

**MINUTES
CITY OF LONSDALE
CITY COUNCIL MEETING
APRIL 11, 2019**

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, Cindy Furrer and Scott Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, City Engineer John Powell and City Attorney David Kendall

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any corrections, additions or deletions to the agenda. Erickson requested “Consider Approval of a MN Lawful Gambling LG220 Application for Exempt Permit Submitted by the Knights of Columbus Council #16225 to Conduct a Raffle”

A motion was made by Kodada and seconded by Cherney to approve the agenda with the requested addition. 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 corrections, additions or deletions to the Minutes.

A motion was made by Pelava and seconded by Furrer to approve the Minutes from the March 25, 2019 Regular Meeting. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

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. Introduction of Layne Wilbright Tri-City United Community Education Director

Wilbright introduced himself and provided the City Council updates on events taking place through Community Education. He said they have partnerships with 4H, local Lions clubs and provide KidZone. Wilbright said upcoming events include: Ready for K, Special Olympics, a star lab (partnering with the Lonsdale Library) and various programming for children and adults. He said it is planned to have Summer Recreation programming in each community this summer. Wilbright said the new teacher tour will be August 21st and the district will be providing wrap around child care for half day everyday pre-school. Rud said Community Ed. is welcome to use the City fields and the City is really excited about high school soccer being played on the new soccer field at Trcka Park. Cherney asked if volunteer help is utilized. Wilbright said yes, the local Lions clubs recently helped out with childhood screening. Cherney asked if they were looking specifically for seniors to volunteer. Wilbrigh said yes, to read to kids. Cherney asked what was involved in the childhood screening. Wilbright said they are tested for eyes concerns, motor skills and capabilities. Cherney asked if a Latch Key Kid program was utilized. Wilbright said the district provides KidsZone and will be implementing wrap around child care for preschoolers.

b. Presentation of the City of Lonsdale's Economic Development Authority 2018 Year in Review

Prigge presented the EDA's 2018 Year in Review and commented on the accomplishments of the EDA including: selection of a broker for the Business Park, being a sponsor of the LACC Showcase/Job Fair, partnering in the LACC videos, attending U of M Extension Office BR&E Training, renewing the TV commercials/pre-roll marketing, discussion social media marketing, attending CVN, conducting two BR&E visits, being a sponsor of the Lonsdale Crawl and attending the "Tiger Path" workforce development seminar. Prigge thanked the City Council for approving the requested \$50,000 in funding for 2019. Rud thanked Prigge and the EDA for their work to improve economic development in the community. Erickson provided an brief update on a business that presented at CVN that Lonsdale has been shortlisted as a potential location for their new facility.

c. Consider Approval of Resolution 2019-11, a Resolution Proclaiming May 3, 2019 as Arbor Day in Lonsdale

Erickson said Lonsdale has been a Tree City USA for the last ten years and explained the criteria of becoming a Tree City USA. He said it is proposed to have May 3, 2019 proclaimed as Arbor Day in Lonsdale and he summarized the activities to take place that day. Rud said volunteers such as the Lonsdale Lions have been instrumental in making this event over the years a reality. Rud read Resolution 2019-11. Erickson said that with the 100 year celebration of Czech/Slovak freedom, a tree will be donated to Lonsdale and it is proposed to plant it at Lions Park. A motion was made by Kodada and seconded by

Pelava to approve Resolution 2019-11. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Closed Session – Discuss Legal Options Pertaining to the Taste of Lonsdale’s EDA Revolving Loan Default

Erickson provided the City Council with an update on the status of the defaulted loan. Rud said the funds were tax dollars and needed to be collected. He asked if everything was in place. Kendall replied yes. Pelava said there was no good faith effort made to try to resolve this matter by the borrower. Cherney asked if there were unusual circumstances that caused the default. Kendall said no. Cherney asked if the City can recover legal fees. Kendall said the agreements allow for the City to collect reasonable legal fees but typically are the last to be awarded. Cherney asked if the item could be expedited. Furrer asked about the timeline. Kendall said in anticipation of tonight, most of the paperwork is complete and ready to be filed. Furrer asked if by filing the paperwork if settlement/negotiation is still an option. Kendall said yes. A motion was made by Kodada and seconded by Cherney to bring legal proceedings per the legal documents in place to collect on the defaulted loan with the Taste of Lonsdale. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

e. Consider Approval of Resolution 2019-12, a Resolution Approving a Land Surveyor’s Certificate of Plat Correction for Legacy Meadows

Erickson said the City is being requested to approve a land surveyor’s certificate of plat correction for Legacy Meadows. He said the proposed corrections are nonmaterial and do not change the plat. Kodada asked if the City should implement a fee for situations like this because development pays for itself. Powell said he has not seen a fee charged for this in other communities. He said the developer or surveyor is covering the cost to fix the error. Erickson said the expense to the City has been very minimal. Furrer asked if the lot size changed. Erickson said no. A motion was made by Pelava and seconded by Furrer to approve Resolution 2019-12. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

f. Consider Approval of Resolution 2019-13, a Resolution Appointing the Mayor and City Administrator of the City of Lonsdale to the Lonsdale Fireman’s Relief Association (LFRA) Board of Trustees

Erickson said the LFRA and City Council approved revised By-Laws for the LFRA last April and according to Section 5, the City is to appoint an elected official and an elected/appointed official to the Board of Trustees on an annual basis. He said the reason for City representation on the Board is to have continued communication between the Relief and the City and to be aware of potential impacts to the City’s budget. Pelava asked Mayor Rud and Erickson if they were okay with being on the Board. Both replied yes. A motion was made by Kodada and seconded by Pelava to approve Resolution 2019-13. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- g. Review of Proposals Submitted in Response to the City's Request for Qualifications (RFQ's) for Construction, Ownership and Leaseback to the City of a City Hall / Police Station and Selection of Firms to be Interviewed
Erickson said the City Council approved the RFQ at the February meeting. He said the RFQ was sent to eight firms and four submitted in response to the RFQ. The Council reviewed the key components of each proposal based on staff's review spreadsheet. Rud suggested interviewing all four firms and asked if questions had been formulated. Erickson said by going through the proposals, he has eight questions so far. Rud requested staff provide the City Council the questions prior to the interviews. Cherney recommended interviewing only Loeffler because they have been involved in several meetings with the City already. Rud said he appreciated the comments but recommended interviewing all four firms because it is important to be transparent and know who is building the facility. The City Council held general discussion on the interviews. Pelava agreed that all firms should be interviewed because one might be selected that has not yet met with the City. Cherney said he understands why it is proposed to build the City facility and senior housing at the same but said the City facility could be built on several other possible locations in town. Rud said the goal is to bring a benefit/improve the greater good of the community and the City project. Cherney asked if the developer would build the senior housing regardless. Rud said the City facility is the impetus for the housing. The consensus of the City Council was to interview all four firms that submitted a response to the City's RFQ.
- h. Consider Approval to Schedule a Special Meeting on Thursday, April 18, 2019 at 6:00 pm to Interview Builders for the City Hall / Police Station Facility
Erickson said with the firms selected for interviews, the date and time of a Special City Council meeting needs to be approved. A motion was made by Cherney and seconded by Kodada to schedule a Special Meeting for Thursday, April 18, 2019 at 6:00 pm to interview firms for the construction, ownership and leaseback of a City Hall / Police Station to the City. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- i. Consider Approval of Application for Payment No. 6 in the Amount of \$136,246.98 to Holtmeier Construction, Inc. for the Area No. 5 / Phase 4 Street and Utility Improvement Project
Powell reviewed the pay request and items proposed to be paid. He reviewed in detail the items proposed to be paid on the change order, which included: boring the long side water services, sidewalk/stairs/fencing at 306 Main St. S. and fabric vs. geogrid for poor soil areas. Powell said some of the change order is offset by reductions in other quantities due to the change order. He said in the past items were paid at unit prices but going forward, staff is recommending a change order. Powell said he recommended approval of the pay request. A motion was made by Kodada and seconded by Pelava to approve Application for Payment No. 6 in the amount of \$136,246.98 to Holtmeier Construction. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Kodada asked if there are punch list items that will delay paving from being completed and suggested paving be done as late as possible. Powell said no and he would coordinate a walk through with Rice County for their approval prior to the wear course being installed. He said boulevard trees need to be installed and final restoration needs to be completed in areas. Furrer asked if there is any unsatisfactory work outstanding. Powell said the retainage being held will be used to correct unsatisfactory work, if not done by the contractor. He said he intends to meet with each property owner to make sure they are satisfied with the work completed prior to releasing the retainage.

j. Consider Approval of a MN Lawful Gambling LG220 Application for Exempt Permit Submitted by the Knights of Columbus Council #16225 to Conduct a Raffle

Erickson said the Knights of Columbus have submitted a MN Lawful Gambling LG220 Application for Exempt Permit to conduct a raffle at the IC Church associated with their Parish Festival. He said the Knights have applied for this type of permit before and is not aware of any reason to not acknowledge it without the 30 day waiting period. A motion was made by Kodada and seconded by Furrer to acknowledge the requested MN Lawful Gambling LG220 Application for Exempt Permit submitted by the Knights of Columbus Council #16225 to conduct a raffle without a 30 day waiting period. 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 Works Director

None

City Engineer

None

City Administrator

None

City Planner

None

b. City Council Reports

Council Member Cherney

None

Council Member Kodada

Kodada said the Liquor Store Committee met and reviewed financials, that landscaping improvements will be made this summer and there is a tasting scheduled for May 18, 2019.

Council Member Furrer

Furrer said the Library Board will be meeting next week.

Council Member Pelava

Pelava said the EDA will be meeting on April 23rd and that businesses on Industrial Dr. SE and Industrial Park Dr. SE will be coordinating business tours with TCU so students can see what employment options are available other than those that need a four year degree.

Mayor Rud

Mayor Rud thanked the volunteers involved in the fish fry that pays for the July 3rd fireworks.

12. 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 8:31 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator