

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
June 26, 2008**

1. CALL TO ORDER

Mayor Rud called a meeting of the Lonsdale City Council to order at 7:01 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.

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

5. APPROVAL OF MINUTES

a. Consider Approval of the May 29, 2008 Regular City Council Meeting Minutes.

A motion was made by Kodada and seconded by Smith to approve the May 29, 2008 regular City Council meeting minutes. 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

Mayor Rud presented the opportunity for anyone in the audience to comment on any issue.

David Anderson, 408 7th Avenue NE, Lonsdale, MN 55046

David Anderson presented a letter to the City Council that stated his objections to the senior housing facility project (Resolution 2008-25). Anderson stated that he was present and provided comments at the June 19th public hearing. Anderson summarized his letter and objections for the Council. He stated that the preliminary and final plat process should be separated to ensure proper planning and ensure consistency with the city code, comprehensive plan, and tax payer's interests. He said it isn't normal to combine the

preliminary and final plat process together. He suggested that the Parks and Recreation Advisory Board review the preliminary plat. He expressed his concern with the size of the proposed building and its effect on property values. Anderson said the City Council has a duty to protect not only developer's interests but current landowners and taxpayers too. He said the City should not rush development for development sake but adhere to the established application, comprehensive plan, and city code guidelines. Anderson stated that hoped the City Council would protect current city taxpayers and residents.

Jenny Schneewind & Steve Weyandt, 526 11th Avenue NE

Jenny Schneewind presented the City Council with a letter dated June 12, 2008. The letter summarized the history of her rear yard drainage problem located between 11th Avenue NE and 12th Avenue NE. Schneewind briefly explained the drainage issues behind her home and presented photos showing the catch basin and standing water. Rud explained that after Schneewind attend "Meeting with the Mayor", Duban and Rud went to the site to look at the problem. Rud stated that a drainage problem obviously exists. Schneewind thanked the Council for listening.

Joe Haggland, 109 Cottonwood Street NE

Joe Haggland explained to the City Council that adults have been playing softball on the little league ball field at Trendera Memorial Park. He said that the field is directly behind his home, and adults are hitting balls into his yard. He stated that home plate is approximately 236 ft from their property line and typical outfield adult softball fences are usually 275 ft to 300 ft away from home plate. He stated that he likes having kids and teens use the field, but the field is not designed for adults. He asked the Council to consider adding signage to the park. Furrer asked if the adults could play on the DRS baseball field. The Council directed the Parks & Recreation Advisory Board to research the issue and recommend a solution. Mayor Rud thanked Haggland for his comments.

8. APPROVAL OF THE CONSENT AGENDA

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

9. OLD BUSINESS

a. Discuss Legal Options Pertaining to the Rayann Acres and Willow Creek Heights 2nd Additions Subdivisions – City Attorney Annette Margarit
Willow Creek Heights 2nd Addition

City Attorney Annette Margarit stated that letters sent between the City of Lonsdale and Bakken Development were included in the Council packet. Margarit summarized the outstanding issues relevant to Willow Creek Heights 2nd Addition including: (1) an unconstructed water main proposed to run along the south side of Hwy 19, (2) an expired letter of credit that had not been renewed, (3) dedication of Outlot F, Willow Creek 2nd Addition that has not occurred, and (4) property taxes on Outlots D, E, and F, Willow Creek 2nd Addition that has not been paid. In order to resolve the issues, Margarit presented different options for the City Council to pursue including: liens against property, stop-issuance for grading and building permits within Willow Creek Heights 2nd

Addition, or assessments similar to the 429 process. She mentioned that if the City wanted to go through the assessment process, the City would become the financier. Margarit provided a brief history of the trunk watermain that was never completed along Hwy 19. She said that the project would probably cost around \$60,000 - \$70,000 in today's dollars to complete. Kawlewski stated that it is important to finish the trunk watermain loop. Rud suggested that City staff discuss and negotiate with the other party to come up with an agreement. He said the City and developer should follow whatever the development contract reads. Kodada asked if the Commerce Drive cal-de-sac was going to be addressed too. Erickson stated that all the punch list items in Willow Creek Heights will be completed.

A motion was made by Duban and seconded by Kodada to allow City staff to negotiate with the developer to resolve the Willow Creek 2nd Addition issues. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Rayann Acres

City Attorney Annette Margarit stated that the Rayann Arcres Development Agreement clearly states that the developer is responsible for constructing the 1st Street NE and 4th Street NE accesses estimated at \$28,000. She stated that the unfinished connections create a traffic and public safety hazard. She mentioned that communication with the developer has been very poor. In order to complete the project, Margarit presented the following options to the City Council: (1) The City could hold-off on the issuance of building permits for the Rayann Acres development, (2) liens could be put on the developer's property. Margarit also explained that the letter of credit expired without notification from the bank. Rud briefly explained the history of the unfinished street connections in Rayann Acres. Kawlewski stated the Chard Tiling & Excavating would honor the price until Fall. Duban stated that 1st Avenue is really being used and the City should get a new quote from Chard as-soon-as-possible. Kodada asked staff to research how many lots are listed in the developer's name.

A motion was made by Duban and seconded by Smith to approve obtain a new quote from Chard Tiling & Excavating to complete the two unfinished connections in Rayann Acres. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

10. NEW BUSINESS

- a. Minnesota State Legislative Update – Coalition of Greater Minnesota Cities – Joe Sullivan

Joe Sullivan, attorney and lobbyist for the Coalition of Greater Minnesota Cities (CGMC), presented an overview of the CGMC to the City Council, and he asked the Council to consider joining the CGMC. Sullivan explained that the CGMC is a non-profit, non-partisan advocacy organization representing 80 cities outside of the Twin Cities metropolitan area. He stated that member cities range from small cities like Warren, MN to larger cities like Rochester, MN. He said the CGMC is a legislative advocate for five main issues affecting cities including: (1) Local Government Aid (LGA)/property tax relief, (2) annexation reform, (3) economic development, (4)

environment, and (5) transportation. Sullivan said the CGMC's foundation is based on good policy. He said the major difference between the League of Minnesota Cities (LMC) and CGMC is that CGMC is just for greater Minnesota and not metro cities. He also said that the CGMC is primarily focused on five core issues. Sullivan offered the City Council a special deal for new members: all of 2008 for free, plus ¼ the cost of a full year for 2009 (\$1,000). He said that full annual dues for CGMC are \$4,000. Sullivan also stated that representatives from Lonsdale can attend the July 30th – August 1st, 2008 CGMC Summer Conference for free. Sullivan thanked the Council for their time.

No action was taken.

b. Lonsdale Fire Department's 100 Year Centennial Celebration Update

Jeff Smisek, Lonsdale Fire Department, updated the City Council on the Fire Department's 100-Year Centennial Celebration. He invited the Council to a informal meeting and dinner party planned for Friday July 11th. He said it will be a time to reminisce about the history of the department. He mentioned that Chief Yetzer will preside over the meeting. Smisek also provided a schedule for Saturday, July 12th including a fire apparatus parade, free kids activities, water fights, and a street dance at Whistle Stop starting at 8:30 pm. Smisek also provided a brief update on the July 3rd Family Fun Night events.

c. Consider Approval of Resolution 2008- 25, a Resolution Approving the Preliminary and Final Plats for the Harvest Pond 3rd Addition (Villages of Lonsdale / Three Links)

Baker read through Resolution 2008-25 in its entirety. The associated preliminary and final plat documents were attached to the resolution. Mike Schoenecker, Winkelman Building Corporation, presented a three-dimensional model of the proposed senior housing facility. He said the official name of the facility will be "Villages of Lonsdale". Schoenecker said that there will be separate entrances for the library and senior living facility and all accesses will be secured. He said that Winkelman Building Corporation plans to start construction later this summer, and he mentioned that local contractors are welcome to bid. Schoenecker said that they are teaming up with Lynne Young from the Northfield Library to figure out the final layout of the library. Rud asked about the Planning Commission meeting. Baker mentioned that David Anderson presented his concerns at the public hearing meeting. Baker stated that Mr. and Mrs. Thompson, neighboring residents, were also at the public hearing meeting, and they expressed their excitement for the project to go through. Baker stated the Planning & Zoning Commission held a public hearing and recommended approval of Harvest Pond 3rd Addition Preliminary and Final Plat.

A motion was made by Duban and seconded by Furrer to approve the Resolution 2008-25. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Duban asked about the requested TIF. Erickson stated that Tax Increment Financing (TIF) for the project will be discussed at the July 31, 2008 meeting. Rud stated that a Library committee should be established and an advertisement should be placed.

- d. Consider Approval of Ordinance 2008-221, an Ordinance Amending Chapter 153 – Central Business District (Allowing Residential Living on 2nd Floor of Business as a Conditional Use)

Baker stated that the Central Business District (CBD) ordinance was presented to the Council at May 26, 2008 meeting. He said staff incorporated the changes requested by the Council including a clarified definition of “hard surface parking” and the allowance of a time extension for legitimate business leads for prospective tenants. Baker identified the changes in Ordinance 2008-221, B-3 (CBD). He also presented a memo from the City Attorney, as requested by the City Council, in regards to the enforcement procedure for residential tenants that must be removed from the building. City Attorney Annette Margarit suggested providing as much notice as possible to tenants that may have to leave. She also said the issue would be treated like any other zoning violation.

A motion was made by Smith and seconded by Kodada to approve Ordinance 2008-221, an ordinance amending Chapter 153-Central Business District. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- e. Consider Approval of Ordinance 2008-222, an Ordinance Amending the Official Zoning Map of the City – Rezoning Lot 6 of the Lonsdale Industrial Park 2nd Addition from I-2 to Planned Unit Development (PUD)

Baker explained that the property at 836 Industrial Park Drive SE (Lot 6, Lonsdale Industrial Park 2nd Addition) is currently owned by the City and being pursued as a potential location for a Common Interest Community type of industrial building. He said as terms listed on a proposed purchase agreement for 836 Industrial Drive SE, the City of Lonsdale needs to rezone the property to Planned Unit Development (PUD). He explained that CIC’s are not listed as permitted or a conditional use in the zoning ordinance; therefore PUD zoning would be needed to allow such a use. Baker said that PUD’s allow for greater flexibility in site design and are sensitive to economic considerations. Baker defined what a typical CIC is. Erickson provided the Council with an update on the proposed purchase agreement and described the type of building being proposed for Lot 6, comparing it to an industrial strip mall. Rud mentioned that PUD’s, along with a PUD agreement, can provide more restrictive standards in some areas and greater flexibility from current regulations in other areas.

A motion was made by Kodada and seconded by Furrer to approve Ordinance 2008-222, an ordinance amending the official zoning map of the City – rezoning Lot 6 of the Lonsdale Industrial Park 2nd Addition from I-2 to Planned Unit Development (PUD). Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- f. Consider Approval of the Lonsdale Little League as the Green Team for July, August, and September 2008

Baker stated that the City received a Green Team application from Lonsdale Little League Baseball on March 31, 2008. He mentioned that they marked July-August-September as their first choice on the application. Baker stated that the Parks & Recreation Advisory Board recommended approval of the Lonsdale Little League as the next Green Team. Rud mentioned that the Green Team Recycling Program is great for the community.

A motion was made by Duban and seconded by Kodada to approve the Lonsdale Little League as the Green Team for July-August-September. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

g. Consider Approval of the Liquor License Renewals Effective July 1, 2008 through June 30, 2008

Erickson stated that current liquor licenses expire on June 30th. He presented the 2008-2009 liquor license applications including: American Legion Post # 586, Whistle Stop Tavern & Grill, Flicek's Sports Bar and Grill, The Lonsdale Baseball Association, and Lonsdale Lions, and Lonsdale Liquor. Furrer asked about the Special Sunday license. Erickson recommended approval of the requested liquor licenses as presented.

A motion was made by Duban and seconded by Furrer to approve the liquor licenses renewals effective July 1, 2008 through Jun 30, 2008. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

h. Consider Approval of a Water Sprinkling Ban In Effect the Remainder of the Summer Months or as Warranted

Erickson stated that more and more residents will be watering their lawns as the hot summer months come. In order to conserve water, Erickson recommend a sprinkling ban (even / odd days) for the remainder of the summer or as warranted. Duban asked if the watering ban will be published. Erickson stated that a notice will be advertised in the newspaper and on the City's website.

A motion was made by Kodada and seconded by Smith to approval of a water sprinkling ban in effect for the remainder of the summer months or as warranted. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

i. Consider Approval of a Quote Submitted by Nick Slavik Painting and Restoration Co. in the Amount of \$4,800.00 to Paint the 3-R School House

Erickson said that approximately 175 people attended an Ice Cream Social event hosted by the 3-R Landmark group and Wheatland Wheaties for the 100 year old 3-R Schoolhouse. He said the centennial event was held last Saturday, June 21st, at the schoolhouse to raise money for exterior maintenance. Erickson said that Kathy Kasten of the Wheatland Wheaties stated that event raised approximately \$400 for upkeep of the building. She also mentioned that 4 new members joined the 3-R Landmark group. Erickson stated that 10 to 12 years ago a new foundation was installed. He said that Lonsdale's Building Inspector recently inspected the schoolhouse and found no structural issues. Erickson said that the schoolhouse is in dire need of painting and provided the

Council with three quotes: (1) Nick Slavik Painting & Restoration - \$4,800.00, (2) Daleiden Painting & Prefinishing - \$15,118.00, (3) TMI Coatings, Inc. - \$22,600.00. Erickson explained that Nick Slavik's quote is actually for \$6,000, but he is willing to donate \$1,200 worth of paint to the project. Rud asked who owns the building. Erickson stated the City owns the land and the 3-R Landmark group rents the building for \$1 per year. Duban asked if the windows need to be replaced. Public Works Director Vlasak stated that he has looked at the building and he found that the decorative fascia needs to be replaced. He said a special tool is needed to mill that section of fascia. Vlasak said that the roof needs to be looked at too. Erickson said that the building needs to be protected from water. Kodada asked if the roof was made of metal. Rud expressed thanks to the Wheatland Wheaties for their initiative on the project. Rud suggested that an inspection of the building be completed and an updated list of repairs be brought back to the City Council.

No action was taken.

j. Update on MnDOT's Highway 19 Mill & Overlay Project

Erickson stated that City staff has identified infrastructure concerns that may correlate with MnDOT's 2010 Hwy 19 Mill & Overlay Project. Erickson presented the Council with a list of 17 items totaling \$233,242.60 (including engineering costs) that staff believes should be included in the project. Erickson suggested included the listed items along with the mill and overlay, so that the future repairs and patching can be avoided. Erickson said that the Park and Recreation Advisory Board decided to hold off on the Hwy 19 sidewalk project and include it with the 2010 mill and overlay construction. Erickson stated that staff will prepare a letter to MnDOT requesting that the listed improvements be made and paid for by MnDOT. Rud asked if there were any grants available for aesthetic type improvements. Erickson said that staff will look into it. Kawlewski stated that MnDOT District 6 was impressed that the City took the initiative to come to them first with improvement concerns. Erickson said he would keep the Council updated.

No action was taken.

k. Consider Approval to Schedule a Board of Appeals and Adjustments Meeting for July 31, 2008 at 6:30 pm

A motion was made by Kodada and seconded by Smith to schedule a Board of Appeals and Adjustments meeting for July 31, 2008 at 6:30 pm. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

11. OTHER BUSINESS

a. Department Reports

Engineering

Kawlewski stated that Niles Wiese is working on curb replacement and blacktopping in the northwest part of the City. He said the Eagle Creek punch list was recently updated. He said they are working on final punch list items for Fig Street and Shadow Stone.

Kawlewski stated that the CSAH 33 trail grant application was denied. He said that he will be attending the next Park and Recreation meeting to discuss what to do next.

Rud stated that various properties around town have been damaged by Lonsdale Telephone's recent construction activities. Kawlewski stated that their right-of-way permit could be suspended until the properties are restored to previous condition.

Rud asked about the drainage issue between 11th Avenue and 12th Avenue NE. Kawlewski stated that the problem wasn't with the height of the catch basin but with the underground soils. He said that the City's past policy has been to solve these types of issues by petition only. Rud said that policy has changed and as-built grading certificates are now required. He suggested getting quotes to fix the area.

A motion was made by Duban and seconded by Kodada to get quotes to fix the drainage issue between 11th Avenue NE and 12th Avenue NE. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Council Member Duban

Duban stated that Skywarn has a few concerns regarding warning lights not working. He stated that the warning lights are approximately \$59 and an additional \$10 for the charger. Duban suggested providing funds for the lights, and he also recommended obtaining quotes for 30 green vests. Furrer asked if Skywarn has a budget. Erickson said they have about \$1,500 budgeted.

A motion was made by Duban and seconded by Kodada to approve \$490.00 for Skywarn warning lights and chargers. Vote for: Duban, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Due to complaints from the residents, the Council questioned staff about the current mosquito company. Erickson said that Clarke Mosquito Control are the same guys doing the applications this year, but they have a new name. Erickson said product information and health concerns are posted on the City's webpage. He said that Clarke could be invited an upcoming Council meeting.

Council Member Kodada

Kodada stated that some of the streets are currently being seal coated. He mentioned that the new drinking fountain is installed at Jaycee Park and the Field # 2 shelter is under construction. He also said that 40 – 50 kids attended a baseball camp put on by the St. Cloud State University baseball team.

Council Member Smith

None

Council Member Furrer

Furrer stated that the planning and zoning commission held a public hearing for the "Villages of Lonsdale" senior housing facility.

Duban and Kodada stated that the future compost site should be located on Insdurail Park Dr SE. Furrer stated that the EDA recommended that the compost site not be located next to million dollar buildings.

Mayor Rud

Rud congratulated Frandsen Bank & Trust on 100 years of service. Rud stressed that the proposed business park has only been presented as a concept plan so far. He said that the City actually had a meeting with a industrial company out of Burnsville looking to relocate to Lonsdale. Rud said that the League of Minnesota Cities Annual Conference was pretty interesting.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Furrer to adjourn the meeting. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None. Vote 5-0. Motion carried. The meeting ended at 9:16 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator