

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
JUNE 6, 2022**

1. CALL TO ORDER

Mayor Rud called a special meeting of the Lonsdale City Council to order at 6:00 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: David Webb, Kevin Kodada, Tim Rud, Cindy Furrer, and Scott Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, City Treasurer Tami Brokl, Public Works Director Russ Vlasak, City Engineer Nick Guilliams, Police Chief Jason Schmitz, Liquor Store Manager Lynette Moe, Library Director Marguerite Moran and Fire Chief Dave Pfluke

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any additions, deletions or corrections to the agenda. A motion was made by Kodada and seconded by Furrer to approve the agenda as presented. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. 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

None

9. OLD BUSINESS

None

10. NEW BUSINESS

a. Consider Approval to Make a Conditional Job Offer to Devin Whiteis as Seasonal Public Works Employee at Grade 1 / Step 4 (\$14.92/hr.)

Erickson said with the resignation of two seasonal employees, he contacted TCU High School and advertised for two Seasonal Public Works employees. He said Whiteis saw the advertisement and applied for the position. Erickson said Whiteis was interviewed by the Public Works Director and himself. He said Whiteis interviewed well and has experience operating equipment such as mowers, weed whips, skid loaders, forklifts, etc. He said if approved tonight, he would contact Whiteis to complete the background check and hopefully he can start yet this week. Furrer asked if Whiteis was going to weed whip? Erickson said yes. A motion was made by Kodada and seconded by Pelava to make a conditional job offer to Devin Whiteis as Seasonal Public Works Employee at Grade 1 / Step 4 (\$14.92/hr.). Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

b. Discuss the City's 2023 Budget

Erickson said this was the first meeting on the City's preliminary 2023 budget and the discussion tonight will be the framework for future meetings and staff recommendations. He said he updated the property tax levy and budget impact spreadsheet to account for a seven percent increase in values, which generates an additional \$171,150.00. He said items to consider when setting the levy are the impact on taxes, two years of inflation at record high levels and debt service payments. Erickson after deducting new debt service amounts, of the \$171,150.00, \$98,750.00 remains for all other property tax supported expenses. Mayor Rud asked if there was any outside money available to use. Erickson summarized the American Rescue Plan Act (ARPA) funding and items that it cannot be used on.

Erickson said Paul Donna of Baird will be at the June 16th budget meeting to review funding options for capital improvement projects and equipment. Erickson said with Rice County proposing to reconstruct County Road 4 in 2023, the City should consider any utility improvements at that time. The consensus of the City Council was that it made sense to make utility improvements with the project.

Erickson said earlier in the year, the City was petitioned to reconstruct the alley east of 1st Ave NE. He said it needs to be reconstructed and he does not expect the request to go away. Kodada said benefiting property owners should be assessed for the improvements and that the residents should be asked if they want it improved. Mayor Rud said it does not seem to be a priority but if it is, a meeting should be scheduled to discuss the improvements with affected property owners.

Erickson said with new police facility nearing completion, the City Council needs to provide direction on what to do with the current facility. Furrer asked if Sky Warn has been asked if they are interested in purchasing the building. Erickson said no because he was waiting for direction from the City Council on how to proceed. Mayor Rud said if Sky Warn is interested in purchasing the building, the sale be structured similar to what was proposed to the Lonsdale Area Food Shelf.

Erickson said that Chief Schmitz met with two companies regarding security cameras for parks. Chief Schmitz summarized the number of damage to property reports, specifically at the parks, which parks have the most reports, the proposal for each park and the total cost. He said some parks do not have poles to place the cameras on, some do not have power and all cameras will need to be connected to the internet. Mayor Rud asked if the proposal was for the three parks with the most reports. Schmitz said the proposal is for all parks. Kodada asked if the Veteran's Memorial was included. Schmitz said yes and the camera is proposed to be installed on a streetlight. Kodada asked if Schmitz had seen a photo from one of the proposed cameras. Schmitz said no but in the packet is a photo from 300 feet away and summarized the search options. Mayor Rud asked if the cameras zoom in/out. Schmitz said no. The City Council held general discussion on cameras and requested Schmitz get a second quote for Jaycee Park, Trena Memorial Park and the Veteran's Memorial.

Erickson said the next property tax supported debt service to be paid off are the 2012A bonds. He said 2023 is the last year of the wastewater treatment plant bonds. He said the City Council will need to decide on whether or not to reduce the sewer fee, keep it at the current rate to fund future improvements/expansions and if reduced or would the tax levy off-set a reduction in the rate. Erickson summarized the amount of the property tax levy used to fund debt service accounts.

Erickson summarized the current record high levels of inflation and provided the cost of wage increases ranging from 3.50% to 7.0%. He said the pay scale will need to be evaluated and the lower steps removed and added to the top end. Erickson said it is becoming difficult to hire employees at the lower wage levels. He said a comparable work study could be done to evaluate wages, benefits and accrued time off with comparisons to similar sized cities.

Erickson summarized the short and long term goals/needs of each department, which is a continuation of the 2022 budget process. The City Council held general discussion on each department's needs.

Erickson summarized the American Rescue Plan Act (ARPA) and how those funds can be utilize based on recent recommendations from Treasury. The City Council agreed that going forward, the funds should be used for other expenses than providing grants to businesses two years after COVID began.

Erickson said as property values increase, the amount of exclusion credit is reduced, increasing the value that taxes are based on . Kodada said it will be important to keep residents informed as to why taxes are going up. Mayor Rud said many cities and counties are employing communications staff and that comments on Facebook need to be responded to so the facts are presented. Furrer said it is hard to be short and not spend time responding.

Mayor Rud asked if there was anything else. Kodada said he would like to see several options for the property tax levy and impact. Mayor Rud said that staffing at City Hall needs to be a priority.

11. OTHER BUSINESS

a. Staff Reports
None

b. Council Reports
None

12. ADJOURNMENT

A motion was made by Kodada and seconded by Pelava to adjourn the meeting. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting ended at 7:03 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator