

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
JUNE 24, 2021**

**1. CALL TO ORDER**

Mayor Rud called a meeting of the Lonsdale City Council to order in the Lonsdale City Council Chambers at 7:00 p.m.

**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,  
City Engineer John Powell, Public Works Director Russ Vlasak, Police Chief  
Jason Schmitz

**4. APPROVAL OF AGENDA**

Mayor Rud asked if there were any corrections, additions, or deletions to the Agenda. Erickson noted that Agenda Item 10(e) was added.

A motion was made by Pelava and seconded by Furrer to approve the agenda as presented. 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 Kodada and seconded by Cherney to approve the Minutes from the June 10, 2021 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**

Lisa Strawhacker, owner of Quilting by the Hearth, 208 Main Street South, asked if more COVID CARES Act money would be available for local businesses. Strawhacker said that the pandemic continues to impact her business, and she said that she is trying to keep her business afloat. She said that some businesses did not apply for the first round of funding, but she suggested that more businesses may consider applying for the next round of funding. Although Strawhacker’s business received CARES Act funding, she questioned if enough was being done to communicate with businesses about the funding resources. Strawhacker said that she did not receive an email from the Chamber. Rud asked Strawhacker to stick around, because the Council will be discussing the topic later in the meeting.

In regards to 2020 CARES Act funding, Erickson stated that he personally visited all the businesses in the Downtown area to inform them about the opportunity. Erickson said that the majority of Lonsdale’s businesses were informed about the funding, but for whatever reason many decided to not take advantage of the grant money.

**8. APPROVAL OF THE CONSENT AGENDA**

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

- a. Monthly Bills
- b. Treasurers Report
- c. Board and Commission Minutes

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. 2021 Minnesota State Legislative Update - Todd Lippert, State Representative District 20B  
State Representative Todd Lippert said that the legislative session should be wrapping up soon. He provided an update on session topics, including housing and small city street maintenance funding. Lippert said that there are 705 small cities in Minnesota, and he said that Lonsdale is slated to receive \$70,000 in assistance for streets, if passed. Lippert said that he talked with the MNDOT District 6 Engineer regarding safety improvements needed at TH 19 and CSAH 2. Lippert said that helping small businesses, that were hit hard by the pandemic, with COVID relief was a priority of the legislature. He said that information and financial help is directed through DEED’s website. Members of the audience provided comments and asked questions concerning the Governor’s peace time emergency executive powers and the handling of COVID-19. Lippert provided three reasons why he voted in support of the continuance of executive powers, and he said that through negotiation the executive powers should be coming to an end soon. He reminded the audience that he represents the whole district.

Cherney asked about federal election auditing. Lippert said he is aware of Arizona's audit, and he said that the same conversations in Arizona and around the nation regarding elections are also taking place in St. Paul. He said that the State Finance Committee is involved with that particular subject. Lippert suggested trusting the courts and election process, and he said that he is not in support of an audit in Minnesota. Kodada asked about the zoning pre-emption bill. Lippert said that it did not pass. Rud asked about grant funding for parks and trails. Lippert said that he would pass along any further information on park/trail grants.

Lippert thanked the Council for the time, and the Council thanked Lippert in return for the update and assistance in securing additional safety measures at the Hwy 19/CR 2 intersection. Lippert and members of the audience gathered outside of the Council Chambers for further discussion.

b. Consider Approval of Resolution 2021-37, a Resolution Accepting the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act – Joel Erickson, City Administrator

Erickson stated that the City is expected to be allocated an estimated \$441,735 in American Rescue Plan Act (ARPA) funds. He said that the first step is to approve Resolution 2021-37, accepting the funds. Erickson noted that half the funds will be released this year, and half next year. He explained how last year's CARES Act funds were distributed, including 1/3 to businesses. Erickson said that the Chamber of Commerce did a good job of distributing resource information to all businesses in town, both members and non-members. Strawhacker said that her business and potentially other businesses in town do have a need for the relief funds. Cherney asked if a informational note could be placed on the utility bill. Erickson said that it isn't possible, and he said that City staff would have to stuff envelopes to make that option happen. Cherney questioned the reasoning for passing a Resolution to receive the funds. The other Council members and Erickson explained that it is part of the formal process to avoid not receiving funding.

A motion was made by Cherney and seconded by Pelava to approve Resolution 2021-37, a Resolution accepting the Coronavirus Local Fiscal Recovery Fund Established Under the American Rescue Plan Act. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

c. Consider Approval to Authorize Staff to Advertise for a Part Time Liquor Store Clerk at Grade 1 / Step 2 (\$13.00/hr.) – Joel Erickson, City Administrator

Erickson said that the an employee at Lonsdale Liquor will be quitting in August. He asked the Council to consider advertising for the position to prepare for the vacancy and avoid being short staffed. He said that other local employers are having trouble filling positions similar to this, and he suggested starting one Step higher at Grade 1/ Step 2, in an effort to be more competitive.

A motion was made by Kodada and seconded by Cherney to authorize Staff to advertise for a Part Time Liquor Store Clerk at Grade 1 / Step 2 (\$13.00/hr.). Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Discuss Whether or Not to Allow Solar Energy Systems in Commercial, Industrial and Public Facility Districts – Ben Baker, City Planner

Baker stated that one day after a recent Lunch-&-Learn event, hosted by the Lonsdale EDA and Chamber of Commerce, Jenni Wickman, owner of Generation Building Center, contacted the City asking about erecting a potential solar panel on the northeast side of the property. Baker stated that although solar collectors are listed as a permitted accessory use in residential zoning districts, they are not listed in any of the commercial, industrial, or public facility districts. He explained that technically solar panels are not allowed in those districts. Baker said that some neighboring cities, like Elko New Market, do allow for regulated solar panels/arrays within their commercial/industrial districts. Baker asked the Council for their thoughts on whether or not the City should consider allowing solar panels/arrays along TH 19 or in commercial/industrial districts. After discussing the topic, the Council directed Staff and the Planning Commission to consider aesthetics and the best use of land. The Council agreed that if allowed, roof mounted solar options and smaller hidden/screened locations would be best. Baker thanked the Council for their comments.

e. Consider Approval of a Land Lease Agreement between the City of Lonsdale and James Schmitz

Erickson provided history on Lonsdale's alfalfa/grass cutting agreement for the Business Park. Erickson said that the proposed agreement is the same agreement as in the past, and he recommended approving the agreement with James Schmitz for \$200 for 2021. Erickson went through the terms of the lease agreement. He noted that the City did recently sell 10-acres along Pond View Drive SE. Cherney stated that Schmitz is doing the City a favor, and he suggested a \$1 rent. The Council briefly discussed rental rates, including reasoning for keeping the rent rate as proposed.

A motion was made by Cherney and seconded by Pelava to approve a Land Lease Agreement between the City of Lonsdale and James Schmitz for a Rent amount of \$1.00. Vote for: Cherney. Vote against: Kodada, Rud, Furrer, and Pelava. Abstained: None. Vote: 1-4. Motion failed.

A motion was made by Kodada and seconded by Furrer to approve a Land Lease Agreement between the City of Lonsdale and James Schmitz for a Rent of \$200.00, as proposed. Vote for: Kodada, Rud, Furrer, and Pelava. Vote against: Cherney. Abstained: None. Vote: 4-1. Motion carried.

## 11. OTHER BUSINESS

### a. City Staff Reports

#### *Public Work Director*

Vlasak provided an update on the Trcka Park Project.

#### *City Engineer*

Powell continued with the update on Trcka Park. He also provided an update on the 2021 Street Project. Powell said that paving work should be completed in Phase I next week.

#### *City Administrator*

Erickson provided an update on the closing of 10-acres on Pond View Drive SE on June 23, 2021. He said that plan submittals should be coming to the City within the next few weeks for a potential 100,000 – 200,000 sq. ft. building. Erickson also said that he has been working on the 2022 Budget, EDA follow up, and MNDOT safety concerns. Erickson said that funding for a roundabout at TH 19 and Co Rd 2 is scheduled for 2025, along with the TH 19 resurfacing project. He said that the City did take the lead, and worked with Representative Lippert, to get safety improvements at that intersection. Erickson said that the proposed rural-residential development along Co Rd 96 is not moving forward due to infrastructure costs.

#### *City Planner*

Baker said that the old fence in disrepair at TH 19 & CSAH 2 has now been completely taken down. He said that the 2022 Parks, Trails, and Recreation Budget is out for review. Baker said that a couple of land use applications have been submitted. He said that Staff has been using the new iWorQ permitting software.

### b. City Council / Department Reports

#### *Council Member Cherney*

Cherney said that the Library Board discussed the need for a sidewalk to the grocery store and a more centralized location, like downtown, for a new library.

#### *Council Member Kodada*

Kodada said that Parks & Recreation and Planning Commission did not meet.

#### *Council Member Furrer*

Furrer said that the Liquor Store is on pace for \$190,000 gross profit.

#### *Council Member Pelava*

Pelava provided an update on the EDA meeting. He said that BR&E Retreat will be in July. Pelava stated that they approved an agreement with LoopNet to market the Business Park. He said that the EDA will pay \$650/mo. for the service. Cherney questioned the EDA's spending authority. Erickson said that the EDA is a separate entity from the City/Council and can spend money without City Council approval. Pelava and Erickson also provided a status update on the Police Department Project.

*Mayor Rud*

Rud asked the Council to think about what the City should do with the old Police Department facility. He said that Shanna from the Chamber will be joining him on KCHK. He wished everyone a happy 4<sup>th</sup> of July.

**12. ADJOURNMENT**

A motion was made by Kodada and seconded by Furrer 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 8:18 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator