

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
December 22, 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: Daleiden, Kodada, Rud, Smith, and Furrer

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.

A motion was made by Kodada and seconded by Furrer 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 Duban and seconded by Smith to approve the minutes from the November 24, 2008 City Council Work Session, the November 24, 2008 Regular Meeting, the December 1, 2008 Special Meeting, and the December 11, 2008 Regular Meeting. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

6. PUBLIC HEARINGS

a. 2009 Small Cities Development Program Grant Application Public Hearing

Steve Moline, of Pettipiece and Associates, presented a summary of the Montgomery and Lonsdale Small Cities Development Program Grant application. He said that this will be the City's third attempt at the grant money. Moline said that the Minnesota Department of Employment and Economic Development (DEED) tends to like to fund joint applications. He said that the grant application is due on January 15, 2009. He mentioned that the City should hear by the end of March or beginning of April whether the City's application request will be funded. Moline also forewarned the Council about a possible cut to the program. He said that even if the City was awarded the grant money, it could get bumped. Moline stated that he is confident that the City has a strong application with 15 single family homes, 6 rentals, and 8 commercial properties. He also mentioned that if the City is a strong performer and works quickly, then there is a good

chance at landing additional funding for the next year. Rud asked if the City would be charged a fee for the application. Erickson said that due to last year's application, Pettipiece and Associates will not be charging the City anything because there was virtually no labor associated with preparing the application again. Rud said he hoped that the City would get the grant this year.

A motion was made by Kodada and seconded by Furrer to close the public hearing. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried. The public hearing closed at 7:13 pm.

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

None

8. APPROVAL OF THE CONSENT AGENDA

A motion was made by Kodada and seconded by Furrer to approve the consent agenda as follows:

- a. Monthly Bills
- b. Treasurer's Report
- c. Board and Commission Minutes
- d. Consider Approval of the Final Pay Request for the Water and Wastewater SCADA System project to Automatic Systems in the Amount of \$7,948.91
Furrer asked Vlasak if the SCADA system was performing up to his standards. Vlasak said yes.
- e. Consider Approval to Increase Alison Vikla's Wage From Grade 3 / Step 5 (\$14.68/hr) to Grade 8 / Step 1 (\$17.64/hr) Effective January 1, 2009
- f. Consider Approval to Issue Cigarette Licenses to the Following Businesses: (1) Fred's I.G.A. Foods, (2) Jessy's Food Mart, (3) Casey's General Store, (4) Lonsdale American Legion Post # 586, (5) Whistle Stop Tavern and (6) Lonsdale Liquor
- g. Consider Approval of Bid Submitted by Hieu Ho in the Amount of \$800.00 for a Forfeited 1992 Saturn SL2

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

9. OLD BUSINESS

None

10. NEW BUSINESS

- a. Consider Approval of Resolution 2008-52, a Resolution Identifying "Slum & Blight"

Conditions in a Targeted Area of the City of Lonsdale

Erickson said that Resolution 2008-52 is a requirement of the Small Cities Grant. He identified the “slum and blight” area of Lonsdale as one block of Main Street north and south of Highway 19. He said that the area identified is the commercial area of the grant that will be targeted for improvement.

A motion was made by Kodada and seconded by Smith to approve Resolution 2008-52, a resolution identifying “slum and blight”. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

b. Consider Approval of Resolution 2008-53, a Resolution Designating a Grant Applicant for 2009 and Approving a Cooperative Agreement Policy

Erickson provided a brief summary of the cooperative agreement.

A motion was made by Daleiden and seconded by Furrer to approve Resolution 2008-53, a resolution designating a grant application for 2009 and approving a cooperative agreement policy. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

c. Presentation of a Donation to the Lonsdale Food Shelf by the Lonsdale Lions

Bruce Lieske, Lonsdale Lions representative, stated that the Lions decided to each donate \$10 to the local food shelf in lieu of their annual gift exchange. He said they raised a total of \$340 from the members.

d. Presentation by the Northfield Area Task Force on Nonmotorized Transportation

Erickson explained that the Northfield Area Task Force on Nonmotorized Transportation is asking the City to consider adopting a resolution asking Rice County to reconsider changes approved in August, which states that cities under/over 5,000 are now 100% responsible for both new and old sidewalks and bituminous trails. Erickson recommended that the City of Lonsdale also support a change in the current Rice County policy so that sidewalks and trails would be eligible for funding. He said that it would be in the City’s financial interest to adopt a resolution supporting a change to the current county policy. Erickson suggested discussing the issue with Lonsdale’s new County Commissioner Jeff Doken before taking any action on the issue.

e. Consider Approval to Resolution 2008-54, a Resolution Setting the Fiscal Year 2009 Final City Budget and Property Tax Levy

Erickson provided a copy of the final 2009 City budget to the Council for review. He mentioned that the Council held 5 special meetings between July and November to discuss the 2009 budget. Erickson highlighted the key points and recommended approval of the final budget. He congratulated the Council on being prudent and doing a good job on the budget. Kodada asked what the State of Minnesota was proposing to cut from Lonsdale’s Local Government Aid (LGA) allotment. Erickson said that the State will deduct approximately \$75,000. Rud thanked the Council for their efficiency throughout the budget process.

A motion was made by Kodada and seconded by Smith to approve Resolution 2008-54, a resolution setting the Fiscal Year 2009 Final City Budget and Property Tax Levy. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- f. Consider Approval of Resolution 2008-55, a Resolution Approving 2009 Pay Scale
Erickson presented the 2009 proposed pay scale table, listing all the City's employees, grade/step classifications, and wage information for the Council to review. He mentioned that the pay scale was part of the 2009 budget cycle and formulated off of the negotiated police contract. He said that the pay scale "grades" are determined by an employee's job responsibilities and "steps" are determined by years of service.

A motion was made by Kodada and seconded by Smith to approve Resolution 2008-55, a resolution approving the 2009 pay scale. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- g. Consider Approval to Lease a New John Deere 544K Wheel Loader in the Amount of \$107,790.69 for a Term of Sixty (60) Months
Erickson said that in anticipation of the State's LGA cuts, the City may want to consider trading in the current pay loader and leasing a new pay loader. He explained that by leasing a new pay loader from John Deere that the City would not be required to make the first payment until January 2010. He said by going with the lease option, the City would save \$17,600 in 2009 and \$37,000 in 2010. Erickson said that John Deere does not currently make the City's existing model anymore, and therefore the lease would be for a comparable pay loader with more options and horse power. Vlasak said that the Public Works Department has not had any trouble with the current "J" model. Daleiden questioned whether or not the City would be getting the enough value out of the lease option. He also asked if the City really needed a large sized pay loader. Rud said that numbers show it makes sense to go with the proposed lease option. Smith agreed with Rud, stating that knocking off \$17,000 from the proposed \$75,000 LGA cut would be nice.

A motion was made by Smith and seconded by Kodada to approve the lease of a new John Deere 544K Wheel Loader in the amount of \$107,790.69 for a term of sixty (60) Months. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

- h. Consider Approval to Schedule a Special City Council Meeting for Monday, December 29, 2008 at 6:30 pm to Consider Amendments to the 2009 Annual Budget
A motion was made by Kodada and seconded by Furrer to approve to schedule a special City Council meeting for Monday, December 29, 2008 at 6:30 pm to consider amendments to the 2009 Annual Budget. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.
- i. Consider Approval to Make the Montgomery/Lonsdale Hockey Association the 1st Quarter of 2009 "Green Team"

Baker provided the Council with a copy of the Montgomery-Lonsdale Hockey Association's Green Team application. He said that the hockey association's application was the last one on file at City Hall, and he mentioned that the City will need to advertise again in February or March 2009.

A motion was made by Kodada and seconded by Smith to approve the Montgomery-Lonsdale Hockey Association as the "January-February-March 2009 Green Team". Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

j. Consider Approval of the City Becoming a "Tree City USA"

Baker said that the Park Board recommended pursuing the status of "Tree City USA" at their meeting on December 9, 2008. He said that cities must meet four standards established by the Arbor Day Foundation and the National Association of State Foresters: 1) a Tree Board or Department, 2) a tree care ordinance, 3) a community forestry program with an annual budget of at least \$2 per capita, and 4) an Arbor Day Observance and Proclamation. Baker mentioned that once all the requirements are implemented then the City may apply for the official title as "Tree City USA". He said the City would receive two highway entrance signs if awarded Tree City USA status. He also said according to the Arbor Day Foundation, the Park Board can act as the Tree Board, a percentage of the Public Works employee's salary can be counted towards the \$2/capita requirement. He provided the Council with 15 reasons to become a Tree City along with a sample tree ordinance checklist and sample budget sheet. Kodada mentioned that trees are one of the main things still missing in many of the parks. He said the Tree City USA program would force the City to plant trees within its parks with only a minimal effect on the budget.

A motion was made by Kodada and seconded by Furrer to approve of the City pursuing the status of "Tree City USA". Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

Rud thanked the Park Board and City staff for initiating such an excellent idea.

k. Consider Approval of Ordinance 2008-226, an Ordinance Approving the Rezoning of 104 3rd Ave SW

Baker read through the staff report. He mentioned that the applicant, Chad McLaughlin, was requesting a rezone from "B-3" to "B-2" in order to run an "Open Sales Lot" at 104 3rd Avenue SW. He said that the applicant was in the process of signing a contract for deed with the property owner, Andy Barron, contingent on CUP approval and with the option to buy the subject property in 5 years. Baker said that McLaughlin currently runs an internet based car sales business and he is pursuing a Minnesota Dealer License from Driver and Vehicle Services (DVS). Baker stated that the applicant is planning to run his car sales business at 104 3rd Avenue SW with no more than 10 vehicles for sale parked on-premise. Baker mentioned that the Planning and Zoning Commission held a public hearing and recommended approval of the rezone request.

A motion was made by Daleiden and seconded by Kodada to approve Ordinance 2008-226, an ordinance approving the rezoning of 104 3rd Ave SW from “B-3, Central Business District” to “B-2, Highway and Business Service District”. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

1. Consider Approval of Resolution 2008-57, a Resolution Approving a Conditional Use Permit for 104 Avenue SW

Baker stated that the Planning and Zoning Commission held a public hearing and recommended approval of a Conditional Use Permit (CUP) to allow an “Open Sales Lot” at 104 3rd Avenue SW within the “B-2 District” along with conditions. Baker listed the conditions of the CUP. Vlasak said that an additional condition should be added prohibiting parked vehicles within the sight triangle area. Smith stated that language should be added to the CUP to protect the City from a junky looking lot. Daleiden asked if the sales office would be staffed. McLaughlin said yes. Furrer said that the Planning Commission recommended that the neighboring property owners agree to some type of screening between the differently zoned lots. Baker said that the Barron obtained a signed letter from the property owners at 108 3rd Avenue SW stating that they were in favor of a row of hedges over a proposed privacy fence.

A motion was made by Smith and seconded by Daleiden to approve Resolution 2008-57, a resolution approving a Conditional Use Permit (CUP) to allow an “Open Sales Lot” at 104 3rd Avenue SW. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried.

11. OTHER BUSINESS

a. Project Updates

Erickson said that the City was on track with Bakken’s letter of credit for unresolved issues in Willow Creek Heights and Commons. Erickson also said that the Jaycee Park Warming House Project was still moving ahead.

b. Department Reports

Council Member Daleiden

Daleiden mentioned that he has been encouraged by the recent promotions at the liquor store. Rud thanked Daleiden and City staff for the efforts at the liquor store.

Council Member Kodada

None

Council Member Smith

None

Council Member Furrer

None

Mayor Rud

Rud stated the advisory board interviews were completed and annual appointments would be made at their January meeting. He thanked everyone that applied for the openings. He mentioned that he was very impressed with the recent Montgomery-Lonsdale Elementary School holiday presentation. Rud wished everyone a Merry Christmas.

12. ADJOURNMENT

A motion was made by Kodada and seconded by Smith to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Smith, and Furrer. Against: None. Vote 5-0. Motion carried. The meeting closed at 8:03 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator