

**MINUTES  
CITY OF LONSDALE  
REGULAR CITY COUNCIL MEETING  
June 10, 2010**

**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, Furrer, and Pelava

Absent: None

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

**4. AGENDA**

Mayor Rud asked if anyone had any additions, deletions, or corrections to the agenda. Rud asked if the "Singing Hills Drive SE Overlay Project" could be added to the agenda.

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

**5. APPROVAL OF MINUTES**

None

**6. PUBLIC HEARINGS**

a. Ordinance 2010-237, an Ordinance Amending City Ordinance 2010-234 – Building Permit Fees

Rud read the notice and opened the public hearing. Erickson explained that the State of Minnesota will be implementing an increase in the state surcharge amount from \$0.50 to \$5.00 for flat fee building permits such as re-roofs, furnace replacements, and re-siding. He said that according to State Statute the City is required to conform with the new surcharge fee amount of \$5.00 from July 1, 2010 to June 30, 2011. Erickson also explained that the current economy and State's budget deficit are the reasoning for such a large increase. He mentioned that the City did not receive any written or verbal complaints. Rud invited anyone who wished to provide public comment to come to the podium. No one responded to the invitation.

A motion was made by Kodada and seconded by Pelava to close the public hearing. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

**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 a Request Submitted by Rice County Habitat for Humanity to Waive Any and All Fees Associated with their 2010 Project Located at 127 Elm St. NE  
Erickson stated that Rice County Habitat for Humanity is currently in the process of constructing a home at 127 Elm Street NE. He said that in 2007, the City Council approved a 60% reduction in the building permit fee for a similar Habitat for Humanity (HFH) home in RayAnn Acres. Erickson said that HFH is again requesting that the City Council consider a reduction in the building permit fee to keep their current home project at 127 Elm Street NE affordable.

HFH Director Dayna Clement talked about common misconceptions regarding HFH homes, and she provided information about the future family that will be locating to 127 Elm Street NE. Clement stated that the proposed home meets all of the City's zoning and building regulations, and she mentioned that there is not any specific covenants for RayAnn Acres. She stated that HFH wants to be good neighbors, and she explained that they will be adding an additional garage stall to better help their new home conform to the existing neighborhood. Clement stated that their previous HFH home appraised for \$174,000. She asked the Council to consider waiving any or all fees for their 2010 project located at 127 Elm Street NE.

The Council discussed the request. Rud said that HFH is very beneficial to the community, but he stated that the struggling economy and current budget issues will make it hard to approve a substantial deduction on building permit fees. Kodada mentioned that the payment of any WAC and SAC fees are important in these trying times. Erickson went through and explained each building permit charge. Furrer and Kodada suggested knocking off between 10% - 20%. After further discussion, the Council agreed on an approximate 14% deduction.

A motion was made by Kodada and seconded by Furrer to approve a deduction of \$1,500 to the building permit fee for the Rice County Habitat for Humanity home at 127 Elm Street NE. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

b. Consider Approval of Ordinance 2010-237, an Ordinance Amending City Ordinance 2010-234 – Building Permit Fees

Erickson mentioned that a public hearing was held earlier in the meeting, and he recommended approval of the proposed fee schedule amendment. Kodada stated that the issue was essentially a housekeeping item. Furrer asked if the State of Minnesota would provide adequate notice to the City of any future surcharge fee changes. Erickson mentioned that the State would probably notify the City in the middle part of May 2011.

A motion was made by Daleiden and seconded by Furrer to approve Ordinance 2010-237, an ordinance amending City Ordinance 2010-234 – Building Permit Fees

c. Consider Approval of Resolution 2010-14, a Resolution Amending the Fiscal Year 2010 Budget

Erickson provided a spreadsheet showing the proposed 2010 expenditure reductions based on the discussion held by the City Council at their June 3<sup>rd</sup> Special Budget Meeting. He said that the Council discussed different ideas to make up the \$208,666.00 loss in State Aid. He said that the Council came up with the necessary cuts to balance the 2010 City budget. Rud said that the Council had some good discussion at that meeting, and he asked the Council to consider doing redoing the pavement on Singing Hills Drive SE. Kodada suggested that the City not budget for any LGA during the next 2011 budget discussions.

A motion was made by Daleiden and seconded by Furrer to approve Resolution 2010-14, a resolution amending the Fiscal Year 2010 Budget. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

The Council agreed to start their 2011 budget discussions in July 2010.

d. Consider Approval of the July, August and September 2010 Youth Recycling Green Team

Baker stated that the City currently has two Green Team application forms on file: 1) Wheatland Wheaties 4-H Club (dated 3/23/09) and 2) Trondhjem Lutheran Church (dated 10/8/09). He mentioned that the Park Board recommended approving the Wheatland Wheaties as the July-August-September 2010 Green Team at their meeting on June 8, 2010. Kodada mentioned that the Green Team program is a super opportunity for local youth organizations, and he encouraged new groups to apply.

A motion was made by Kodada and seconded by Pelava to approve the Wheatland Wheaties as the July-August-September 2010 Youth Recycling Green Team. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

e. Consider Approval of a Quote Submitted for the Electrical and Lighting of the Welcome Signs

Baker stated that before landscaping goes in around the new welcome signs this Fall, the City should consider installing appropriate electrical wiring and lighting for the new signs. He mentioned that Steele-Waseca has agreed to pay for a \$1,500.00 transformer

for the east-side welcome sign and that MVEC has already donated a \$500.00 check from their Operation Round-Up Grant program for the west-side sign. He provided the Council with sign lighting quotes from MVEC, Vosejka Electric, Stasney Electric, and SOL solar lighting systems. Baker said that the Park Board reviewed the quotes at their meeting on June 8<sup>th</sup>, and they recommended approval of Vosejka Electric's low bid for the east-side sign and Stasney Electric's low bid for the west-side sign.

A motion was made by Kodada and seconded by Furrer to approve Vosejka Electric's quote of \$1,070.31 for the east-side sign and Stasney Electric's quote of \$1,882.00 (plus a \$1,200 pole transformer from MVEC) for the west-side sign. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

f. Consider Approval of Resolution 2010-15, a Resolution Authorizing the City Administrator to Enter Into a Sponsorship Agreement with AgStar Financial Services for a \$5,000.00 Grant

Erickson mentioned that last November, City staff applied for a quality of life grant from AgStar Financial Services to fund laptop computers for the Library. He mentioned that in order to receive the grant, the City needs to enter into a sponsorship agreement with AgStar Financial.

A motion was made by Daleiden and seconded by Furrer to approve Resolution 2010-15, a resolution authorizing the City Administrator to enter into a sponsorship agreement with AgStar Financial Services for a \$5,000.00 Grant. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

g. Discuss Future Paving Options for Singing Hills Drive SE

Rud asked the Council and City staff to consider obtaining bids for overlaying Singing Hills Drive SE. He mentioned the that road surface is over 15 years old and in need of repair. Vlasak stated that a 2 inch overlay would last 8-12 years and cost approximately \$70,000.00. Rud suggested going with a 2 inch overlay.

A motion was made by Kodada and seconded by Furrer to advertise for overlay paving bids along the section of Singing Hills Drive in the Singing Hill Subdivision. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried.

## 11. OTHER BUSINESS

a. Department Reports:

*Council Member Daleiden*

Daleiden reported that the Liquor Store is moving in the right direction, and he mentioned that the store's numbers showed a 2.8% increase in sales.

*Council Member Kodada*

Kodada encouraged other youth organizations to submit an application for the Green Team Youth Recycling program. He also provided an update on the MnDOT welcome sign landscaping partnership program.

*Council Member Furrer*

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

*Council Member Pelava*

Pelava stated that the Planning Commission will be meeting next week.

*Council Member Rud*

Rud announced that the Lonsdale Jaycees are looking to recruit new members. He asked City staff to look into the possibility of overnight camping in City parks for events such as softball tournaments. Rud asked Administrator Erickson to provide an update on the water treatment plant project. Erickson said that he would supply a proposed water treatment plant design and construction timeline for the next Council meeting.

**12. ADJOURNMENT**

A motion was made by Kodada and seconded by Pelava to adjourn the meeting. Vote for: Kodada, Rud, Smith, Furrer, and Pelava. Against: None. Vote: 5-0. Motion carried. The meeting closed at 8:08 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator