

**MINUTES
CITY OF LONSDALE
CITY COUNCIL MEETING
SEPTEMBER 8, 2016**

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: Daleiden, Kodada, Rud, Furrer, and Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker,
City Engineer Kevin Kawlewski, Public Works Director Russ Vlasak

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any additions, deletions or corrections to the agenda. Erickson asked if two items could be added: 1) Chard Tiling's paving proposal and 2) Buscho Enterprises Estimate.

A motion was made by Kodada and seconded by Pelava to approve the agenda with the noted additions. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. 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

None

10. NEW BUSINESS

- a. Consider Approval of Resolution 2016-45, a Resolution Awarding Sale, Prescribing the Form and Details and Providing for the Payment of \$1,835,000 General Obligation Improvement Crossover Refunding Bonds, Series 2016B – George Eilertson, Northland Securities

George Eilertson, Northland Securities, explained that due to recently decreasing interest rates in the bond market, the Crossover Refunding Bonds, Series 2016B were sold, and the City realized a net saving of \$101,132.00. He stated that the bonds were sold on August 30th. He mentioned that the City continued its AA- bond rating, which he commented was a very good rating and helped keep rates low. He reviewed the bond summary sheet with the Council. Eilertson asked the Council to officially ratify the bond sale by approving the proposed Resolution.

A motion was made by Daleiden and seconded by Furrer to approve Resolution 2016-45, a resolution awarding sale, prescribing the form and details and providing for the payment of \$1,835,000 General Obligation Improvement Crossover Refunding Bonds, Series 2016B. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Rud noted that the City will ultimately save over \$100,000.00 due to this bond sale.

- b. Consider Approval of the City's 2016-2017 Property/Casualty Insurance Coverage in the Amount of \$74,677.00 – Pete Flicek, Flicek Insurance Agency

Pete Flicek, Flicek Insurance Agency, provided the Council with a detailed overview of the City's 2016-2017 property/casualty insurance coverage. He noted that premiums are down about 10% compared to last year. He said that the liability modification factor lowered from 1.0442 to 0.898, and he noted that expenditures for the City are down by \$1.7 million. Furrer asked if the Business Park property was included. Flicek said that the land and roads would be covered under the City's liability insurance. Kodada asked if the boardwalks are covered. Flicek said yes. Pelava asked about equipment breakdown insurance, and Flicek explained how that insurance worked. After discussing the optional liability coverage in the amount of \$1,000,000.00, the Council agreed to not elect that extra coverage.

A motion was made by Kodada and seconded by Pelava to approve the City's 2016-2017 Property/Casualty Insurance coverage in the amount of \$74,677.00. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

The Council thanked Flicek for attending the meeting.

- c. Consider Approval to Schedule a Special / Joint Meeting with the Planning Commission for Thursday, September 22, 2016 at 6:30 pm to Discuss Blight and Off-Street Parking – Joel Erickson, City Administrator

Erickson asked the Council to consider scheduling a Special Joint City Council Meeting along with the Planning Commission to discuss blight and off-street parking issues and enforcement. The Council reviewed a brief overview on the topic along with related City Code regulations. Erickson said that the ultimate goal is to create an ordinance that is realistic. Rud encouraged City Staff to attend the meeting.

A motion was made by Pelava and seconded by Furrer to schedule a Special / Joint Meeting with the Planning Commission for Thursday, September 22, 2016 at 6:30 pm to discuss blight and off-street parking. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval of an Engineering Services Proposal in the Hourly Not-to-Exceed Amount of \$58,963.00 Submitted by WSB & Associates, Inc. for the Street and Utility Extension of Pondview Dr. SE – Joel Erickson, City Administrator

Erickson explained that with the recently approved purchase agreement with Sahler Properties, LLC for a lot in the Lonsdale Business Park, Pond View Drive SE will need to be extended eastward to Garfield Avenue. He said that due to the short timeline, Staff requested an engineering services proposal from WSB & Associates, Inc, which includes all the necessary bidding, engineering and construction material testing services. The Council reviewed the proposal in the hourly not-to-exceed amount of \$58,963.00. Erickson said that it will take two weeks for the plans to be completed and two weeks to bid the project. Kodada suggested that a parking lot on the south side of Pond View Drive be added to the project for easier access to Rezac Nature Preserve. Rud stated that small utility companies should be put on notice.

A motion was made by Daleiden and seconded by Kodada to approve an engineering services proposal in the hourly not-to-exceed amount of \$58,963.00 submitted by WSB & Associates, Inc. for the Street and Utility Extension of Pondview Dr. SE. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- e. Consider Approval to Authorize Staff to Request an Engineering Services Proposal From WSB & Associates, Inc. for the Area No. 5 – Phase III Street and Utility Improvement Project – Joel Erickson, City Administrator

Erickson said that in order to bid the Area No. 5 – Phase III Project at the end of January 2017, the City needs to start moving forward with engineering services. The Council reviewed a proposed project timeline running from September 2016 – July 2017. Erickson said that he is comfortable proceeding ahead with WSB as the project engineer because they are familiar with the project, and they have a sound understanding of the City's expectations and infrastructure given the fact they have been involved in the first two phases.

A motion was made by Kodada and seconded by Furrer to authorize Staff to request an engineering services proposal from WSB & Associates, Inc. for the Area No. 5 – Phase III Street and Utility Improvement Project. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- f. Consider Approval of Resolution 2016-46, a Resolution Dispensing With the Requirement That the Planning Commission Reviews the Area No. 5 – Phase III Street and Utility Improvement Project for Compliance With the City’s Comprehensive Plan – Joel Erickson, City Administrator

Erickson explained that it not necessary for the Planning Commission to review the Area No. 5- Phase III Project, since it is a typical street/utility reconstruction project.

A motion was made by Daleiden and seconded by Pelava to Resolution 2016-46, a resolution dispensing with the requirement that the Planning Commission reviews the Area No. 5 – Phase III Street and Utility Improvement Project for Compliance with the City’s Comprehensive Plan. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- g. Consider Approval of Resolution 2016-47, a Resolution Ordering Preparation of Report of the Improvement of the Area No. 5 – Phase III Street and Utility Improvement Project Which Includes 1st Ave NE (one block north of State Trunk Highway 19), 1st Ave SE (between State Trunk Highway 19 and Colorado St. SE), Alabama St. (between 2nd Ave SE and Main St. S.) and Arizona St. SE (between 2nd Ave SE and Main St. S.) – Joel Erickson, City Administrator

Erickson stated that the City needs to complete a Feasibility Study to be in compliance with Minnesota State Statue §429. He said that WSB already completed an overall Feasibility Study for the entire Area No. 5 area, but an update is necessary for the assessment process. The Council reviewed the proposed affected streets, and they agreed that 1st Avenue NE, one block north of TH 19, should be added to the project scope. Vlasak stated that Main Street South and 2nd Avenue SW should be completed the following year. The Council reminded Staff to contact Rice County in regard to future plans for Main Street South.

A motion was made by Daleiden and seconded by Furrer to approve Resolution 2016-47, a resolution ordering preparation of report of the improvement of the Area No. 5 – Phase III Street and Utility Improvement Project, which includes 1st Ave NE (one block north of State Trunk Highway 19), 1st Ave SE (between State Trunk Highway 19 and Colorado St. SE), Alabama St. (between 2nd Ave SE and Main St. S.) and Arizona St. SE (between 2nd Ave SE and Main St. S.). Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- h. Consider Approval of Application for Payment No. 4 (Final) in the Amount of \$12,597.13 Submitted by Timm’s Trucking for the Linking Lonsdale Trail Project – Kevin Kawlewski, City Engineer

Kawlewski asked the Council to consider approval of the final payment for the Linking Lonsdale Trail Project. He said that Timm’s Trucking recently removed the silt fence

below the WELCO Hill. Kawlewski also said that all previous issues have been resolved and that everything on the project looks good. He noted that the City will still receive a two-year warranty on any items that may come up.

A motion was made by Kodada and seconded by Pelava to approve an application for Payment No. 4 (Final) in the amount of \$12,597.13 submitted by Timm's Trucking for the Linking Lonsdale Trail Project. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- i. Consider Approval of Application for Payment No. 3 in the Amount of \$245,171.74 to Chard Tiling & Excavating for the Area No. 5 – Phase II Street and Utility Improvement Project – Kevin Kawlewski, City Engineer

Kawlewski asked the Council to consider approval of payment for the Area No. 5 – Phase II Project in the amount of \$245,171.74 for work completed in August. He said that all the underground work has been completed, and that the contractor is currently tolerancing the Class 5 gravel in preparation for paving work next week. The Council reviewed the proposed Payment No. 3 request by Chard Tiling & Excavating.

A motion was made by Daleiden and seconded by Furrer to approve Payment No. 3 in the amount of \$245,171.74 to Chard Tiling & Excavating for the Area No. 5 – Phase II Street and Utility Improvement Project. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Rud stated that any extra excavation/fill/leveling work being done by Chard or the Public Works Department at the compost site or the tractor pull site needs to have proper erosion control and seed in place to avoid runoff issues.

- j. Consider Approval of Proposal from Chard Tiling & Excavating in the Amount of \$14,335.00 for Street Patching Work

Erickson stated that three bids were received for patching work from: 1) Crane Creek, 2) BMI, and 3) Chard Tiling & Excavating. He noted that Chard provided the low bid at \$14,335.00. Erickson said that patching will take place on 2nd Avenue SW, Delaware Street, and 7th Avenue NW.

A motion was made by Daleiden and seconded by Kodada to approve a proposal from Chard Tilting & Excavating in the amount of \$14,335.00 for street patching work. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- k. Consider Approval of Quote Submitted by Buscho Enterprises in the Amount of \$15,758.00 to Haul Bi-Solids

Erickson stated that several bids were solicited for bio-solid hauling, but only one bid was received from Buscho Enterprises, LLC in the amount of \$15,758.00. The Council reviewed the quote. Pelava asked if Buscho's prices seemed reasonable. Vlasak said that Buscho's prices are consistent with their previous bids, but they did include a small increase to account for rising fuel costs.

A motion was made by Pelava and seconded by Furrer to approve a quote submitted by Buscho Enterprises in the amount of \$15,758.00 to haul bio-solids. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

11. OTHER BUSINESS

a. Department Reports

Vlasak provided an overview of projects that the Public Works Department is working on, including patching, Police Department maintenance/improvements, Jaycee Park woodchips and ice rink boards. He mentioned that the Olympus ice resurfacer is currently being painted.

Vlasak and the Council briefly discussed drainage bottlenecks along Heath Creek south of town.

Kawlewski provided an update on the Feed Mill Project.

Erickson provided the Council with a list of items he has been working on, including the 2017 City Budget, Rolling Ridge Market Place replat, bond rating calls, Liquor Store meetings, and drainage issues.

Baker said that he has started the Codification process which was budgeted for in 2016. He also said that he started re-reviewing the first sections of the Comp Plan.

b. Council Reports

Council Member Daleiden

Daleiden anticipated that the liquor store would show a profit for the month of August.

Council Member Kodada

Kodada said that the Park Board members will be reviewing the Parks, Trails, and Recreation Chapter of the 2040 Comp Plan in preparation for the October meeting.

Council Member Furrer

Furrer stated that the Library Board and EDA will be meeting next week.

Council Member Pelava

Pelava said that the Planning Commission will be meeting on September 22nd along with the City Council. He said that the Comp Plan Committee will be hosting an Open House and Public Hearing on October 20th.

Mayor Rud

Rud announced that the Whistle Stop will be hosting a wrestling fundraising event on September 10th at 6:00 pm, in which part of the proceeds will go to Tri-City United Schools. He also announced that a Three Rivers Park District Archery event is planned for October 1st.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Furrer to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting ended at 8:04 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator