

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
JULY 8, 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: Kevin Kodada, Tim Rud, Cindy Furrer and Scott Pelava

Members Absent: Steve Cherney

City Staff Present: City Administrator Joel Erickson, City Engineer John Powell, Public Works Director Russ Vlasak, Fire Chief Dave Pfluke

**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 Furrer to approve the agenda as presented. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. 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 Pelava to approve the Minutes from the June 17, 2021 Special Meeting and the June 24, 2021 Regular Meeting. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

**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 of Application for Payment No. 4 in the Amount of \$179,487.30 to Kue Contractors, Inc. for the Police Facility

Melissa Stein, Wold, stated that Wold has reviewed Kue Contractors application for Payment No. 4, and she said that Wold recommends approving the payment. The Council reviewed the pay application. Stein provided an updated construction schedule, including the precast wall panels slated for installation early-August.

A motion was made by Pelava and seconded by Furrer to approve Application for Payment No. 4 in the Amount of \$179,487.30 to Kue Contractors, Inc. for the Police Facility. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- b. Consider Approval of Change Order No. 2 in the Deduct Amount of \$109,825.00 for the Police Facility

The Council reviewed a memo from Wold along with an AIA Change Order document concerning three deducts, including exterior fencing, grouted channels at overhead garage door jambs, and removal of a gate valve. Kodada said that the Council went over all the proposed changes pretty good at their previous meeting.

A motion was made by Kodada and seconded by Furrer to approve of Change Order No. 2 in the deduct amount of \$109,825.00 for the Police Facility. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- c. Consider Approval of the City’s 2021/22 Property/Casualty Insurance Premium in the Amount of \$110,522.00

Pete Flicek, Flicek Insurance Agency of Montgomery, went through a 22-page overview of Lonsdale’s property/casualty insurance coverage, including: premium comparison for the last 3 years; common coverage declarations; property, crime, bond, and equipment breakdown declarations; LMC schedule of covered property; property in the open; municipal liability; municipal automobile declarations; vehicle/antique vehicle list; vehicle physical damage enhancement endorsement; and EDA coverage. Flicek explained why premium costs went up so dramatically. He said that Trcka Park is complete and covered and he stated that the new police facility is covered under builders risk insurance. Vlasak commented on how Public Works has used the equipment breakdown insurance in the past. Erickson said that the insurance renewal process has gone smoothly. The Council thanked Flicek for his update.

A motion was made by Kodada and seconded by Pelava to approve the City’s 2021/22 Property/Casualty Insurance Premium in the Amount of \$110,522.00. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- d. Consider Approval to Make a Conditional Job Offer to Kevin Wildenberg as Fire Fighter  
Fire Chief Dave Pfluke stated that the Fire Department Interview Committee recommended making conditional job offers to Mark Minar, Christina Jobe, and Kevin Wildenberg. The Council reviewed the applications for the three firefighter candidates. Pfluke said that upon successful completion of a background check and physical, they will become probationary members and start training in September. Pfluke said that he does not have any concerns with the candidates. Furrer asked about the Department's volunteer numbers, and Pfluke said that with the three new fire fighters, that the roster will be full at 26 members. Pfluke said that the Department has had a busy First Quarter. Pfluke recommended making a conditional job offer to Kevin Wildenberg.

A motion was made by Furrer and seconded by Pelava to approve making a Conditional Job Offer to Kevin Wildenberg as Fire Fighter. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- e. Consider Approval to Make a Conditional Job Offer to Mark Minar as Fire Fighter  
Pfluke recommended making a conditional job offer to Mark Minar.

A motion was made by Kodada and seconded by Furrer to approve making a Conditional Job Offer to Mark Minar as Fire Fighter. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- f. Consider Approval to Make a Conditional Job Offer Christina Jobe as Fire Fighter  
Pfluke recommended making a conditional job offer to Christina Jobe.

A motion was made by Pelava and seconded by Kodada to approve making a Conditional Job Offer Christina Jobe as Fire Fighter. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- g. Consider a Water/Sewer Rate Adjustment for the Property Located at 522 Dogwood St. NE  
Erickson provided the Council with a report regarding a high water bill/reading for 522 Dogwood Street NE. He said that historically the property owner at 522 Dogwood Street NE has had averaged around 3,000 gallons/month in water usage, except for the April 2021 reading, which showed 34,000 gallons that ran through the meter. Furrer asked if there could have been an error in the water meter reading. Erickson said that the property owner requested that the water meter be tested. He said that the Public Works Department sent the meter to Mid America Meter, Inc., and the results came back within AWWA standards. Vlasak explained that water meters that test accurate are the responsibility of the home owner to pay for. The property owner, Pennie Olson, said that she did not use that much water, and she claimed that the reading was a fluke. She explained that there has not been any known plumbing leaks nor did anything change to produce that much water usage. Olson's typical bill is around \$63.00 and the disputed bill is at \$219.63. Erickson explained how the averaging of the first three months is calculated for the sewer portion of the bill. After discussing the issue, the Council agreed that it would be fair to split the cost and waive the late fees.

A motion was made by Kodada and seconded by Pelava to approve a water/sewer rate adjustment for the property located at 522 Dogwood St. NE, requiring that the property owner to pay half the cost of 34,000 gallons and waive the associated late fees. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- h. Discuss and Consider Lowering the List Price for Lots in the Business Park and Commerce Dr. SE  
Erickson explained that with the EDA entering into an agreement with LoopNet to list City owned properties for sale, a listing price needs to be included with each parcel's description. Erickson provided a detailed list of the four vacant properties in the Lonsdale Business Park. He said that the break even, the remaining Business Park lots need to be sold for \$2.61/sq. ft. Erickson noted that based on past sales, the City has sold land for around \$0.48/sq. ft. to \$2.20/sq. ft. He said that based on research, undeveloped industrial/commercial land in the area is being listed between \$1.50/sq. ft. and \$2.00/sq. ft. and is negotiable. Rud stated that price should depend on the building size, jobs created, land need, and location. He said that Lonsdale's lots are shovel ready, which can't be said for other lots in neighboring communities. Rud and Erickson provided a brief update on their recent meeting with United Properties. The Council discussed prices ranging from \$1.75 - \$2.00 per square foot. After further discussion, the Council members all agreed on \$1.95/sq. ft. as a list price for the remaining lots in the Business Park.

No official action was taken on the topic.

i. Consider Approval of a License Application to Make Retail Sales of Cigarette and Other Tobacco Products Requested by Lonsdale Food & Fuel Marketplace

The Council reviewed a new license application for cigarettes and other tobacco for Lonsdale Food & Fuel Marketplace, 212 Central Street East. Erickson noted that the application did come in after the sale of the property.

A motion was made by Kodada and seconded by Pelava to approve a License Application to Make Retail Sales of Cigarette and Other Tobacco Products Requested by Lonsdale Food & Fuel Marketplace. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

j. Consider Approval of an Agreement Between the City of Lonsdale and Safe Assure Consultants, Inc. in the Amount of \$4,556.23 for OSHA Compliance and Safety Training – Joel Erickson, City Administrator

Erickson said that the City has contracted with Safe Assure since 2004 and is satisfied with their service, including help with OSHA compliance. He said that the Safe Assure agreement is going up 2%. Erickson said that Safe Assure mainly helps the Public Works Department with safety training. The Council reviewed the proposed agreement.

A motion was made by Kodada and seconded by Pelava to approve an Agreement between the City of Lonsdale and Safe Assure Consultants, Inc. in the amount of \$4,556.23 for OSHA Compliance and Safety Training. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

k. Consider Approval of Application for Payment No. 2 (Final) in the Amount of \$1,982.00 to McNamara Contracting, Inc. and Change Order No. 1 in the Deduct Amount of \$5,655.00 – John Powell, City Engineer

The Council reviewed an application for final payment for the Industrial Park Drive SE Project. Powell reviewed the project, and he said that the final contract amount was 12.5% under the original price.

A motion was made by Kodada and seconded by Furrer to approve Application for Payment No. 2 (Final) in the amount of \$1,982.00 to McNamara Contracting, Inc. and Change Order No. 1 in the deduct amount of \$5,655.00. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- l. Consider Approval of Application for Payment No. 3 in the Amount of \$289,206.41 to BCM Construction, Inc. for the 2021 Street and Utility Improvement Project  
The Council reviewed Application for Payment No. 3 for the 2021 Street Reconstruction Project. Powell provided a recap of the construction schedule and what items have been completed to-date. Powell said that the project is tracking at or near the budget amount.

A motion was made by Kodada and seconded by Pelava to approve Application for Payment No. 3 in the amount of \$289,206.41 to BCM Construction, Inc. for the 2021 Street and Utility Improvement Project. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- m. Consider Approval of Application for Payment No. 1 in the Amount of \$69,176.29 to Crane Creek Asphalt for the Trcka Park Parking Lot and Walkways Project  
The Council reviewed Application for Payment No. 1 for the Trcka Park Parking Lot and Walkways Project. Powell provided a recap of the construction schedule and final completion date. He said that work items completed, include storm sewer, concrete sidewalk, concreted driveway, and bituminous paving. Powell said that a small portion of pavement was not completed on the north end of the parking lot due to moisture levels in the base layers. He said that measures were taken to protect new concrete curbs in that section.

A motion was made by Pelava and seconded by Furrer to approve Application for Payment No. 1 in the amount of \$69,176.29 to Crane Creek Asphalt for the Trcka Park Parking Lot and Walkways Project. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- n. Consider Approval of a Proposal Submitted by WSB in the Hourly Not-to-Exceed Amount of \$3,379.00 for the 2022 Street and Utility Improvement Project Feasibility Study  
Erickson presented a proposal submitted by WSB for updating the feasibility study for the 2022 Street and Utility Improvement Project. He said that the topic was briefly discussed at the last Council meeting. Kodada said that the residents are expecting the project to happen and the City needs to keep the project rolling. The Council reviewed the proposal and associated map.

A motion was made by Kodada and seconded by Pelava to approve a proposal submitted by WSB in the Hourly Not-to-Exceed Amount of \$3,379.00 for the 2022 Street and Utility Improvement Project Feasibility Study. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

- o. Consider Approval of Resolution 2021-38, a Resolution Ordering Preparation of Report on the Improvement of the 2022 Street and Utility Improvement Project Which Includes 3<sup>rd</sup> Ave SW (between Highway 19/Colorado St. SW), 4<sup>th</sup> Ave SW (between CSAH 4 and Colorado St. SW), Alabama St. SW (between 2<sup>nd</sup>/4<sup>th</sup> Ave SW) and the Alleys (between Highway 19, 2<sup>nd</sup> Ave SW, Colorado St. SW and 3<sup>rd</sup> Ave SW)

Powell said that a Feasibility Study is required as part of the 429 public improvement assessment process. He read through the main points of the detailed memo, which included a project location map. The Council reviewed Resolution 2021-38. Erickson and Powell said that it is highly likely that the adjacent CSAH 4 Project will be pushed back to 2023.

A motion was made by Kodada and seconded by Furrer to approve Resolution 2021-38, a Resolution Ordering Preparation of Report on the Improvement of the 2022 Street and Utility Improvement Project Which Includes 3<sup>rd</sup> Ave SW (between Highway 19/Colorado St. SW), 4<sup>th</sup> Ave SW (between CSAH 4 and Colorado St. SW), Alabama St. SW (between 2<sup>nd</sup>/4<sup>th</sup> Ave SW) and the Alleys (between Highway 19, 2<sup>nd</sup> Ave SW, Colorado St. SW and 3<sup>rd</sup> Ave SW). Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

## **11. OTHER BUSINESS**

- a. City Staff Reports

### *Public Work Director*

Vlasak provided an update on items that the Public Works Department has been working on.

### *City Engineer*

Powell said that 2<sup>nd</sup> Avenue SW was paved with the wear course earlier in the day. He said that the contractor is working on punch list items.

### *City Administrator*

Erickson said that the EDA will be hosting a BR&E Retreat next week. He said that Mayor Rud and himself had a productive meeting with United Properties regarding the Lonsdale Business Park. He said that LoopNet will be taking marketing pictures of the site next week. Erickson said that he is also in the process of renewing two Limited Use Permits with MNDOT. Erickson said that he would contact Ideal Energy regarding their solar array proposal.

### *City Planner*

Baker said that he has been working on fence issues and compliance. He noted that the Planning Commission will be reviewing an updated improvement plan for 114 Central Street East.

b. City Council / Department Reports

*Council Member Cherney*

N/A

*Council Member Kodada*

Kodada said that the Park Board and Planning Commission will meet on July 26<sup>th</sup>. He noted that the Tri-Lakes Sportsmen's Club recently donated \$2,000 towards new archery targets for the range at Rezac Nature Preserve.

*Council Member Furrer*

Furrer said that the EDA meeting and BR&E retreat will be taking place next week.

*Council Member Pelava*

Pelava said that the Police facility is moving along.

*Mayor Rud*

Mayor Rud reminded the Council of upcoming meetings on July 15<sup>th</sup>, 26<sup>th</sup>, and 29<sup>th</sup>.

**12. ADJOURNMENT**

A motion was made by Kodada and seconded by Pelava to adjourn the meeting. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried. The meeting ended at 8:09 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator