

**MINUTES  
CITY OF LONSDALE  
CITY COUNCIL MEETING  
SEPTEMBER 25, 2014**

**1. CALL TO ORDER**

Mayor Rud called the meeting to order at 7:00 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: None

Staff Present: City Administrator Joel Erickson, Public Works Director Russ Vlasak and City Engineer Kevin Kawlewski

Others Present: None

**4. AGENDA**

Mayor Rud said the agenda went through 10I and asked if there were any additions or deletions to the agenda. A motion was made by Pelava 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. Consider Approval of the Minutes from the August 25, 2014 Special Meeting, the August 26, 2014 Regular Meeting, the September 11, 2014 Regular Meeting and the September 15, 2014 Regular Meeting

Mayor Rud asked if there were any additions, deletions or corrections to the minutes proposed for approval. A motion was made by Daleiden and seconded by Furrer to approve the minutes from the August 25, 2014 Special Meeting, the August 26, 2014 Regular Meeting, the September 11, 2014 Regular Meeting and the September 15, 2014 Regular Meeting. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

**6. PUBLIC HEARINGS**

- a. None

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

None

**8. APPROVAL OF THE CONSENT AGENDA**

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

Mayor Rud said there were three items on the Consent Agenda and asked if anyone wanted any of the items pulled for review. A motion was made by Daleiden and seconded by Furrer to approve the Consent Agenda as presented. 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 the Remainder of Application for Payment No. 6 in the Amount of \$141,487.90 to Heselton Construction, LLC – Josh Pope, I & S Group  
Josh Pope of I & S Group stated that there are still a few punch list items that need to be completed such as erosion control, the light pole in the Trondhjem Church parking lot, leaning and possibly dying trees. He said the proposed payment is for Class 5 aggregate placed in Highway 19 and Garfield Ave that failed the gradation tests. He said all items have been resolved and recommended approval of the payment in the amount of \$141,487.90. Mayor Rud asked if liquidated damages would be imposed. Pope said liquidated damages have not been proposed to the contractor but could be due to the fact substantial completion was one day later than stated in the contract documents. Mayor Rud said it is more important to get the project completed. He also said there are tree limbs that are hanging over the trail that might be a safety issue in the future. Pope said he can have the contractor look into this concern. Mayor Rud said it might not be a contractor issue and maybe the City can look into the concern as well. Pelava asked for clarification on the gradation tests. Pope provided an explanation of MnDoT gradation testing. He also said the Class 5 aggregate that did not meet gradation requirements and did not set up properly was removed and replaced with better material. Mayor Rud asked if the City should be concerned with the structural integrity of the patches on Commerce Dr. SE. Pope said water may be an issue in the future but it is mainly aesthetic more than anything. Kodada asked if the City would be responsible for any future issues with the turn lanes installed on Highway 19 since MnDoT approve the work. Pope said because MnDoT has approved the work, the City will not be responsible for any future issues. Mayor Rud asked if staff supported approval of the payment. Erickson replied yes. A motion was made by Daleiden and seconded by Kodada to approve the remainder of the Application for Payment No. 6 in the amount of \$141,487.90 to Heselton Construction, LLC. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- b. Consider Approval of a Request to Adjust the Sewer Rate for 115 2<sup>nd</sup> Ave SW – Joel Erickson, City Administrator  
Erickson said the property owner made the City aware of a plumbing issue that occurred in January of 2014 but never proceeded with a sewer rate adjustment at that time. He said since the first three months of the year are used to determine the average sewer rate for the months after the first three and the fact no one is living in the home resulting in no usage, the property owner is requesting an adjustment/refund of the sewer rate. Erickson said this is similar to other requests in the past except this one is after the fact. A motion was made by Kodada and

seconded by Daleiden to approve a sewer rate adjust and to use the three months following when the repair was made as the months to calculate the average sewer rate. Furrer asked if a bill would be generated since the water is shut off. Erickson said no, the adjustment would be in the form of a refund. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval of a Proposal Submitted by Eide Bailly to Perform Year End Auditing Services for 2014, 2015 and 2016 – Joel Erickson, City Administrator  
Erickson said he requested a proposal from Eide Bailly the City's auditor for performing year end auditing services for the next three years. He said Eide Bailly has been doing the audit for the City since 2006 and they have done a good job. Erickson said every year, it gets smoother. Daleiden said the auditor has complimented staff on their work the last several years. Furrer said the audit process has improved each year. A motion was made by Daleiden and seconded by Pelava to approve the proposal submitted by Eide Bailly for the 2014, 2015 and 2016 year end audit. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- d. Consider Approval of Resolution 2014-35, a Resolution Setting the Fiscal Year 2015 Preliminary City Budget and Preliminary Property Tax Levy – Joel Erickson, City Administrator  
Erickson said the City Council held five meetings pertaining to the 2015 budget and property tax levy. He reviewed some of the main points of discussion on specific line items. He said the City Council agreed to set the levy at \$1,880,020.00, which resulted in a 0% increase in the property tax levy compared to 2014 and is actually lower than the City's tax rate in 2013.

Erickson said the City will allow public comment on the 2015 budget and property tax levy on December 11, 2014 at 7:00 pm in the City Council Chamber, 415 Central St. W., Lonsdale, MN 55046. He also said if residents have questions, they can contact him at 507-744-2327 or mail questions to City Administrator, PO Box 357, Lonsdale, MN 55046.

Kodada asked if December 11, 2014 would conflict with other taxing jurisdictions meetings. Erickson said he is not aware that it will. He said in the past, each type of taxing jurisdiction has dates set specifically for them. Kodada said the budget and tax levy have been analyzed pretty good. A motion was made by Kodada and seconded by Furrer to approve Resolution 2014-35. Mayor Rud thanked staff and the City Council for holding the line on spending and reviewing the budget in such detail. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- e. Consider Approval of Resolution 2014-36, a Resolution Entering Into a Joint Snow Removal Agreement Between the City of Lonsdale and the Minnesota Department of Transportation – Joel Erickson, City Administrator  
Erickson said the proposed resolution is approved annually and is the same as past years. He said the City gets reimbursed for accumulating and loading snow from Highway 19 between 1<sup>st</sup> Ave E and 2<sup>nd</sup> Ave W. He said the hourly rate for City equipment is \$150.00/hr. A motion was made by Daleiden and seconded by

Pelava to approve Resolution 2014-36. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

- f. Consider Approval of Resolution 2014-37, a Resolution to Contract with a Councilmember – Joel Erickson, City Administrator  
Erickson said each time the City does business with a City Council member, a resolution needs to be adopted. He said Lonsdale Autoworks provided the City with vehicle towing and storage. A motion was made by Kodada and seconded by Furrer to approve Resolution 2014-37. Vote for: Daleiden, Kodada, Rud and Furrer. Vote against: None. Abstained: Pelava. Vote: 4-0-1. Motion carried.
- g. Consider Approval of a Quote Submitted by Buscho Enterprises, LLC in the Amount of \$14,089.50 for Hauling and Applying Bio-Solids – Joel Erickson, City Administrator  
Erickson said the City hauls and applies bio-solids twice per year and each time, the City solicits quotes from several companies but Buscho is the only one to respond, which is the same situation this time. He said the quote submitted by Buscho was \$14,089.50. Erickson said he does not expect 400,000 gallons to be pumped and hauled but does expect trucking to be more than prior years because the approved site for applying is farther away than previous sites. A motion was made by Daleiden and seconded by Pelava to approve the quote submitted by Buscho Enterprises, LLC in the amount of \$14,089.50. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- h. Consider Approval of a MN Lawful Gambling LG240B Application to Conduct Excluded Bingo Submitted by the American Legion Auxiliary Unit 586 – Joel Erickson, City Administrator  
Erickson said he received a MN Lawful Gambling LG240B Application to Conduct Excluded Bingo from the American Legion Auxiliary to conduct two bingo events. A motion was made by Kodada and seconded by Pelava to approve the requested gambling application. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.
- i. Consider Approval to Appoint the American Legion Auxiliary Unit 586 as the 4<sup>th</sup> Quarter Waste Management Recycling Green team – Ben Baker, City Planner  
Erickson said the Legion Auxiliary has submitted an application to be the Green Team, with the intention of donating the funds to the Veteran's Memorial. A motion was made by Pelava and seconded by Kodada to approve the American Legion Auxiliary Unit 586 as the 4<sup>th</sup> quarter Waste Management Recycling Green Team. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

## **11. OTHER BUSINESS**

### **a. Department Reports:**

#### **Public Works:**

Vlasak said staff is turning water valves, will be pouring concrete at the archery range and finishing Kalina Park seeding and repairing a storm sewer at 8<sup>th</sup> Ave NW and County Road 4.

Engineering:

Kawlewski said the DRS sanitary sewer project is essentially complete and all that needs to be done is the light pole stood back up and the mandrill/airtest on the sanitary sewer. He said the Improvement Hearing for Area No. 5 will be held on Monday, October 13, 2014.

Liquor Store:

Daleiden said the Lonsdale Crawl will take place on October 16<sup>th</sup> between 4:30 and 8:00, the Holiday Tasting will be held on November 7<sup>th</sup> between 5:00-8:00 and a wine tasting will be held on December 6<sup>th</sup> between 4:00-7:00.

Parks:

Kodada said the Park Board will be meeting at 5:00 pm on October 7, 2014 and holding the grand opening for Kalina Park, the archery range and Rezac nature preserve, which will include a hayride.

EDA:

Furrer said the EDA met last week and discussed a mobile app, the donation policy and the Lonsdale First program, which will start on November 1<sup>st</sup> and run through the end of the year.

Library:

Furrer said the Library had an author visit last week and the Board held interviews for the shelper position. She said three qualified candidates were interview and a conditional job offer was made to Nicole Duffy.

Planning & Zoning:

Pelava said there was no meeting on October.

Mayor Rud:

Mayor Rud said prior to the meeting, he attended the Legion Annual Dinner and briefly talked about the Veteran's Memorial and that City Planner Ben Baker was also there and will be giving a presentation on the project. He said nearly half of the funds have already been raised. Mayor Rud said the marketing video for the business park was shot last week. He said the next meeting with the mayor is scheduled for October 11<sup>th</sup>. Mayor Rud said Sunday Bingo will be starting on Sunday at Whistle Stop, which is being run by the Lonsdale Firemen's Relief Association and the Lonsdale Lions. He also said he would be on KCHK tomorrow morning and if anyone had any items to promote, to get them to him.

**12. ADJOURNMENT**

A motion was made by Kodada and seconded by Daleiden 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 7:38 pm.

Respectfully Submitted:

---

Joel A. Erickson, City Administrator