

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
AUGUST 5, 2014**

1. CALL TO ORDER

Mayor Rud called the meeting to order at 6:05 p.m. in the City Council Chambers, 415 Central St. W., Lonsdale, MN 55046

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the pledge of allegiance.

3. ROLL CALL

Present: Daleiden, Kodada, Rud, Furrer and Pelava

Absent:

Staff Present: City Administrator Joel Erickson, Public Works Director Russ Vlasak and City Treasurer Tami Brokl

Others Present: None

4. AGENDA

Mayor Rud said there was one item on the agenda and asked if there were any additions to the agenda. A motion was made by Furrer and seconded by Pelava 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

a. None

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

None

8. APPROVAL OF THE CONSENT AGENDA

None

9. OLD BUSINESS

None

10. NEW BUSINESS

a. Discuss the City's Preliminary 2015 Budget

Property Tax Levy:

Erickson said that the tax levy is proposed to be increased \$60,000, which represents a small tax increase. The City Council discussed what the levy will be based on expenses such as debt service fund deficits, staffing and street maintenance discussed at previous budget meetings. The City Council directed staff to base the budget on a levy of \$1,800,000.00.

Public Works:

Mayor Rud said that priorities need to be determined before making recommendations and decisions. The City Council discussed if special assessments for the Area No. 5 project should be between \$12,000 and \$14,000 due to the cost of the project. Mayor Rud reiterated the fact that priorities need to be determined, especially with the Area No. 5 project proposed to start in 2015, the water tower rehabilitation project being \$100,000 over what was budgeted and the "Linking Lonsdale" bid coming in \$50,000 over budget. Furrer asked what maintenance can be done to prevent large increases in the tax levy due to street projects/repairs. Daleiden said he would recommend staffing levels be changed to add two full time employees, no part time and one seasonal. Vlasak said that street maintenance is more important than staffing levels. He said his current part time employees do a good job and he is concerned that they will leave the City for a full time job. The City Council reviewed specific line items in Administration, Planning & Zoning, the Police Department, Idaho St. debt service, 7th Ave NW debt service, Park and Recreation and Road and Bridge.

Annexation of Property - West of 10th Ave NW:

Erickson stated that staff was requested to research if the City initiate annexation of the properties west of 10th Ave NW. Erickson said based on research, the City cannot initiate annexation the properties because the properties need to be surrounded by the City on 60% of the total sides footage and that percentage is 59.60%. He said the total amount of land that can be annexed this way is 40 acres and the total area of the properties is 60.

Business Park Construction:

Staff updated the City Council on the status and quality of construction and construction observation. The City Council stated that if the contractor is not providing a quality project and I & S is not being an advocate for the City, that payment should not be made to either until staff is satisfied with both.

11. OTHER BUSINESS

- a. None

12. ADJOURNMENT

A motion was made by Kodada and seconded by Furrer to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting was adjourned at 7:20 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator