

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
JANUARY 28, 2019**

1. CALL TO ORDER

Mayor Rud called a meeting of the Lonsdale City Council to order at 5:00 p.m. in the City Council Chambers, 415 Central Street West.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the pledge of allegiance.

3. ROLL CALL

Members Present: Steve Cherney, Kevin Kodada, Tim Rud, Cindy Furrer, and Scott Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker, City Engineer John Powell, Police Chief Jason Schmitz

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any corrections, additions, or deletions to the agenda.

A motion was made by Kodada and seconded by Cherney to approve the agenda with the added City Engineer agenda items. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: 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

None

10. NEW BUSINESS

a. Senior Housing & Public Safety/City Hall Facility Update

Rud explained that developers Garry Tupy and Doug Loeffler would not be in attendance, so that the City Council could have time to work towards a consensus on the major components of a proposed development of a Police Department/City Hall facility. Erickson and Rud stated that the project is at a standstill until a site is selected and estimated price range is determined. Erickson went through the details of the proposed development at 900 Ash Street NE, which had not changed since the last time the Council reviewed the development. He said that the sketch plan only showed 1.6 acres proposed for City land, but he noted that Wold Architects had suggested 2.2 - 3 acres of land was necessary to meet both today's needs and future expansions.

Rud asked the Council to discuss site locations. He said that all the Council should agree and be committed to a site. The Council discussed other potential site locations, including the Lonsdale Business Park commercial-industrial lots, and the Excelsior Group/Gonyea commercial lots located in Willow Creek Commons. Each Council member provided comments on the different sites.

Cherney said that after doing his due-diligence, he is all-in on the project and the location at 900 Ash Street NE. Cherney said that the City can afford to do this project without much/any impact on the budget. Cherney stated that: 1) the City should partner with someone to develop the project, 2) the City should do a lease-to-own and use the already budgeted \$350,000/year for payments, and 3) let's do this project now. He said that any enhancements to the City Hall or Police Department are just putting lipstick on a pig, and he encouraged anyone to tour the existing City facilities.

Kodada said that he is 100% all in on the project at 900 Ash Street NE location. He liked the idea of partnering with the developers to save on costs. The Council discussed property tax impacts. He said that the City should be as transparent as possible. Kodada said that all the Councilmembers are ultimately serving for the betterment of the community. Kodada suggested structuring the lease to have a balloon payment on the backend.

Furrer questioned if the Ash Street location was the best available site. The Council discussed the pros and cons of the Lonsdale Business Park lots. Furrer said that the City definitely needs a new Police Station, and that she would be supportive of the City facility project.

Pelava said that he wasn't absolutely sure that the 900 Ash Street location was the best location, but that it is the best option available today, and it has more advantages than the other sites. He said that the City can't keep kicking the can down the road, and the Council needs to take a stand and be proactive. He encouraged his fellow Council members to get the project done. Pelava suggested that the club house idea could maybe be incorporated into the City Hall facility to save on space.

After reaching a consensus on the site location, the Council also discussed and agreed on other significant items related to the development. They agreed that 2.2 acres should be the minimum amount of land needed for the City portion of the project to allow for some future growth. The Council also discussed the overall project cost, payment terms, emergency access, the nearby 8th Ave - TH 19 intersection, and building materials.

Ultimately after much discussion, the Council agreed to proceed with the project at 900 Ash Street NE as follows:

- The City should own the land where the facility is located
- A minimum of 2.2 acres is needed
- A land-swap, between the Business Park and 900 Ash Street, should be explored
- To keep costs lower, the Police Department/City Hall facility should be stick framed and bid out to attract local bidders
- The facility should include features such as spans of glass windows and brick to distinguish it as a commercial building
- An underground parking garage should be explored
- The City should lease-to-own the Police Department/City Hall facility within a timeframe of 6-12 years with no penalty for pre-payment
- The cost of the project could range from \$3 million - \$5 million
- If possible, the \$50,000 needed by the developer for initial planning, architectural, and engineering should be wrapped into the project cost

Rud thanked all the Council members for their comments and coming to a consensus. The Council directed City Staff to set up a special meeting with at least two developers to review proposals and qualifications.

No official action was taken on a consultant agreement.

b. Consider Approval of the Plans and Specifications for the 8th Ave NE Street Maintenance Project and Authorize Staff to Advertise the Project for Bid – John Powell, City Engineer

The Council reviewed a memo from the City Engineer. Powell said that a mill and overlay was budgeted for in 2019 for the section of 8th Avenue NE, from TH 19 to Fig Street NE. The Council reviewed the project timeline, and Powell noted that the project will be completed by mid-June. He said that there are no assessments for the proposed project. Cherney asked if a full-time inspector will be on site. Powell said yes.

A motion was made by Pelava and seconded by Furrer to approve the Plans and Specifications for the 8th Ave NE Street Maintenance Project and Authorize Staff to advertise the project for bid. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- c. Consider Approval of the Plans and Specifications for the Dogwood St. NE Maintenance Project and Authorize Staff to Advertise the Project for Bid – John Powell, City Engineer
The Council reviewed a memo from the City Engineer. Powell said that drainage improvements are proposed for approximately 350 feet of Dogwood Street NE in 2019. The Council reviewed the attached map, timeline, and information.

A motion was made by Kodada and seconded by Pelava to approve the Plans and Specifications for the Dogwood St. NE Maintenance Project and authorize Staff to advertise the project for bid. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval of Pay Request No. 2 in the Amount of \$24,053.62 to S.M. Hentges & Sons for the Lift Station No. 1 Decommissioning Project – John Powell, City Engineer
Powell went through the items that S.M. Hentges has completed so far on the project. He also discussed an issue that took place with the boring elevation under Heath Creek. He said that an open cut permit has been requested by the contractor, and it is currently being reviewed by the DNR. Powell explained problems that can arise with boring, and he went through the details of open cutting through a waterway. Kodada stated that he liked that the contractor has taken the initiative to right-the-wrong.

A motion was made by Kodada and seconded by Furrer to approve Pay Request No. 2 in the amount of \$24,053.62 to S.M. Hentges & Sons for the Lift Station No. 1 Decommissioning Project. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

11. ADJOURNMENT

A motion was made by Kodada and seconded by Pelava to adjourn the meeting. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The special meeting ended at 6:22 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator