

**MINUTES
CITY OF LONSDALE
CITY COUNCIL MEETING
MAY 25, 2017**

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: K. Kodada, J. Daleiden, T. Rud, C. Furrer, and S. Pelava

Members Absent: None

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

4. APPROVAL OF AGENDA

Mayor Rud said the agenda went through 10 K and asked if there were any corrections, additions or deletions to the agenda.

A motion was made by Pelava and seconded by Furrer to approve the agenda as presented. Vote for: Kodada, Daleiden, 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 Kodada and seconded by Furrer to approve the Minutes from the April 25, 2017 Special Meeting, the April 27, 2017 Regular Meeting, the May 11, 2017 Regular Meeting and the May 16, 2017 Special Meeting. Vote for: Kodada, Daleiden, 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

A motion was made by Pelava and seconded by Kodada to approve the consent agenda as follows:

- a. Monthly Bills
- b. Treasurer's Report
- c. Board and Commission Minutes

Vote for: Kodada, Daleiden, 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 Resolution 2017-25, a Resolution Approving Vacation of a Utility Easement – Joel Erickson, City Administrator

Erickson said this was the second component of Lonsdale Packaging's request to construct a 20,000 square foot addition to their existing building. He said when the City sold this property to Lonsdale Packaging in 2001, it was sold as an Outlot, which does not have drainage and utility easements platted on the lot. He said staff is recommending the 50 feet easement be reduced to 25 feet, which will allow Lonsdale Packaging to construct their requested building and still provide the City with an easement of 25 feet wide, which is the rear yard setback for properties zoned I-2. He said with the City constructing a new WWTP in 2003/04, the easement is no longer needed to access the ponds. Daleiden asked if the lots to the south have easements. Erickson replied yes and they are platted. Pelava said that the Planning Commission reviewed the request and did not have any concerns with it. A motion was made by Daleiden and seconded by Pelava to approve Resolution 2017-25. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- b. Consider Approval of a Sewer Rate Adjustment for the Property Located at 112 Central St. E – Joel Erickson, City Administrator

Erickson said staff received a request to reduce the average sewer rate for the property located at 112 Central St. E to the base fee of \$20.00 because the property is vacant. He said the main reason for the request is due to high usage in February and besides that, usage has been very consistent at 1,000 gallons per month. A motion was made by Kodada and seconded by Furrer to approve a sewer rate adjustment to \$20.00 per month as long as the home is unoccupied. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- c. Consider Approval of a Sewer Rate Adjustment for the Property Located at 634 Birch St. NE – Joel Erickson, City Administrator
 Erickson said staff received a request to adjust the average sewer rate for the property located at 634 Birch St. NE for the remainder of the year because the property owner had five additional people living in the home during the first quarter of 2017, who have since moved out. He said the property owner is single and has averaged around 3,000 gallons during first quarter of the last several years. Erickson said in addition, there was also a leaking toilet. A motion was made by Pelava and seconded by Furrer to approve a sewer rate adjustment to 3,000 gallons per month, resulting in a savings through the end of the year of \$1,256.48. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- d. Consider Approval of a Sewer Rate Adjustment for the Property Located at 327 5th Ave NE – Joel Erickson, City Administrator
 Erickson said staff received a request to adjust the average sewer rate for the property located at 327 5th Ave NE due to a faulty water softener. He said this is the second request for an adjustment because the first time the water softener was fixed, it was not and the water usage continues to increase. He said the property owner is requesting the last three year's first quarter average be used for the remainder of the year. Mayor Rud asked if there is a policy on the number of adjustments a property owner can ask for. Erickson said no but an adjustment can only go back three months, which puts the responsibility on the property owner to make a repair. The City Council agreed a policy on the number of adjustments should be implemented. A motion was made by Kodada and seconded by Pelava to adjust the average sewer rate for the remainder of the year and be based on the last three year's first quarter average sewer rate. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- e. Consider Approval to Schedule a Public Hearing on June 8, 2017 at 7:00 pm or Shortly Thereafter on Proposed Ordinance 2017-278, an Ordinance Amending City Code Chapter §110: Alcoholic Beverages – Joel Erickson, City Administrator
 Erickson said with the State approving Off-Sale sales on Sundays beginning July 1st, City Code §110: Alcoholic Beverages needs to be amended to allow Off-Sale sales in Lonsdale. He said staff and the Liquor Store Committee have discussed and are recommending Lonsdale Liquor be open on Sundays. Erickson said since the City Code needs to be amended, a public hearing is required. A motion was made by Daleiden and seconded by Furrer to schedule a Public Hearing on June 8, 2017 at 7:00 pm or shortly thereafter on proposed Ordinance 2017-278, an Ordinance amending City Code Chapter §110: Alcoholic Beverages. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- f. Consider Approval of Resolution 2017-26, a Resolution Requesting Cost Participation by Rice County in the City's Area No. 5 – Phase 4 Street and Utility Improvement Project – Joel Erickson, City Administrator
 Erickson said Mayor Rud and himself met with representatives of Rice County and funding for Main St. S. street repairs associated with the Area No. 5 – Phase 4 project

were discussed and the City was requested to adopt a resolution making a funding request for Rice County to react to. He said if approved, Lonsdale is requesting \$297,0000 in cost participation from Rice County with the City's Area No. 5 – Phase 4 project so Main St. S. can be completely overlaid. Mayor Rud said the Commissioners are supportive of Lonsdale and northern Rice County. He said the meeting was good and resolutions requesting funding should be submitted in the future. A motion was made by Kodada and seconded by Pelava to approve Resolution 2017-26. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

g. Consider Approval to Accept Jason Ruppert's Letter of Resignation From the Lonsdale Economic Development Authority (EDA) and Authorize Staff to Advertise the Vacancy – Joel Erickson, City Administrator

Erickson said Ruppert is moving out of Lonsdale and therefore needs to resign his position on the EDA. He said Ruppert was good on the EDA and served nearly 2 ½ years of the 6 year term. He said he spoke with Mayor Rud and the consensus is to advertise the vacancy. Kodada agreed the vacancy should be advertised. A motion was made by Furrer and seconded by Kodada and accept Jason Ruppert's letter of resignation and to advertise the vacancy. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

h. Consider Approval to Not Waive the Monetary Limits on Municipal Tort Liability Established by Minnesota Statutes, Sections §466.04 – Joel Erickson, City Administrator

Erickson said he has begun to renew the City's Property and Casualty Insurance and part of the process is to waive or not waive the monetary limits on tort liability. He reviewed the implications if the City waives, does not waive or purchases excess liability coverage. Erickson said since he has been here, the City has never waived the monetary limits on municipal tort liability. A motion was made by Daleiden and seconded by Pelava to not waive the monetary limits on municipal tort liability. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

i. Consider Approval to Accept Zackary Ambroz's Letter of Resignation as Full Time Police Officer – Jason Schmitz, Chief of Police

Chief Schmitz said Ambroz was hired by the City in February of 2016. He said Ambroz did a great job and that he has accepted a full time position with the City of New Prague. A motion was made by Kodada and seconded by Pelava to accept Ambroz's letter of resignation from the City of Lonsdale. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

j. Consider Approval of a Quote in the Amount of \$25,900.00 Submitted by LaCanne Paving, LLC for the 3rd Ave SW and 5th Ave NW Mill and Overlay Project – Russ Vlasak, Public Works Director

Public Works Director Vlasak said he obtained quotes for paving 3rd Ave SW and 5th Ave NW due to failing pavement. He recommended accepting the quote submitted by LaCanne Paving, LLC. The City Council reviewed the quotes received. They instructed Vlasak to work with the City Engineer to determine quantities and for staff to create a bid

sheet for contractors to bid on. A motion was made by Kodada and Daleiden to reject the quotes submitted and to create a bid sheet for the necessary work. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

k. Consider Approval of a Quote in the Amount of \$68,587.56 and Deduct in the Amount of \$10,000.00 Submitted by Pearson Bros, Inc. for Sealing Coating – Russ Vlasak, Public Works Director

Public Works Director Vlasak said he solicited quotes for seal coating. He said two quotes were received and Pearson Bros, Inc. was the low bid and because the price difference between the typically used oil and the higher quality oil is minimal, he recommended using the CRS-2P oil. Vlasak also said that he contacted Pearson Bros. after reviewing their bid and they are proposing a \$10,000.00 deduct to use the City stock pile of trap rock for sealcoating. Mayor Rud asked if with the CRS-2P oil, if there would be tracking like on 8th Ave NW. Vlasak said it would be better. Mayor Rud asked if it would be more expensive to also do a fog seal to help lock in the rock. City Engineer Powell said it would be more but not terribly more. Kodada asked suggested using the less expensive oil and doing the fog seal. Powell said he would research the interaction between the oils(s) and the fog seal. A motion was made by Kodada and seconded by Furrer to accept the quote submitted by Pearson Bros, Inc. for sealcoating with the CRS-2P oil and \$10,000.00 deduct and for staff to obtain a quote for fog sealing. Vote for: Kodada, Daleiden, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

11. OTHER BUSINESS

a. Staff Reports

Public Works Director

Vlasak said staff has been busy crackfilling, with park maintenance, mowing and he has been working on the DNR Emergency Water Comp. Plan.

City Engineer

Powell said Dirt Merchants has completed the clearing/grubbing of trees on the east side of Garfield as part of the Pondview Dr. SE project and the contractor expects to begin construction next week. He said watermain is being installed as part of the Area No. 5 Phase 3 project, Michaels is working on behalf of CenterPoint Engery and so far, there have not been any major conflicts. He said Chard will be in next week to pave the wear course on last year's street project.

City Administrator

Erickson said he and the City Planner met with County and State representatives to discuss funding options for clean water projects, the court case with Ryan Flynn resulted in a the City winning on default, staff met on the Lonsdale Packaging project, the Pondview Dr. SE project pre-con meeting was held, there is a budget meeting on May 30th, staff met the new route manager for Waste Management and the EDA Marketing Committee has met several times recently.

City Planner

None

b. Council Reports

Council Member Daleiden

Daleiden said there are five weeks in May, so sales should exceed 2016 and the City Council will be considering Sunday Sales at the next meeting.

Council Member Kodada

Kodada said there has not been a meeting since the last City Council meeting and the next Park Board meeting is June 13th.

Council Member Furrer

Furrer said the EDA met last week and discussed Ruppert's resignation, EDA members attended a Business Retention and Expansion visit at BME Tool. She said at the Library Board meeting, the Board reviewed the Annual Report and accepted a \$500.00 donation from the Legion Auxiliary for the Summer Reading Program.

Council Member Pelava

Pelava said the Planning Commission reviewed the Lonsdale Packaging expansion project at their last meeting.

Mayor Rud

Mayor Rud said Dale Furrer received an award from the MPCA for operating the WWTP in compliance with our permit and said congratulations. Rud mentioned that Ray Valek will be 100 years old and wished him a Happy Birthday. With Memorial Day, he thanked all the veterans for their service and said the American Legion will be hold events on Memorial Day ending at the Legion with a luncheon.

12. ADJOURNMENT

A motion was made by Furrer and seconded by Daleiden to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting ended at 7:57 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator