

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
DECEMBER 8, 2011**

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 Chamber, 415 Central St. W.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the pledge of allegiance.

3. ROLL CALL

Present: Daleiden, Kodada, Rud, Furrer and Pelava

Absent: None

Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker, Public Works Director Vlasak, and Consulting Engineer John Stewart

4. AGENDA

Mayor Rud asked if anyone had any additions or deletions to the agenda.

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

5. APPROVAL OF MINUTES

None

6. PUBLIC HEARINGS

None

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

None

8. APPROVAL OF THE CONSENT AGENDA

None

9. OLD BUSINESS

None

10. NEW BUSINESS

- a. Allow Public Comment on the Fiscal Year 2012 Final City Budget and Property Tax Levy

Erickson explained that the City Council held five meetings throughout the year to specifically discuss the City budget. Erickson provided a 2012 City budget and tax levy overview handout, final 2012 line item budget, and example property tax levy and impact spreadsheet for the City Council members and public to review. Erickson explained the proper meetings to attend for which the public is invited to discuss assessment related questions concerning their property valuations. He clarified the recent law change to the homestead market value credit adopted by the Minnesota Legislature in 2011 to save the State \$261,000,000.00. He went over the proposed 2012 City revenues, expenses, and property tax levy. He stated that all the City departments except for the Public Works Department will be at the same or lower funding levels compared to Fiscal Year 2011. He said that the City Council listened to the comments coming from Lonsdale residents wanting better roads, and therefore the Council decided to increase funding for street maintenance in 2012.

Marlys Benolken, property owner for 146 & 152 Main Street North (Downtown Lonsdale), asked why her commercial property value went up so high. She stated that she did make some improvements to her building with the help of a low interest loan, but she did not agree with a 62% increase in value. She also asked why she never received a letter from the County about the Board of Appeals/Equalization hearing.

Rud explained that the Rice County Assessor's Office, not the City of Lonsdale, is responsible for assessing property values within Lonsdale. He recommended talking directly with a Rice County official in Faribault concerning any property valuation questions.

Curt Abbott, 1102 Woodridge Court, asked about the City's plan for funding street maintenance and reconstruction projects.

Erickson explained that the City has a Capital Improvement Plan (CIP) that was adopted in 2004. He mentioned that two street reconstruction projects were completed in 2006 and 2007, but other planned projects were not pursued due to the downturn in the economy in 2008. He said that crack filling and seal coat maintenance will be implemented in the newer subdivisions to give the newer roads a longer useful life. He stated that the older parts of town are also scheduled in the CIP for reconstruction projects.

Erickson went through Resolution 2011-45, including the numbers for the General Fund, EDA, Debt Service, and Total Levy. Rud thanked the Council and City Staff for their hard work on the budget. He said that the City has run a tight ship over the last couple of years, including cuts to staff, benefits, and road projects / maintenance. Kodada stated that the Council diligently looked at all options for possible cuts to the budget.

b. Consider Approval of Resolution 2011-45, a Resolution Setting the Fiscal Year 2012 Final City Budget and Property Tax Levy

After reviewing the proposed budget, the Council agreed to set the Fiscal Year 2012 Property Tax Levy and Budget.

A motion was made by Kodada and seconded by Furrer to approve Resolution 2011-45, a resolution setting the Fiscal Year 2012 Final City Budget and Property Tax Levy. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

c. Consider Approval of Resolution 2011-46, a Resolution Approving the Rolling Ridge Market Place 4th Addition Final Plat

Baker explained that the attorney for the Rolling Ridge Market Place Association is still working on outstanding issues/conditions of approval related to a submitted final plat application (Rolling Ridge Market Place Fourth Addition). He mentioned that the applicant has requested a 60-day extension, which should allow adequate time to resolve the issues.

A motion was made by Kodada and seconded by Pelava to approve Resolution 2011-46, a resolution providing a 60-day time limit extension for the City Council to make a decision on the Rolling Ridge Market Place Fourth Addition. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

d. Update on the Northfield Area Ambulance Association (NAAA) – Fritz Duban NAAA President

Northfield Ambulance Association (NAAA) President Fritz Duban provided the Council with an update on the NAAA's recent meeting. He talked about the recently completed sleeping rooms in Lonsdale and Elko New Market. He said that due to the increase in accidents along Interstate Hwy 35 in the winter time, the ambulance may be stationed closer to that vicinity during certain times of the day. He reported that the population in the service area has risen from 32,000 to 41,000 people over the last 10 years. Duban said that the next NAAA meeting will be held February 29, 2011.

On behalf of the Lonsdale Lions Club, Duban presented a check for \$100.00 to the City for tree plantings.

Rud and the Council thanked Duban for his years of service on the NAAA, and he thanked the Lonsdale Lions for their giving commitment to the community. Rud also thanked the Park Board and City staff for planting so many new trees over the last few years.

e. Presentation of a Preliminary Maintenance Inspection Report Conducted on the City's 300,000 Gallon Water Tower – William Dixon, Dixon Engineer, Inc.

Keith Dixon, Dixon Engineering, presented a detailed report to the City Council concerning future maintenance recommendations for the City Water Tower. Dixon said that he inspected the tower from top-to-bottom. He mentioned that the overall condition of the water tower is fair-to-good considering its age of 16 years. He said that the tower's exterior is in better condition than the inside. He provided some recommendation for the Council and Public Works Department to consider. He said that the first priority should be the tower interior due to the wet and harsh condition. Dixon and the Council also discussed exterior sand blasting options and dust control. Rud stated that RFPs for engineering services, including plans and specifications, should be brought back to the Council as-soon-as possible for review to take advantage of the prime bidding season.

- f. Consider Approval of Partial Pay Request No. 6 in the Amount of \$272,142.70 to Municipal Builders, Inc. for the Water Treatment Plant – John Stewart, BDM
The Council reviewed Partial Pay Request No. 6 and the associated letter from BDM Consulting Project Engineer John Herdegen. Consulting Engineer John Stewart provided a brief update on the status of the water treatment plant project, and he recommended approval of the pay request.

A motion was made by Daleiden and seconded by Furrer to approve Partial Pay Request No. 6 in the Amount of \$272,142.70 to Municipal Builders, Inc. for the Water Treatment Plant. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

- g. Consider Approval of Change Order No. 4 in the Increase Amount of \$3,396.10 for the Water Treatment Plant – John Stewart, BDM
Consulting Engineer John Stewart asked the City Council to consider two change orders: 1) reimbursement for installation of wrong size electrical conduit and 2) addition of two air release valves. Stewart explained the reasons for the proposed change orders. Stewart proposed that the City should pay for labor and materials to install the larger conduit that would have been included in the original contract. Kodada questioned why the City should pay for a mistake that was made by the electrical engineer hired by BDM. Stewart remarked that the upsizing cost (from 2½" to 3" conduit) would have been included in the original bid anyway. Kodada asked why BDM would not stand up for their design mistake considering how most of the project is designed from a template. Recognizing that Kodada and the other Council members were not in favor the proposed resized transformer conduit change order, Stewart stated that BDM will pick up the remaining \$493.50.

Stewart also recommended approval of a change order to add two air release valves at the high points of the influent filter line and filter bypass line as recommended by the Public Works Director to help with future operational concerns. All the Council members agreed with the change order, but they stated their displeasure with change orders in general. Stewart stated that there is

nothing at the time that BDM is aware of that would require anymore change orders. He said that the overall project is ahead of schedule.

A motion was made by Pelava and seconded by Furrer to approve only the air release valve portion of Change Order No. 4 in the amount of \$2,902.60 for the Water Treatment Plant Project. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

h. Consider Approval of Resolution 2011-47, a Resolution Receiving the 2012 Street Improvement Project – Area No. 2 Feasibility Report and Calling for a Hearing on the Improvement

BDM Engineer Jim Stremel went over the executive summary of the 2012 Street Improvement Project - Area No. 2 Feasibility Study, which includes four alternatives. Rud stated that the main reason for the project is to resolve drainage issues. He mentioned that the City has poor soils throughout, and that any street reconstruction option should take that fact into account. He provided a few suggestions for the project engineer to consider, including deeper sand subgrade and adding fabric. Stremel stated that more soil borings could be conducted. Stewart stated that BDM has to assume some reasonable risk on the project due to the constraints of a limited City budget and maximum assessment amount.

The Council further reviewed and discussed the four proposed alternatives. The Council agreed that Alternative # 3 would benefit a greater amount of residents and commercial properties for the least amount of money. Alternative # 3 includes the following:

- Full Depth Reclamation (FDR) of pavement and subgrade on all streets in Area # 2
- Reuse existing curb and gutter
- Preserve existing driveway aprons
- Install drain tile on specific streets and stormsewer on 2nd Avenue NW, Birch Street NW, and 3rd Avenue NW.
- Repair sanitary sewer as necessary on 2nd Avenue NW and 3rd Avenue NW
- Consider bidding proposed sanitary sewer improvements and water main improvements as alternatives

A motion was made by Kodada and seconded by Pelava to approve Resolution 2011-47, a resolution receiving the 2012 Street Improvement Project – Area No. 2 Feasibility Report and calling for a hearing on the improvement and authorizing BDM to complete the plans and specifications. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried. Note: Item # 4 on the proposed resolution was changed from \$929,000.00 to \$1,300,000.00.

i. Consider Approval to Make a Conditional Job Offer to Christopher Hermstad as Part Time Police Officer at Grade 8 / Step 1 (\$17.64/hr.)

Police Chief Jason Schmitz stated that due to the resignation of Scott Korchendorfer, the City decided to advertised for two part-time police officers. He said that the City received 93 applications for the position. He explained that City staff and the Human Resource Committee narrowed the field of candidates down. He stated that the HR Committee interviewed six applicants, all of which interviewed well. He said that after further discussion of the interview panel, the Committee unanimously decided to select Christopher Hermstad and Shelly Milton for the two part-time police officer positions. Schmitz recommended approval of Christopher Hermstad as Part-Time Police Officer.

A motion was made by Daleiden and seconded by Furrer to make a conditional job offer to Christopher Hermstad as Part Time Police Officer at Grade 8 / Step 1 (\$17.64/hr.). Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

- j. Consider Approval to Make a Conditional Job Offer to Shelly Milton as Part Time Police Officer at Grade 8 / Step 1 (\$17.64/hr.)
Schmitz also recommended approval of Shelly Milton as Part-Time Police Officer.

A motion was made by Daleiden and seconded by Pelava to make a conditional job offer to Shelly Milton as Part Time Police Officer at Grade 8 / Step 1 (\$17.64/hr.). Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

- k. Consider Approval of a Revised Job Description for the Position of Police Chief
Erickson explained that the City has been working with the League of Minnesota Cities and the City Attorney on establishing requirements for police officer fitness. They stated that once the Union Contract is negotiated, officers will need to meet physical fitness requirements on an annual basis. Erickson went over the proposed additions to the job descriptions for Police Chief, Full-Time Police Officer, and Part-Time Police Officers. Erickson recommended approval of the proposed job description for Police Chief.

A motion was made by Kodada and seconded by Furrer to approve a revised job description for the position of Police Chief. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

- l. Consider Approval of a Revised Job Description for the Position of Full Time Police Officer
Erickson recommended approval of the proposed job description for Full Time Police Officer.

A motion was made by Daleiden and seconded by Kodada to approve a revised job description for the position of Full Time Police Officer. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

m. Consider Approval of a Revised Job Description for the Position of Part Time Police Officer

Erickson recommended approval of the proposed job description for Part Time Police Officer.

A motion was made by Daleiden and seconded by Pelava to approve a revised job description for the position of Part Time Police Officer. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0. Motion carried.

n. Consider Approval of Resolution 2011-(48), a Resolution to Contract with a Councilmember

The Council reviewed the proposed resolution to contract with a Councilmember for DOT inspection services for the plow truck. Kodada stated that the City should try to keep business in town when it financially makes sense.

A motion was made by Kodada and seconded by Daleiden to approve Resolution 2011-48, a resolution to contract with a Councilmember. Vote for: Daleiden, Kodada, Rud, and Furrer. Against: None. Abstained: Pelava. Vote 4-0. Motion carried.

o. Consider Approval of Resolution 2011-49, a Resolution to Contract with a Councilmember

The Council reviewed two quotes for Public Works Department jackets and embroidery services.

A motion was made by Kodada and seconded by Pelava to approve Resolution 2011-49, a resolution to contract with a Councilmember. Vote for: Daleiden, Kodada, Rud, and Pelava. Against: None. Abstained: Furrer. Vote 4-0. Motion carried.

11. OTHER BUSINESS

a. Department Reports

Council Member Daleiden

Daleiden stated that the Liquor Store Committee met on Tuesday night, and it was reported that November's profits and customer counts were up.

Council Member Kodada

Kodada stated that the Park Board will be meeting next Tuesday night.

Council Member Furrer

Furrer said that the Lonsdale EDA will be represented by Administrator Erickson at the Community Venture Network (CVN) to try to entice businesses to town.

Council Member Pelava

Pelava said that the Planning Commission will be meeting next Thursday night.

Mayor Rud

Rud stated that Winterfest was a big success. He announced that “Meeting with the Mayor” is scheduled for December 10th. He wished everyone a Merry Christmas.

12. ADJOURNMENT

A motion was made by Daleiden and seconded by Kodada to adjourn the meeting.

Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Against: None Vote 5-0.

Motion carried. The meeting ended at 9:22 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator