

**MINUTES
CITY OF LONSDALE
CITY COUNCIL MEETING
NOVEMBER 29, 2012**

1. CALL TO ORDER

Mayor Rud called a meeting of the Lonsdale City Council to order at 7:00 p.m. in the City Council Chambers, 415 Central Street West.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the pledge of allegiance.

3. ROLL CALL

Members Present: Daleiden, Kodada, Rud, Furrer, and Pelava

Members Absent: None

City Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker,
City Engineer Kevin Kawlewski

4. APPROVAL OF AGENDA

Mayor Rud asked if there were any corrections, additions, or deletions to the agenda.

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

5. APPROVAL OF MINUTES

A motion was made by Daleiden and seconded by Pelava to approve the minutes from the October 26, 2012 Special Meeting, the October 25, 2012 Work Session, the October 25, 2012 Regular Meeting, and the November 8, 2012 Regular Meeting. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: 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 Kodada and seconded by Furrer to approve the consent agenda as follows:

- a. Monthly Bills
- b. Treasurer's Report
- c. Board and Commission Minutes

Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

9. OLD BUSINESS

None

10. NEW BUSINESS

- a. Consider Approval of a Labor Agreement Between the City of Lonsdale and Law Enforcement Labor Services, Inc. Local # 369 – Joel Erickson, City Administrator
Erickson said that negotiations with the Law Enforcement Labor Services (LELS) were stalled until a specific Police Department personnel issue could be resolved. He explained that the issue was resolved this past summer and negotiations resumed. Erickson went through each of the 15 proposed changes to the current contract (2011). Rud stated that it is good that “fitness for duty” was addressed in the proposed contract. Pelava asked if Police Officers needed to provide their own hand guns. Erickson said yes, and that Officers are given a \$700 clothing allowance per year, which can be used to purchase protective weapons. After further review and discussion, Daleiden said that Staff has done its due diligence with the negotiated contract.

A motion was made by Daleiden and seconded by Furrer to approve a Labor Agreement between the City of Lonsdale and Law Enforcement Labor Services, Inc. Local # 369. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- b. Consider Approval of a Request for Proposal (RFP) for Engineering Services for the Business Park Construction Project – Joel Erickson, City Administrator
In regard to the \$1.5 million grant from DEED, the City Council reviewed a copy of the proposed RFP for engineering services (planning, feasibility study, design, assessment roll, and project management) for the Business Park Construction Project. Erickson also provided the Council with a project schedule and map to review. Erickson and Rud provided a status update on the project, including recent meetings with the Steele-Waseca Coop Electric Board and General Manager Syd Briggs. Rud mentioned that a meeting is also being setup to get a potential business/lot purchaser in front of SWEC Staff. Rud and Erickson mentioned that previous engineering work was already completed by Bonestroo (2004) and Stonebrooke Engineering (2008), and those engineering plans can

be used to help save the City money. They explained that the project will probably be completed in phases and that the grant money needs to be spent within 3-years. Pelava asked about the turn-lane proposed for the eastbound lane of Hwy19. Erickson said that the City's engineer will need to work with MNDOT on the details of the turn lane. The Council also discussed relocating the compost site over to the south side of the Business Park site (to be accessed from Garfield Avenue).

A motion was made by Kodada and seconded by Pelava to approve a Request for Proposal (RFP) for engineering services for the Business Park Construction Project. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- c. Consider Approval of the 2012 Street and Utility Improvement Project Pay Request No. 5 in the Amount of \$142,222.20 to Heselton Construction, LLC – Kevin Kawlewski, WSB & Associates, Inc.

Kawlewski provided an update on the 2012 Street Reconstruction Project. He said that the contractor will be working on a few punch list items next week. He said that the work represented in the pay voucher includes: bituminous paving, aggregate base construction, concrete curb and gutter removal/replacement, and miscellaneous driveway work. He said that the substantial completion requirements have been satisfied. Kawlewski mentioned that the payment does reflect liquidated damages for 13 days past the contract completion date, and 5% retainage will be withheld from the amount due.

A motion was made by Kodada and seconded by Furrer to approve the 2012 Street and Utility Improvement Project Pay Request No. 5 in the amount of \$142,222.20 to Heselton Construction, LLC. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval to Schedule a Special City Council Meeting on December 6, 2012 at 6:00 pm to discuss the 2013 City Budget – Joel Erickson, City Administrator
Since the public will be allowed to comment on the 2013 Budget at the December 13, 2012 meeting, Erickson suggested meeting on December 6th to review and finalize next year's budget.

A motion was made by Daleiden and seconded by Pelava to schedule a special City Council Meeting on December 6, 2012 at 6:00 pm to discuss the 2013 City Budget. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- e. Discuss and Consider Approval to Enter into an Agreement with payment Service Network, Inc. for Utility Billing Payment Services – Joel Erickson, City Administrator
Erickson stated that the City is working towards the ability to provide new water bill payment services for the January billing (which is due February 1, 2013). He provided the City Council with a staff report and spreadsheet comparing six different company's payment options and prices. He also provided the Council with a spreadsheet showing the break-even costs to the City. Erickson reviewed the pros and cons of each company,

and he recommended going with Payment Service Network (PSN) for online payments and Frandsen Bank & Trust (FB&T) for automatic payments. He said that PSN is compatible with the City's current utility billing software and Banyon (if the City decided to covert in the future). He said that PSN is also the most cost effective provider. Erickson said that FB&T offers excellent customer service support at a cost effective rate for their auto debit service. Daleiden said that the residents of Lonsdale are ready for these payment options.

A motion was made by Daleiden and seconded by Kodada to enter into an agreement with Payment Service Network, Inc. for utility billing payment services. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- f. Discuss and Consider Approval to Enter into an Agreement with Frandsen Bank & Trust for Utility Billing Payment Services – Joel Erickson, City Administrator
[This agenda item was discussed under Agenda Item 10(e)]

A motion was made by Pelava and seconded by Furrer to approve enter into an agreement with Frandsen Bank & Trust for utility billing payment services. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- g. **CLOSED SESSION:** Update on the Purchase of the Property Located at 133 Main Street North – Joel Erickson, City Administrator

Rud stated that the City Council is going into a closed session in the upstairs meeting room (at City Hall) to discuss a possible purchase offer for the property at 133 Main Street North. He said that the closed session will be tape recorded.

[The closed session portion of the meeting was recorded via tape recorder]

The Closed Session ended at 8:20 pm and the Council members returned to the Council Chambers.

11. **OTHER BUSINESS**

a. Project Updates

- Kawlewski said that WSB is working on initial sketches for proposed streetscape bump-outs along Main Street in Downtown Lonsdale.
- He said that WSB is also working on plans for the Heath Creek Trail connection project.

b. Council / Department Reports

Council Member Daleiden

Daleiden stated that as of October, Lonsdale Liquor showed a net profit of \$30,000. Erickson said that the liquor store has been consistently transferring \$1,900 into the Sewer Fund (which is not included in the net profit number). Daleiden said that he is pretty optimistic about the liquor store. Erickson said that the City will be working on a plan for park funding through means of liquor store profits.

Council Member Kodada

Kodada stated the Park Board is scheduled to meet in early December.

Council Member Furrer

Furrer stated the Library Board is looking to hire a Circulation Clerk. She also said that the EDA is researching the feasibility for constructing several downtown streetscape enhancements in 2013.

Council Member Pelava

Pelava provided an update on building permit statistics. He said that City Staff is working to finalize a development agreement for the Heath Creek Trail boardwalk. He provided pictures of the proposed boardwalk sections being constructed at R & L Woodcraft.

Mayor Rud

Rud announced that the next "Meeting with the Mayor" will be held on Saturday, December 1st. He relayed a remarkable statistic from the Rice County Housing Study, showing that Lonsdale's "0-18 age group" is up 179% since the year 2000.

12. ADJOURNMENT

A motion was made by Kodaad and seconded by Furrer to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried. The meeting ended at 8:34 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator