

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
NOVEMBER 27, 2018**

1. CALL TO ORDER

Mayor Rud called a special meeting of the Lonsdale City Council to order at 6:00 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 Engineer John Powell and Public Works Director Russ Vlasak

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any additions, deletions or corrections to the agenda. A motion was made by Kodada and seconded by Cherney to approve the agenda as presented. Vote for: Cherney, Kodada, Rud and Furrer. Vote against: None. Abstained: None. Vote: 4-0. 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. Discuss the City's Final 2019 Annual Budget

Erickson said at the last budget meeting held November 20, 2018, the City Council requested the main topic of discussion at this budget meeting be the Tax Levy and impact. Cherney asked if staff tracks efficiencies and provides a narrative to show the savings based on efficiencies. Erickson said no and the City already runs pretty lean and does as many things in house as possible instead of outsourcing tasks, which would increase costs. Cherney said property taxes are regressive and he does not like the up and down of the tax levy and would prefer to see it consistent. Erickson said there was a dramatic decrease in 2018 due to debt service being paid off and was the financial basis for the proposed community center. He said residents expected a tax decrease in 2018. Erickson said for 2019, the proposed tax levy increases by about the decrease in 2018. The City Council reviewed the "Heat Map" provided by Rice County showing property tax increases/decreases for 2018 and 2019. Mayor Rud said it is not the role of government to collect more money than needed. The City Council held general discussion on the split school district situation in Lonsdale and how the City can be part of only one school district. Cherney said he would like to see the City allow housing in the lower level of buildings in the downtown business district. Kodada provided the history of and reasons why it is not allowed at this time. Pelava attended the meeting. Public Works Director Vlasak asked the City Council if they had specific questions for him as he needed to leave. Kodada asked if the City has sufficient equipment to plow the six foot sidewalks. Vlasak said yes and this season, staff intends to use the John Deere with the snow blower. Cherney asked how the new employees are working out. Vlasak said good so far. The City Council held general discussion on general City items. The City Council discussed water and sewer rates for 2019 due to anticipated deficits attributed to depreciation, WAC/SAC fees anticipated to be less than 2018 and debt service. The City Council agreed to not increase water/sewer rates because of the proposed property tax increase.

Mayor Rud said he has been approached by a developer and asked if the City would consider allow higher end homes on larger lots with well and septic and not connected to the City water/sewer systems. Kodada suggested a study be done on the cost to the City and developer for various treatment options. The City Council agreed and discussed the topic. City Engineer Powell said he could do several quick calculations on treatment options and provide them to the City.

11. ADJOURNMENT

A motion was made by Kodada and seconded by Cherney to adjourn the meeting. Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting ended at 7:05 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator