

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
JUNE 9, 2022**

**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: David Webb, 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 Nick Guilliams, City Treasurer Tami Brokl

**4. APPROVAL OF AGENDA**

Mayor Rud asked if there were any corrections, additions, or deletions to the agenda.

A motion was made by Pelava and seconded by Webb 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**

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 May 26, 2022 Regular Meeting. Vote for: Webb, 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

A motion was made by Pelava and seconded by Webb to approve the Consent Agenda:

- a. Consider Approval of Resolution 2022-33, a Resolution Transferring \$625.00 From the Park Fund, \$625.00 From the Water Fund, \$625.00 From the Sewer Fund and \$625.00 From the Road & Bridge Fund to the Police Fund for Purchase of a 2013 Ford Taurus  
Furrer asked for more clarification on the subject. Erickson said that the Police Chief and Public Works Director facilitated a deal to transfer the old squad car to the Public Works Department. He explained that the expense has been budgeted for, and it will be divided between the four main areas of Public Works. Pelava asked if the City decals will be placed on the vehicle. Erickson said yes.

Vote for: Webb, 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 Application for Payment No. 15 in the Amount of \$72,734.85 to Kue Contractors, Inc. for the Police Facility

John McNamara, of Wold, provided a project update from the front podium. He said that the site work is mostly done and sod is now laid. He said that punch list items will be worked on over the next few weeks. He said that the countertops will be installed next week and the boiler pumps are on their way. McNamara said that the furniture should arrive in early-July. Pelava said that loose ends are being tied up. Rud said that the opening won't be long now.

A motion was made by Pelava and seconded by Webb to Application for Payment No. 15 in the amount of \$72,734.85 to Kue Contractors, Inc. for the Police Facility. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

b. Consider Approval of the City's 2021 Year-End Audit/Financial Statements

The Council reviewed the 2021 audit letter and financial documents from City Auditor, Schlenner Wenner & Company. Ryan Schmidt, of Schlenner Wenner & Company, presented the City's 2021 Financial Statements and Year End Audit. He went through a 20-slide presentation. The presentation included information and graphs on process, opinion, communications, internal controls, legal compliance, financial highlights, the General Fund, Government Funds, Enterprise Funds, cash trend analysis, assets, liabilities and long-term debt. Schmidt said that Lonsdale received a clean opinion. He said that the City is in a very healthy financial position, noting that the general fund balance exceeds the minimum policy balance. Schmidt also said that the enterprise funds are healthy and self-sustaining. He said that he didn't have any concerns about the audit. Erickson said that the audit process went well. Rud thanked Brokl, Erickson, and Staff for their work on the audit.

A motion was made by Kodada and seconded by Webb to approve the City's 2021 Year-End Audit/Financial Statements. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

c. Consider Ordinance 2022-312, an Ordinance Amending/Repealing City Code §153.074(G) Broadband Communication Installation

Baker stated that in early-2019, the Council adopted Ordinance 2019-294, to help provide residents with multiple access options to high-speed internet. He explained that at the time, Lonsdale Telephone Company was having trouble working with certain builders. He said that the Telephone Company with the help of the Minnesota Telecom Alliance created the ordinance. Baker stated that following adoption of the ordinance there was some full compliance and enforcement issues. Baker said that due to advances in wireless technology and enforceability, the Planning Commission recommended repealing the ordinance. Kodada said that aspects of the ordinance couldn't be enforced if it came down to it.

A motion was made by Kodada and seconded by Pelava to approve Ordinance 2022-312, an Ordinance Amending/Repealing City Code §153.074(G) Broadband Communication Installation. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Consider Ordinance 2022-313, an Ordinance Amending Ordinance 2018-291 Adding Commercial Car Washes as a Conditional Use

Baker stated that Jake Wetzel, of Wetzee's Wash & Wax, and Adam Traxler, First National Bank, property owner of 701 Ash Street NE were the applicants. He said that the applicants requested approval to allow "commercial car washes" as a "conditional use" in the Rolling Ridge Market Place PUD. Baker noted that the applicants were not requesting site plan, plat, or conditional use permit approval at this time. He stated that City Staff did inform the applicants that a similar request was made back in 2006, that was ultimately denied. Baker also said that Staff notified the applicants that there is vacant land currently zoned as B-2 and C/I located along TH 19, between Dollar General and Trondhjem Church, that would allow for a commercial car wash as a conditional use. Baker briefly went through the history of the 2006 car wash discussion. Rud asked about the developers original plan for the site. Erickson explained that Municipal Development Group helped facilitate discussion and the rezoning of the subject property to a Planned Unit Development in 2006-2007, which did not allow for car washes because the request was recently denied. Baker said that the Planning Commission held a public hearing, and they recommended denial of the request, due to concerns of noise, lack of screening/buffer, not the best use of land, not in-line with the original development plans/uses, and the fact that vacant land is currently available and zoned to allow for commercial car washes in Willow Creek Commons and the Lonsdale Business Park. Baker noted that three people spoke against the car wash during the public hearing, and he said that generally the neighbors to the west were against the idea of a car wash, similar to back in 2006-2007. He said that the applicants also provided further information at the public hearing.

Jake Wetzel came to the front podium. He said that his family has owned the car wash in Le Center for many years, and they are looking to expand. He said that if approved, he would like to erect a 60 ft. long bay, with dryer located inside. He presented a site sketch plan to the Council for review. He said that vehicles would enter from the north and exit on the south. Wetzel said that with advances in dryer technology, they are now no louder than a hair dryer at 60 dB. He said that their car wash in Le Center is located only 120 ft. from a townhome development, and Wetzel said that there haven't been any noise complaints. For comparison, Wetzel said that the nearby Mackenthuns convenience store makes similar amounts of noise as a car wash. Wetzel explained that the Rolling Ridge Market Place location was a much more desirable location, according to a site selection study that he had completed. Wetzel said that the land has been sitting vacant for 15-plus years.

Pelava said that many new Kwik Trips c-stores and carwashes are located right next to residential homes. He wondered if garage door closing tech and extending the length of the car wash building could help contain some of the dryer noise. Kodada stated that residents and some of the Commissioners at the meeting were leery of noise issues, increased traffic, and straying away from intent of the original plan. Many of the Council members agreed that a good car wash was needed in town. They discussed options that would maybe be acceptable to the neighboring residents, including buffering with a berm

and/or building and locating the car wash further to the east, away from the neighborhood. The Council discussed potential hours of operation.

Rud said that the City Council wants to move the town forward, and he suggested that a neighborhood meeting be organized by the applicants to get the neighbors on board with the idea of a car wash. He encouraged the applicants that there may be ways to work through the issues. Furrer clarified that if the Council approved the applicant's request, that a commercial car wash would have to be allowed in the Rolling Ridge Market Place. Rud stated that the City is on a timeline to either approve or deny the amendment request.

A motion was made by Kodada and seconded by Furrer to deny a land use application submitted by Jacob Wetzel, for a text amendment to the Rolling Ridge Market Place PUD to allow for commercial car washes as a conditional use. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Rud said that he appreciated Wetzel's interest in Lonsdale.

e. Consider Approval of Change Order No. 1 for the 2021 Street and Utility Improvement Project

Guilliams provided an update on the 2021 Street Project. He said that due to construction operations taking place on connecting streets as part of the 2022 Street Project, it is recommended to extend the final completion deadline date for the bituminous wear course to August 15, 2022 to best preserve the integrity of the bituminous wear course. Kodada and the other Council members agreed that made sense.

A motion was made by Pelava and seconded by Webb to approve Change Order No. 1 for the 2021 Street and Utility Improvement Project. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

f. Consider Approval of Application for Payment No. 2 in the Amount of \$175,255.49 to BCM Construction for the 2022 Street and Utility Improvement Project

Guilliams provided an update on the 2022 Street Project, which was divided into two phases. He asked the Council to consider approval of Payment No. 2, for work items completed in Phase I, including new watermain installation, new water services, and bituminous pavement removal.

A motion was made by Pelava and seconded by Furrer to Application for Payment No. 2 in the amount of \$175,255.49 to BCM Construction for the 2022 Street and Utility Improvement Project. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- g. Consider Approval of Application for Payment No. 1 in the Amount of \$38,897.75 to BCM Construction for the 11<sup>th</sup> Ave NE Sanitary Sewer Service Repairs  
Guilliams asked the Council to consider approval of a pay request from BCM Construction for the 11<sup>th</sup> Avenue NE sewer service repair work. He said that the following work items have been completed: bituminous pavement saw-cutting and removal, concrete curb/gutter removal, removal/replacement of PVC sanitary service pipe, and traffic control. He said that work was completed in May. The Council asked about anymore deep sewer issues. Erickson listed the areas that had been fixed.

A motion was made by Kodada and seconded by Webb to approve Application for Payment No. 1 in the amount of \$38,897.75 to BCM Construction for the 11<sup>th</sup> Ave NE Sanitary Sewer Service Repairs. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- h. Consider Approval of Application for Payment No. 1 in the Amount of \$141,508.92 to Crane Creek Asphalt for the 2022 Mill & Overlay Project  
Guilliams provided an overview of the 2022 Mill and Overlay Project, and he asked the Council to consider approval of the pay request. He said that the project is substantially complete and looking great. He said that the project is trending right on budget.

A motion was made by Pelava and seconded by Furrer to approve Application for Payment No. 1 in the amount of \$141,508.92 to Crane Creek Asphalt for the 2022 Mill & Overlay Project. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- i. Consider Approval of the Following Liquor Licenses: Lonsdale American Legion – On-Sale Club and Sunday Liquor; Whistle Stop Tavern & Grill – On-Sale and Sunday Liquor, Lonsdale Liquor – Off-Sale, Lonsdale Baseball Association – 3.2% On-Sale and Smoke, LLC – On-Sale and Sunday Liquor

Erickson stated that local businesses were sent liquor license applications renewal notices. He stated that in 2019-2020 and 2020-2021, there was no charge for liquor license application fees, due to COVID-19. Rud specifically asked about how the American Legion’s club license works with Taco Bien, a catering service restaurant operating under the Legion’s license. Erickson said that a club license is only \$100, whereas a regular license is \$2,000, and he explained the difference in license types. Furrer said that the American Legion should have the appropriate license. The Council agreed that it could be construed as an unfair advantage to other similar businesses in town. Rud said that the City doesn’t want to hurt business, but the American Legion should do the right thing and pursue the proper license or terminate their lease with Taco Bien. Pelava asked who is responsible for enforcing the license regulations. Erickson said that it is a combination of the City and State. In the interest of the timing of licensure duration, the Council agreed to approve the submitted license applications, but they suggested that the American Legion needs to take action soon.

A motion was made by Kodada and seconded by Pelava to approve the following Liquor Licenses: Lonsdale American Legion – On-Sale Club and Sunday Liquor; Whistle Stop Tavern & Grill – On-Sale and Sunday Liquor, Lonsdale Liquor – Off-Sale, Lonsdale Baseball Association – 3.2% On-Sale and Smoke, LLC – On-Sale and Sunday Liquor. Vote for: Webb, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

## **11. OTHER BUSINESS**

- a. Staff Reports

*Public Works Director*

N/A

*City Engineer*

None

*City Administrator*

Erickson stated that he is/has been involved with the following items: budget meetings, TH 19 Project planning, Small Cities Grant, and recruiting election judges. He said that he will be attending the League of Minnesota Cities Conference on June 22<sup>nd</sup>-24<sup>th</sup>. He stated that Mary Jo Turek’s last day will be June 10<sup>th</sup>.

*City Planner*

Baker stated that he started working on the 2023 Parks & Recreation Budget, and he noted that the Park Board will join the City Council in July for a joint budget meeting. He specifically thanked Mary Jo Turek for her help with processing building permits, especially with the huge jump in permits due to the 2021 hailstorm.

Rud stated that he is working with a local developer to try to recruit a child daycare in town. He asked the Council if they thought there was a need for such a facility in town. Erickson said that both DEED and SMIF noted in previous reports that Lonsdale is at least 80 slots short. The Council members agreed that a daycare is needed in Lonsdale. Erickson said that he would provide the Mayor with further information.

b. Council Reports

*Council Member Webb*

None.

*Council Member Kodada*

None.

*Council Member Furrer*

Furrer stated that the EDA will be meeting on June 16<sup>th</sup>. She said that BR&E group is working to recruit a daycare as well.

*Council Member Pelava*

Pelava provided a brief update on the Police Department project.

*Mayor Rud*

Mayor Rud said that Kiehm Construction is preparing to construct Phase I of the Park Place Business Development and Storage along Pond View Drive. He noted that frontline works are now eligible to apply for special funding from the State.

**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 8:19 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator