

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
MARCH 26, 2020**

**1. CALL TO ORDER**

Mayor Rud called a meeting of the Lonsdale City Council to order at 7:21 p.m. in the City Council Chambers, 415 Central Street West. He said the meeting was being held electronically due to the ongoing State of Emergency and health pandemic in accordance with Minnesota State Statute §13D.021.

**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, Police Chief Jason Schmitz and Fire Chief Dave Pfluke

**4. APPROVAL OF AGENDA**

Mayor Rud asked if there were any additions, deletions or corrections to the Agenda, which was emailed out earlier in the day.

A motion was made by Kodada and seconded by Furrer to approve the revised agenda. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

**5. APPROVAL OF MINUTES**

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

A motion was made by Cherney and seconded by Furrer to approve the Minutes from the February 26, 2020 Regular Meeting and the March 5, 2020 Emergency Meeting. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

## **6. PUBLIC HEARINGS**

- a. Ordinance 2020-302 – an Ordinance Approving a Franchise Agreement Between the City of Lonsdale and Mediacom Minnesota, LLC to Operate a Cable Communications System  
Mayor Rud called the public hearing to order at 7:22 and read the public hearing notice. Erickson said the City Council recently approved a very similar Ordinance/Franchise Agreement with BEVCOMM and that the proposed agreement with Mediacom Minnesota, LLC was the basis for that agreement. He reviewed the main points of the Franchise Agreement including: (1) acknowledging Mediacom Minnesota, LLC has complied with the current agreement and has the capabilities to meet the future cable needs of the City; (2) it is unlawful to operate a cable system in Lonsdale without a Franchise Agreement; (3) the Franchise is not exclusive; (4) the system must comply with FCC regulations; (5) Mediacom Minnesota, LLC will comply with the City's Right of Way Ordinance; (6) if the system is abandoned, the City has the right of first refusal to purchase the system; (7) the franchise fee is 3% of gross revenues; (8) Mediacom Minnesota, LLC will indemnify and hold the City harmless; (9) Mediacom Minnesota, LLC will provide a bond in the amount \$15,000; (10) the City can terminate the agreement if Mediacom Minnesota, LLC substantially violates the agreement and does not resolve the issue; and (11) the term of the agreement is 10 years. Mayor Rud asked if any citizens wanted to comment on the proposed Ordinance. There were none. Mayor Rud asked if staff received any written or verbal comments prior to the hearing. Erickson replied no. A motion was made by Kodada and seconded by Pelava to close the public hearing. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The public hearing ended at 7:31 pm.

## **7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS**

None

## **8. APPROVAL OF THE CONSENT AGENDA**

A motion was made by Furrer and seconded by Kodada to approve the Consent Agenda as follows:

- a. Monthly Bills
- b. Treasurers' Report
- c. Board and Commission Minutes
- d. Consider Approval of a Quote in the Not to Exceed Amount of \$25,000.00 Submitted by Thul Specialty Contracting, Inc. for the Sealing of Approximately Thirty (30) Sanitary Sewer Manholes
- e. Consider Approval to Authorize Staff to Advertise for Two (2) Firefighters
- f. Consider Approval of an Application and Permit For a 1 Day to 4 Day Temporary On-Sale Liquor License Requested by the Lonsdale Fireman's Relief Association
- g. Consider Approval of Resolution 2020-13, a Resolution Accepting a Donation From the Tri-Lakes Sportmen's Club, Inc.
- h. Consider Approval of Resolution 2020-14, a Resolution of Sponsorship of the Lonsdale Snow-Wizards
- i. Consider Approval of a Sewer Rate Adjustment for the Property Located at 216 Alabama St. SW

Mayor Rud asked if anyone wanted any item(s) on the Consent Agenda pulled for discussion. No one requested any items be pulled for discussion. A motion was made by Cherney and seconded by Kodada to approve the Consent Agenda. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

## 9. OLD BUSINESS

None

## 10. NEW BUSINESS

a. Consider Approval of Ordinance 2020-302, an Ordinance Approving a Franchise Agreement Between the City of Lonsdale and Mediacom Minnesota, LLC to Operate a Cable Communications System

Erickson said the public hearing was held earlier in the meeting and there were no written or verbal comments received from the public. He recommended approval of the proposed Franchise Agreement between the City and Mediacom Minnesota, LLC. Cherney asked if the franchise fee revenue received by the City was \$10,000.00. Erickson replied \$10,000.00 to \$12,000.00 between the two companies. Cherney said the revenue should be allocated to the EDA since the EDA is not receiving funding from the property tax levy in 2020. Kodada asked if the EDA had any projects planned for 2020. Erickson said the main goal/project of the EDA is the Business Retention & Expansion program, which will cost at least \$10,000.00. Pelava asked where the funds are currently allocated. Erickson said currently, the funds have been allocated to the Parks Department for the last fifteen years. Cherney said the EDA does great work and said the allocation could be discussed later. A motion was made by Furrer and seconded by Pelava to approve Ordinance 2020-302. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

b. Presentation of the EDA's 2019 Annual Report

EDA President Laura Prigge reviewed the 2019 accomplishments of the EDA including: (1) welcoming new Board members; (2) not terminating the EDA; (3) began a Business Retention & Expansion program; (4) was a sponsor of the LACC's Showcase/2<sup>nd</sup> Annual Job Fair; (5) participated in TCU's Workforce Development Education; (6) renewed the TV/Pre-Roll commercials; (7) attended CVN sessions; and (8) advertised in the Lonsdale Resource Guide. Mayor Rud thanked Prigge and the EDA on a great job.

c. Discuss the Lonsdale Fire Department Providing Fire Response to Areas of Erin Township Not Currently Served by the Lonsdale Fire Department

Fire Chief Pfluke said he was approached by Erin Township in regards to the City providing fire protection to all of Erin Township. He said currently Lonsdale provides rescue services to all of the township but fire coverage does not extend southwest of State Highway 21. Pfluke said the additional area is approximately 11 square miles, which includes around 70 residences. He said Erin Township has approved to contract with the City for the additional service area. Mayor Rud said with the coverage currently provided by Montgomery, he asked if any had talked to them about this. Pfluke replied no. Mayor Rud asked if a resolution needs to be adopted. Pfluke said no, not at this time as staff is only looking for support from the City Council to proceed. Cherney asked Pfluke what other firefighters think about the expansion. Pfluke said everyone he has spoken to is supportive. Kodada said since the City already provides rescue services to the

area, he has no issues with the transition. Furrer asked if additional equipment would be needed due to the additional territory. Pfluke said no, the department is in a good position as it pertains to equipment. Cherney asked if Erin Township could provide any shared services such as in the Parks Department. Pfluke said the City already provides rescue services to the area without compensation but will be compensated for fire related activities. Cherney said he was okay with proceeding to acquire the additional territory. Pelava asked what impact the additional territory would have on the budget. Erickson said it would be minimal. It was the general consensus of the City Council to proceed with acquiring the additional territory in Erin Township. A motion was made by Kodada and seconded by Furrer to authorize staff to proceed with and finalize the service agreement with Erin Township acquiring the additional territory to be included in the City's fire coverage area. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Consider Approval of a Request for Proposals (RFP) for Mosquito Control Management Services

Erickson said it is that time of the year to solicit proposals for mosquito control for the upcoming season. He reviewed the proposed RFP and said it includes obtaining quotes for a petroleum based treatment, an organic/all-natural treatment and insecticide treatment of surface water. Erickson said he spent more time last year on mosquito control prior to the first treatment then compared to all prior years combined. He said the "Do Not Spray" list worked well for those that requested it but not for residents adjacent to those properties that wanted the service. Erickson said some initially on the list, called City Hall and requested to have the service. He did not recommend a "Do Not Spray" list in 2020. Cherney asked if the RFP will include insecticide. Erickson replied yes. A motion was made by Cherney and seconded by Pelava to approve the RFP with the addition of insecticide treatment of surface water. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

e. Consider Approval of Resolution 2020-15, a Resolution Approving Deferral of a Special Assessment in the Amount of \$5,464.25 for 517 2nd Ave SW Pertaining to the 2nd Ave SW Area Street and Utility Improvement Project

Erickson said the assessment hearing was held on February 27, 2020 and since then, staff has received one deferral application. He said the application received meets the criteria for deferral because the applicant is over the age of 65 and repaying the assessment would create a financial hardship. Erickson reviewed the situations that qualify for deferral. Cherney asked what the total project cost was. Erickson replied around \$2,000,000.00 with just over 20% being assessed. A motion was made by Kodada and seconded by Cherney to approve Resolution 2020-15. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

f. Consider Approval of Resolution 2020-16, a Resolution Approving a Purchase Agreement Between the City of Lonsdale and OP3 Lonsdale, LLC

Erickson said this was discussed at the March 5, 2020 meeting and staff was directed to negotiate a purchase agreement with the property owner to purchase the property for a Police facility. Erickson summarized the purchase agreement. Pelava asked how the City would fund the land purchase. Erickson said the balance of the funds allocated to expand City Hall several years ago

would be used. Erickson said by purchasing the land, the City has sufficient land for the Police facility and also controls the land and can use it as an economic development incentive for future development. Cherney said he was okay with the land purchase/agreement, that it is a good value for the price and requested the project be called a “City Campus SE” in the future. Mayor Rud said at this time, it is only proposed to construct a Police facility. Cherney agreed. Furrer said it is important that it is communicated that a Police facility only is what will be constructed. Kodada said he agreed with Furrer. A motion was made by Cherney and seconded by Furrer to approve the proposed Purchase Agreement between the City of Lonsdale and OP3 Lonsdale, LLC. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. Mayor Rud asked when the closing date was anticipated. Erickson said the City has some due diligence to complete but closing should take place in 60 days.

g. Consider Approval of Resolution 2020-17, a Resolution Accepting a Bid for the Deer Ridge NW Area Mill & Overlay Project

City Engineer Powell said the City solicited, recieved and opened bids on March 19, 2020. He said the project includes catch basin and manhole adjustments and pavement repairs. Powell said the pavement will be edge milled and a two inch overlay installed. He said the low bid was received from Nielson Blacktopping & Concrete, Inc. in the amount of \$70,180.00. He also said the project has a completion date of July 15, 2020 and once the project begins, Nielson will have three weeks to complete it. Mayor Rud asked Powell what he thought about the bid. Powell said it was below his estimate. Pelava asked how COVID-19 might impact the project and if an extension would be allowed. Powell said the contractor can request an extension via a change order. Pelava said these are unprecedented times. Mayor Rud said based on State and Federal information, construction is an essential service. Powell agreed. Furrer asked if there would be a penalty if the contract was extended. Powell said if the time extension requested is reasonable, he would consider it but materials would be paid at the unit prices bid. Cherney asked if that would be done through a change order. Powell replied yes. A motion was made by Kodada and seconded by Pelava to approve Resolution 2020-17. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

h. Consider Approval of Resolution 2020-18, a Resolution Accepting a Bid for the Industrial Dr. SE Area Drainage Improvement Project

City Engineer Powell reviewed the project and said it included catch basin repair, curb and gutter repair, drain tile and several full depth pavement repairs. He said the references checked focused on work in and around Owatonna, which were all good. Kodada asked if prior drainage work was completed in this area. Powell said drainage work was done on a different section of Industrial Dr. SE and Industrial Park Dr. SE. He said this project will allow for future maintenance work to be done. Furrer asked what the anticipated completion date was. Powell said the contractor has three weeks from starting to complete the project. A motion was made by Pelava and seconded by Furrer to approve Resolution 2020-18. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- i. Consider Approval of Change Order No. 3 and Application for Payment No. 5 (Final) in the Amount of \$41,338.54 for the Pondview Dr. SE Street and Utility Improvement Project  
City Engineer Powell said the contractor has provided the City with all the required submittals to final out the project. He said with the change orders, the project came in under budget by 1.3%. Mayor Rud asked if staff was satisfied with final product. Erickson said he was and it included a paved driveway/parking lot for the archery range and a trail down to the fishing pier. Powell said the project helped with erosion from the archery range down the hill to the fishing pier because a culvert was installed along with the paved trail. A motion was made by Furrer and seconded by Cherney to approve Change Order No. 3 and Application for Payment No. 5 in the amount of \$41,338.54. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
  
- j. Consider Approval of Change Orders No. 3 and No. 4 and Application for Payment No. 9 (Final) in the Amount of \$12,990.23 for the Area No. 5 / Phase 4 Street and Utility Improvement Project  
City Engineer Powell said the contractor has provided all of the required submittals to close the project out. He said the Change Orders consisted of improvements to Trcka Park, boring the long side water services and final quantity adjustments for auditing purposes. Powell said that the two year warranty begins today with final acceptance of the project. A motion was made by Kodada and seconded by Furrer to approve Change Orders No. 3 and 4 and Application for Payment No. 9 for the Area 5 / Phase 4 project. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
  
- k. Updated on COVID-19 and Consider Approval of Resolution 2020-19, a Resolution Enacted Under Authority of Minnesota Statutes §12.29 and §12.37 to Extend the Period of a Mayor-Declared Local Emergency  
Erickson provided an update on staff's actions, including how the Governor's "Shelter in Place" will effect City operations. He said the liquor store's customer count and sales are up 45% and 138% respectively. Erickson reviewed resolution 2020-19, which essentially reaffirmed the motion made and approved by the City Council extending the Mayor's emergency declaration at the March 23, 2020 emergency meeting. Furrer asked how staff at Lonsdale Liquor were holding up. Erickson said good and have been very busy with customers and keeping up on cleaning. Pelava asked Chief Schmitz how the police department would be enforcing the "Shelter in Place" order, specifically, travel. Chief Schmitz said the department will be encouraging compliance with the order and not enforcement of it. Schmitz reminded everyone to practice social distancing and other precautions recommended to prevent the spread of COVID-19. Pelava asked if the police department would be requiring letter for those driving their vehicles. Schmitz said not at this time. Cherney asked of the Mayor and City Administrator have enough power to deal with COVID-19 based on the resolution. Erickson replied yes. Mayor Rud said the only reason can we conduct meetings via zoom, is because of the declaration. Erickson said that Liquor Store Manager Lynette Moe has changed the closing time of Lonsdale Liquor to 8:00 pm. Mayor Rud said if the City Council needs to have special meetings to address anything COVID-19 related, they should be held. A motion was made by Kodada and seconded by Pelava to approve Resolution 2020-19. Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

## 11. OTHER BUSINESS

- a. City Staff Reports  
*Public Work Director*  
None

*City Engineer*

Powell said the contract with A-1 has been approved and is currently being circulated for signatures.

*City Administrator*

None

*City Planner*

None

- b. City Council / Department Reports

*Council Member Cherney*

None

*Council Member Kodada*

Kodada said the Park Board has been discussing the Trcka Park building project, which is currently out for bid.

*Council Member Furrer*

Furrer said the last EDA meeting was cancelled and future meetings will probably be held via zoom.

*Council Member Pelava*

Pelava said the EDA's BR&E program has been put on hold due to COVID-19. He said it will be interesting to see the survey results from those submitted before/after COVID-19/"Shelter in Place" order.

*Mayor Rud*

Mayor Rud thanked the EDA for their efforts. He said if anyone had any items for KCHK on Monday to get them to him, upcoming meetings will be held April 9<sup>th</sup> and 30<sup>th</sup>, the 2021 budget season is coming up fast and if a special meeting to discuss the Police facility is necessary, the meeting should be held.

## 12. ADJOURNMENT

A motion was made by Furrer and seconded by Cherney to adjourn the meeting. Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Roll Call Vote against: None. Abstained: None. Vote: 4-0. Motion carried. The meeting ended at 8:45 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator