

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
DECEMBER 11, 2014**

**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,  
Public Works Director Russ Vlasak, City Engineer Kevin Kawlewski

**4. APPROVAL OF AGENDA**

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

A motion was made by Kodada 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**

None

**6. PUBLIC HEARINGS**

**7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS**

**8. APPROVAL OF THE CONSENT AGENDA**

None

**9. OLD BUSINESS**

None

## 10. NEW BUSINESS

- a. Public Comment on the City's 2015 Final Budget and Property Tax Levy – Joel Erickson, City Administrator

Erickson stated that the City Council held six budget meetings to come up with the proposed 2015 Budget and Tax Levy. He said that the City's tax levy will increase by 13.8% from 2014. He stated that the levy has not been increased for three years and the City's tax rate will remain the same at 73.409, which he explained is a lower rate than in 2012. Erickson explained the property tax relief and refund procedure. He went through a list of 10 key budget items, and he also listed 14 ways that the City has worked to reduce costs and be more efficient. Erickson went through the 11 slide 2014 Truth-N-Taxation presentation. He explained how the property tax system works, the breakdown of proposed 2015 Property Tax Levy, proposed expenditure, proposed revenues, a 5-year tax levy impact comparison, a 2014 vs. 2015 tax levy impact comparison for similar homes and commercial properties, and why taxes are a good value. The Council reviewed the full itemized budget and a color coded map detailing proposed tax change by parcel. Erickson asked if anyone had any questions. Rud asked about the procedure for property valuations because some residents have seen a 10-40% increase. Erickson stated that the Rice County Assessor sets property values, and they base property values off of comparable sales.

Rud asked if anyone from the audience wanted to comment on the proposed budget and tax levy. No one responded to the invitation.

- b. Consider Approval of Resolution 2014-49, a Resolution Setting the Fiscal Year 2015 Final City Budget and Property Tax Levy – Joel Erickson, City Administrator

Erickson reviewed Resolution 2014-49, and recommended approval of the proposed budget and tax levy. Rud stated that the City budget reflects comments made by citizens in regard to wanting maintained roads and parks.

A motion was made by Kodada seconded by Furrer to approve the City's 2015 Final Budget and Property Tax Levy. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

Rud thanked City Staff and the Council for their work on the City's 2015 Budget and Tax Levy.

- c. Consider Approval of Change Order No. 3 in the Deduct Amount of \$4,933.20 for the Lonsdale Business Park Project – Josh Pope, I & S Group

Project Engineer Josh Pope provided the Council with Lonsdale Business Park Project Change Order No. 3 to review. He said that Heselton has addressed the punchlist items. He said that \$2,000.00 was deducted for deficient Class 5 gradations, and he said that Liquidated Damages in the amount of \$5,000.00 were deducted due to delays in the completion schedule. Pope noted that City Staff's involvement in the project kept the overall project costs on track and within 1% of the original expected cost.

A motion was made by Daleiden seconded by Pelava to approve Change Order No. 3 in the deduct amount of \$4,933.20 for the Lonsdale Business Park Project. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval of Application for Payment No. 7 (Final) in the Amount of \$206,716.70 to Heselton Construction for the Lonsdale Business Park – Josh Pope, I & S Group

Pope recommended that the City Council consider Payment No. 7, which includes Change Order No. 3, in the amount of \$206,716.70. He said that this will be the second to last payment. He noted that 5% retainage is being held in the amount of \$109,359.75 for removal of silt fence in the spring. Erickson said that everything has been completed on the project.

A motion was made by Daleiden seconded by Kodada to approve Application for Payment No. 7 in the amount of \$206,716.70 to Heselton Construction for the Lonsdale Business Park. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- e. Consider Approval of Resolution 2014-50, a Resolution Declaring Heselton Construction to be a “Responsible Bidder” as Required in Minnesota Statutes Section §412.311, Subd. 1 for the 2015 Construction Season – Joel Erickson, City Administrator

Erickson asked the Council to consider approval of Resolution 2014-50, declaring Heselton Construction to be a responsible bidder as required in MN Statutes Section 412.311, subd. 1 for the 2015 construction season, because Heselton completed all the items listed in Resolution 2014-42. He said that at the October 13, 2014 Special City Council meeting, the Council passed Resolution 2014-42, declaring Heselton Construction to not be a responsible bidder to get Heselton’s attention and to get them to satisfactorily complete unfished items associated with two projects.

A motion was made by Kodada seconded by Furrer to approve Resolution 2014-50, a resolution declaring Heselton Construction to be a “Responsible Bidder” as required in Minnesota Statutes Section §412.311, Subd. 1 for the 2015 Construction Season. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- f. Consider Approval to Terminate Sydney Wiley as Part-Time Liquor Store Clerk – Joel Erickson, City Administrator

Erickson explained that Sydney Wiley was a good worked at Lonsdale Liquor, but she moved away from town without submitting a letter of resignation. He recommend that the Council terminate Wiley as Part-Time Liquor Store Clerk.

A motion was made by Kodada seconded by Pelava to terminate Sydney Wiley as Part-Time Liquor Store Clerk. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- g. Consider Approval of Veseli Youth Baseball as the Waste Management Youth Recycling Green Team for the First Quarter of 2015 – Ben Baker, City Planner

The Council reviewed four Green Team applications. Baker stated that City Staff created a selection policy to help the City decide on which group should be the next Green Team. He recommend selecting Veseli Youth Baseball because they have never participated in the program and since they submitted their application earlier than the other groups.

A motion was made by Kodada seconded by Furrer to approve Veseli Youth Baseball as the Waste Management Youth Recycling Green Team for the First Quarter of 2015.

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

- h. Consider Approval to Authorize Staff to Rebid the “Linking Lonsdale” Trail Project – Kevin Kawlewski, City Engineer

Kawlewski asked the Council for direction on rebidding the Linking Lonsdale Trail Project. He explained the reasoning for the lone high bid that the City received this past summer. He recommended bidding out two different pipe materials and not using City crews unless details can be negotiated out after a contract is awarded. Rud stated that notice should be sent to local contractors, and he suggested advertising in the Northfield News, Montgomery Messenger, and New Prague Times to gain more interest in the project.

A motion was made by Daleiden seconded by Pelava to authorize City Staff to rebid the Linking Lonsdale Trail Project. Vote for: Daleiden, Kodada, Rud, Furrer, and Pelava.

Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- i. Consider Approval of Resolution 2014-51, a Resolution to Contract with a Councilmember – Joel Erickson, City Administrator

Erickson explained that Lonsdale Liquor will be ordering embroidered shirts from Five Star Embroidery, LLC for the liquor store employees. Erickson noted that a conflict-of-interest resolution is needed anytime that City business is done with a Council member.

A motion was made by Kodada seconded by Pelava to approve Resolution 2014-51, a resolution to contract with a Councilmember. Vote for: Daleiden, Kodada, Rud, and Pelava. Vote against: None. Abstained: Furrer. Vote: 4-0-1. Motion carried.

## **11. OTHER BUSINESS**

- a. Department Reports

Vlasak stated that the Public Works Department has been working on putting up Christmas lights, plowing snow, tree trimming, catching beavers, and installing the boardwalk trail.

Kawlewski stated that they updated the City’s standard plates and specifications. He said that the DRS Sewer Project pay request should be ready for the next Council meeting.

Erickson said that the EDA submitted a \$350,000 application request for a Small Cities Grant and they are working on an “app” for Lonsdale. Erickson said that he will be attending the next Community Venture Network. He said that City Staff has been working with the Feed Mill on a possible expansion project.

Baker said that he has been working on a grant for Safe Routes to School. He said that he recently submitted a Tree City USA application. Baker stated that the City Engineer is currently working the on Kalina Park wetland project. He also provided an update on the Veterans Memorial Project. Rud thanked Furrer and the American Legion Auxiliary for raising funds for the Veterans Memorial through Turkey Bingo proceeds.

b. Council Reports

*Council Member Daleiden*

Daleiden said that sales at Lonsdale Liquor are similar to last year’s numbers. He also noted that customer counts seem to be down. He encouraged everyone to shop locally at the liquor store.

*Council Member Kodada*

Kodada stated that the Park Board will be meeting on January 13, 2015.

*Council Member Furrer*

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

*Council Member Pelava*

Pelava provided an update on new homes issued in 2014. He also said that the Planning Commission will probably be holding a public hearing in January to review the proposed standards for single-family dwellings.

*Mayor Rud*

Mayor Rud stated that he was very proud of the Lonsdale community for coming together recently to support the Sticha boy fundraising event, Firemen’s Breakfast, and Wheatland Wheaties Library Book Drive.

**12. ADJOURNMENT**

A motion was made by Kodada 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 7:53 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator