

**MINUTES
CITY OF LONSDALE
CITY COUNCIL MEETING
MARCH 30, 2023**

1. CALL TO ORDER

Mayor Tim 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: Tim Rud, David Webb, Kevin Kodada, Cindy Furrer and Scott Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, Chief of Police Jason Schmitz, Public Works Director Joe Dornfeld, Community Development Planner Jamie Scheffer, City Attorney Joel Jamnik, 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 Pelava and seconded by Furrer to approve the agenda as presented. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

5. APPROVAL OF MINUTES

a. Consider Approval of the Minutes from the February 23, 2023, Regular Meeting

Rud asked if there any additions, deletions, or corrections to the minutes. A motion was made by Kodada and seconded by Webb to approve the minutes from the February 23, 2023 Regular Meeting. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

6. PUBLIC HEARINGS

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

8. APPROVAL OF THE CONSENT AGENDA

- a. Monthly Bills
- b. Treasurers Report
- c. Board and Commission Minutes
- d. Consider Approval of a Quote in the Amount of \$19,292.50 Submitted by Buscho Enterprises for Hauling and Applying Bio-Solids
- e. Consider Acknowledging a Minnesota Lawful Gambling LG240B Application to Conduct Excluded Bingo Submitted by the Sons of the American Legion Squadron 586
- f. Consider Approval of an Application and Permit for a 1 Day to 4 Day Temporary On-Sale Liquor License Requested by the Lonsdale Fireman's Relief Association
- g. Consider Approval to Schedule a Public Hearing on Thursday, April 13, 2023, at 7:00 pm or Shortly Thereafter Regarding the City's 2023 Small Cities Development Program (SCDP) Application

- h. Consider Approval of Application for Payment No. 1 in the Amount of \$31,404.37 to Bluum for the Police Facility Audio/Video Equipment and Installation
- i. Consider Approval of Application for Payment No. 2 in the Amount of \$4,559.22 to Bluum for the Police Facility Audio/Video
- j. Consider Approval of the City’s 2023 Mosquito Control Management Services RFP
- k. Consider Approval of a Sewer Rate Adjustment to the Property Located at 414 4th Ave NE

Rud reviewed the items on the Consent Agenda and asked if anyone wanted any of the items pulled for discussion. A motion was made by Pelava and seconded by Furrer to approve the consent agenda as presented. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

9. OLD BUSINESS

None

10. NEW BUSINESS

- a. Presentation of a West Central Sanitation “Good Neighbor” Recycling Team Check in the Amount of \$541.65 to the Knights of Columbus #16225 for Recycling 36.11 Tons of Cardboard/Mixed Paper

Ray Sweetman of West Central Sanitation introduced Mike Rhodes who is the new site manager in Mankato. Council members welcomed Rhodes. Rhodes presented a check for \$541.65 for the Knights of Columbus for their recycling efforts during the 4th quarter of 2022. Erickson said he would get the check to the Knights of Columbus.

- b. Consider Approval of Resolution 2023-11, a Resolution Ratifying Sale, Prescribing the Form and Details and Providing for the Payment of \$340,000 General Obligation Equipment Certificates of Indebtedness, Series 2023A

With Paul Donna of Baird now in the audience Mayor Rud went back to agenda item b for consideration of a “Resolution Ratifying the Sale, Prescribing the Form and Details, and Providing for the Payment of \$340,000 General Obligation Equipment Certificates of Indebtedness Series 2023A.” Donna briefly reviewed the information and explained the purpose is to fund equipment purchases the City plans to make this year. Donna explained that rather than going to the public market which has extra costs, they approached local Frandsen Bank and Trust, Bremer Bank, and First National Bank of Le Center. The two proposals were received from Frandsen Bank & Trust and First National Bank of Le Center. The best proposal received was from First National Bank for a fixed interest rate of 3.5%. Donna explained that the total amount to be sold is \$340,000 with the city fronting the first interest payment of \$9,520.00, which is due in February of 2024 because of the timing of when the City receives the property tax settlement. Of the \$340,000, \$327,000 will be used towards the equipment with the remainder being the cost of financing. He said the term is ten years, which is set by state statute and the annual payments will average around \$44,000. A pre-payment feature is included as an option for the Council in 2028. Donna said with approval tonight, the closing would occur on April 13th.

A motion was made by Pelava and seconded by Webb to approve Resolution 2023-11 Ratifying Sale, Prescribing the Form and Details and Providing for the Payment of \$340,000 General Obligation Equipment Certificates of Indebtedness, Series 2023A. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

c. Consider Approval of Requests Submitted by the Lonsdale Area Chamber of Commerce Pertaining to Community Day 2023

Shanna Gutzke-Kupp, Executive Director of the Lonsdale Area Chamber of Commerce was present to request several items related to 2023 Community Day scheduled for August 12th. The items requested for approval included an Application and Permit for a 1 Day to 4 Day Temporary On-Sale Liquor License, an Administrative Permit No. 2023-01 Allowing Overnight Camping in Jaycee Park from August 11th through August 13th, additional hours for Police and Public Works staff, use and delivery of barricades for street closures, assistance coordinating road closures with Rice County, use and delivery of picnic tables, mosquito control and \$1,865.00 for bathrooms and handwashing stations for the event. Gutzke-Kupp stated that the items presented included a cover letter, applications and permits, preliminary schedule of events, business and resident courtesy letters, a road closure map, and the Town & Country Sewer Service quote. She stated that nothing has changed significantly other than Erickson mentioning County Road 4 will be closed so they put in a request to Rice County to move the detour that day from 80th Street to South Main/Florida and go up to Industrial- opening it back up Saturday after the car cruise. Erickson confirmed that the County Engineer said they will work with us on that request for the 12 hours requested on Saturday. Gutzke-Kupp said new events include a pet contest and some type of a water sport game. Rud asked if they were satisfied with the turnout last year and she confirmed yes turnout has been great for the past 5-6 years. Rud asked if there are volunteers needed and she confirmed yes and if anyone is interested to let her know.

A motion was made by Pelava and seconded by Kodada to approve the LACC requests for 2023 Community Day. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

d. Presentation of the 2022 Lonsdale Police Department Annual Report

Schmitz reviewed the 2022 Lonsdale Police Department Annual Report with the Council which included a review of the construction of the new police facility, squad car replacements, staffing, camera installation in parks, community policing and involvement, training, medication disposal, incidents statistics, crime statistics, traffic incidents, and other response data. Schmitz thanked the Council, businesses, and community for their support. Rud thanked Schmitz for his work on the report, mentioning the impressive years of service between him and some of the other staff. Schmitz noted he is very grateful for his staff and that they are full staffed, compared to other communities that are struggling. Furrer inquired if Schmitz was still looking for toys and other items to occupy children at the facility and Schmitz confirmed that they are still in need.

e. Consider Approval of Application for Payment No. 8 (Final) in the Amount of \$68,907.16 to BCM Construction for the 2021 Street and Utility Improvement Project

Bisson presented a request to approve the final payment to BCM Construction, Inc. for the 2021 street project, which included street, watermain, curb stop, sanitary and storm sewer work. All punch list items have been completed and final documents have been submitted after several reminders. The amount of the payment represents the retainage withheld until those documents were submitted. The warranty period extends to March 30, 2025, and staff will complete warranty inspections prior to that. Bisson said the original contract amount was \$1,516,804 and the final contract amount was \$1,378,143.24.

A motion was made by Kodada and seconded by Webb to approve Application for Payment No. 8 (Final) in the amount of \$68,907.16 to BCM Construction for the 2021 Street and Utility Improvement Project. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

f. Consider Approval of a Quote Submitted by Minnesota Pump Works in the Amount of \$82,476.60 for Lift Station Pump and Piping

Dornfeld reviewed issues with lift station #2 relating to base elbow wear and tear causing the pump to sit incorrectly, resulting in sewage blowing by the piping that leads to the treatment plant. Staff has been advised to replace pump #2 at this lift station which would have a life expectancy of 20 years. Pump #1 was just replaced in 2020. Dornfeld explained that it is a matter of when, not if, pump #2 will fail. He said he would like to be proactive and order the necessary replacement equipment now due to the lead time to receive the equipment once ordered (8-22 weeks). The lift station will need to be taken off-line and bypassed and will require approval of another quote for this process. Dornfeld reviewed the bids received and recommends the low bid of \$82,476 from Minnesota Pump Works. All three companies that submitted bids recommended Goliath Hydro-Vac for the additional work to bypass the lift station. He said at a rate of \$8,550 per day the bypass should cost \$17,100 for two days of anticipated work. The items are not budgeted expenses, and the insurance claim was denied therefore the funds will come out of the sewer fund.

Pelava asked how much of the community relies on this lift station and Dornfeld replied 100%. Pelava asked if it will be necessary to ask residents to limit usage during the time of the work and Dornfeld replied that Goliath Hydro-Vac is confident that won't be necessary. Furrer commented that this is a main piece of infrastructure and thanked Dornfeld for being knowledgeable of the limitations and options to move forward. Kodada said he is in favor of not going with a cheaper fix. Pelava agreed since the funds available in the sewer fund.

A motion was made by Furrer and seconded by Pelava to approve the quote from MN Pump Works for \$82,476 install new equipment in lift station #2. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

g. Consider Approval of Quote from Goliath Hydro-Vac, Inc. in the Amount of \$17,100 for the bypassing of lift station #2.

A motion was made by Kodada and seconded by Pelava to Approve the Quote from Goliath Hydro-Vac for \$17,100 for the bypassing of lift station #2. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Rud asked when the work will take place and Dornfeld replied that it depends on when the equipment is received by the contractors, but they are hoping for 8 weeks rather than 22 weeks.

h. Consider Approval of Resolution 2023-12, a Resolution Accepting a Bid for a 40' x 100' Public Works Storage Facility and Authorizing a Down Payment

Dornfeld reviewed the project background including the Council granted permission to obtain bids for the proposed 40' x 100' cold storage building at the maintenance department site. He said he obtained quotes for a base bid, quotes following stricter standards based on the surrounding I-2 zoning district, the latter plus insulation, and the latter plus items to finish project including engineering, site work, concrete flooring, electrical work, windows, and doors. Dornfeld recommended meeting the I-2 standards plus insulation at the low quote from Worldwide Steel Buildings at \$76,639.00, with an estimated total project cost at \$246,639.00. Dornfeld reviewed the required downpayment (\$21,458.92) for the low bid and the fiscal impact to the city. The budgeted amount was \$30,000 and staff proposes to utilize remaining project funds to help complete this project: \$20,000 unused funds budgeted for equipment certificates bid and incidentals; the previously discussed \$166,000 leftover funding for 2023 trails; and \$40,000 left from the 2023 mill and overlay/parking lot projects. The remaining amount of \$31,639 is

proposed to be funded either by a transfer from the liquor fund or internally funded by a “due to” the water/sewer funds.

Rud asked clarification on the bids as presented. Dornfeld explained that the top two quotes are steel builders and the other three are proposing wood pole sheds. He said the steel buildings do not include the doors, windows, and other items within their bids. Rud asked if there are any incidentals not accounted for and Dornfeld replied that everything is included. Discussion was held on the benefits of steel over wood. The consensus was built that staff will pursue quotes and estimates for fully finishing the building inside with tin, heat, and an exhaust fan/ventilation system. The plan if it remains a cold storage building is to swap equipment based on the season. Dornfeld’s concern is that if OSHA considers the building to be a place of work instead of a place of storage, costs will increase significantly based on further requirements.

A motion was made by Pelava and seconded by Furrer to table the item for two weeks until further pricing and quotes are obtained. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

i. Consider Approval of Resolution 2023-13, a Resolution Approving Conditional Use Permit 2023-01

Scheffer reviewed the application for a Conditional Use Permit (CUP) and explained that the Site Plan and Preliminary/Final Plat that were submitted with the application were tabled at the March 20th Planning Commission Public Hearing. The CUP application is from Jake Wetzel requesting to allow a Commercial Car Wash “Wetzee’s Car Wash” in the Rolling Ridge Marketplace PUD as a conditional use through the CUP process. Scheffer noted that the plat submitted with the application split the current First National Bank parcel currently at 4.36 acres into three parcels as the Rolling Ridge Market Place Sixth Addition, with Wetzel proposing to purchase what was labelled as lot 3, the furthest west, at 1.31 acres. She said the Planning Commission held the public hearing and voiced concerns over the proposed lot based on previous conversations that had them expecting the car wash to be proposed on the middle lot (lot 2) next to the bank. Scheffer stated that the attached Planning Commission staff report thoroughly reviewed the application and that all standards were met, and staff proposed conditions to mitigate detrimental impacts to neighboring residential property to the west and south. Scheffer reviewed the City Attorney opinion that the Commission’s concerns are valid based on proximity to an exclusively residential neighborhood and that authorizing commercial car washes as a conditional use in the PUD was predicated on the understanding that the car wash would locate closest to the bank. Scheffer stated that Wetzel wrote a letter in response to the Planning Commission recommendation stating his concerns with the proposed setback condition, and that she received a letter today from the Bank which was emailed to Councilmembers before the meeting. Scheffer also stated that meeting minutes from 11.21.22 were attached wherein the Council stated concerns with the car wash locating next to the residential neighborhood. Scheffer outlined the proposed options for City Council to approve the CUP with option one being the applicant’s proposed location with conditions to help mitigate concerns related to noise and traffic, and option two being approval with a 200-foot setback and removal of some of the previously mentioned conditions. Scheffer stated denial is not recommended at this time. Scheffer noted that regardless which option is chosen, since the site plan and plats were tabled, those items will need to go through Planning Commission again and come back to another City Council meeting for approval.

Rud called Wetzel to the podium to speak about his application. Wetzel voiced concerns with the legality of the proposed 200' setback condition which he stated makes the proposed lot (3) unbuildable along with the condition being unreasonable and not based upon fact. The Council

discussed the proposed application at length and discussion ensued back and forth with council members, staff, and the applicant. Based on the Council's impression the car wash would locate next to the bank when they approved car washes as a conditional use in the PUD, they agreed with the Planning Commission's recommendation to include a condition making the setback from neighboring residential properties 200 feet. The Council made it clear that they preferred the concept presented last fall on the eastern lot because traffic would be contained within the site. To further prevent heavy traffic from travelling around the western curve of the Ring Road the Council and the applicant agreed to include a condition directing the one-way Ring Road to travel east. Scheffer reviewed all the conditions proposed in attached CUP draft #2 and the council voted to approve the permit with the proposed conditions of proof of ownership, the outdoor use of vacuum stations, mandating that the one-way Ring Road directed to the East, adding a 200-foot residential setback and having the automatic bay doors closed during the entire wash/dry cycle. It was also noted that the applicant would not be charged any further application or escrow fees. Rud suggested that to help alleviate costs with re-working plans that Wetzel ask the developer (First National Bank) to purchase the soil borings obtained for lot 3 because they will be valid potentially for the next proposed development on that lot.

Rud asked for clarification if the Council should deny the application and request a new application. Jamnik recommended that the Council approve the drafted conditional use permit #2 and voice changes to that document. He also stated the applicant will then need to provide new plans demonstrating cohesiveness with the approved CUP and related conditions approved tonight, to go through Planning Commission and Council for proper approvals.

A motion was made by Kodada and seconded by Webb to approve CUP Draft #2 as presented with the added conditions of no limitations on hours of operation and that the Ring Road would go East. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

j. Consider Approval to Submit a Statewide Health Improvement Partnership (SHIP) Funding Request

Scheffer started by reviewing a project from 2022 that was funding by SHIP- the Birch St NE Bike and Pedestrian Lane Demonstration Project, which consisted of creating a lane on the shoulder of Birch Street with temporary bollards and paint to provide a safe pathway and determine usage by pedestrians. The project was a success according to Dornfeld. SHIP informed staff that additional funding is available with the same requirements, so staff discussed and is proposing another bike and pedestrian lane demonstration project to go on Industrial Drive by Sticha Park from the west edge of the parking lot to the intersection at Willow Drive. The proposed lane would connect to the Welco Trail which heads north to the boardwalk. Staff explained that it is a heavy pedestrian area and with the addition of the Sticha Skate Park it will only increase, in addition to big trucks and high-speed traffic being a concern. Staff recommended a six-foot width lane to leave over 24 feet for two-way traffic. The grant request includes money for bollards, stickers, safety signs, crosswalk signs, traffic paint and other supplies. The city is required to provide a 10% cash match which will be around 400 dollars. Scheffer explained that the Park Board reviewed the project and recommends submission of the funding request to SHIP for the project. The Council reached consensus that it is a good project idea, and that staff should stripe the center lane and include some signage about the lane change ahead.

A motion was made by Kodada and seconded by Webb to approve submission of a funding request to SHIP for the Industrial Drive Pedestrian and Bike Lane Demonstration Project. Vote

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

k. Consider Approval to Submit a Letter of Inquiry for Funding to the National Skate Park Project National Grant Program

Scheffer gave project background on Sticha Skate Park and explained that the Park Board researched grant options to help with funding of the project. The National Skatepark Project (formerly Tony Hawk Foundation) Grant appeared to be a good fit and the Park Board approved a letter of support for the project along with recommending that the Council approve submission of a Letter of Inquiry (LOI). The Park Board also had staff find past letters of support with signatures along with obtaining new letters from local business Telamco and SHIP. Scheffer noted that the LOI is a preliminary grant application and that if the grant committee approves it, they will invite the city to submit a full application. The letter of inquiry had specific questions and the draft responses are included in the staff report.

A motion was made by Kodada and seconded by Furrer to approve submission of a letter of inquiry including attached letters of support for the National Skatepark Project Grant Program for Sticha Skate Park. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

11. OTHER BUSINESS

a. Department Head & Council Reports

Public Works

- Streets- fixing streets that didn't fare well over the winter and pothole patching as able. Installing signs. Street sweeping. Getting quotes for paint.
- Water- everything smooth. Detail plates being reviewed for upcoming projects with WSB.
- Sewer- intermediate lift station pump and VFD insurance claims are in and scheduled to be put in Weds. RFP for jetting, televising, and manhole sealing. Chloride paperwork.
- Skatepark- with warmer weather, the project is back up and running.
- Trender Memorial and Marlene Park- trees were taken down.
- Pricing is out for ADA restrooms for summer.
- Pollinator grant submitted and news to come in April.
- Soccer and Little League scheduling has started. East parking lot will have restroom.

Engineering

- Mill and Overlay/ Parking Lots- pre-con April 18th and beginning work in May. Letters will be sent to residents.
- Trails- early to mid-June to begin with three-week work schedule. Pre-con in May. Letters will also go out to residents on this project especially residents behind the Trender Memorial trail with the drain tile installation and right of entry.
- Sticha Skate Park- start early May 2-3 weeks duration.
- Contract docs ready for first two projects.
- CSAH 4- Cost split is less than anticipated for the City's portion. June 5th to September 1st will be closed with detour on 80th and Main Street. FD will always have gravel access. 8th Ave intersection will be open. Some discussions will need to be had around access and detours along with communications. The city sewer/water work will be inspected by WSB during the project. Staff has questions about park access as well and will bring these items up at pre-con once that is scheduled.

City Administration

- CSAH 4- preliminary meeting with Rice County last week to discuss those items mentioned by Bisson. Since CR4 will be closed proposed to use 7th Ave to Arizona. Maintained access from Highway 19 to 5th Ave NW (Dental Office, Smoke, FD). Community Day detour addressed as well at this meeting. They will have a website that we will direct residents to and add a link on our website as well.
- Audit is in progress for 2022. Several bank meetings held to maximize interest rates.
- Closed on lot south of Dollar General.
- Zoom meeting with MNDOT on Hwy 19 Mill and Overlay. Next step is ADA sidewalk “walk.”
- Meetings with IT companies- discussion on IT changes/RFP coming soon to Council.
- Seasonal PW interviews next week and following with recommendations on April 13th with start around May 1st along with two high school students beginning June 1st.
- ACH policy drafted- will meet with staff and bring to Council.
- Met with Rice County staff and commissioners to talk about economic development and other items.
- Loss Control Workshop on the 5th
- Downtown business signs being updated.
- FD concrete bids will be presented at next meeting.

Community Development

- Permits only accepted online now- going well.
- Working on 2022 Community Development report for next meeting
- 78 permits so far this year and a handful of new homes included.
- Anticipating land use applications from Garry Tupy for Bastyr Pointe proposing 9 single family detached lots as a PUD.
- Planning Commission is hosting the EDA for a joint housing discussion at next meeting.
- Updated land use application forms to streamline process.
- Updating website- mostly complete
- Quotes to come for website hosting due to Gov Office (now Catalis) is forcing responsive redesign with significant cost increase. We own domain name so emails will not change.
- Election Judge Training completed.
- Town Ball Tour with Fox 9- Aces have met with Fox 9. Game starting at 7 or 730. Park board is looking at additional activities with a potential funding request at the next council meeting. We reserved RayAnn field for additional space.

Council Member Webb

- Liquor store- nothing new
- Library- \$800 from book sale

Council Member Kodada

- Parks & Recreation Commission- everything discussed was presented tonight except a vending machine request, which was discussed and isn't moving forward.
- Planning Commission- everything covered tonight.

Council Member Furrer

- EDA- Scheffer was introduced. Looked at print advertising and not moving forward on that. Spoke about sponsoring Chamber events.

Council Member Pelava

- Chamber of Commerce- Lonsdale Street Fair and Business Expo May 16th on Ash Street by the Bank and Mackenthun's.

Mayor Rud

- Meeting with Rice County- affordable housing topic came up and gave us some contacts and ideas. Spoke about county maintenance shop in Lonsdale and they are open to proposals and have committed to cleaning up the piles on the property.

b. Upcoming Meetings

- a. Thursday, April 13, 2023 at 7:00 pm
- b. Thursday, April 27, 2023 at 7:00 pm

12. ADJOURNMENT

A motion was made by Pelava and seconded by Furrer to adjourn the meeting at 9:28 pm. Vote for: Rud, Webb, Kodada, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Respectfully Submitted:

Jamie Scheffer

Community Development Planner