

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
February 12, 2009**

1. CALL TO ORDER

Mayor Rud called a meeting of the Lonsdale City Council to order at 7:00 pm in the Council Chambers at 415 Central Street West.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the Pledge of Allegiance.

3. ROLL CALL

Present: Daleiden, Kodada, Rud, and Furrer

Absent: Smith

Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker, and City Engineer Kevin Kawlewski

4. AGENDA

Mayor Rud asked if anyone had any additions, deletions, or corrections to the Agenda.

A motion was made by Daleiden and seconded by Kodada to approve the agenda as presented. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: 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

9. OLD BUSINESS

None

10. NEW BUSINESS

a. Northfield Ambulance Report – Fritz Duban

Northfield Ambulance President Fritz Duban provided a quarterly report to the City Council. He mentioned that their next quarterly meeting will be in Greenville Township on April 22, 2009. He said that total runs are up 11% and west side runs went up 17% to

557 runs. He said that more calls come in on Thursdays than any other day, and he stated that the 13 - 24 year old cohort is the highest age group for calls. Rud thanked Duban for his community service, and he asked if the ambulance charges a fee for each call. Duban stated that there is no charge unless the injured party is put into the truck.

- b. Consider Approval of the 2009 Lonsdale Summer Recreation Service Contract between the City of Lonsdale and Montgomery-Lonsdale Public School District No. 394
Erickson read through the key points of the agreement. He said that due to the economy, the majority of the programming will be compressed into shorter clinics instead of programs that run for a couple weeks or months. Erickson also mentioned that girls softball was going to be taken over by Stacy Kodada. Community Education Director Kathy Peterson reviewed her letter addressed to the Lonsdale Park Board and briefly explained the costs and participation breakdown spreadsheet. She explained that the programming list was not completely finalized yet. She said that a good proportion of the kids involved are coming from the Lonsdale area. She mentioned that she was going to do a better job of keeping records this year. She said that the main costs coming from the city's budget are used for bussing, office, equipment, and scholarships. Kodada asked if the Redbird Report was being mailed to everyone in Lonsdale. Peterson said that she was not sure, but she would check into it. Kodada stated that \$8,500 was budgeted for in 2009 and the Park Board recommended approval of the proposed programming.

A motion was made by Kodada and seconded by Furrer to approve the 2009 Lonsdale Summer Recreation service contract between the City of Lonsdale and Montgomery-Lonsdale Public School District No. 394. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Vote 4-0. Motion carried.

- c. Review 2008 Lonsdale Liquor Financials
Erickson provided the following items for the Council to review: 1) February Liquor Store Department meeting addenda items; 2) approved 2009 budget; 3) Gross profit scenarios; 4) Comparison of similar stores based on "cost of goods" and "sales"; 5) December 2008 Treasurer's Report; 6) Liquor Store Depreciation schedule; and 7) Information from 2006 MN State Auditors Municipal Liquor Store Operations. Erickson said that Liquor Store Committee set four goals for 2009 including: 1) Reduce inventory to between \$275,000 - \$300,000; 2) Increase the gross profit percentage; 3) Repay the Sewer fund \$15,000.00; and 4) Meeting regularly during the first week of each month. Erickson also provided a summary of the general finances. Kodada asked about the land closing fee. Erickson explained that the city would be receiving an escrow check for \$7,500. Rud pointed out that Lonsdale's operation expenses are high compared to other cities. Daleiden said that traffic has increased at the store significantly. He said that they will attempt to advertise more. He said the initial goal is to get consumers coming in the door and wanting to come back again. Daleiden said he is very encouraged to see what is going on at the Liquor Store, and he said that the committee is doing everything they can to help the store. Rud asked if money should be repaid back to the sewer fund. Erickson said that \$15,000 would be alright.

A motion was made by Daleiden and seconded by Kodada to approve a repayment from the Liquor Store fund to the Sewer fund in the amount of \$15,000.00. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Vote 4-0. Motion carried.

Kodada mentioned that he was also very encouraged by the January numbers. Furrer asked about the inventory issues. Erickson stated that inventory had been reduced by \$72,000 in 2008.

d. Review of “Main Street Matters” Meeting with Main Street Business and Property Owners

Erickson explained that 18 people attended the “Main Street Matters” meeting on February 6, 2009. He mentioned that meeting went well and many good ideas and concerns were raised, and he summarized 15 discussion items that were talked about. Erickson said that the next step is for the city to create a task force to begin addressing the discussed concerns and ideas. Rud said that he was very satisfied with the meeting. He mentioned that everyone wants an aesthetically pleasing downtown area with nice landscaping, lights, and storefronts, but the main issue is funding. Rud suggested that that a task force committee, including Debbie Zellner and members from the EDA, be formed to address these issues.

e. Consider Approval to Reduce the Harmony Meadows 1st Addition Letter of Credit by the Amount of \$9,308.77 to \$226,200.00

City Engineer Kawlewski stated that On-Site Marketing requested a letter of credit reduction of \$185,508.77 for Harmony Meadows 1st Addition. Kawlewski said that per the developer’s agreement, the developer shall maintain a balance of at least 20% of the original amount posed for the project until final acceptance of the project by the city. He stated that 20% would allow for a reduction of \$9,308.77. He also mentioned the job has not been finalized yet.

A motion was made by Kodada and seconded by Furrer to approve a reduction to the Harmony Meadows 1st Addition Letter of Credit by the amount of \$9,308.77 to \$226,200.00. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Vote 4-0. Motion carried.

f. Consider Approval to Authorize Staff to Obtain Appraisal Proposals for Permanent Easement Acquisition Pertaining to the Highway 19 Sidewalk Project

Erickson provided the Council with a proposed Hwy 19 sidewalk construction and easement map created by WSB. He explained that the project would run on the south side of Hwy 19 from County Road # 4 to Casey’s General Store. He said that the next step in the process is to authorize and obtain appraisals for the nine parcels are affected by the project. Rud asked if city staff would be negotiating with the property owners. Erickson said yes.

A motion was made by Daleiden and seconded by Kodada to authorize staff to obtain appraisal proposals for temporary and permanent easement acquisition pertaining to the

Hwy 19 Sidewalk Project. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Vote 4-0. Motion carried.

g. Consider Approval to Request a Proposal from WSB & Associates, Inc. to Complete the Plans and Specifications for the Highway 19 Utility Improvement Project

Erickson provided the Council with a proposed Hwy 19 utility construction map/description and cost estimates provided by WSB. Erickson said that in anticipation of the 2010 Hwy 19 Mill & Overlay Project, the city budgeted funds for necessary utility improvements in 2009. He mentioned that the next step in the process is to obtain a proposal from WSB to complete the project plans and specifications.

A motion was made by Kodada and seconded by Furrer to request a proposal from WSB & Associates, Inc. to complete the plans and specifications for the Highway 19 Utility Improvement Project. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Vote 4-0. Motion carried.

11. OTHER BUSINESS

a. Update on Laura Jane Musser Fund Grant

Erickson reminded the Council that in early November, the City submitted a grant application in the amount of approximately \$25,000 to make necessary repairs to the 3-R Landmark Schoolhouse. He mentioned that the City was recently informed that the grant application was not selected for funding. He said that staff will continue to research other grant opportunities to assist in financing the repairs.

b. Project Updates

None

c. Department Reports

Council Member Daleiden

None

Council Member Kodada

Kodada said that the Park Board had a good meeting on February 10, 2009. He said the Board budgeted money for trees, and they approved a planting plan for 4-5 trees in four different city parks this spring. He also said the Board approved a 50-tree nursery as phase I of a larger project. He also updated the Council on three other Park Board agenda items including a wetland enhancement project behind 10th Avenue NW, DRS circuit breaker project, and a petition for a skate park.

Council Member Smith

None

Council Member Furrer

Furrer said that Skywarn is preparing for their annual Easter egg hunt and the Pioneer Power event. She also said they talked about getting a new weather station because the current station is outdated.

Mayor Rud

Rud said that he is scheduling a meeting with the mayor on February 21, 2009 at 8:30 am. He mentioned that the Warming House Project Committee will be meeting next Tuesday to discuss recognizing all the volunteers and staff that helped with the project. He said that the warming house turned out really nice.

The Council allowed Steven Jakobitz, 218 3rd Avenue SE, to approach the podium with concerns regarding the recent water rate increase. Jakobitz said that he has lived in Lonsdale for twelve years and he agreed that prices need to go up, but he expressed his concern with the city's new utility rate increase. He said that he was concerned with some of his neighbors who live on Social Security. He said that he will survive but there comes a time when a price freeze needs to be implemented.

Rud said that the Council is very aware of the issues and scenarios that surround the increased water rates. He said that the Council wants to be fair, and they will look into the issue further.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Furrer to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Vote 4-0. Motion carried. The meeting closed at 8:02 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator