

**MINUTES
CITY OF LONSDALE
RESCHEDULED CITY COUNCIL MEETING
MARCH 5, 2020**

1. CALL TO ORDER

Mayor Rud called a meeting of the Lonsdale City Council to order at 7:00 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 and Cindy Furrer

Members Absent: Scott Pelava

City Staff Present: City Administrator Joel Erickson, City Engineer John Powell, Public Works Director Russ Vlasak and Chief of Police 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 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

Cherney requested that agenda items 10B, 10C, 10D and 10E be pulled from New Business and be added to the Consent Agenda. A motion was made by Cherney and seconded by Kodada to approve adding agenda items 10B, 10C, 10D and 10E to the Consent Agenda and their approval. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

9. OLD BUSINESS

a. Consider Approval of an Agreement Between the City of Lonsdale and West Central Sanitation, Inc. for Refuse/Recycling Collection, Transportation and Disposal

Erickson said this item was discussed at the last City Council meeting and the City Council directed staff to finalize the terms of a five year contract with West Central Sanitation. Erickson reviewed the key terms of the proposed contract. Mayor Rud asked staff to review the proposed rates. Erickson reviewed the rates for each sized cart and compared them to what is currently being charged. He said most residents will pay less per month in 2024 than what is currently being charged. Cherney requested Don Williamson, owner of West Central Sanitation, come to the podium and answer several questions. Williamson said Cherney contacted him earlier in the day with several questions. Williamson summarized his organizations operations, said he provided Cherney nearly 40 references earlier in the day, that West Central Sanitation has never been fined for safety violations, etc. and that they have never lost a City contract in the forty plus years of operation. Cherney said he likes the synergy West Central Sanitations brings, that they will join the Lonsdale Chamber of Commerce and support activities such as the post prom party, etc. and the fact that the rates to be paid are less than what is currently being charged.

Williamson said they can provide lower rates because they are more efficient and do not command as much of a gross profit as other companies. He said his staff were in town earlier in the day to begin planning route sequencing and they use Compressed Natural Gas (CNG) vehicles, which have proven to be more efficient and cheaper than diesel fuel. Mayor Rud said that prior to the February 27, 2020 City Council meeting, staff had already contact references provided. Furrer questioned the frequency of recycling pick up. Erickson said it would remain the same. He said in the RFP, there was a line item for weekly recycling pick up but unlike monthly garbage rates, weekly recycling did not have the option for multi-year rates. He said if the City Council desired weekly recycling, West Central Satiation would honor the rate stated in their proposal. He said for future years, staff and West Central negotiated pricing. Erickson said at this time, he is not recommending weekly recycling. A motion was made by Cherney and seconded by Furrer to approve the five year contract with West Central Sanitation. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

b. Consider Approval of a Proposal to Redesign and Rebid the Trcka Park Building Project and Authorize the Advertisement for Bids

Erickson said at the last City Council meeting, the bids received for this project were rejected and staff was directed to reevaluate the project for design efficiencies to allow for the project to come in on budget. He said based on discussion with Oleson & Hobbie Architects, there will be an additional cost of \$4,700.00 to redesign and bid the project. Furrer asked if the square footage of the building would be reduced. Erickson said staff is looking at all options to reduce the cost. Kodada said based on discussions, it is proposed the building be stick-frame built with a brick wainscoting to match the water treatment plant and pump house, which will look nice. A motion was made by Kodada and seconded by Furrer to approve the proposal to redesign and rebid the Trcka Park Building Project and authorize the advertisement for bids. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

10. NEW BUSINESS

- a. Review of the Finance Plan for the 2nd Ave SW Area Street and Utility Improvement Project and Consider Approval of Resolution 2020-11, a Resolution Approving the Issuance of General Obligation Bonds, Series 2020A

Paul Donna of Baird was present at the meeting to review the proposed finance plan and resolution approving the issuance of General Obligation bonds in the amount of \$2,100,000 to finance the project. He said the proposed resolution was drafted by the City's Bond Counsel, Dorsey Whitney. Donna reviewed the sources/uses of funds, said the bonds will be bank qualified, tax exempt and since the City is a small issuer, the City will be able to retained the interest earned on the bonds. He said a week ago, the average interest rate was estimated at 2.12% and given the present economy, it might be lower when the bonds are priced and sold. Donna reviewed interest rates over the last 20 plus years and said it is the lowest he has ever seen it. Cherney asked what the effect would be if \$200,000 in cash was added to the project. Donna explained the City could invest those funds until needed or reduce its reliance on the property tax levy to make bond payments. He said there is a call date in year eight, which allows the City to pay all or a portion of the bonds off early, saving interest. A motion was made by Kodada and seconded by Furrer to approve Resolution 2020-11. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- b. Consider Approval of a Minnesota Lawful Gambling LG220 Application for Exempt Permit With No Waiting Period Submitted by the Knights of Columbus Lonsdale Council 16225

This item was moved to and approved as part of the Consent Agenda.

- c. Consider Approval of a Minnesota Lawful Gambling LG220 Application for Exempt Permit With No Waiting Period Submitted by the Church of the Immaculate Conception

This was moved to and approved as part of the Consent Agenda.

- d. Consider Approval of an Application and Permit for a 1 Day to 4 Day Temporary On-Sale Liquor License Requested by the Church of the Immaculate Conception

This item was moved to and approved as part of the Consent Agenda.

- e. Consider Approval to Schedule a Public Hearing on March 26, 2020 at 7:00 pm or Shortly Thereafter on Proposed Ordinance 2020-302, an Ordinance Granting a Franchise to Mediacom Minnesota, LLC to Construct, Operate and Maintain a Cable System and Provide Cable Communications in the City of Lonsdale

This was moved to and approved as part of the Consent Agenda.

- f. Consider Approval of Resolution 2020-12, a Resolution Supporting Legislation Authorizing Infrastructure Development Fees

Erickson said cities are being requested to approve the proposed resolution because based on recent case law, cities do not have the legislative authority to impose development fees on new developments and existing residents will need to pay for improvements that would not be necessary, if not for new development. He said in Lonsdale, the City has good relationships with developers and development has always paid for itself and current residents should not have to pay for improvements required because of new development. Mayor Rud said developers have always paid for their projects and that is the way it should be. A motion was made by Cherney

and seconded by Kodada to approve Resolution 2020-12. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

g. Discuss Potential Location and Building for a New Police Department Facility

Erickson said this was discussed briefly at the last meeting and staff was requested to provide information on potential sites for the facility. He said potential sites include: (1) property at/near the intersection of 15th Ave SE and Commerce Dr. SE; (2) the Dispatch Trucking facility that is currently for sale and (3) the Lonsdale Business Park. Erickson said he has contacted MN DEED regarding locating the facility in the Business Park and how that would affect the terms of the grant agreement. He said MN DEED would need to reevaluate the agreement but at a minimum the City would need to request a variance from the agreement and potentially have to repay some of the grant proceeds. Mayor Rud said he would like to move forward with construction of a new Police facility and it seems to be favorable to the residents. Cherney agreed but recommended that the City consider the future and a campus type facility/setting be planned for. Mayor Rud said there are options for a site that include new construction or an existing facility. He said it is hard to take a property off of the tax roll. Mayor Rud said land prices are favorable and less than what the City is selling land in the Business Park for. Kodada asked if a large parcel of land is purchased, could it be split and sold at a future time or is it required to be a specific use. Erickson said the City has the option to purchase both parcels or just one owned by OP3. The consensus of the City Council was for staff to negotiate a price to purchase both parcels owned by OP3. A motion was made by Kodada and seconded by Furrer to authorize staff to negotiate a purchase price on both parcels owned by OP3. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

11. OTHER BUSINESS

a. City Staff Reports

Public Work Director

None

City Engineer

Powell said he looked at the testing/street cracking in the Area 5 / Phase 1 project and all testing was satisfactory, reclaimed material was not specified to be used in the pavement but it was allowed to be and was used in the base course. He said the cracking that is happening is not unusual and is normal. Kodada asked if we should saw cut joints in the pavement like some other cities do. Powell said he does not recommend saw cutting joints in new pavement.

City Administrator

None

City Planner

None

b. City Council / Department Reports

Council Member Cherney

None

Council Member Kodada

None

Council Member Furrer

None

Council Member Pelava

N/A

Mayor Rud

Mayor Rud said the next City Council meeting is scheduled for March 26, 2020 but if a special meeting is necessary before the 26th, that should be considered.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Cherney to adjourn the meeting. Vote for: Cherney, Kodada, Rud, and Furrer. Vote against: None. Abstained: None. Vote: 4-0. Motion carried. The meeting ended at 7:53 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator