

**MINUTES
CITY OF LONSDALE
CITY COUNCIL MEETING
APRIL 9, 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. 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 Planner Benjamin Baker, Public Works Director Russ Vlasak, City Engineer John Powell, Police Chief Jason Schmitz

4. APPROVAL OF AGENDA

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

A motion was made by Kodada and seconded by Pelava to approve the agenda. Roll Call Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. 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 Furrer and seconded by Kodada to approve the Minutes from the March 23, 2020 Emergency Meeting and the March 26, 2020 Regular Meeting. Roll Call Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

6. PUBLIC HEARINGS

None

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

None

Cherney joins the meeting at 7:05 pm.

8. APPROVAL OF THE CONSENT AGENDA

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

- a. Consider Approval to Authorize Staff to Advertise for Sale a Forfeited 2005 F250
- b. Consider Approval of a Quote in the Amount of \$14,887.50 Submitted by Buscho Enterprises, LLC for Hauling and Applying Bio-Solids
- c. Consider Approval of Resolution 2020-20, a Resolution Appointing the Mayor and City Administrator of the City of Lonsdale to the Lonsdale Fireman's Relief Association (LFRA) Board of Trustees

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 Pelava and seconded by Furrer 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 an On-Sale Liquor License Requested by Andrew Rasmussen d\b\ a Smoke, LLC – Joel Erickson, City Administrator

Erickson stated that Andrew Rasmussen is in the process of starting a new BBQ restaurant in the previous Treats/Taste of Lonsdale building, to be named Smoke. He said that the goal of the restaurant is to become a destination point known for good food and craft beer. Erickson explained the City's on-sale liquor license requirements. He said that Rasmussen's goal is to open the restaurant for curbside takeout and catering by May 1st. Rud invited Rasmussen to talk about his restaurant plans. Rasmussen said that he has been cooking professionally for 16 years, and he provided detailed informed on his extensive background in the restaurant industry. He said that his goal is to have top notch craft beer and world class BBQ, with a focus on catering within a 70-mile radius. He said that the building is currently undergoing some remodeling to improve the property aesthetics and get the building up to his standards. Rasmussen said that he would like the restaurant to be family-orientated. He stated that he plans to hire up to 12 people, mostly part-time, and be open from 4:00-9:00 pm, Wednesday-Saturday. Furrer asked if that was his introductory hours of operation. Rasmussen said he would like to expand his hours, including a potential Sunday lunch. He said that hours could expand depending on the response to the new business. Cherney asked if there would be an outdoor patio. Rasmussen said that current building needs a lot of work, but eventually plans for a patio could take place. Kodada and Rud agreed that it is very exciting to see a new restaurant coming to town, and they wished him the best of luck. The Council reviewed the application and applicable City and State regulations.

A motion was made by Kodada and seconded by Furrer to approve an application for an on-sale liquor license requested by Andrew Rasmussen. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

b. Consider Approval to Schedule Special Meetings to Discuss the City's 2021 Annual Budget – Joel Erickson, City Administrator

Erickson said that the 2021 Budget Season is fast approaching, and he asked the City Council to consider scheduling meeting dates to discuss the annual budget. He proposed the following dates at 6:00 pm:

1. Thursday, May 21st
2. Thursday, June 18th
3. Thursday, July 16th
4. Monday, July 27th
5. Thursday, August 6th
6. Monday, August 24th
7. Monday, September 14th

A motion was made by Pelava and seconded by Cherney to schedule the 2021 Budget Meetings as stated. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

c. Consider Approval of a Request for Proposals (RFP) for Lonsdale Police Facility / Future Master Planning – Joel Erickson, City Administrator

The Council reviewed the detailed Staff Report, which included a potential project timeline and RFP for the Lonsdale Police Facility. He stated that before the RFP is approved and sent out to firms, the Council should decide on which financing/construction option is best suited for the project, including a lease-purchase, design-build, or other options. Rud stated that it would be best to get more information from City Staff on the different options available and to discuss the options at a separate meeting on Thursday, April 16, 2020 at 6:00 pm. Kodada agreed that it would be good to look at the different options in a separate work session meeting. Cherney said that he doesn't want to risk a referendum. Cherney said that he thinks of the project as more a campus, and he suggested entertaining the idea of constructing an external shell for a City Hall facility at the same time that the Police Department building goes up. Rud made it clear that based on recent discussion that the City was only considering construction of a Police Station at this time. He said that further information and discussion can take place at the special work session meeting next Thursday.

A motion was made by Furrer and seconded by Kodada to schedule a Special City Council Work Session Meeting on Thursday, April 16, 2020. Roll Call Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Consider Approval of Resolution 2020-21, a Resolution Ratifying Sale, Prescribing the Form and Details and Providing for the Payment of \$2,050,000 General Obligation Improvement Bonds, Series 2020A – Paul Donna, Baird

The Council reviewed Erickson's Staff Report. Paul Donna, of Baird, provided information and insight on the current bond market and details pertaining to the bond for the 2nd Avenue SW Improvement Project. He explained that due to the effect the COVID-19 health pandemic and dramatic change in the financial market, the municipal bond market went from almost all time low rates to substantially higher rates in a matter of weeks. However, Donna explained that he reached out for potential private placement options, including banks. He said that Bremer Bank indicated that they were interested in purchasing the bonds through a private placement. Donna summarized the bond sale, including a 2.23% interest rate, which is only slightly higher than the projected municipal bond market rate from a few months back. He explained that the City will save \$80,000 by going to the private market. Erickson said that it seems to make sense, noting that the City has done private placement before. Cherney asked if the City had the flexibility to add to the bond, in reference to constructing a public facility campus. Rud asked City Staff and Donna to research and provide financing options for next Thursday's meeting. Kodada asked about bond rating, and Donna said that the City's bond rating status does not change because the private buyer does not require a bond rating.

A motion was made by Kodada and seconded by Pelava to approve Resloution 2020-21, a Resolution Ratifying the Sale, Prescribing the Form and Details and Providing for the Payment of \$2,050,000 General Obligation Improvement Bonds, Series, 2020A. Roll Call 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

Vlasak said that the Public Works Department is trying to work as normal as possible through social distancing.

City Engineer

Powell said that there was a recent small utility coordination meeting with A-1 Excavating for the 2nd Avenue SW Project. He said that surveying work and soil borings were being completed for the future Police Department site. He stated that bids are due for the Trcka Park Hockey Rink Slab Project on April 16th. Powell said that the City is also planning to mill and overlay Deer Ridge Drive.

City Administrator

Erickson said that he has been pushing the County and State to get a safer intersection at Co Rd 2 & TH 19. He said that the CVN event has been canceled.

City Planner

Baker said that soil borings and engineering work were being competed next to Snap Fitness for a potential financial institution. He said that the Trcka Park Building Project bids came in on April 7th, and the rebidding process helped the City save \$70,000.

b. City Council / Department Reports

Council Member Cherney

None

Council Member Kodada

Kodada provided a recap of the April 6th Planning Commission Meeting, including discussion on the future Police Department land and transportation planning along TH 19 and Co Rd 4.

Council Member Furrer

Furrer thanked the Lonsdale Liquor Store employees for doing an excellent job during this time. She said that Plexiglas protective barriers were erected for the checkouts. She noted that the store is seeing record profits.

Council Member Pelava

Pelava said that the EDA did not have a meeting due to the Coronavirus reaction, and he stated that the BR&E Program has been put on hold.

Mayor Rud

Mayor Rud said that he recently attended an excellent County COVID-19 emergency management meeting that talked about the plan for Rice County. He said that Minnesota has been declared an emergency by FEMA, which opens up the possibility of recouping incurred costs due to the pandemic. He encouraged everyone to stay home if sick, use your head, and stay safe.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Pelava to adjourn the meeting. Vote for: Cherney, Kodada, Rud, Furrer and Pelava. Roll Call Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting ended at 8:10 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator