

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
AUGUST 12, 2021**

**1. CALL TO ORDER**

Mayor Rud called a meeting of the Lonsdale City Council to order in the Lonsdale City Council Chambers at 7:01 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 and City Engineer John Powell

**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: 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 Cherney and seconded by Furrer to approve the Minutes from the July 8, 2021 Regular Meeting, the July 26, 2021 Special Meeting and the July 29, 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**

None

**8. APPROVAL OF THE CONSENT AGENDA**

None

**9. OLD BUSINESS**

None

**10. NEW BUSINESS**

- a. Consider Approval of Application for Payment No. 5 in the Amount of \$90,741.15 to Kue Contractors, Inc. for the Police Facility

Stein said the utilities have been installed, the footings have been backfilled, the electrical transformer was set and the conduit for telephone has been installed. Kodada asked what the timeline for precast panels is. Stein said she did not know because there have been issues receiving the correct color. She said as of now, there is no date and she is working tirelessly with the supplier to get the correct brick. Kodada asked if the brick is going to be integrated into the pre-cast panel. Stein replied yes. Kodada asked if the brick can be laid on-site. Stein said no. Furrer asked if the color selected was unique and maybe the reason for the delays. Stein said the color is not unique and they have used it before without issues. She said she was told the supplier is having issues with the kiln. Furrer asked if the City was a priority to get the correct brick. Stein replied yes and she spoke to the owner of the brick company and Lonsdale is his priority as well. Rud asked if the shell of the building will be up before winter conditions. Stein said the walls should go up in September. Rud said everyone should be aware of the cost of winter conditions. Stein said winter conditions are included in the bid submitted by Kue. Cherney asked if Wold is only experiencing issues with Lonsdale's project. Stein said no, they have had issues with suppliers on other projects. Cherney asked if it would make a difference if Mayor Rud contacted the brick supplier. Stein said no, that she is working on behalf of the City. Pelava asked if Stein is expecting to receive the brick sample on Monday, August 16<sup>th</sup>. Stein said yes. Pelava said the group looked at several options for the brick but decided that they wanted what was initially selected. Rud asked if everyone involved is doing the best they can. Pelava replied yes. Rud said as long as everyone's best effort is given, that is all we can do. Cherney asked if the project should be put on hold until the spring. Stein said that would be a tough decision to make. Rud agreed. Pelava said the supplier is on the hook for any additional costs incurred because of the delay. Kodada asked if there are any other delays on the horizon. Stein said not as of now. A motion was made by Cherney and seconded by Kodada to approve Application for Payment No. 5 in the amount of \$90,741.15. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- b. Consider Approval to Reschedule the Following Meetings: Thursday, November 11, 2021 to Monday, November 8, 2021; Thursday, November 25, 2021 to Monday, November 22, 2021 and Thursday, December 23, 2021 to Monday, December 20, 2021

Erickson said that the City Council meetings in November fall on Federal Holidays and the City cannot conduct business on those days. He also said the last meeting in December is on the 23<sup>rd</sup>, which will be observed as the Christmas Eve Holiday. Erickson recommended the meeting dates be changed as proposed as long as they worked for the City Council. A motion was made by Kodada and seconded by Pelava to reschedule the November 11, 2021 City Council meeting to November 8, 2021, to reschedule the November 25, 2021 City Council meeting to November 22, 2021 and the December 23, 2021 City Council meeting to December 20, 2021. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- c. Consider Approval of Resolution 2021-44, a Resolution Approving an Energy Assistance Program Agreement Between the City of Lonsdale and the Minnesota Department of Commerce

Erickson said funding will be provided by the American Recovery Plan for low income residents that have past due water bills, are facing shut off or are shut off. He said in order for residents to access the funding, the City has to enter into an agreement with the Minnesota Commerce Department and Three Rivers Community Action. Erickson said residents will apply to Three Rivers and if they qualify, the Commerce Department will pay the City. Erickson reviewed additional requirements of the City. Rud asked how the program would be communicated. Erickson said residents past due and facing shut off will receive a notice in the mail, it will be posted on the City's website and possibly Facebook. Rud said communication is important as we heard with the last round of funding. Cherney asked if the City should notify the State than some of the past due residents are chronic abusers. Pelava said the number of residents that will qualify will be low. Kodada asked who administers the program. Erickson said Three Rivers administers the program. Cherney recommended the City attach a Memorandum of Understanding to the agreement regarding residents that are regularly on the past due list. Erickson said if they are past due, shut off or facing shut off and meet the income requirements, they will qualify for funding regardless. A motion was made by Cherney and seconded by Furrer to approve Resolution 2021-44. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval of Resolution 2021-45, a Resolution Receiving the 2022 Street and Utility Improvement Project Feasibility Report and Calling for a Hearing on the Improvement  
Powell reviewed the Executive Summary, scope and project timeline in the Feasibility Study. He said the Neighborhood Meeting is scheduled for September 9<sup>th</sup> and the Improvement Hearing is scheduled for September 30<sup>th</sup>. Rud asked if the old section of town south of Highway 19 will then be completely reconstructed. Powell said yes, all south of Highway 19 will be reconstructed. Pelava asked if the cost estimate is realistic because costs seem to be increasing. Powell said there is always a risk the market will increase costs between cost estimating and bidding the project. He said there were not any product shortages this year and the City is in a good position because we are one of the first cities to bid projects in January. He said for this project, the timeline is running a month earlier than prior years. Rud said this summer was great for construction so bids next year should be competitive. A motion was made by Kodada and seconded by Pelava to approve Resolution 2021-45. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- e. Consider Approval of Application for Payment No. 8 in the Amount of \$163,663.46 to A-1 Excavating, Inc. for the 2nd Ave SW Area Street and Utility Improvement Project  
Powell said A-1 met the substantial completion date but completed the wear course on July 8<sup>th</sup>, which resulted in \$12,000 in liquidated damages. He said A-1 did submit a claim for additional work done. Powell said the pay request includes reduced retainage to 1% per the contract documents. He recommended approval of the pay request. Rud asked if the 1% retainage will cover the costs of A-1's claim. Powell said yes and the additional payment request is for installing adjusting rings on catch basins. Rud asked for an update on the water leak on Florida St. SE. Erickson said staff is aware of a water leak draining into a catch basin on Florida St. SE. He staff is unaware of where the leak is but there is Chlorine and Fluoride in the water. Erickson said staff has contacted a leak detector and they are scheduled for next week. Rud said the leak needs to get repaired and if necessary, the contractor should be asked to assist in locating the leak. A motion was made by Kodada and seconded by Furrer to approve Application for Payment No. 8 to A-1. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- f. Consider Approval of Application for Payment No. 4 in the Amount of \$198,669.94 to BCM Construction, Inc. for the 2021 Street and Utility Improvement Project  
Powell said substantial completion is June 30<sup>th</sup> and the contractor has completed Phase I and expects to complete Phase II by Labor Day. Powell said the storm sewer is complete, Colorado St. is graded and 3<sup>rd</sup> Ave SW south of Delaware will be graded next. Powell said the work to be paid for in this request includes curb and gutter removal, roadway excavation, sanitary sewer repairs, watermain and services and stormwater replacement. He said the pay request includes withholding the required 5% retainage. A motion was made by Kodada and seconded by Pelava to approve Application for Payment No. 4. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

## 11. OTHER BUSINESS

### a. City Staff Reports

#### *Public Work Director*

None

#### *City Engineer*

Powell said the Trcka Park parking lot was paved and striped. Rud asked about turf establishment. Erickson said staff has the work scheduled for next week. Pelava asked if the cracked concrete was removed and replaced. Powell said no and that work will be done after paving. He summarized the Highway 19 Mill & Overlay project to dated.

#### *City Administrator*

Erickson said he participated in the Highway 19 meeting, discussed tax abatement for new homes with the Rice County HRA Director, is working with the EDA BR&E subgroups and working on the election. He said he is waiting for building plans for the lot recently sold in the Business Park, which based on the concept plan, includes multiple buildings. He said he attended the Lonsdale Fire District meeting and the Township's are satisfied with the service provided. He said Lonsdale was requested to submit a letter to Senator Draheim regarding the City opposition to preemptive zoning legislation being proposed at the State level. Rud commented on a recent newspaper article on the subject. Cherney said the legislation is bogus and simply State interference at the local level.

#### *City Planner*

None

### b. City Council / Department Reports

#### *Council Member Cherney*

Cherney said he is still working with residents in Heritage Estates on drainage. He said the residents are realizing it is a bigger issue than initially thought.

#### *Council Member Kodada*

Kodada said the City received the remaining \$10,000 in grant funding for Trcka Park. He said the Coffee Fool recently opened up and the Planning Commission will be meeting with the City Council on August 30<sup>th</sup>.

#### *Council Member Furrer*

Furrer said the EDA meets next week and that the July numbers for Lonsdale Liquor are out. Erickson said the Liquor Store had a net profit of approx. \$11,000 and the fund balance as of July 31<sup>st</sup> was approx. \$360,000.

#### *Council Member Pelava*

Pelava said the EDA meets next week, an update on the PD facility was given earlier in the meeting and Community Days is this weekend. He summarized the activities being held.

*Mayor Rud*

Rud congratulated Regan Gaul on being crowned Miss Lonsdale and Daryl Rieck for being named Grand Marshall this year.

**12. ADJOURNMENT**

A motion was made by Kodada and seconded by Pelava 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 8:07 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator