

**MINUTES  
CITY OF LONSDALE  
REGULAR CITY COUNCIL MEETING  
July 9, 2009**

**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, Kodada, Rud, Smith, and Furrer

Absent: None

Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker, City Treasurer Joyce Skluzacek, 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.

A motion was made by Kodada and seconded by Furrer to approve the agenda as presented. Vote for: Daleiden, 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**

None

**8. APPROVAL OF THE CONSENT AGENDA**

A motion was made by Kodada and seconded by Smith to approve the consent agenda as follows:

- a. Consider Approval of Resolution 2009-23, a Resolution Approving Worker's Compensation Coverage for Elected Officials

Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote: 5-0. Motion carried.

## 9. OLD BUSINESS

- a. None

## 10. NEW BUSINESS

- a. Introduction of Mark Randall, New Principle at Eagle View Elementary School in Elko-New Market – Craig Menozzi, New Prague Area Schools Superintendent  
Craig Menozzi, New Prague Area Schools Superintendent, introduced Mark Randall, the new principle, at Eagle View Elementary School in Elko-New Market. He said that Mark was selected from a pool of more than 100 applicants for the vacant principle position. Menozzi said that a number area students attend Eagle View Elementary. Randall said that he is very excited to be part of the community. The Council welcomed Randall to the Lonsdale area.
- b. Consider Approval of the City’s 2008 Year End Audit Report – Joel Stencel, Eide Bailly  
Joel Stencel, Eide Bailly, presented the City’s Year End Audit Report to the Council. He explained the report in detail, and he commented that the City is in excellent financial position. He said that the enterprise funds are all in good shape and the economic and development funds have good balances. Rud said that the Council has already addressed some of the report’s negative numbers in regards to the sewer and liquor funds. Stencel reviewed two letters addressed from Eide Bailly to the City of Lonsdale.

A motion was made by Kodada and seconded by Daleiden to approve the City’s 2008 Year End Audit Report completed by Eide Bailly. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote: 5-0. Motion carried.

- c. Consider a Request by the Lonsdale Car and Pet Wash for a Sewer Rate Adjustment  
David Dooley and Chuck Meger, Lonsdale Car & Pet Wash, presented a letter and asked the Council to consider basing their sewer rate on the actual monthly water usage because their water usage is typically higher in the months of December – March. The City currently bases the entire year’s sewer usage on the months of January, February, and March. They asked the Council to be fair to their business and consider using the actual water usage and also to consider a refund for past excessive sewer rates paid to the city. Daleiden suggested adopting a policy for local car washes and similar businesses to deviate from the current policy. He mentioned that the current policy actually favors home owners. Furrer asked City staff to research such a policy and bring it back to the Council.

No action was taken.

- d. Consider a Requist by Preston Hillman – 520 4<sup>th</sup> Circle Dr. SE for a Reduction in his Water Bill in the Amount of \$60.59  
Preston Hillman, 520 4<sup>th</sup> Circle Dr. SE, presented two discolored water pictures and a letter for the Council to review. He stated that his family moved in December 2008, but his household has been dealing with dirty water issues from March – June 2009. He said that they had to take showers and do laundry at his parents’ house, and they had to flush

out their two water heaters twice. Hillman asked the Council to consider refunding \$60.59 for the billing periods between March 10<sup>th</sup> – June 16<sup>th</sup> due to the unusable water. Hillman also suggested that the Council consider constructing a slow sand filtration system for small communities.

Vlasak said that the Public Works Department did try flushing out the dead ends around town this year, which ended up causing more problems and released some rust into the lines. On behalf of the Council, Rud expressed his sympathy toward the Hillman family for their issues with dirty water. He suggested that Hillman's situation was rare but not unique. The rest of the Council agreed that if they reduced Hillman's water bill for concerns about his water color, then they would have to do it for everyone, and that would create a larger problem. Kodada mentioned that if the Council refunded Hillman, then 30 people with similar water issues may be at the next meeting requesting a refund too. Rud explained that water treatment plants are very expensive and can cost in upwards of \$5 - \$6 million. He mentioned that a few neighboring communities recently installed new treatments plants and were forced to raise water rates considerably.

A motion was made by Kodada and seconded by Daliden to deny a reduction request, in the amount of \$60.59, by Preston Hillman for 520 4<sup>th</sup> Circle Drive SE. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote: 5-0. Motion carried.

Rud apologized to Hillman again for the water problem.

- e. Consider Approval to Terminate the Contract with Niles-Wiese Construction Co., Inc. and Pay the Withheld Retainage in the Amount of \$447.47 for the Willow Creek Commons West (Car Wash) Addition

Kawlewski explained that Niles-Wiese Construction was working with the City to finish several punchlist items remaining from the original work that Sammon-Parker constructed. He stated that he has been unsuccessfully in trying to contact Niles-Wiese to finish the Willow Creek Commons West Project. Kawlewski explained that since the project was a small quote based project, no warranty bonds were required with the contract. Rud suggest that Niles-Wiese not be paid the withheld 5% retainage because they broke their agreement by not finishing the punchlist items.

A motion was made by Kodada and seconded by Furrer to terminate the contract with Niles-Wiese Construction Co. Inc. and not release the \$447.47 retainage amount for the Willow Creek Commons West (Car Wash) Addition. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote: 5-0. Motion carried.

- f. Community Development Report

As requested by Council Member Furrer at the previous meeting, Baker provided a report on the homes sales statistics. He provided a breakdown of the homes listed on the MLS at seven different increments along with information on lots for sale in four different developments. He mentioned that there were 53 total homes for sale according to the MLS, and the city was dealing with approximately 30-40 foreclosed homes, which is down from 50-75 in 2008. He also provided a map showing the location of homes for

sale by price range. Baker explained that many homes in the Willow Creek Heights and Legacy Meadows developments that have been vacant without a certificate of occupancy have recently been completed and sold.

## **11. OTHER BUSINESS**

*Council Member Daleiden*

Daleiden mentioned that the Liquor Store had an increase in sales numbers again.

*Council Member Kodada*

Kodada reported that repair work recently began on short street segments throughout the city.

*Council Member Smith*

None

*Council Member Furrer*

None

*Council Member Rud*

Rud thanked the Family Fun Night volunteers for putting on such a tremendous event again. He reminded everyone that the circus would be coming to town at the end of the week. He also encouraged everyone to patronize local downtown businesses such as Head Quarters and the Farmhouse Café.

## **12. ADJOURNMENT**

A motion was made by Smith and seconded by Furrer to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote: 5-0. Motion carried. The meeting closed at 8:03 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator