

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
March 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, 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.

A motion was made by Furrer and seconded by Kodada to approve the agenda as presented. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

5. APPROVAL OF MINUTES

A motion was made by Daleiden and seconded by Kodada to approve the minutes from the February 12, 2009 Special Closed City Council Meeting. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

6. PUBLIC HEARINGS

None

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

Gary Skluzacek, 601 Railway Street SW, asked if the City received any other engineering bids for the 2009 Hwy 19 Sidewalk Project. He also commented that deferred assessments should be tracked as City staff changes.

Erickson stated that WSB & Associates has already provided the City with \$7,000 worth of surveying work for free for the Hwy 19 Project.

8. APPROVAL OF THE CONSENT AGENDA

None

9. OLD BUSINESS

- a. Consider Approval of Resolution 2009-06, a Resolution Amending the Development Agreement Between the City of Lonsdale and On-Site Marketing for the Shadow Stone 1st Addition

Kawlewski stated that he followed up with Joel Cooper at James R. Hill regarding the remaining costs in Shadow Stone 1st Addition and Harmony Meadows 1st Addition. According to Mr. Cooper the cost to complete Shadow Stone is estimated at \$26,600.00 and the cost to complete Harmony Meadows is estimated at \$20,300.00. He said that City staff is comfortable with the estimates provided by James R. Hill. Kawlewski stated that Harmony Meadows currently has a valid letter of credit but the Shadow Stone letter of credit has expired. Kawlewski suggested that any Council action should require a contingency for the posting of a new letter of credit by the developer, On-Site Marketing. He explained that Council action would only amend the development agreement and not approve the finalization of the project. Kodada stated that the City needs to make sure that there are enough funds available to complete the project. Erickson provided a letter from the contractor's attorney stating that if the City reduced the letter of credit, the contractor would pursue payment from the City for the disputed money owed to the contractor. Rud suggested that before proceeding, the City should receive an opinion from the City Attorney regarding the issue. Kodada said that he feels the same way.

- b. Consider Approval of Resolution 2009-07, a Resolution Amending the Development Agreement Between the City of Lonsdale and On-Site Marketing for the Harmony 1st Addition

(This item was discussed above)

10. NEW BUSINESS

- a. Consider Approval of a Quote in the Amount of \$9,975.00 Submitted by Clarke Environmental Mosquito Management

Erickson stated that Clarke Mosquito Management has been Lonsdale's mosquito control company for the last three years. He said that they have done a good job in the past responding to citizens concerns and rearranging their application schedule. Erickson said that the City received two quotes: 1) Clarke, in the amount of \$9,975.00 and 2) Owatonna Grounds Master in the amount of \$8,748.00, which was received after Council packets were delivered. He also mentioned that John Kreyer from Clarke was available for questions. Rud mentioned that the Grounds Master quote came in pretty late. He suggested obtaining new quotes again through the sealed bid process.

A motion was made by Smith and seconded by Furrer to table the issue. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- b. Consider Approval of Resolution 2009-08, a Resolution in Support of a Library Services and Technology Act Federal (LSTA) Grant

Erickson provided the Council with a copy of the grant application being submitted on the City's behalf by SELCO. He said that if awarded, the grant funds will be used for software licensing, hardware, cataloging, training, automation fees during implementation, delivery of books sent to SELCO for cataloging, and for a project

librarian to coordinate the automation process. Erickson said that through the grant, Lonsdale will be on-line with 82 other libraries. He explained that being part of SELCO means that Lonsdale will be able to borrow from libraries, have public internet, and participate in interlibrary book loaning for an expanded book collection. Erickson said that the grant requested is over \$50,000.00, and he recommended approval of the resolution.

A motion was made by Kodada and seconded by Smith to approve the agenda Resolution 2009-08, a resolution in support of a Library Services and Technology Act Federal (LSTA) Grant. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Rud mentioned that the new Library Board should schedule a meeting sometime soon.

c. Consider Approval of Resolution 2009-09, a Resolution Amending the City's 2009 Budget

Erickson said that the City Council held a special meeting on March 2, 2009 to discuss potential cuts to the 2009 budget. He stated that the Council recommended making the following cuts totaling \$88,076: eliminate Planning & Zoning ordinance review (\$4,500), reduce Planning & Zoning legal (\$1,000), eliminate Planning & Zoning development sign (\$5,500), no attendance at conferences (\$3,500), EDA (\$25,000), street sweeper (\$24,000), seal coating (\$20,000), and reduce hours for cleaning (\$4,576). Daleiden stated that the proposed cuts should cover the drop in 2009 LGA funding. Rud said that the City will still be facing \$200,000 worth of cuts in 2010. He said that possible cuts may include staff, raises, and health insurance. Daleiden proposed that the Council start talking about next year's budget sooner this year. Erickson explained that to officially amend the City's annual budget, Resolution 2009-09 must be adopted.

A motion was made by Daleiden and seconded by Kodada to approve Resolution 2009-09, a resolution amending the City's 2009 Budget. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Erickson stated that \$190,000 has been cut so far. Daleiden mentioned that the Council did cut \$15,000 beyond what they needed to for 2009.

d. Consider Approval of a Partial Settlement Agreement Between the City of Lonsdale and Contractor's Edge Inc.

Erickson provided a memo from City Attorney Annette Margarit explaining the case and a copy of the Settlement Agreement and Release. He briefly explained the history behind the case, and he stated that the City has been a defendant in a mechanic's lien foreclosure case with Contractor's Edge, Inc., Plaintiff. He mentioned that the City would be signing the agreement strictly as a property owner and nothing else. Erickson said that the City Attorney recommended approval of the partial settlement agreement.

A motion was made by Kodada and seconded by Smith to approve a partial settlement agreement between the City of Lonsdale and Contractor's Edge Inc. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

11. OTHER BUSINESS

a. Department Reports

Council Member Daleiden

Daleiden stated that they recently had a Liquor Store meeting. He said that the management staff at the store has agreed to work on reducing staffing hours. He also said that they have been comparing the Lonsdale's figures with other similar municipal liquor stores from around the state. He said that he remains encouraged at what has been going on there.

Council Member Kodada

Kodada said that the Park Board met on Tuesday. He said they discussed hosting an Arbor Day event at East Elementary School and the budget for upcoming projects.

Council Member Smith

None

Council Member Furrer

Furrer said that the "Lonsdale Marketing Group" met together and looked at logos and brainstormed a few ideas. She said that they hope to come up with a great marketing plan for all of Lonsdale.

Ted Kowalski mentioned that he recently met with Jack and Bruce from APRO regarding the Lonsdale Business Park and Lonsdale Marketing. Kowalski said that APRO was excited to hear about Lonsdale's recent efforts with its marketing strategy including the idea of providing a consistent message. Kowalski said that Lonsdale needs to be branded and given a recognizable identity.

Mayor Rud

Rud congratulated the Lonsdale Area Chamber of Commerce on their Lonsdale Showcase event. He said it really turned out well.

12. ADJOURNMENT

A motion was made by Daleiden and seconded by Smith to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 4-0. Motion carried. The meeting closed at 7:36 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator