

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
September 25, 2008**

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: Duban, Kodada, Rud, Smith, and Furrer

Absent: None

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

4. AGENDA

Mayor Rud asked if anyone had any additions, deletions, or corrections to the Agenda. Rud stated that Debbie Erickson's request for a deferred assessment should be added to the agenda.

A motion was made by Duban and seconded by Kodada to approve the agenda with the noted addition. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

5. APPROVAL OF MINUTES

A motion was made by Kodada and seconded by Duban to approve the minutes from the September 11, 2008 Regular Meeting, the September 15, 2008 Special Meeting, and the September 22, 2008 Special Meeting. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: 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 Duban and seconded by Kodada to approve the following consent agenda items:

- a. Monthly Bills
- b. Treasurer's Report
- c. Board and Commission Minutes
- d. Consider Approval of Staff to Advertise for Sale a 1992 Saturn SL 2 Forfeited in

Accordance with Minnesota Statute 169A.63, Subd. 10

- e. Consider Approval of a Minnesota Lawful Gambling Application for Exempt Permit With No Waiting Period Submitted by the Holy Cross Catholic Church

Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

9. OLD BUSINESS

- a. Consider Approval of Resolution 2008-41, a Resolution Approving the Execution of a Development Agreement with Lonsdale Senior Housing, LLC for a Senior Housing Project

Erickson briefly explained the project and need for a development agreement. Rud welcomed Lynette Crandell, attorney from Dorsey & Whitney LLP and author of the development agreement, to highlight the main points of the agreement. Crandell provided an overview of the agreement and asked for questions. Rud asked if the agreement contained provisions for protecting the City's interests. Crandell said yes, stating that a minimum assessment amount will be built into the agreement in case the taxes paid are not sufficient to the increment. Duban asked what would happen if the developer of the project sells to another party in 10 years. Crandell referred the Council to Sections 8.1 and 8.2, a specific section in the agreement set up for any future transfers of property. Rud mentioned that approval of the agreement will be the final step before ground breaking.

A motion was made by Duban and seconded by Smith to approve Resolution 2008-41, a resolution approving the execution of a development agreement with Lonsdale Senior Housing, LLC for a senior housing project. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- b. Consider Approval of a Library Lease Agreement Between the City of Lonsdale and Lonsdale Senior Housing, LLC

Erickson mentioned that along with the construction of the new senior housing facility, 4,000 sq. ft. of public library space and meeting rooms will be available to the entire community to utilize. Erickson highlighted 16 main points of the proposed lease agreement between the City of Lonsdale and the developer of the project, and he recommended approval of the lease agreement. Rud addressed the audience stating that the City has been working on this project for over three years and now the community will be receiving an absolutely remarkable facility for a \$1 lease and no increase to local property taxes.

A motion was made by Smith and seconded by Duban to approve a library lease agreement between the City of Lonsdale and Lonsdale Senior Housing, LLC. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

10. NEW BUSINESS

- a. Consider a Request by Janet Jacobs – 102 32nd Ave SW for a Reduction in her 2nd, 3rd and 4th Quarter Sewer Rate from 37,000 Gallons to 3,000 Gallons

Erickson explained that Janet Jacobs was requesting a sewer rate reduction due a toilet that was leaking at 102 2nd Avenue SW. He stated that in the past, the Council has approved requests like this due to leaking toilets and miss programmed water softeners. Erickson provided a water usage history report for the Council to review. Duban said that if we approved similar reductions in the past for leaking toilets then we should do it now.

A motion was made by Duban and seconded by Kodada to approve a request by Janet Jacobs, 102 32nd Ave SW, for a reduction in her 2nd, 3rd and 4th quarter sewer rate from 37,000 gallons to 3,000 gallons. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

b. Consider Approval of Resolution 2008-42, a Resolution in Opposition to Any Potential CapX 2020 Route Within Two Miles of the City of Lonsdale

Erickson explained that Cap X 2020 is working towards approval of a 200 mile 345-kV transmission line from Brookings, SD to the southeast Twin Cities area. He mentioned that the preliminary plans show three possible routes. Erickson said that one of the proposed routes aligns with County Road 2 and then north on Hwy 19. Erickson provided the Council with a letter and several maps from Al and Cheryl Pankow regarding high voltage power lines and electromagnetic fields. He said that adverse health impacts may be linked to such transmission lines. Erickson said that he attended a meeting on September 22nd in Shakopee regarding the issue. Rud stated that the City should error on the side of caution. He said that the City appreciates renewable energy sources like wind generated energy produced on the Buffalo Ridge, but routes should be strategically located away from the City's two mile urban reserve district. Duban also voiced concern regarding the County Road 2 location because it would restrict future growth to the northwest. Kodada said that the City should not handcuff itself by allowing large transmission line so close to its northern boundary.

A motion was made by Kodada and seconded by Furrer to approve Resolution 2008-42, a resolution in opposition to any potential CapX 2020 route within two miles of the city of Lonsdale. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

c. Consider Approval of a Bid Submitted for the CSAH 33 Trail Connection and Utility Improvements

City Engineer Kawlewski stated that ten bids were received for the trail project earlier in the day. Kawlewski stated that Minnesota Dirt Works Inc., a local company, was the low bid at \$45,401.20. He said that the original Engineer's estimate was \$66,793.00. Kawlewski said that the trail, stretching from Harmony Meadows to Bluff Heights Drive, would be constructed this Fall and paved next Spring. Rud asked if there was excess dirt available for the project. Kawlewski stated that the contractor will be borrowing free fill from On-Site Marketing. Kodada stated that that Park Board was looking forward to completing the last segment of the southern trail loop once this project is finished.

A motion was made by Kodada and seconded by Smith to award a contract to Minnesota Dirt Works Inc. for their bid submitted in the amount of \$45,401.20 for the CSAH 33 Trail

Project. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0.
Motion carried.

- d. Consider Approval of Resolution 2008-43, a Resolution Approving a Request by Lonsdale Telephone Company for a Conditional Use Permit to Erect One (1) Antenna Tower and up to Three (3) Satellite Dishes at 126 Main Street South

Baker explained that Lonsdale Telephone Company was requesting a Conditional Use Permit to erect a 45' antenna tower and up to 3 satellite dishes at 126 Main Street South to provide enhanced cable TV service. Baker presented the Council with a survey showing the exact location of the proposed accessory structures. He mentioned that the tower will rise approximately 20 feet above the roof line and hold 4 different antennas to receive Mankato, St. Cloud, and Twin Cities TV stations. He said that the satellite dishes will be approximately 15 feet tall and located inside of a 39' x 45.5' fenced area. Baker stated that according to Ordinance 2007-215, no accessory structures shall exceed the height of the principal building except by conditional use permit. Baker stated that the proposed resolution provided a condition requiring screening of the fenced-in equipment area. Baker said that the Planning Commission held a public hearing on the issue and recommended approval of the permit. Furrer reaffirmed that the Planning and Zoning Commission approved the conditional use permit.

A motion was made by Duban and seconded by Smith to approve Resolution 2008-43, a resolution approving a request by Lonsdale Telephone Company for a Conditional Use Permit to erect one (1) antenna tower and up to three (3) satellite dishes at 126 Main Street South. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0.
Motion carried.

- e. Consider Approval of Resolution 2008-44, a Resolution Approving a Request by Lonsdale Telephone Company to Combine Three (3) Parcels Together at 126 Main Street South

Baker presented a parcel map and certificate of survey of 126 Main Street South to the Council. He explained that the property at 126 Main Street South was currently made up of five contiguous lots and 3 parcels. He mentioned that parcel combination was listed as one of the conditions in the Resolution 2008-43. He explained that the three parcels need to be combined together into one parcel in order for the existing principal structure to be located on the same parcel as the proposed structures. Baker stated that the Planning Commission recommended approval of the combination request at their previous meeting. Furrer said that the request is essentially a technicality of the previous approval.

A motion was made by Kodada and seconded by Smith to approve Resolution 2008-44, a resolution approving a request by Lonsdale Telephone Company to combine three (3) parcels together at 126 Main Street South. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- f. Consider Appointment of Applicant to Fill a Vacancy in the City Council

Erickson stated that all seven candidates (Joe Daleiden, Evelyn Duban, Don Novak, Scott Pelava, Lynn Russell, R.J. Sticha, and Todd Uplegger) were interviewed by the City Council on September 15th and September 22nd. Erickson summarized the three different

ways that the voting can take place. Erickson also provided the Council with a memo from the City Attorney identifying the different options to fill the vacancy. Before the Council considered an appointment, Mayor Rud briefly highlighted the history and positive points of each candidate, and he reminded each candidate not to take the Council's decision personally. Kodada stated that it was going to be a tough decision because he knew most of the candidates personally and they all interviewed well. Smith suggested that Council use Option # 2 or Option # 3 to appoint the next Councilmember.

A motion was made by Smith and seconded by Furrer to use Option # 3 as the preferred method to select the next Councilperson. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Erickson explained the process in detail and handed out paper for the Council to vote on. After the Council wrote down the names of all seven candidates on the ballot, they voted for only three candidates: 10 points for first choice, 8 points for second choice, and 6 points for third choice. Once the Council completed their choices, they submitted their private ballots to City Administrator Erickson. Erickson tallied the results of the ballots and City Planner Baker reviewed the numbers for accuracy. Erickson then wrote down the results of the top three candidates from the first round voting so only the Council to see. After the Council wrote down the top three candidates on the ballot, they voted for only two candidates: 10 points for first choice and 8 points for second choice. After the second round of voting, the City Administrator and City Planner reviewed and tallied the results of the second round voting and privately presented the results to the Council. Upon verification of the top vote getter, Mayor Rud stated that the Council was ready to announce their appointment.

A motion was made by Kodada and seconded by Smith to appoint Joe Daleiden to fill the City Council vacancy. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Rud expressed gratitude towards all of the candidates and he thanked them for taking the time to apply for the vacancy.

g. Consider Approval of a Quote Submitted by ABM in the Amount of \$136,400 for a New Street Sweeper

Public Works Director Vlasak stated that he received two bids for new street sweepers. He presented the two quotes to the Council: (1) ABM Equipment & Supply – New Johnston Allianz Model 3000 in the amount of \$136,400, including \$18,643.00 trade-in, and (2) Mac Queen Equipment – Demo Elgin Pelican in the amount of \$136,496.00, including \$4,000.00 trade-in. He recommended going with the Johnston-Allianz Model 3000 from ABM for the following reasons: better visibility, accessibility of engine and sweeper components, dual gutter broom, larger hopper, turning wheels in front, one year warranty, and free use of sweeper for fall clean up. Two representatives from ABM, Bill Dietrich and Chad Bormann, came to the podium to answer questions about their sweeper. Kodada asked when the new sweeper would be delivered and if any references had been contacted. Bormann and Dietrich said it would be delivered on March 1, 2009. Duban asked about the autolube system. Vlasak stated that the system lubed 35 different parts, all but 9 grease fittings. Dietrich said that they had a model in Fergus Fall, MN,

Montecello, MN, and a vacume sweeper in Jordan, MN. Bormann stated that their sweepers are purpose built models. Dietrich stated that due to the lack of product visibility in the state, Minnesota sweeper sales have not been competitive. Kodada asked if one of their models could be test-driven for a couple weeks during fall cleanup. Bormann said that they only have 3 demo fleets, so he was not sure. Duban asked if the Public Works Department ran the machines. Vlasak said that they have already demoed both machines, and they recommended operating the Johnsons-Allianz Model 3000. Vlasak reminded the Council that Public Works needs a machine of fall cleanup. The Council discussed the options and decided not to make a decision until more information and references were provided. The Council stated that they would make a decision on October 9, 2008.

A motion was made by Duban to approve the quote form ABM Equipment & Supply for a Johnston Allianz Model 3000 sweeper in the amount of \$136,400, including \$18,643.00 trade-in. A second motion was not provided.

Kodada suggested that the issue be tabled until October 9, 2008. The rest of the Council, except for Duban, agreed.

h. Discuss Request by Debbie Erickson, 216 7th Avenue NW, to defer assessment payments for the 2007 Reconstruction Project

Administrator Joel Erickson stated that Debbie Erickson, 216 7th Avenue NW, had contacted some council members and staff to request a deferment from her assessment payment for the 2007 Reconstruction Project due to her husband's disability. Debbie Erickson explained that it is hard to talk about, but her husband is disabled. Mrs. Erickson said that her current disability checks have stopped arriving and that she had already applied to receive social security disability. She said they currently have no income to pay the assessment payments. Rud said that Mrs. Erickson has been to several City meetings to explain her hardship. Duban asked if Erickson's husband was totally disabled. Administrator Erickson referred the Council to the applicable state statutes. He said that assessments may only be deferred if someone is over the age of 65 and under the poverty limit or the person is totally and permanently disabled. Administrator Erickson stated that Mrs. Erickson needs to provide the City with the proper paperwork, and he also mentioned that the state's standards are set very high. The Council stated that the City should adopt a policy for such issues. Mrs. Erickson stated that they only needed that deferment until they get back on their feet again. Rud explained to Mrs. Erickson that she needed to provide the City with the proper documents. Administrator Erickson explained the applicable information that is needed. Duban suggested that Mrs. Erickson have her paperwork to the City by the next Council meeting so the City can make a decision.

No action was taken.

11. OTHER BUSINESS

a. Project Updates
Engineering

City Engineer Kevin Kawlewski said that he will be working towards resolution with the contractor over pavement issues along 8th Avenue NW. He said that WSB will not be charging extra for the inspections. He also stated that the City still has project security in the form of a bond, retainage, and a two-year warranty.

Kawlewski stated that no action has been taken from Bakken in regards to the unfinished Willow Creek items.

b. Department Reports

Council Member Duban

Duban took the opportunity to thank the Council, City staff, local newspaper staff, and the public for their support during his 40 plus years of service as a staff person and elected official. He mentioned that he took great pleasure in helping the City of Lonsdale grow from 540 people to almost 3000 people.

Council Member Kodada

Kodada asked public works to stay on top of the Mysitic Pizza water issue. Kodada also asked staff to contact the property owner of a vacant lot along Cottonwood Street NE to clean up the dirt pile, compost, silt fence.

Kodada thanked Duban for his years of service and wished him the best of luck.

Council Member Smith

Smith stated that it was a pleasure working with Council Member Duban.

Council Member Furrer

Furrer thanked Duban for his years of service.

Mayor Rud

Rud mentioned that the Grand Opening for the new Habitat for Humanity Home in Rayann Acres would be on September 28th. Rud announced that there will be a ground breaking ceremony on October 9th for the new assisted living facility. Rud stated that Pat Rezac, previous Post Master for the Lonsdale Post Office, will be commended for her years of services at the October 9th Council meeting.

Rud thanked Duban for his years of service, stating that he was a true friend and ally. The entire audience stood and applauded Duban for his service.

12. ADJOURNMENT

A motion was made by Duban and seconded by Kodada to adjourn the meeting. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried. The meeting ended at 8:35 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator