

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
JUNE 26, 2023**

1. CALL TO ORDER

Mayor Tim Rud called a 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: Kevin Kodada, Tim Rud, Cindy Furrer and Scott Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, Public Works Director Joe Dornfeld, City Treasurer Tami Brokl, Chief of Police Jason Schmitz, Library Director Marguerite Moran and City Engineer Shibani Bisson

4. APPROVAL OF AGENDA

Rud asked if there were any additions, deletions or corrections to the agenda. A motion was made by Kodada 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

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. Discuss the City's 2024 Budget

Property Tax Levy/Tax Rate/Debt Service:

Erickson said this was the second meeting pertaining to the City's 2024 property tax levy and budget. He said items to be reviewed included: the proposed levy, tax rate, wages and department requests. Erickson said based on discussion at the first budget meeting, enclosed in the packet is an option for the levy, which is in the middle between keeping the levy the same as 2023 and increasing it so the tax rate remains the same as 2023. He said this could be an option based on increased LGA, street maintenance funding and one time public safety aid. Erickson reviewed the debt service funds and said for 2024, \$738,000 needs to be budgeted to make the payments, which is an increase of \$84,600.00 over 2023.

Wages:

Erickson reviewed a proposed wage increase of 5.50%, which includes an overall increase of 2% to the pay scale and a step increase of 3.50%. He reviewed the CPI between January and May of 2022 and 2023. He said the increased cost to the City is \$143,132.00. Erickson said several employees will receive increases larger than 5.50% because of the City's three year plan to get their wages competitive with the labor market. Kodada said the City needs to stay competitive with the market to retain good workers and asked if the pay scale would be reviewed after the three years. Erickson said the pay scale is reviewed annually.

City Council:

Erickson said wages are based on City Code. He said with an election in 2024, \$500.00 is proposed to be budgeted for legal expenses. Erickson said with a new Councilmember in late 2023, he recommended they attend LMC newly elected officials training in early 2024. The City Council agreed that the new Councilmember should attend training.

Administration:

Erickson said he is reviewing making a recommendation to hire a part time employee for City Hall to assist with day to day tasks so current staff can focus on big picture items. He said he needs to meet with staff, determine tasks, number of hours, etc. before bringing a recommendation to the City Council. Erickson said civil defense is proposed to increase to account for maintenance. He said professional services are consistent with prior years, just increased to account for higher costs. Erickson said the cost for the audit will need to be increased and a RFP for Auditing Services will be presented to the City Council at the June 29th meeting. He said dues and subscriptions consists of the City's LMC membership, accounting software annual fees, etc. Erickson said the cost for the website will be increasing substantially because the City's provider will no longer service the current design after January 1st, so the City will need to stay with the current provider or choose a different one, with the fee increasing from \$660.00 to between \$10,000 and \$15,000 for the first year. Erickson said there will be three elections in 2024 that need to be accounted for.

Parks:

Erickson reviewed recommended budget amounts for repairs and maintenance, landscaping, professional services, rentals, a proposed vehicle purchase, park equipment, trail improvements, grants and summer recreation. He said the Park Board will attend the July 24th budget meeting to review proposed capital projects. Kodada said the City will need to account for utilities and exterior repairs to the 3R Landmark School. Erickson agreed.

Streets:

Erickson reviewed revenues for the Street Department. He reviewed recommendations for expenses pertaining to repairs/maintenance. There was general discussion on the payload snow plow attachment. Mayor Rud questioned the cost of the new piece needed to connect the plow to the pay loader. There was discussion on the cost and the number of repairs that have been made to the current one over the years. Erickson reviewed proposed street maintenance. Kodada recommended looking at options in lieu of sealcoating. Dornfeld reviewed the options available. Furrer asked if other cities are using the recommended products. Dornfeld said Shakopee has used the product, which is similar to but harder than the trail slurry the City had done a number of years ago. Kodada asked if the road needed to be closed for the product to cure. Dornfeld said the road would be closed for several hours, with notification provided to the affected residents. Bisson reviewed several other options and the cities that have used them. Erickson reviewed recommendations for engineering, a vehicle purchase, capital outlay for equipment and the maintenance shop.

Mayor Rud said the tax impact should be minimal and valuation increases accounted for. Erickson said as of now, his recommendation is in the middle of keeping the levy the same as 2023 and keeping the tax rate the same as 2023. Kodada said the City should create a plan for new lights at the DRS field. Dornfeld staff has already contacted Musco for pricing. Mayor Rud said for new lights, the City will need a partner. The City Council agreed a partner was needed.

11. OTHER BUSINESS

None

12. ADJOURNMENT

A motion was made by Kodada and seconded by Furrer to adjourn the meeting at 6:47 pm. Vote for: Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 4-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator