

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
June 30, 2011**

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: Kodada, Rud, and Furrer

Absent: Daleiden and Pelava

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. "Community Days Insurance" was added to the agenda.

A motion was made by Furrer and seconded by Kodada to approve the agenda with the noted addition. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

5. APPROVAL OF MINUTES

A motion was made by Kodada and seconded by Furrer to approve the Minutes from the May 24, 2011 Special Meeting, the May 24, 2011 Regular Meeting, the June 9, 2011 Regular Meeting, the June 13, 2011 Special Meeting and the June 20, 2011 Special Meeting. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

6. PUBLIC HEARINGS

- a. Conditional Use Permit (CUP) for an "Open Sales Lot" at 612 Industrial Drive SE – Submitted by Ron and Pam Johnson, Great Wrench Auto Repair

Rud read the public hearing notice and opened the hearing. Baker provided the Council with a detailed staff report which included a survey, the proposed site plan layout, and other relevant maps. Baker went through the report, and he stated that the Ron and Pam Johnson, applicants, are planning to apply for a motor vehicle dealers license once the proper City zoning permits are secured. Rud asked if anyone off the floor wanted to comment on the proposed conditional use permit. No one responded to the invitation.

A motion was made by Kodada and seconded by Furrer to close the public hearing. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried. The public hearing closed.

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: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

9. OLD BUSINESS

- a. None

10. NEW BUSINESS

- a. Presentation of a \$1,000.00 CenterPoint Energy Community Partnership Grant to the Police Department for the Purchase of 800 MHz Equipment – Barry Hager, CenterPoint Energy

Barry Hager of CenterPoint Energy presented a grant check to Police Chief Jason Schmitz and the City for the purchase of 800 MHz equipment. Schmitz said that the 800 MHz requirement will be going live in 2012. The Council thanked CenterPoint Energy.

- b. Consider Approval to Advertise for Sale by Sealed Bid a Forfeited 1999 Chevrolet Cavalier with a Minimum Bid of \$2,500.00

Schmitz provided the Council with applicable background information relating to vehicles qualifying for forfeiture. He asked them to consider advertising by sealed bid for a forfeited 1999 Chevrolet Cavalier. He also talked about the condition of the vehicle. He said that once the vehicle is sold that all expenses will be reimbursed back to the City and used for DWI enforcement.

A motion was made by Kodada and seconded by Furrer to advertise for sale by sealed bid a forfeited 1999 Chevrolet Cavalier with a minimum bid of \$2,500.00. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- c. Review and Discuss the Concept of a Social Host Ordinance – Jason Schmitz, Chief of Police

Schmitz provided the Council with detailed information on the effects of a Social Host Ordinance. Included in his report were State Statute excerpts, an informational handout, FAQs, a list of cities and counties that have already adopted the ordinance, and an example ordinance adopted by Rice County. Rud stated that he has received a few comments in support of such an ordinance, and he mentioned that it is an important issue

to both the community and county. The Council thanked Schmitz for his report on the issue.

d. Review and Consider Approval of the City of Lonsdale's 2010 Year-End Audit – Joel Stencel, Eide Bailly

City Auditor Joel Stencel of Eide Bailly presented the year-end audit for 2010. He highlighted the main points of the executive summary and answered questions as he went through the report. Stencel stated that the City of Lonsdale is in a very healthy financial condition.

A motion was made by Kodada and seconded by Furrer to approve the agenda with the City of Lonsdale's 2010 Year-End Audit. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

e. Consider Approval of Resolution 2011-19, a Resolution Ordering Preparation of Report on Improvements of 2nd Ave NW, 3rd Ave NW, Ash St. NW (between 2nd Ave NW and 3rd Ave NW), Birch St. NW (between Main St. N. and 3rd Ave NW), Cottonwood St. NW (between Main St. N. and 3rd Ave NW), Dogwood St. NW (between Main St. N. and 3rd Ave NW) and Elm St. NW (between Main St. N. and 2nd Ave NW)

Erickson explained that the Council recently held an informal meeting with residential of Area # 2 and Area # 3. At that meeting the affected residents had the opportunity to raise concerns and ask questions about the proposed project. He said that based on the outcome of that meeting the Council discussed moving forward to the feasibility study phase of the planning process. He explained that the proposed resolution would authorize BDM to conduct the feasibility study for Area # 2. City staff provided the Council with a map detailing the location and date of fire hydrant installation, watermain breaks, and repairs to gate valves within the proposed reconstruction project vicinity. Erickson mentioned that the feasibility study should be completed in early August. Rud stated that there should be separate hearings for the two different projects.

A motion was made by Kodada and seconded by Furrer to approve Resolution 2011-19, a resolution ordering preparation of report on improvements of 2nd Ave NW, 3rd Ave NW, Ash St. NW (between 2nd Ave NW and 3rd Ave NW), Birch St. NW (between Main St. N. and 3rd Ave NW), Cottonwood St. NW (between Main St. N. and 3rd Ave NW), Dogwood St. NW (between Main St. N. and 3rd Ave NW) and Elm St. NW (between Main St. N. and 2nd Ave NW). Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

f. Consider Approval of Resolution 2011-20, a Resolution Ordering Preparation of Report on Improvements of 4th Ave NW, 5th Ave NW and Ash St. NW (between 3rd Ave NW and 5th Ave NE)

A motion was made by Furrer and seconded by Kodada to approve Resolution 2011-20, a resolution ordering preparation of report on improvements of 4th Ave NW, 5th Ave NW and Ash St. NW (between 3rd Ave NW and 5th Ave NE). Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- g. Consider Approval of the Contract Amendment No. 1 to the Professional Services Agreement Between the City of Lonsdale and BDM Consulting Engineers and Surveyors, PLC

Erickson explained that Area # 3 was not included in the Area # 2 engineering contract between the City and BDM and that the agreement needs to be amended to allow for the Area # 3 feasibility study to be completed. City staff provided a copy of the draft contract language (between the City of Lonsdale and BDM) to review. Erickson mentioned that the study will probably be valid for around seven years.

A motion was made by Furrer and seconded by Kodada to approve Contract Amendment No. 1 to the Professional Services Agreement Between the City of Lonsdale and BDM Consulting Engineers and Surveyors, PLC. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- h. Consider Approval to Purchase a Freightliner Truck and Plow Equipment in the Amount of \$131,868.55 to Replace the 1979 International Plow Truck

Vlasak explained the need for a newer snow plow truck to replace the 1979 International plow truck and plow equipment. He provided the City Council with some information on a new Freightliner truck and plow equipment. He stated that the cost of the new plow truck would be \$140,180.76 (truck - \$73,536.00; plow equipment - \$66,644.76). He also mentioned the City could save \$8,312.21 by using the existing plow repaired, sandblasted, painted, and remounted. The Council directed City staff to obtain more options and more information so that they can make an educated decision.

- i. Consider Approval of a Request for Proposals (RFP) for Water Storage Tank Inspection and Evaluation Services

Erickson provided the Council with a proposed RFP for water storage tank inspection and evaluation services to review. The proposal included reference to both the interior and exterior of the water tower to determine what repairs need to be made over the next several years and to lay out a maintenance plan for the water tower. The Council members all agreed that some repairs will probably be needed due to the water tower's age.

A motion was made by Kodada and seconded by Furrer to approve a Request for Proposals (RFP) for Water Storage Tank Inspection and Evaluation Services. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- j. Consider Approval of Resolution 2011-21, a Resolution Authorizing the City of Lonsdale to Enter Into a Sub-Grant Agreement with the State of Minnesota for Federal Assistance - Public Assistance Program

Erickson mentioned that heavy Fall rains from 2010 created some damage to the City's storm water management system. He stated that City staff has been working with FEMA to identify projects that would qualify for Federal assistance. He listed the few projects that qualified for funding (Birch Street NW, Shadow Stone retention pond culverts, Kalina Park storm sewer flared end failure). Erickson said that the total funding for the

repairs from FEMA is \$9,285.96, and he recommended approval of the proposed resolution (agreement) to obtain the funding from FEMA.

A motion was made by Furrer and seconded by Kodada to approve Resolution 2011-21, a resolution authorizing the City of Lonsdale to enter into a sub-grant agreement with the State of Minnesota for Federal Assistance - Public Assistance Program. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- k. Consider Approval of a Conditional Use Permit (CUP) for an “Open Sales Lot” at 612 Industrial Drive SE – Submitted by Ron and Pam Johnson, Great Wrench Auto Repair
Baker stated that the Planning Commission reviewed and recommended approval of the conditional use permit request at their June 16, 2011 meeting. Kodada stated that it is good to see businesses growing and expanding.

A motion was made by Furrer and seconded by Kodada to approve Resolution 2011-22, a resolution granting a conditional use permit (CUP) for an “Open Sales Lot” at 612 Industrial Drive SE, Great Wrench Auto Repair. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- l. Consider Approval of a Zoning Ordinance Amendment Allowing For “Grain Elevators, Feed Mills and Grain Storage” as a “Conditional Use” in the B-1, Limited Business District – Submitted by Steve Vosejka, Lonsdale Feed Mill
Baker explained that grain elevators, feed mills, and similar uses are currently not listed in the B-1 Zoning District. He said that the City Attorney recommended allowing for such uses as a conditional use permit. Baker stated that at their meeting on June 16, 2011, the Planning Commission recommended approval of the proposed ordinance amendment.

A motion was made by Kodada and seconded by Furrer to approve Ordinance 2011-244, a zoning ordinance amendment allowing for “Grain Elevators, Feed Mills and Grain Storage” as a “Conditional Use” in the B-1, Limited Business District. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- m. Consider Approval of a Conditional Use Permit (CUP) Request for a New 50 Foot Wide by 68 Foot Tall Grain Storage Bin at 209 Ash Street NW – Submitted by Steve Vosejka, Lonsdale Feed Mill
Baker provided a detailed staff report which included a current property survey, maps, and a site plan. Vlasak noted that the City may need to obtain drainage and utility easements over parts of the subject property in the near future. Baker mentioned that the Planning Commission recommended approval of the proposed conditional use permit at the June 16, 2011 meeting.

A motion was made by Kodada and seconded by Furrer to approve Resolution 2011-23, granting a conditional use permit (CUP) for a new 50 ft. wide by 68 ft. tall grain storage bin at 209 Ash Street NW, Lonsdale Feed Mill. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- n. Consider Approval of the Montgomery / Lonsdale Hockey Association as the July – August – September 2011 Green Team

Baker mentioned that Park Board recommended approval of the Montgomery/Lonsdale Hockey Association as the July-Aug-Sept Green Team at their meeting on June 6, 2011. He said that the Hockey Association indicated “July-Aug-Sept as their first choice on their Green Team application.

A motion was made by Kodada and seconded by Furrer to approve the Montgomery / Lonsdale Hockey Association as the July–August–September 2011 Green Team. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- o. Consider Approval of the Labor Agreement Between the City of Lonsdale and Minnesota Teamsters Public and Law Enforcement Employee’s Union, Local No. 320 – Police Department

Erickson provided the Council with a copy of the labor agreement between the City and the Police Department (full-time police officers). He said that the agreement matches the budget for regular full-time employees at the City. Kodada agreed with the proposed agreement stating that it is consistent with the pay/benefits of the non-union employees. Erickson said that the union contract was negotiated by the Human Resource Committee.

A motion was made by Kodada and seconded by Furrer to approve the of the Labor Agreement between the City of Lonsdale and Minnesota Teamsters Public and Law Enforcement Employee’s Union, Local No. 320 – Police Department. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- p. Consider Approval to Terminate Associated Financial Group as the City’s Insurance Agent/Broker for Health Insurance Benefits and Appoint AT Group as the City Insurance Agent/Broker for Health Insurance Benefits

Erickson mentioned that Associated Financial Group has done a good job in the past, but the AT Group has proven that they can reduce costs (vision plan) and keep in constant communication. Kodada asked if there would be a lapse in coverage. Erickson said no.

A motion was made by Furrer and seconded by Kodada to terminate Associated Financial Group as the City’s insurance agent/broker for health insurance benefits and appoint AT Group as the City insurance agent/broker for health insurance benefits. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried.

- q. Update on Lonsdale Community Days Insurance

The Lonsdale Community Days Committee (Eva Steege and Karmin Stanley) provided the Council with an update on insurance for the planned fireworks event (25th annual celebration).

No action was taken on the issue.

11. OTHER BUSINESS

a. Department Reports:

Council Member Daleiden

N/A

Council Member Kodada

Kodada stated that the City recently hosted four Olympic Day events (at Trendera Memorial Park and Sticha Park).

Council Member Furrer

Furrer stated that the Library Board is taking a little break from meeting during the summer months. She mentioned that Rice County recently denied their I-35 sign permit application.

Council Member Pelava

N/A

Council Member Rud

Rud thanked the Public Works Department for helping with the new volleyball courts. He invited everyone to attend the Chamber's local Independence Day celebration. He announced that there will be a ground breaking ceremony during the week of July 11th for the new water treatment plant. Erickson announced that the City recently was awarded a grant for \$77,700.00 to fix up 3 homes in the downtown area.

b. Reminder of July 19, 2011 Special Meeting at 6:00 pm to Discuss the 2012 City Budget

12. ADJOURNMENT

A motion was made by Furrer and seconded by Kodada to adjourn the meeting. Vote for: Kodada, Rud, and Furrer. Against: None. Vote: 3-0. Motion carried. The meeting closed at 8:50 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator