

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
JULY 7, 2022**

1. CALL TO ORDER

Mayor Rud called a special meeting of the Lonsdale City Council to order at 6:01 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 and Scott Pelava

Members Absent: Cindy Furrer

City Staff Present: City Administrator Joel Erickson, Public Works Director Russ Vlasak, Library Director Marguerite Moran and Police Chief Jason Schmitz

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any additions, deletions or corrections to the agenda. Erickson said he was requesting acceptance of Ben Baker's letter of resignation, approval of a revised job description for City Planner and approval of the job posting and authorize staff to advertise the position be added to the agenda. A motion was made by Kodada and seconded by Pelava to approve the agenda with the requested additions. Vote for: Webb, Kodada, Rud and Pelava. Vote against: None. Abstained: None. Vote: 4-0. 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

a. Discuss the City's 2023 Budget

Erickson said this was the third meeting on the City's 2023 preliminary budget. He reviewed examples of options for the 2023 property tax levy and the impact of each. He said he received the updated valuations from Rice County and as of now, values are proposed to increase over 20%. Erickson said by keeping the tax rate at 56.400, an additional \$531,300 is generated. He said by lowering the tax rate to 54.480, an additional \$430,000 is generated. He said by lowering the tax rate to 52.547, an additional \$238,000 is generated. Erickson said when accounting for new debt service and a wage increase of 7%, \$173,000 has to be deducted from those numbers to determine available funding for all other non-enterprise funds. Mayor Rud asked if wages accounted for a COLA adjustment and a step. Erickson said the pay scale needs to be reviewed but for this example, employees remain at their current grade/step, the first two steps were removed and two steps added to the top end. Kodada said he preferred the middle option of 54.480, which would generate an additional \$256,968 after accounting for new debt service and wages.

Mayor Rud asked what wage increase the Police received in 2022. Erickson said the average was 4.5%. Mayor Rud said it would be hard to give non-union employees a wage increase larger than the Police. Kodada asked if it was being proposed to increase water/sewer rates. Erickson said not at this time. Mayor Rud asked about the cost of City improvements associated with the reconstruction of CSAH 4. Erickson said WSB will be providing the City a proposal to determine the costs and design based on the recently approval of Resolution 2022-36. Erickson said for the next budget meeting, he will use a tax rate of 54.480 and a wage increase of 4.5%. Mayor Rud asked department heads what their thoughts were on their employee wages. Library Director Moran said she would like to see wages increased to promote retention and reward employees for their loyalty. The consensus of the City Council was to get a pay scale in place that will work for several years.

Mayor Rud asked about the current Police facility. Erickson said the intent is to sell the building before winter. Erickson said at the next budget meeting, the tax levy, wages and the start of a department by department review of the budget will take place. Public Works Director Vlasak asked the City Council if they were interested in bonding for equipment, facilities and maintenance projects and use the funds saved for the next plow truck for other expenses. Mayor Rud asked what the anticipated cost to replace all the trails is. Erickson said he did not have that information but the cost is over \$1,000,000. There was general discussion of inflation and the effect it will have on the 2023 budget. Vlasak said it is difficult to budget for items if facilities, equipment, etc. and not bonded for. Pelava asked what equipment is needed. Vlasak said a sweeper, jetter/vac and that soon, he will be presenting a proposal on a comprehensive water study to determine the future water system and needed upgrades. Erickson said another funding option is liquor store reserves, which are over \$400,000 and could be used to fund the final \$83,000 for a plow truck. He said he is comfortable with a fund balance of \$200,000. Pelava asked if sweeping and jetting could be contracted out. Vlasak said most of the use is in the spring and fall and the City would still need each piece of equipment. Mayor Rud asked if

leasing space has been considered. Vlasak said not but it could be considered. Mayor Rud ask Library Director Moran what the library's needs are. Moran said space is a concern along with keeping the collection and technology up to date. Vlasak said the wastewater treatment plant is 20 years old and will need repairs/replacement of large ticket items.

Erickson said in regards to City Hall, space is a concern, he will be proposing new accounting, payroll and utility billing systems and replacing the parking lots.

10. NEW BUSINESS

a. Consider Approval of City Planner Ben Baker's Letter of Resignation

Erickson said Baker has submitted his letter of resignation because he accepted the Community Development Director position with the City of St. Peter. Kodada said he will be missed and will do great things. A motion was made by Kodada and seconded by Webb to accept Baker's letter of resignation. Vote for: Webb, Kodada, Rud and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

b. Consider Approval of a Revised Job Description for the Position of City Planner

Erickson summarized the job description and the proposed changes. He reviewed the experience and education requirements of the position. A motion was made by Pelava and seconded by Kodada to approve the revised job description for City Planner. Vote for: Webb, Kodada, Rud and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

c. Consider Approval of and Authorize Staff to Advertise the Job Posting for the Position of City Planner

Erickson reviewed the job posting, the salary range based on the pay scale and where/when it will be advertised. He said the position is open until filled and the first round of applicant review will begin on July 29th. A motion was made by Kodada and seconded by Webb to approve the job posting and authorize staff to post the job. Vote for: Webb, Kodada, Rud and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

11. OTHER BUSINESS

- a. None

12. ADJOURNMENT

A motion was made by Pelava and seconded by Webb to adjourn the meeting. Vote for: Webb, Kodada, Rud and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried. The meeting ended at 7:35 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator