter 91.04; Public Nuisances Affecting Health (K)

Erickson stated that the City Council approved the RFP for rough cut mowing and advertisement at their April 27th meeting. He said that staff sent out several copies of the proposal to local companies and it was also published in the paper. He said the City received 4 bids: (1) Grass Mater Lawn Service, \$63.90/lot; (2) Affordable Landscapes, \$75.00/lot; (3) Coyote Cuts, \$80.00/full lot / \$55.00/not full lot; (4) Roska Construction, \$99.00/lot. He said Grass Master did rough cut mowing for the City last year and bid the lowest cost per lot for a full lot.

A motion was made by Kodada and seconded by Duban to approve the quote submitted by Grass Master Lawn Service in the amount of \$63.90 per lot for rough cut mowing of properties in violation of the City Code Chapter 91.04; Public Nuisances Affecting Health (K). Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

c. Consider Approval of a Quote Submitted by Pearson Brothers, Inc. in the Amount of \$38,580.88 to Seal Coat 37,197 Square Yards of Pavement

Public Works Director Vlasak received 4 quotes for seal coating: (1) Pearson Brothers, \$38,580.88 (\$1.04/sq. yd.); (2) MN Roadways Co, \$62,899.29 (\$1.27/sq. yd.); (3) Allied Blacktop Co, \$48,300.00 (\$1.38/sq. yd.); (4) Morris Sealcoat, \$71,818.15 (\$1.45/sq. yd.). Vlasak said that Pearson Brothers has done the seal coating the last several years and they have done a good job. He said that Pearson Brothers also does the initial cleanup work. Kodada asked if the excess rock could be used again. Vlasak said the rock would need to go through a cleaning process to be usable again for seal coating work. He said they would probably go over the \$38,000, but they wouldn't exceed the budgeted \$55,000.

A motion was made by Kodada and seconded by Smith to approve the quote submitted by Pearson Brothers for \$1.04/sq. ft. to seal coat 37,197 square yards of pavement and not to exceed the budgeted amount of \$55,000.00. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

d. Consider Review of the Proposals Submitted to Response the City's Request for Proposals (RFP) for Engineering Services for the Proposed Business Park

Erickson said that the Council approved a RFP at the April 10, 2008 City Council meeting for engineering services for the proposed business park. He said the RFP was sent to 6 different firms. Erickson presented all 6 proposals received from WSB, Stonebrooke, Bolton & Menk, BDM, I & S, and James R. Hill. He also put together a comparison spreadsheet for the Council to review because of the discrepancy in the numbers. He explained the largest difference between the numbers relates to construction observation hours provided. Erickson sent an email out to the firms stating that the City expects full-time construction observation. Erickson said that the City doesn't need to take any action on the RFPs until the City has a clear understating of how the project is going to proceed based on meetings between the developer and property owner. Rud said the plan is to hold onto the RFPs until more information is known. Kodada asked how long the RFPs are good for. Erickson said the proposed timeline will be followed. Duban said let's hold on to the proposals and see what happens down the road.

No action was taken.

e. Consider Approval of Liquor Store Pay Voucher No. 9 in the Amount of \$1,600.00

Erickson presented Liquor Store Pay Voucher No. 9 to the City Council. He said that retention is still being held with Met Con (concrete/masonry/steel fabrication), Daleiden Painting (painting), and AA Equipment (walk-in cooler). Kodada suggested that the same company come back to fix the minor EIFS work so that a similar finish can be matched.

A motion was made by Duban and seconded by Kodada to approve the Liquor Store Pay Voucher No. 9 in the amount of \$1,600.00. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

f. Consider a Request from Steven Duban for a Reduction in His 1st Quarter Sewer Bill

Erickson said Mr. Duban stated his position and provided background on his water bill issue earlier during the public comments section of the agenda. Erickson included Duban's usage history for 2007 and 2008's first quarter. He said the bill is approximately twice as much as usual. He provided the Council with a past example of a similar water bill adjustment request made at the April 27, 2007 City Council meeting. He said the Council has the authority to reduce the bill if they so desire. Council Member Duban suggested crediting half of the original bill back to Mr. Duban's future water bills.

A motion was made by Duban and seconded by Furrer to approve a \$442.60 credit to his utility bill and future utility bills in 2008 will be based on 15,000 gallons. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

g. Consider Approval of Resolution 2008-20, a Resolution of Sponsorship of the Lonsdale Snow Wizards

Erickson said this is an annual request from the local Snow Wizards in which the City acts as a middleman between the snowmobile club and the Department of Natural Resources. He recommended approval of Resolution 2008-20 for the DNR Grant-in-Aid Trail Assistance program.

A motion was made by Kodada and seconded by Smith to approve the Resolution 2008-20, a resolution of sponsorship of the Lonsdale Snow Wizards. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

h. Consider Approval of Approval of Resolution 2008-21, a Resolution Approving the City's Finding of Fact, Conclusions of Law and Order for Abatement for the Properties Located at 926 and 930 Bluff Heights Drive SE

Erickson said he hoped that the City doesn't have to do this at every meeting. He said that 926 and 930 Bluff Heights Drive SE are the unfinished Parish Marketing homes with building materials scattered on the lots and unsecured open basements. He said this is the same process as the abatements at the previous Council meeting. Erickson read through Resolution 2008-21, and he mentioned that all the City wants from the property owner is for them to remove the lumber and fence or fill-in the open basements. Furrer said she drove by the site and she thought it was a mess and an eyesore for neighboring home owners.

A motion was made by Kodada and seconded by Smith to approve the Resolution 2008-21, a resolution approving the City's Finding of Fact, Conclusions of Law and Order for Abatement for the Properties Located at 926 and 930 Bluff Heights Drive SE. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

i. Consider Approval of Resolution 2008-22, a Resolution Approving a Quit Claim Deed and Permanent Utility and Drainage Easement Agreement for the Property Located at 221 4th Avenue NW Between the City of Lonsdale and Frederick and Suzanne Roushar

Erickson said the Roushar's recently applied for a loan and through title research the bank told Roushar's that the City owned their property. Erickson explained that this was clearly not the intention of the easement document in 1995. To resolve the problem, Erickson had a Quit Claim Deed drafted to clarify and transfer ownership from the City back to Roushar's.

A motion was made by Duban and seconded by Smith to approve Resolution 2008-22, a resolution approving a quit claim deed and permanent utility and drainage easement agreement for the property located at 221 4th Avenue NW between the City of Lonsdale and Frederick and Suzanne Roushar. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

j. Consider Approval of Resolution 2008-23, a Resolution Approving the Installation of No Parking Signs on Industrial Park Drive SE

Erickson presented the Council with a resolution proposing no parking along the northern curve of Industrial Drive SE as shown in Exhibit A. Smith asked if parking should be eliminated on both sides of the street. Duban stated that if parking was allowed on the north side then kids would be running across the road to the park. Vlasak said the curb will not be painted but no parking signs will be erected.

A motion was made by Kodada and seconded by Smith to approve Resolution 2008-23 (with deletion to “between the hours of 5:00 pm and 10:00 pm”), a resolution approving the installation of No Parking signs on Industrial Park Drive SE. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

k. Discuss Potential Tax Increment Financing (T.I.F.) for the Proposed Assisted Living Facility

Erickson said that representatives from the City have been meeting with Michael Schoenecker, Vice President of Winkelman Building Corp, regarding the proposed assisted living facility to be located between Ash Street NE and Birch Street NE. Winkelman is requesting the City provide public financing in the form of Tax Increment Financing (TIF), reduced rates for WAC/SAC, waiving of Parkland Dedication requirements and favorable building permit pricing. Erickson provided the Council with comments from Paul Donna, Northland Securities, regarding the requested TIF.

Rud asked for guidance from the rest of the Council in regards to their comfort level with providing upfront TIF along with a reduction in SAC/WAC fees. He said the Council should express their thoughts so that a negotiation basis can be established. Rud said that 2 public meeting rooms and a 3,000 sq. ft. library will be included in the design of the facility. He said this is a very good opportunity to gain a community amenity without dipping into the general fund. Rud said the developer is shooting for late August as a proposed start date for construction. Kodada said that the WAC/SAC fees should stay and that upfront money is risky. Erickson said there may be different ways to minimize the risk. He also said the developer will need to provide a pro forma. Rud said that the City has been working for the past 3 years to get an assisted living facility in town. He said it will be a huge benefit to the City and financing doesn't have to come from taxes. Rud mentioned that Schoenecker will be coming to the May 29th Council meeting to talk further about the project. Rud asked if the Council had any other deep concerns regarding the financial requests from Winkelman. Kodada said that it is a good idea for the City to enter into an agreement with Winkelman.

No action was taken.

l. Consider Approval of a Donation in the Amount of \$726.86 to Skywarn for Radio Batteries

Duban said that Skwarn's radio batteries are dead. He suggested that the City donate \$726.86 for new batteries.

A motion was made by Duban and seconded by Kodada to approve the bill in the amount of \$726.86 for Skywarn radio batteries. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

11. OTHER BUSINESS

a. Planning & Zoning Report

Baker presented the Council with an update on 2008 building permits. He said that 30 residential permits and 10 commercial/industrial permits have been issued so far. He also mentioned that 17 flat fee permits have been issued, and no one has complained about the new prices. He stated that only 3 new home permits have been issued

b. Council Comments & Department Head Reports

Council Member Duban

Duban mentioned that Skywarn members recently went to training for storm watching.

Council Member Kodada

Kodada said that men's softball has 19 teams this year. He also stated that the fields were in fair shape.

Council Member Smith

Smith stated that the next EDA meeting will be on May 15th.

Council Member Furrer

Furrer said that the Employee Insurance Committee met to explore other options for City staff and get the most bang for the buck.

Mayor Rud

Rud mentioned that before the Council meeting, he was pinned with a red poppy flower from Molly Smisek of the Auxiliary Club. He said that the poppy is a symbol of sacrifice. Rud also said the Montgomery-Lonsdale Baseball Team was recently awarded with the largest check so far, for their work as the first quarter Green Team.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Smith to adjourn the meeting. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None. Vote 5-0. Motion carried. The meeting ended at 8:47 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator