

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
SEPTEMBER 24, 2020**

**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: Steve Cherney, 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 John Powell, Police Officer Jack Schleichert

**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 Kodada and seconded by Cherney to approve the August 27, 2020 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**

A motion was made by Kodada and seconded by Cherney to approve the Consent Agenda as follows:

- a. Monthly Bills
- b. Treasurers Report
- c. Board and Commission Minutes

Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

**9. OLD BUSINESS**

None

**10. NEW BUSINESS**

- a. Presentation of a “Good Neighbor” Recycling Program Check in the Amount of \$457.38 to TCU Dollars for Scholars for Recycling 30.49 Tons of Material – Taylor Williamson, West Central Sanitation

Taylor Williamson, West Central Sanitation, said that the TCU Dollars for Scholars group helped recycle 30.49 tons of cardboard/mixed paper. He presented Cathy Mikel with a check in the amount of \$457.38 for their work as the 2<sup>nd</sup> Quarter Good Neighbor Recycling Team. Williamson said that Lonsdale should be proud of the community’s pro-recycling efforts. He said that many residents have asked for a second recycling bin, and he noted that WCS keeps 9 dumpsters at the grocery store parking lot for community recycling. The Council congratulated the TCU Dollars for Scholars, and they thanked West Central Sanitation.

- b. Consider Approval of Resolution 2020-39 a Resolution Entering Into a Prosecution Services Agreement Between the City of Lonsdale and Rice County – Joel Erickson, City Administrator

Erickson said that the City has contracted with the Rice County Attorney’s Office for criminal prosecution services since January of 2019. The Council reviewed the Prosecution Services Agreement. He said that Staff feels that the agreement has worked well and the level of service has been acceptable. Erickson went through the main points of the agreement, and he said that the Police Chief recommends renewing the agreement.

A motion was made by Pelava and seconded by Furrer to approve Resolution 2020-39 a Resolution Entering into a Prosecution Services Agreement between the City of Lonsdale and Rice County. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- c. Consider Approval of Resolution 2020-40, a Resolution Calling for a Public Hearing on the Adoption of a 5-Year Capital Improvement Plan and Approval of the Issuance of Capital Improvement Bonds Pursuant to Minnesota Statutes, Section §475.521 – Joel Erickson, City Administrator – Joel Erickson, City Administrator

Erickson said that that next step in the process to construct a Public Safety Facility, is to schedule the public hearing on the City's 5-Year Capital Improvement Plan and Issuance of Capital Improvement Bonds to finance the project. He said that the City can use the following options to finance the project: 1) reserves/transfers; 2) public-private partnership; and 3) issuance of Capital Improvement Bonds. Erickson stated that through discussion, the Council decided to finance the project with Capital Improvement Bonds. He said that the CIP requires a public hearing prior to approval of the plan and issuance of the bonds. Erickson explained the 30-day wait period for a petition. Cherney stated that he does not want the project stopped, and he suggested that the City should have a second financing plan in case a reverse referendum comes forward. Furrer and Pelava relayed concern that although the project budget is important, the new building should be designed to meet the long-term needs of the community and not cut the officers short. Pelava said that the Core Planning Committee did try to cut some square footage space to help save on cost. Erickson said that he will continue to remind the Core Planning Committee and Police Department Staff of the initial project budget and that the Officer's priorities have been accounted for in the project. Cherney wondered what Officer Schleichert thoughts were. Schleichert said that he is in-line with the views of Administration, and he stated that the officers' input has been taken into design of the building.

A motion was made by Kodada and seconded by Pelava to approve Resolution 2020-40, a Resolution calling for a Public Hearing on the adoption of a 5-Year Capital Improvement Plan and approval of the issuance of Capital Improvement Bonds pursuant to Minnesota Statutes, Section §475.521. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Consider Approval of Resolution 2020-41, a Resolution Setting the Fiscal Year 2021 Preliminary City Budget and Preliminary Property Tax Levy – Joel Erickson, City Administrator  
Erickson said that the Council held five meetings to discuss the City's Preliminary 2021 Property Tax Levy and Budget between May and September. He said that the tax levy and budget were based on those meetings. He said that the only change since the last budget meeting was a minor adjustment to balance the Planning & Zoning Fund. He said that the City is proposing a \$2.2 million tax levy. Erickson stated that the tax rate will be kept the same as the previous year at 54.058, which will increase revenue by \$148,900 or 7.12%. Cherney asked if the \$148,900 was already earmarked or if it could be used for other items. The other Council members explained that the new money was already accounted for and divided amongst the various funds during the budgeting process. The Council discussed property values and tax base. Erickson explained the Market Value Homestead Exclusion. The Council reviewed the fund summaries and the line item budget. Erickson read through and recommended approval of Resolution 2020-41, including:

1. The City Council discussed and acknowledges that some or all of the debt service funds are not levied at 105% because of existing fund balances due to the prepayment of special assessments, etc.
2. The City Council has scheduled an agenda item "Discussion and Public Input on the Proposed 2021 City Budget and Property Tax Levy" as part of their meeting scheduled for Thursday, December 10, 2020 at 7:00pm in the City Council Chambers, 415 Central Street West, Lonsdale, MN 55046.
3. Residents may contact the City Administrator at (507) 744-2327 with questions relating to the County Auditor's property tax notice or mail them to: City Administrator, 415 Central Street West, PO Box 357, Lonsdale, MN 55046.
4. The City Council directs the City Administrator to transmit a certified copy of this resolution to the Rice County Auditor/Treasurer.

The Council members thanked Erickson, City Staff, each other for their work in putting a good budget together.

A motion was made by Pelava and seconded by Furrer to approve Resolution 2020-41, a Resolution setting the Fiscal Year 2021 Preliminary City Budget and Preliminary Property Tax Levy. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- e. Consider Approval to Reschedule the Following Meetings: November 26, 2020 City Council Meeting and the December 31, 2020 City Council Meeting – Joel Erickson, City Administrator  
Erickson asked the Council to consider rescheduling the current Council dates in November in December due to holiday schedules. Cherney asked if more than one meeting was necessary. Erickson explained that it is helpful for paying bills, but he noted that the City will probably go to one meeting a month in January, February, and March 2021.

A motion was made by Kodada and seconded by Cherney to reschedule the following Council meetings: November 26, 2020 to November 30<sup>th</sup> and the December 31, 2020 to December 21<sup>st</sup>.  
Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None.  
Vote: 5-0. Motion carried.

- f. Consider Approval of Resolution 2020-42, a Resolution Receiving the 2021 Street and Utility Improvement Project Feasibility Report and Calling for a Hearing on the Improvement – John Powell, City Engineer

Powell presented the feasibility report to the Council for the proposed 2021/2022 3<sup>rd</sup> Avenue SW/4<sup>th</sup> Avenue SW Area Projects. The Council reviewed the detailed report which identified the project as necessary, feasible, and cost-effective from an engineering standpoint. Powell explained that due to the watershed highpoint being near Colorado Street, that the project would be divided into two separate projects at that point, with the southern half of 3<sup>rd</sup> and 4<sup>th</sup> Avenue SW being reconstructed in 2021 and the north half in 2022. He provided a detailed project schedule of approvals, bid timeline, and project construction. Cherney asked about the necessity for assessments compared to relying solely on property taxes. Powell said that assessments are a requirement of bonding. Powell and Erickson explained the proposed assessment amounts. They further explained that although consistent, no adjustment has been made since 2015 on assessment amounts, and they said that there is justification to raise the assessment amounts based on the construction index and recent property value appraisals. The Council agreed that assessments should account for closer to 50% of the project cost in comparison to recent assessment amounts around 20%-30%. Furrer commented that assessments still need to be affordable for residents. Pelava noted that the increase will approximately be \$125/month more compared to past projects. Kodada recommended looking into the 3-R Landmark property as a potential revenue source for the City by developing two residential lots. The Council agreed that the idea should be explored as a possible funding source for future maintenance of the historic schoolhouse or used for other City needs. Powell recommended that the City Council call for a public hearing on the improvement. He said that a more informal neighborhood meeting would be held on October 8<sup>th</sup> and the official Public Hearing would be held on October 29<sup>th</sup>, noting that the same information would be presented at both meetings.

A motion was made by Kodada and seconded by Pelava to approve Resolution 2020-42, a Resolution receiving the 2021 Street and Utility Improvement Project Feasibility Report and calling for a Hearing on the Improvement. Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

g. Consider Approval of Resolution 2020-43, a Resolution Establishing Deed Restrictions for Trcka Park (1001 Main Street South) – Ben Baker, City Planner

Baker said that last year the City was awarded a \$250,000 matching outdoor recreation grant from the DNR. He said that per State Contract #LW27-01428, deed restrictions are required to be placed on the park property, Trcka Park, so that the park land remains only for public outdoor recreation use. Baker said that a similar deed restriction was required as part of the Fishing Pier Grant at Rezac Nature Preserve. Baker read through and recommended approval of Resolution 2020-43. Erickson provided an overview of the budget and change orders that were made. Rud said that the project looks pretty awesome, especially with the glass windows overlooking the ice rink. The Council relayed positive comments that have been made about the project, including remarks from area city leaders. The Council members agreed that the project has been a remarkable community initiative. Kodada said that the project would not have been possible without the grant and generation donations; he noted that a Grand Opening event is scheduled for October 8<sup>th</sup>.

A motion was made by Kodada and seconded by Cherney to approve Resolution 2020-43, a Resolution establishing Deed Restrictions for Trcka Park (1001 Main Street South). Vote for: Cherney, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

h. Consider Approval of Resolution 2020-44, a Resolution Authorizing Entering into a Grant Agreement With the Minnesota Department of Public Safety for the Toward Zero Death (TZD) Program and the Lonsdale Police Department be the Fiscal Agent Through September 2021 – Jack Schleichert, Police Officer

Schleichert explained that officers with the Lonsdale Police Department have been participating in the Towards Zero Death campaign in Rice County for the past four years. He said that all the law enforcement agencies in Rice County participate in the TZD Program, with Faribault, Lonsdale, and Rice County having the most officers participating in the initiative. Schleichert said that the City of Lonsdale is the TZD Grant's fiscal agent for Rice County for 2020/2021. He explained that an extra training class is required to participate in the program. Schleichert asked the Council to consider approval to enter into the TZD Grant Agreement and to be the Fiscal Agent for one more year.

A motion was made by Pelava and seconded by Furrer to approve Resolution 2020-44, a Resolution authorizing entering into a Grant Agreement with the Minnesota Department of Public Safety for the Toward Zero Death (TZD) Program and the Lonsdale Police Department be the fiscal agent through September 2021. 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*

N/A

*City Engineer*

None

*City Administrator*

None

*City Planner*

Baker said that the previous Waste Management Green Team Recycling Program has been renamed as the West Central Sanitation Good Neighbor Recycling Program, and he stated the City's website has been updated as such.

### b. City Council / Department Reports

*Council Member Cherney*

None

*Council Member Kodada*

Kodada said that there will be a Grand Opening event for the Trcka Park Project on Thursday, October 8<sup>th</sup> @ 5:30 pm. The Council reviewed updated pictures of the Trcka Park Project.

*Council Member Furrer*

None

*Council Member Pelava*

Pelava provided an update on the September EDA meeting, and he said that the EDA decided to not move forward with their billboard idea along I-35.

*Mayor Rud*

Rud said the he will promoting the City on KCHK on September 28<sup>th</sup>.

## 12. ADJOURNMENT

A motion was made by Kodada and seconded by Cherney 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 8:03 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator