

AGENDA
CITY OF ISANTI
CITY COUNCIL MEETING

TUESDAY, NOVEMBER 16, 2021 – 7:00 P.M.
CITY HALL



- A. Call to Order**
- B. Pledge of Allegiance**
- C. Roll Call**
- D. Public Comment**
- E. Adopt Agenda**

F. Proclamations/Commendations/Certificate Awards

G. Approve City Council Minutes

- 1. October 19, 2021- Regular Meeting of the City Council
- 2. October 19, 2021- Committee of the Whole Meeting
- 3. September 28, 2021 – Parks, Recreation and Culture Board Meeting

H. Announcements

- 1. Park, Recreation, & Culture Board Meeting
- 2. **CITY OFFICES CLOSED**
 - Tuesday, November 23, 2021 at 6:00 p.m.
 - Thursday, November 24, 2021
 - (In Observance of Thanksgiving Day)*
 - Friday, November 25, 2021
 - (In Observance of the Day after Thanksgiving)*
- 3. City Council Meeting
 - Tuesday, December 7, 2021 at 7:00 p.m.
- 4. Economic Development Authority Meeting
 - Tuesday, December 7, 2021
 - (Following the City Council Meeting)*

I. Council Committee Reports

J. Public Hearings

- 1. Assessment Hearing - Main Street Reconstruction
 - a. Resolution 2021-XXX Adopting Assessment for the Main Street Reconstruction project

K. Business Items

Finance Director Mike Betker

- 1. 2021-XXX Certification of Delinquent Charges for City Services Payable in 2022
 - a. Requested Hearing – George Hemen
- 2. 2021-XXX Issuance and Sale of GO Tax Abatement Refunding Bonds 2021A (Jessica Green-Northland)

L. Approve Consent Agenda

- 1. Accounts Payable in the Amount of \$1,955,563.33 Payroll in the Amount of \$245,707.02
- 2. Resolution 2021-XXX Authorizing a Reduction in the Letter of Credit for Fairway Greens North
- 3. Resolution 2021-XXX Extending the Recording of Final Plat for Fairway Greens South
- 4. Resolution 2021-XXX Update the DOT Drug and Alcohol Testing Policy for Compliance
- 5. Resolution 2021-XXX Accepting the Resignation of Community Development Director
- 6. Resolution 2021-XXX Accepting the Resignation of Liquor Clerk II Katie Olsen
- 7. Resolution 2021-XXX Approving the Re-Hire of FT Liquor Store Clerk I Becky Whitman
- 8. Resolution 2021-XXX Approving the Hire of Community Development Director
- 9. Resolution 2021-XXX Approving the Hire of PT Liquor Clerk II Nicole Johnson

10. Resolution 2021-XXX Approving the Hire of PT Liquor Clerk II Sandra Koller
11. Resolution 2021-XXX Approving New Position of Police Support Specialist
12. Liquor Store Dress Code Amendment
13. Resolution 2021-XXX Repeal City Policies that are No Longer Applicable
14. Resolution 2021-XXX Authorizing the Establishment of Permit and Plan Review Fee Refund Policy
15. Resolution 2021-XXX Approving Amendments to the Revolving Loan Fund Policy
16. Resolution 2021-XXX Adopting Finance Related Policies
17. Resolution 2021-XXX Closing Debt Service Fund 929
18. Resolution 2021-XXX Forgiving Interfund Loan Payable from General Fund to Water and Sewer Utilities
19. Resolution 2021-XXX Approving Archery Hunting Regulations
20. Resolution 2021-XXX Approving BMX Lighting Upgrade
21. Resolution 2021-XXX Authorizing Sale of Security Camera and Equipment in the Current Liquor Store

M. Other Communications

1. October Police Department Reports
2. October Code Enforcement Officer Report
3. October Building Inspector Report
4. November Engineering Project Status Report
5. Draft Minutes of the October 26, 2021 Parks, Recreation and Culture Board Meeting

Adjournment

**MINUTES
CITY OF ISANTI
CITY COUNCIL MEETING**



G.1.

**TUESDAY, OCTOBER 19, 2021 – 7:00 P.M.
CITY HALL**

Mayor Johnson called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was recited.

Members Present: Mayor Jeff Johnson, Councilors: Jimmy Gordon Paul Bergley and Steve Lundeen, Dan Collison

Staff Present: City Administrator Josi Wood, Human Resources Director Katie Grotte, Finance Director Mike Betker, and Chief of Police Travis Muyres, Park and Rec Coordinator Alyssa Olson, and City Engineer Jason Cook.

D. Public Comment

Councilmember Bergley read the letter to the editor about mask mandates he wrote

E. Adopt Agenda

ADD K.3, K.4, K.5, L.6

Motion by Lundeen, seconded by Collison to approve agenda with the modifications listed above. Motion passed 5-0. Motion carried.

F. Proclamations/Commendations/Certificate Awards

G. Approve City Council Minutes

1. October 5, 2021- Regular Meeting of the City Council
2. August 17, 2021- Planning Commission

Motion by Lundeen, seconded by Bergley to approve minutes as presented. Motion passed 5-0. Motion carried.

I. Council Committee Reports

J. Public Hearings

K. Business Items

Jason Cook City Engineer

1. **Resolution 2021-215** Declaring Cost to be Assessed, and Ordering Preparation of Proposed Assessment on the Main Street Reconstruction Project

City Engineer Cook explained the costs to be assessed. This is the last step. What is found is the 18.5% lower than what was told to everyone (about \$1000 less). It would be an annual installment over a 10-year period at 2.0% interest. Rate be reduced at the time of hearing.

Motion by Lundeen, seconded by Collison to approve resolution as presented. Motion passed 5-0. Motion carried.

2. Resolution 2021-216 For Hearing on Proposed Assessment on the Main Street Reconstruction Project

Motion by Lundeen, seconded by Bergley to approve resolution as presented for November 16, 2021. Motion passed 5-0. Motion carried.

3. Resolution 2021-217 Approving Amphitheater Naming

Councilmembers decided on the name “Bluebird Amphitheater” during Committee of the Whole meeting

Motion by Collison, seconded by Bergley to approve resolution as agreed upon during Committee of the Whole 10.19.2021. Motion passed 5-0. Motion carried.

2. Discussion Approval Liquor Store Beer Cave Naming- “Bozo and LouElla Polzin Beer Cave”

Motion by Lundeen, seconded by Collison to approve resolution as agreed upon during Committee of the Whole 10.19.2021. Motion passed 5-0. Motion carried.

3. Discussion Approval Change Order to Add Ice Guards to Liquor Store Roof in the Amount of \$17,693

Motion by Lundeen, seconded by Bergley to approve resolution as agreed upon during Committee of the Whole 10.19.2021. Motion passed 5-0. Motion carried.

L. Approve Consent Agenda

1. Payroll in the Amount of \$117,807.41 and Accounts Payable in the Amount of \$721,099.93
2. **Resolution 2021-218** Designating Polling Places in the City of Isanti for 2022 Elections
3. **Resolution 2021-219** Accepting Quote for 2022 Actuarial Valuation of Other Post-Employee Benefits and 2023 Reporting Disclosures
4. **Resolution 2021-220** Approving Contract for Liquor Store Mentor and Consulting Services
5. **Resolution 2021-221** Approving the Offer for Assistant Liquor Store Manager
6. **Resolution 2021-222** Approving Revision to Park Naming Policy

Motion by Bergley, seconded by Lundeen to approve consent agenda. Motion passed 5-0. Motion carried.

Adjournment

A motion was made by Bergley, seconded by Collison to adjourn. Motion passed 5-0. Motion carried.

Meeting adjourned at 7:12 p.m.

Respectfully Submitted,



Jaden Strand
City Clerk

**MINUTES
CITY OF ISANTI
COMMITTEE OF THE WHOLE MEETING**



**TUESDAY, OCTOBER 19, 2021 – 5:00 P.M.
CITY HALL**

Mayor Johnson called the meeting to order at 5:00 p.m.

The Pledge of Allegiance was recited.

Members Present: Mayor Jeff Johnson, Councilors: Jimmy Gordon, Paul Bergley and Steve Lundeen, Dan Collison

Members Absent: None

Staff Present: City Administrator Josi Wood, Human Resources Director Katie Grotte, Finance Director Mike Betker, Parks, Recreation and Events Coordinator Alyssa Olson, City Engineer Jason Cook and Chief of Police Travis Muyres

Others Present: Elaine Fischer spoke on E.3

Public Comment

None

Committee Meeting Items

D. Committee Meeting Items

1. Police Updates

Chief Travis Muyres discussed updates regarding staffing, officer wellness, officer retention and Isanti Police Core Principals for retention. Mayor Johnson brought up the wages in North Branch being significantly higher than Isanti for Police wages. To be discussed at next Goal Setting.

2. Park Naming Policy

Park and Rec Coordinator Olson discussed the policy on Park Naming Policy. Council decided to move forward with adding a number to percent do determine what is “significant” to allow for council discretion. Move to approval at City Council meeting following Committee of the Whole 10.19.2021.

3. Amphitheater Naming Discussion

Committee Members decided to name the new amphitheater Bluebird Amphitheater.

4. Bow Hunting Regulations

Chief Muyres discussed having a minimum of 40 acres for Bow Hunting Regulations. It was also recommended that the Committee not be associated with a private entity for MN Deer Hunt/ Bow Hunt Inc. for regulations. The direction was to bring to City Council with changes.

5. 2022 Street Dance Location Discussion

Committee decided to have three (3) Street Dances at Main Street and one (1) at Bluebird Amphitheater. Committee also discussed the cost of putting concrete in front of the amphitheater.

6. Finance Related Policies

Finance Director Betker has been reviewing Finance related policies. There are some policies that are no longer applicable, some that need to be updated with relatively minor language changes, some that need to be significantly updated and others that need to be written for the first time. Committee moved to have Finance Director Betker to update as needed.

7. Resolutions to Repeal Policies

City Administrator Wood presented the review of all City Policies. There are a number of policies that are no longer applicable due to changes in state statute, superseded by City Code, new policies were written or subsequent policies were already included in the Personnel Policy, Policy Manual or Lexipol. Mayor Johnson questioned Administrator Wood about the purpose of these changes. Wood explained some policies were outdated or contradictory. The changes were to have policies not be contradicting.

8. Police and Liquor Staffing Changes

Administrator Wood presented the staffing needs of the department has grown recently. The recent implementation of a part-time secretary position has assisted in the work load, however, has brought to light another position that needed to be reviewed. As the other PD staff office positions were reviewed, it was found that the full-time secretary position was doing the workload and tasks equivalent to a lead, specialist or manager position which warrants a higher point and grade level when input into the matrix for all City position.

With the new store opening right around the corner and recruitment of part-time staff at an all-time low, Staff is recommending to hire one additional full-time Clerk to the staffing roster. The additional full-time clerk hours would replace part-time hours in the budget. Committee moved to change the position and wages of FT Police Secretary to Police Support Specialist as presented and to add a FT Liquor Store Clerk as presented and bring to City Council for approval.

9. Storm Water Rate Study

The finance and Assistant Finance Director completed the Storm Water Rate Study. Betker presented the findings. It was presented that Finance Betker recommended to cut the rates by 20% in 2022, 15% in 2023, 10% in 2024. Committee all agreed to move forward with that recommendation.

10. Ice Guards at New Liquor Store

Administrator Wood presented adding ice guards to block potential ice dams or ice sliding on to customers. The cost would be \$17,693.00. Committee moved to purchase the ice guards.

11. Beer Cave at Liquor Store

Administrator Wood was informed by Committee Member Lundeen the Polzin family would like the name "Bozo and LouElla Polzin Beer Cave" at the new Isanti Liquor Store. Committee moved to accept name and approve and City Council meeting and add a story 10.19.2021.

F. Adjournment

Meeting was adjourned at 6:38 p.m.

Respectfully Submitted.



Jaden Strand
City Clerk

**CITY OF ISANTI
PARKS, RECREATION, AND CULTURE BOARD MEETING MINUTES
September 28, 2021**

Call to Order: Aaron Zdon called the meeting to order at 6:00 p.m.

Roll Call: Members Present: Aaron Zdon, Zachary Gahm, Dan HinnenKamp, Tressa Hunting, and Mayor Jeff Johnson

Staff Present: Matt Sylvester, Public Services Director

Agenda/Modifications: None

3. Meeting Minutes: Motion by Johnson; second by Gahm to approve meeting Minutes from August 24, 2021. Motion passed 5-0.

4. Department Updates: Sylvester shared updates on September events. Curious Creatures was cancelled in September and will likely be cancelled in October due to low attendance. Events are likely conflicting with the preschool schedules.

Final Street Dance was well-attended and included a tribute for the 20th anniversary of 9/11. There were some unfavorable events that took place during, from garbage to youth fights and graffiti that will be addressed in the future. The Mayor noted that many people stayed until the very end of the event. A conversation about moving the event to the park will need to be had in the future to determine if it will deter some of the poor behavior and if it's the right move for the event. Sylvester shared some insight into some of the vandalism occurring throughout the City, including at the BMX bathrooms at Bluebird Park. Hunting shared a desire to create a more inclusive environment at these events and include some songs that may recognize our Native American and non-American residents. An item to discuss inclusivity and equity at future events will be added to the October Board agenda.

The Farmers Market continued to be slow in September with a number of vendors pulling out or not showing. Ms. Olson is looking into options and new guidelines for vendors if the event location moves to the new liquor store site. Gahm mentioned moving the date to a Sunday instead of a Friday and/or changing the timing. Sylvester mentioned competing markets and noted that vendors at our market also attend nearby markets on other days. HinnenKamp noted Coborn's may have objections to moving the market next to their store. The holiday lights event will be moving to Council for a vote on an option to move forward. The location will be at Bluebird Park at the bandshell. The Mayor suggested the conversation may be geared around whether or not to ticket the event and how much cost the City is willing to take on.

Bandshell construction is ongoing and should be completed in October. Isanti Lions Club are looking to submit a name for the feature along with a monetary contribution. Zdon asked if October 23 is a reasonable date for a grand opening celebration to which Sylvester noted we are hopeful the unit will be completed by then.

December Movie Night was moved due to a scheduling conflict and will now be combined with the Santa event. Gahm mentioned making sure that the schools get flyers with dates for the Movie Nights.

HinnenKamp suggested next year it may be a good kickoff event for the holiday lights event.

Sylvester addressed the closing of the BMX restrooms due to vandalism. Ms. Olson is looking into security options to deter future vandalism. Zdon asked if the bathrooms were available still from the inside for the BMX use and Sylvester confirmed they are still open on that end. Although one of the vandals was caught, there have been 4-6 different incidents this year. Incidents are also occurring throughout Bluebird Park so any potential cameras or security measures would need to capture the broad area.

Sylvester also discussed Family Day at Legacy Park. Roughly 40 people attended throughout the day – and increase from previous years - and families were able to make s'mores, crafts and take photos. The event unexpectedly conflicted with the Vikings home opener, which will be taken into consideration for next year.

The grand opening celebration will tentatively take place on October 23 with food trucks, local school performers and entertainment. The Board noted that the date is over MEA weekend, which may impact schedules, but pushing back to Halloween weekend or into November are also not preferable.

HinnenKamp shared additional research on the Eagle Park railroad viewing options. HinnenKamp is interested in reaching out to BNSF and seeing if they would offer any community support for a project like this, as well as the Isanti Historical Society and Isanti County. Zdon suggested HinnenKamp continue to

gather some research and submit to Ms. Olson a week prior to the October meeting to add to the next agenda. Zdon suggested adding a mural on the side of the buildings bordering the tracks.

Adjournment: Motion by HinnenKamp, second by Johnson to adjourn the September 28, 2021 meeting of the Parks, Recreation, and Culture Board. Motion passed 5-0, meeting adjourned at 6:46 p.m.

Respectfully Submitted
Alyssa Olson
Parks, Recreation & Events Coordinator



Real People. Real Solutions.

J.1. 7533 Sunwood Drive NW
Suite 206
Ramsey, MN 55303-5119

Ph: (763) 433-2851
Fax: (763) 427-0833
Bolton-Menk.com

MEMORANDUM

Date: November 9, 2021
To: Honorable Mayor Johnson and Members of the City Council
From: Jason W Cook, P.E.
City Engineer
Subject: Main Street Reconstruction Project – Final Assessment Hearing
City of Isanti, MN
BMI Project No. 0R1.1123865

Attached is the final assessment roll for the Main Street Reconstruction project.

The assessments for this project are based on 25% of the assessable street cost in accordance with City code 276.

The final assessments, based on the amount bid and quantities constructed, is \$52.23 per assessable front footage. This is an average of \$4,608.85 per parcel. The preliminary engineering report had an estimated average assessment of \$5,661.57 per parcel. The average assessment on this project is \$1,052.72 *less* than presented at the improvement hearing.

It is proposed to do a 10-year payment schedule levied on the property taxes with a 2.00% interest rate, beginning in 2022. This comes out to an average parcel cost of approximately \$513/year.

The total cost proposed to be assessed to benefiting properties is \$133,656.57.

Please contact me at (763) 200-2444 if you have any questions.

RESOLUTION NO. 2021-XXX

RESOLUTION ADOPTING ASSESSMENT FOR THE MAIN STREET RECONSTRUCTION PROJECT

WHEREAS, pursuant to proper notice duly given as required by law, the City Council has met, heard and considered any and all objections to the proposed assessment for the Main Street Reconstruction Project, consisting of the improvement of : Main Street, from the intersection of Whiskey Road to 4th Avenue. Said improvement consisted of the reconstruction of street, curb and gutter, and sidewalk. The proposed assessments are for the above described work.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ISANTI, MINNESOTA:

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of ten (10) years, the first of the installments to be payable on or before May 15, 2022, and shall bear interest at the rate of 2.00 percent per annum from the date of the adoption of the assessment resolution. To the first installment shall be added interest on the entire assessment from January 1, 2022 until December 31, 2022. To each subsequent installment when due shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the County Auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days and may, at any time thereafter, pay to the County of Isanti the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
4. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the County Auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

This resolution is hereby adopted by the City Council of Isanti, Minnesota this 16th day of November, 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

MAIN STREET RECONSTRUCTION
Final Assessment Roll
Bolton & Menk Project # 08R1.123865
10/08/21

No.	PID	Property Owner	Site Address	Mailing Address if Different than Site Address	Assessable Frontage	Improvement Frontage	Side Frontage	Notes	Final Assessed Street Cost Per Front Footage	Preliminary Assessed Street Cost Per Front Footage	Change in Assessed Cost
					(LF)	(LF)	(LF)		\$52.23	\$64.16	-\$11.93
1	16-030-1800	CITY OF ISANTI	CITY PARK	PO BOX 428	180.0	180.0	716.0		\$9,401.40	\$11,548.80	-\$2,147.40
2	16-087-0190	CITY OF ISANTI	BROOKVIEW COURT OUTLOT A	PO BOX 428	168.0	90.0		1	\$8,774.64	\$10,778.88	-\$2,004.24
3	16-072-0010	UDO WEGMANN	507 MAIN STREET W		65.0	143.0		1	\$3,394.95	\$4,170.40	-\$775.45
4	16-087-0180	ELAINE FISCHER	508 MAIN STREET W		73.0	73.0			\$3,812.79	\$4,683.68	-\$870.89
5	16-087-0170	LEROY JOHNSON	510 MAIN STREET W		58.0	58.0			\$3,029.34	\$3,721.28	-\$691.94
6	16-072-0020	TIMOTHY DVORAK	511 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
7	16-087-0160	ERNEST NOGA	600 MAIN STREET W		73.0	73.0			\$3,812.79	\$4,683.68	-\$870.89
8	16-072-0030	DANIEL NORDAHL	601 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
9	16-087-0150	MARY WETZEL	602 MAIN STREET W		79.0	79.0	114.0		\$4,126.17	\$5,068.64	-\$942.47
10	16-072-0040	JAMES REECE	605 MAIN STREET W		80.0	80.0			\$4,178.40	\$5,132.80	-\$954.40
11	16-072-0050	SCOTT HEILIG	609 MAIN STREET W	106 4TH AVE NW, RICE, MN 56367	85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
12	16-087-0020	DIANE ABRAHAM	612 MAIN STREET W		79.0	79.0	117.0		\$4,126.17	\$5,068.64	-\$942.47
13	16-072-0060	SAMANTHA PATTEN	613 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
14	16-087-0010	LORRI KLAIDA	614 MAIN STREET W		84.0	84.0			\$4,387.32	\$5,389.44	-\$1,002.12
15	16-072-0070	SCOTT CHRISTENSON	701 MAIN STREET W		80.0	80.0			\$4,178.40	\$5,132.80	-\$954.40
16	16-072-0080	JEFFREY JOHNSON	705 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
17	16-072-0090	ETHAN WORLIE	709 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
18	16-072-0100	LARRY FOLK JR	713 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
19	16-079-0100	CARTER WAGNER	716 MAIN STREET W		79.0	79.0			\$4,126.17	\$5,068.64	-\$942.47
20	16-072-0110	JEREMY BRUNES	717 MAIN STREET W		85.0	85.0			\$4,439.55	\$5,453.60	-\$1,014.05
21	16-079-0090	TIFFANY THERY	718 MAIN STREET W		75.0	99.0	74.0	2	\$3,917.25	\$4,812.00	-\$894.75
22	16-030-0301	CODY BLANTON	719 MAIN STREET W		91.0	91.0	120.0		\$4,752.93	\$5,838.56	-\$1,085.63
23	16-043-0080	JOSHUA VILLELLA	101 4TH AVENUE SW		75.0	150.0	95.0	2	\$3,917.25	\$4,812.00	-\$894.75
24	16-042-0140	NICOLE JOHNSON	101 4TH AVENUE NW		75.0	150.0	87.0	2	\$3,917.25	\$4,812.00	-\$894.75
25	16-048-0010	REBECCA HAFUND	100 5TH AVENUE SW		75.0	150.0	100.0	2	\$3,917.25	\$4,812.00	-\$894.75
26	16-030-1600	ISANTI COMMUNITY SERV INC & C/O CATHOLIC CHARITIES HOUSING	100 5TH AVENUE NW	PO BOX 286, ISANTI, MN, 55040	150.0	150.0	733.0				
27	16-048-0070	MELISSA STRANDLIEN	101 5TH AVENUE SW		90.0	180.0	100.0	2	\$7,834.50	\$9,624.00	-\$1,789.50
28	16-074-0050	JOHN COLBENSON	100 ROSEWOOD AVENUE NW		75.0	107.0	61.0	2	\$4,700.70	\$5,774.40	-\$1,073.70
29	16-074-0010	BRUCE JERNELL	101 ROSEWOOD AVENUE NW	101 ROSEWOOD AVENUE NW, PO BOX 185, ISANTI, MN 55040	75.0	107.0	74.0	2	\$3,917.25	\$4,812.00	-\$894.75
Totals					2,559.0	2,962.0			\$133,656.57	\$164,185.44	-\$30,528.87

NOTES:

- (1) South Ditch Frontage Assessed to City Parcel 16-087-0190
(2) Corner Lot with Long Side on Improvement
(3) Updated From Isanti County Beacon on 10/8/21

Assessed Street Cost

AVERAGE	\$4,608.85
HIGH	\$9,401.40
LOW	\$3,029.34

Total Assessable Cost	\$133,656.57
Total Assessable Street Cost	\$534,689.96
Percent Assessed	25%

RESOLUTION 2021-XXX

APPROVING CERTIFICATION OF DELINQUENT CHARGES FOR CITY SERVICES PAYABLE IN 2022

WHEREAS, pursuant to City Code § 262-7 B. and City Code § 281-5 B. (2), all accounts more than 30 days past due as of September 30, 2021, and the same having been properly billed to the owner or occupant of the premises served, may be certified by the City Clerk as unpaid and delinquent to the County Auditor; and

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, as follows:

1. That the list of delinquent charges for city services (Attachment 'A'), a copy of which is attached hereto and made a part hereof, identifies the amount of the delinquent water, sewer, and storm water charges that are to be levied against said properties for taxes payable year 2022.
2. The City Clerk shall forthwith transmit a certified duplicate of these listings (delinquent charges for city services) to the county auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

This resolution was duly adopted by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

Attachment A					
CITY OF ISANTI					
Delinquent Charges for City Services to be Certified Payable 2022					
Property Address	Tax Parcel	Amount	Assessment Fee	Total to be Assessed	
205 3RD AVE NW - SOUTH	16.040.0101	\$ 788.54	\$ 30.00	\$ 818.54	
200 4TH AVE NW	16.042.0040	\$ 181.86	\$ 30.00	\$ 211.86	
1102 BLOSSOM BLVD NW	16.092.1420	\$ 129.18	\$ 30.00	\$ 159.18	
908 ISANTI PKWY NW	16.096.0620	\$ 131.24	\$ 30.00	\$ 161.24	
758 PARK BROOK RD NW	16.104.0680	\$ 48.11	\$ 30.00	\$ 78.11	
906 6TH AVE CT NE	16.113.0040	\$ 286.99	\$ 30.00	\$ 316.99	
209 8TH AVE NE	16.151.0140	\$ 22.18	\$ 30.00	\$ 52.18	
216 8TH AVE NE	16.151.0300	\$ 22.18	\$ 30.00	\$ 52.18	
118 9TH AVE NE	16.151.0470	\$ 22.18	\$ 30.00	\$ 52.18	
120 9TH AVE NE	16.151.0460	\$ 22.18	\$ 30.00	\$ 52.18	
122 9TH AVE NE	16.151.0450	\$ 22.18	\$ 30.00	\$ 52.18	
124 9TH AVE NE	16.151.0440	\$ 22.18	\$ 30.00	\$ 52.18	
126 9TH AVE NE	16.151.0430	\$ 22.18	\$ 30.00	\$ 52.18	
704 CHERRYWOOD LN NE	16.151.0190	\$ 22.18	\$ 30.00	\$ 52.18	
706 CHERRYWOOD LN NE	16.151.0200	\$ 22.18	\$ 30.00	\$ 52.18	
708 CHERRYWOOD LN NE	16.151.0210	\$ 22.18	\$ 30.00	\$ 52.18	
710 CHERRYWOOD LN NE	16.151.0220	\$ 22.18	\$ 30.00	\$ 52.18	
712 CHERRYWOOD LN NE	16.151.0230	\$ 22.18	\$ 30.00	\$ 52.18	
716 CHERRYWOOD LN NE	16.151.0250	\$ 22.18	\$ 30.00	\$ 52.18	
718 CHERRYWOOD LN NE	16.151.0260	\$ 22.18	\$ 30.00	\$ 52.18	
719 CHERRYWOOD LN NE	16.151.0100	\$ 22.18	\$ 30.00	\$ 52.18	
720 CHERRYWOOD LN NE	16.151.0270	\$ 22.18	\$ 30.00	\$ 52.18	
722 CHERRYWOOD LN NE	16.151.0280	\$ 22.18	\$ 30.00	\$ 52.18	
724 CHERRYWOOD LN NE	16.151.0290	\$ 22.18	\$ 30.00	\$ 52.18	
210 PALOMINO RD SE	16.052.0400	\$ 58.26	\$ 30.00	\$ 88.26	
313 PALOMINO RD SE	16.032.3100	\$ 46.98	\$ 30.00	\$ 76.98	
16.032.1200	16.032.1200	\$ 160.50	\$ 30.00	\$ 190.50	
323 PALOMINO RD SE	16.032.1700	\$ 233.33	\$ 30.00	\$ 263.33	
10 POND ST SE	16.051.0020	\$ 214.40	\$ 30.00	\$ 244.40	
705 RAILROAD AVE SE	16.031.0500	\$ 214.40	\$ 30.00	\$ 244.40	
207 RICHARD AVE SE	16.049.0190	\$ 360.82	\$ 30.00	\$ 390.82	
1010 TYLER AVE SE	16.031.3501	\$ 91.84	\$ 30.00	\$ 121.84	
101 3RD AVE SW	16.046.0040	\$ 124.80	\$ 30.00	\$ 154.80	
903 3RD AVE SW	16.085.0020	\$ 174.94	\$ 30.00	\$ 204.94	
1106 3RD AVE SW	16.085.0230	\$ 48.07	\$ 30.00	\$ 78.07	

708 5TH AVE SW	16.083.0170	\$ 93.57	\$ 30.00	\$ 123.57
808 5TH AVE SW	16.080.0090	\$ 65.92	\$ 30.00	\$ 95.92
1102 6TH AVE SW	16.103.0850	\$ 64.71	\$ 30.00	\$ 94.71
1109 8TH AVE SW	16.103.0210	\$ 56.68	\$ 30.00	\$ 86.68
608 BIRCH ST SW	16.070.0040	\$ 62.44	\$ 30.00	\$ 92.44
804 CEDAR ST SW	16.071.0050	\$ 26.83	\$ 30.00	\$ 56.83
809 DOGWOOD ST SW	16.073.0190	\$ 20.11	\$ 30.00	\$ 50.11
702 EDGEWOOD ST SW	16.103.0050	\$ 126.85	\$ 30.00	\$ 156.85
112 ELIZABETH ST SW	16.050.0870	\$ 67.45	\$ 30.00	\$ 97.45
700 GREENWOOD ST SW	16.103.0630	\$ 91.28	\$ 30.00	\$ 121.28
1107 MADISON AVE SW	16.031.2600	\$ 287.23	\$ 30.00	\$ 317.23
1010 MAPLEWOOD AVE SW	16.095.0140	\$ 69.05	\$ 30.00	\$ 99.05
1110 MAPLEWOOD CT SW	16.095.0300	\$ 75.66	\$ 30.00	\$ 105.66
500 MARION ST SW	16.068.0080	\$ 60.48	\$ 30.00	\$ 90.48
416 S PASSAGE SW	16.085.0570	\$ 106.12	\$ 30.00	\$ 136.12
503 S PASSAGE SW	16.031.0910	\$ 214.40	\$ 30.00	\$ 244.40
507 S PASSAGE SW	16.091.0051	\$ 15.05	\$ 30.00	\$ 45.05
718 MAIN ST W	16.079.0090	\$ 45.59	\$ 30.00	\$ 75.59
PARCEL ID - 16.029.2300	16.029.2300	\$ 266.36	\$ 30.00	\$ 296.36
403 RAILROAD AVE SE	16.030.3500	\$ 22.18	\$ 30.00	\$ 52.18
PARCEL ID - 16.030.4100	16.030.4100	\$ 203.83	\$ 30.00	\$ 233.83
304 TOWNSEDGE RD SE	16.032.0702	\$ 131.00	\$ 30.00	\$ 161.00
459 3RD AVE NW	16.040.0941	\$ 131.00	\$ 30.00	\$ 161.00
PARCEL ID - 16.051.0060	16.051.0060	\$ 131.00	\$ 30.00	\$ 161.00
PARCEL ID - 16.057.0110	16.057.0110	\$ 59.00	\$ 30.00	\$ 89.00
208 TOWNSEDGE RD SE	16.064.0040	\$ 131.00	\$ 30.00	\$ 161.00
204 TOWNSEDGE RD SE	16.064.0050	\$ 131.00	\$ 30.00	\$ 161.00
PARCEL ID - 16.106.0120	16.106.0120	\$ 131.00	\$ 30.00	\$ 161.00
PARCEL ID - 16.142.0020	16.142.0020	\$ 38.77	\$ 30.00	\$ 68.77
PARCEL ID - 16.113.0740	16.113.0740	\$ 548.78	\$ 30.00	\$ 578.78
PARCEL ID - 16.113.0750	16.113.0750	\$ 59.00	\$ 30.00	\$ 89.00
PARCEL ID - 16.118.0020	16.118.0020	\$ 44.48	\$ 30.00	\$ 74.48
PARCEL ID - 16.127.0030	16.127.0030	\$ 22.18	\$ 30.00	\$ 52.18
		\$ 7,293.50	\$ 2,040.00	\$ 9,333.50

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL
CITY OF ISANTI, MINNESOTA

HELD: NOVEMBER 16, 2021

Pursuant to due call, a regular or special meeting of the City Council of the City of Isanti, Isanti County, Minnesota, was duly called and held at the City Hall on November 16, 2021, at 7:00 P.M., for the purpose, in part, of authorizing issuance and awarding the sale of \$1,510,000 General Obligation Tax Abatement Refunding Bonds, Series 2021A.

The following members were present:

and the following were absent:

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$1,510,000 GENERAL
OBLIGATION TAX ABATEMENT REFUNDING BONDS, SERIES 2021A, AND
PLEDGING TAX ABATEMENTS AND LEVYING A TAX FOR THE SECURITY AND
PAYMENT THEREOF

A. WHEREAS, the City of Isanti, Minnesota (the "City"), hereby determines and declares that it is necessary and expedient to provide moneys for a current refunding on February 1, 2022 (the "Call Date") of the City's outstanding \$2,560,000 original principal amount of General Obligation Tax Abatement Bonds, Series 2014A, dated October 1, 2014 (the "Prior Bonds"), which mature or are subject to mandatory redemption on and after February 1, 2023, in the aggregate principal amount of \$1,475,000 (the "Refunded Bonds"), at a price of par plus accrued interest, as provided in Resolution No. 2014-201 of the City Council, adopted on September 2, 2014 (the "Prior Resolution"); and

B. WHEREAS, the Prior Bonds were issued pursuant to Minnesota Statutes, Chapter 475, and Sections 469.1812 through 469.1815, particularly Section 469.1814, to finance the costs of the acquisition, construction and equipping of a sports facility for BMX racing (the "Project"); and

C. WHEREAS, the City has heretofore adopted a resolution on September 2, 2014 (the "Abatement Resolution"), providing for the abatement of property taxes on various properties described in the Abatement Resolution (the "Abatement Properties") for a period of fifteen years (the "Abatement Resolution"); and

D. WHEREAS, the amount of the property taxes abated are estimated to be at least equal to the principal amount of the Bonds and pursuant to the provisions of the Abatement Resolution, the Refunded Bonds were issued to provide money to pay for the Project; and

E. WHEREAS, the refunding of the Refunded Bonds on the Call Date is consistent with covenants made with the holders thereof, and is necessary and desirable for the reduction of debt service cost to the City; and

F. WHEREAS, the City Council hereby determines and declares that it is necessary and expedient to issue \$1,510,000 General Obligation Tax Abatement Refunding Bonds, Series 2021A (the "Bonds" or, individually a "Bond"), pursuant to Minnesota Statutes, Chapter 475, to provide moneys for a current refunding of the Refunded Bonds; and

G. WHEREAS, the City has retained Northland Securities, Inc., in Minneapolis, Minnesota ("Northland"), as its municipal advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Northland; and

H. WHEREAS, the proposals set forth on Exhibit A attached hereto were received by the Finance Director, or designee, at the offices of Northland, at 10:00 a.m. this same day pursuant to the Preliminary Official Statement established for the Bonds, dated _____, 2021; and

I. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Isanti, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of _____ (the "Purchaser"), to purchase the Bonds in accordance with the Notice of Sale, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ _____, plus interest accrued to settlement, is hereby accepted and the Bonds are hereby awarded to the Purchaser.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated December 16, 2021, as the date of original issue and shall be issued forthwith on or after such date in fully registered form. The Bonds shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations"). The Bonds shall mature on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
2023	\$
2024	

2025
2026
2027
2028
2029
2030

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

- (i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.
- (ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").
- (iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds

are credited on the record date identified in a listing attached to the omnibus proxy.

- (iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.
- (v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.
- (vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").
- (vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.
- (viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than fifteen calendar days in advance of such special record date to the extent possible.

- (ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.
- (x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.
- (c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:
 - (i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.
 - (ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.
 - (iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10.
- (d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose; Refunding Findings. The Bonds shall provide funds for a current refunding of the Refunded Bonds (the "Refunding"). It is hereby found, determined and declared that the Refunding is pursuant to Minnesota Statutes, Section 475.67, and shall result in a reduction of debt service cost to the City. The total amount of property taxes abated pursuant to

the Abatement Resolution (the "Tax Abatements") was not less than \$3,370,000 which amount is not less than the principal amount of the Bonds.

4. Interest. The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing August 1, 2022, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<u>Maturity Year</u>	<u>Interest Rate</u>
2023	%
2024	
2025	
2026	
2027	
2028	
2029	
2030	

5. Redemption. All Bonds maturing on February 1, 2030, and thereafter, shall be subject to redemption and prepayment at the option of the City on February 1, 2029, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds, not more than sixty (60) days and not fewer than thirty (30) days prior to the fixed date for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or

Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Northland Trust Services, Inc., in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
ISANTI COUNTY
CITY OF ISANTI

R-_____ \$ _____

GENERAL OBLIGATION TAX ABATEMENT REFUNDING BOND, SERIES 2021A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	February 1,	December 16, 2021	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

THE CITY OF ISANTI, ISANTI COUNTY, MINNESOTA (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing August 1, 2022, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Northland Trust Services, Inc., in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such

Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. The Bonds of this issue (the "Bonds") maturing on February 1, 2030, and thereafter, are subject to redemption and prepayment at the option of the Issuer on February 1, 2029, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's

attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$1,510,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota pursuant to and a resolution adopted by the City Council of the Issuer on November 16, 2021 (the "Resolution"), for the purpose of providing funds for a current refunding of the Issuer's General Obligation Tax Abatement Bonds, Series 2014A, dated October 1, 2014 which mature or are subject to mandatory redemption on and after February 1, 2023. This Bond is payable out of the General Obligation Tax Abatement Refunding Bonds, Series 2021A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligation. This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Isanti, Isanti County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: NORTHLAND TRUST
SERVICES, INC.

Payable at: NORTHLAND TRUST
SERVICES, INC.

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

CITY OF ISANTI,
ISANTI COUNTY, MINNESOTA

This Bond is one of the
Bonds described in the
Resolution mentioned
within.

/s/ Facsimile
Mayor

NORTHLAND TRUST
SERVICES, INC.
Minneapolis, Minnesota,
Bond Registrar

/s/ Facsimile
Administrator

By: _____
Authorized Signature

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____

(Cust)

(Minor)

under the _____ Uniform Transfers to Minors Act

(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of December 16, 2021. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Finance Director to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. For the convenience and proper administration of the moneys to be borrowed and repaid on the Bonds, and to make adequate and specific security to the Purchaser and holders from time to time of the Bonds, there is hereby created a special fund to be designated the "General Obligation Tax Abatement Refunding Bonds, Series 2021A Fund"

(the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until the Bonds have been fully paid. There shall be maintained in the Fund the following separate accounts:

(a) Payment Account. The proceeds of the Bonds shall be deposited in the Payment Account. On or prior to the Call Date, the Finance Director shall transfer \$_____ of the proceeds of the Bonds from the Payment Account to the paying agent for the Prior Bonds. The sums are sufficient, together with other funds on deposit in debt service account for the Refunded Bonds, to pay the principal and interest due on the Refunded Bonds. The remainder of the monies in the Payment Account shall be used to pay a portion of the costs of issuance of the Bonds. Any monies remaining in the Payment Account after payment of all costs of issuance and payment of the Refunded Bonds shall be transferred to the Debt Service Account.

(b) Debt Service Account. To the Debt Service Account there is hereby pledged and irrevocable appropriated and there shall be credited: (i) Tax Abatements at the times and in the amounts sufficient to pay the principal then due on the Bonds; (ii) any balance remaining after the Call Date, in the Prior Bonds Debt Service Account created by the Prior Resolution; (iii) any collections of all taxes herein or hereafter levied for the payment of the Bonds and interest thereon; (iv) all investment earnings on funds held in the Debt Service Account; (v) all uncollected Tax Abatements and taxes levied in 2021 for the payment of the Prior Bonds; and (vi) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then-applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Tax Abatements; Use of Tax Abatements. As provided in WHEREAS C hereof, the Council has adopted the Abatement Resolution and has thereby approved the Tax Abatements, including the pledge thereof to the payment of the Bonds. As provided in the

Abatement Resolution, the estimated total amount of Tax Abatements, if received as estimated for the full maximum term thereof, is \$3,370,000, and therefore the principal amount of the Bonds does not exceed the maximum projected amount of the Tax Abatements. The Council hereby confirms the Abatement Resolution, which is hereby incorporated as though set forth herein.

17. Tax Levy; Coverage Test. To provide moneys for payment of the interest on the Bonds, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
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See attached Exhibit B

The tax levies are such that if collected in full they, together with estimated collections of Tax Abatements, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levies shall be irrevocable so long as any of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

Upon payment of the Refunded Bonds, the uncollected taxes levied for the years 2022 through 2028 shall be canceled.

18. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

19. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or

securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

20. Prior Bonds; Security and Prepayment. Until retirement of the Prior Bonds, all provisions for the security thereof shall be observed by the City and all of its officers and agents. The Refunded Bonds shall be redeemed and prepaid on the Call Date in accordance with the terms and conditions set forth in the Notice of Call for Redemption attached hereto as Exhibit C, which terms and conditions are hereby approved and incorporated herein by reference.

21. Supplemental Resolution. The Prior Resolution authorizing the issuance of the Prior Bonds is hereby supplemented to the extent necessary to give effect to the provisions hereof.

22. Certificate of Registration. The City Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Isanti County, Minnesota, together with such other information as the County Auditor shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and that the tax levy required by law has been made.

23. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at www.emma.msrb.org in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.

(c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such occurrence.

(d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Administrator of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

24. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

25. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the improvements originally financed by the Prior Bonds (the "Project"), or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" (other than qualified 501(c)(3) bonds) within the meaning of Sections 103 and 141 through 150 of the Code.

26. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States. The City expects to satisfy the six month expenditure exemption from gross proceeds of the Bonds as provided in Section 1.148-7(c) of the Regulations. The Mayor and or City Administrator are hereby authorized and directed to make such elections as to arbitrage and rebate matters relating to the Bonds as they deem necessary, appropriate or desirable in connection with the Bonds, and all such elections shall be, and shall be deemed and treated as, elections of the City.

27. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not treated as "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will

be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2021 will not exceed \$10,000,000; and

(e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2021 have been designated for purposes of Section 265(b)(3) of the Code;

(f) the aggregate face amount of the Bonds do not exceed \$10,000,000.

Furthermore:

(g) each of the Refunded Bonds was designated as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code;

(h) the average maturity of the Bonds does not exceed the remaining average maturity of the Refunded Bonds;

(i) no part of the Bonds has a maturity date which is later than the date which is thirty years after the date the Refunded Bonds were issued; and

(j) the Bonds are issued to refund, and not to "advance refund" the Prior Bonds within the meaning of Section 149(d)(5) of the Code, and shall not be taken into account under the \$10,000,000 issuance limit to the extent the Bonds do not exceed the outstanding amount of the Prior Bonds.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

28. Tax Covenants. In order to ensure that the interest on the Bonds shall at all times be excluded from federal gross income, the City specifically represents, warrants and covenants with all holders of the Bonds, as follows:

(a) It will fulfill all conditions specified in Sections 103 and 141 through 150 of the Code and applicable Treasury Regulations as necessary to maintain the tax exempt status of the interest borne by the Bonds.

(b) All of the property refinanced by the net proceeds of the Bonds will be owned by the City and used by the general public or organizations described in Section 501(c)(3) of the Code.

(c) Less than five percent of the net proceeds of the Bonds will be used to refinance property used either (i) by an organization described in Section 501(c)(3) of the Code in an activity that constitutes an unrelated trade or business, or (ii) in a trade or business by a person other than an organization described in Section 501(c)(3) of the Code or a governmental unit (within the meaning of Section 141 of the Code).

(d) It shall make no use of the Project, including but not limited to entering into any agreement for the management of the Project or any similar agreement, the effect of which

would cause the Bonds not to constitute "qualified 501(c)(3) bonds," within the meaning of Section 145 and related Sections of the Code, and any service contract to be entered into with respect to the Project (unless entered into with an organization described in Section 501(c)(3) of the Code) shall constitute a "qualified management agreement" within the meaning of all pertinent provisions of law, including all relevant provisions of the Code and regulations, rulings and revenue procedures thereunder, including Revenue Procedure 97-13.

(e) Not more than two percent of the proceeds of the Bonds will be applied to the payment of costs of issuance of the Bonds and all costs of issuance in excess of that amount will be paid by the City from funds other than proceeds of the Bonds.

(f) It has not leased, sold, assigned, granted or conveyed and will not lease, sell, assign, grant or convey all or any portion of the facilities refinanced by the Bonds or any interest therein to the United States or any agency or instrumentality thereof within the meaning of Section 149(b) of the Code.

(g) No portion of the proceeds of the Bonds will be used to provide any of the following facilities or facilities related or incidental thereto: any airplane, skybox or other private luxury box, facility used primarily for gambling, or store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(h) The City will not permit any person to become a "principal user" of the Project if such action would cause the interest on the Bonds to become includable in federal gross income in the hands of the holders thereof.

(i) The average maturity of the Bonds does not exceed one hundred twenty percent of the average reasonably expected economic life of the facilities refinanced by the Bonds as determined in accordance with Section 147(b) of the Code.

(j) No obligations have been or will be issued which are described in Section 141, 142, 143, 144 or 145 of the Code and that are sold at substantially the same time as the Bonds, pursuant to a common plan of marketing or otherwise have any common or pooled security for the payment of debt service thereon with the Bonds.

(k) It will not use the proceeds of the Bonds in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and applicable Treasury Regulations.

(l) It will comply with and fulfill all other requirements and conditions of the Code and Treasury Regulations and rulings issued pursuant thereto relating to the acquisition, construction and operation of the facilities refinanced by the Bonds to the end that interest on the Bonds shall at all times be excludable from federal gross income.

(m) It will not use the proceeds of the Bonds in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and applicable Treasury Regulations; and to this end, the City shall pay to the United States, as a rebate, an amount equal to the sum of (i) the excess of (I) the aggregate amount earned on all nonpurpose obligations (other than investments attributable to an excess described in this clause), over (II) the amount

which would have been earned if all nonpurpose obligations were invested at a rate equal to the yield on the Bonds plus (ii) any income attributable to the excess described in clause (i), at the times and in the amounts required by Section 148 of the Code, all within the meaning of Section 148 of the Code. The City shall maintain records of the interest rate borne by the Bonds and the investments of the Debt Service Account and earnings thereon in adequate detail to enable the City to calculate the amount of any rebate required to be made to the United States. The City shall pay the rebate to the United States at times and in installments which satisfy Section 148 of the Code and the regulations, at least once every five years and within sixty days after the day on which the last of the Bonds is redeemed. Calculations of the amount to be rebated shall be made at least every five years, by bond counsel or an independent accountant selected by the City. Such calculations shall be retained until six years after the retirement of the Bonds. The rebate shall be calculated as provided in the applicable Treasury Regulations, including taking into account the gain or loss on the disposition of nonpurpose investments.

29. Official Statement. The Official Statement relating to the Bonds prepared and distributed by Northland is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

30. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

31. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF ISANTI
CITY OF ISANTI

I, the undersigned, being the duly qualified and acting Administrator of the City of Isanti, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of the City, duly called and held on the date therein indicated, insofar as such minutes relate to considering proposals and awarding the sale of \$1,510,000 General Obligation Tax Abatement Refunding Bonds, Series 2021A.

WITNESS my hand on November 16, 2021.

Administrator

EXHIBIT A

PROPOSALS

[To be supplied by Northland Securities, Inc.]

EXHIBIT B

SCHEDULES

[To be supplied by Northland Securities, Inc.]

EXHIBIT C

NOTICE OF CALL FOR REDEMPTION
GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2014A
CITY OF ISANTI, ISANTI COUNTY, MINNESOTA

NOTICE IS HEREBY GIVEN that by order of the City Council of the City of Isanti, Isanti County, Minnesota, there have been called for redemption and prepayment on

February 1, 2022

those outstanding bonds of the City designated as General Obligation Tax Abatement Bonds, Series 2014A, dated as of October 1, 2014, having stated maturity dates in the years 2023 through 2030, inclusive, and totaling \$1,475,000 in principal amount and having CUSIP numbers listed below:

<u>Year</u>	<u>CUSIP Number*</u>	<u>Amount</u>
2024	464245 NB1	\$345,000
2026	464245 ND7	345,000
2028	464245 NF2	385,000
2029	464245 NG0	200,000
2030	464245 NH8	200,000

The bonds are being called at a price of par plus accrued interest to February 1, 2022, on which date all interest on the bonds will cease to accrue. Holders of the bonds hereby called for redemption are requested to present their bonds for payment, at Northland Trust Services, Inc., 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402.

Dated: November 16, 2021

BY ORDER OF THE CITY COUNCIL

Its City Administrator

*The City shall not be responsible for the selection of or use of the CUSIP numbers, nor is any representation made as to their correctness indicated in the notice. They are included solely for the convenience of the holders.

City of Isanti

Check Register - Mayor/Council Approval

Page: 1

Check Issue Dates: 11/3/2021 - 11/3/2021

Nov 03, 2021 09:32AM

Report Criteria:

Report type: Summary

Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/21	11/03/2021	57050	1898	ABSOLUTE PORTABLE RESTROOMS	101-20200	2,280.00
11/21	11/03/2021	57051	2932	ALLIANT FINANCE LLC	505-20200	55,511.54
11/21	11/03/2021	57052	53	BELLBOY CORPORATION	609-20200	2,708.80
11/21	11/03/2021	57053	9	BERNICKS PEPSI-COLA	609-20200	1,542.76
11/21	11/03/2021	57054	1387	BJORKLUND COMPANIES LLC	920-20200	663.00
11/21	11/03/2021	57055	1629	CITY OF ISANTI	226-20200	15,115.81
11/21	11/03/2021	57056	918	CRYSTAL SPRINGS ICE	609-20200	49.84
11/21	11/03/2021	57057	8	DAHLHEIMER DISTRIBUTING CO	609-20200	10,802.35
11/21	11/03/2021	57058	2933	FALCON NATIONAL BANK	609-20200	7,404.41
11/21	11/03/2021	57059	912	FASTENAL COMPANY	101-20200	49.24
11/21	11/03/2021	57060	782	FEDERAL	861-20200	12.31
11/21	11/03/2021	57061	2830	GDO LAW	101-20200	4,083.33
11/21	11/03/2021	57062	134	GOPHER STATE ONE-CALL INC	601-20200	109.35
11/21	11/03/2021	57063	160	HAWKINS INC	602-20200	10,188.15
11/21	11/03/2021	57064	1684	ISANTI COUNTY AUDITOR-TREASURER	101-20200	1,430.83
11/21	11/03/2021	57065	7	JOHNSON BROTHERS LIQUOR CO	609-20200	4,794.72
11/21	11/03/2021	57066	5	KAWALEK TRUCKING	609-20200	216.80
11/21	11/03/2021	57067	136	LEAGUE OF MN CITIES	614-20200	229.00
11/21	11/03/2021	57068	1479	LOFFLER -131511	108-20200	104.44
11/21	11/03/2021	57069	17	MCDONALD DISTRIBUTING CO	609-20200	7,398.20
11/21	11/03/2021	57070	2978	MILBANK WINWATER WORKS	601-20200	945.00
11/21	11/03/2021	57071	2116	MINUTEMAN PRESS	101-20200	163.68
11/21	11/03/2021	57072	2080	MVTL LABORATORIES INC	602-20200	452.24
11/21	11/03/2021	57073	1315	NOREEN, DUSTEN	101-20200	11.71
11/21	11/03/2021	57074	44	PHILLIPS WINE & SPIRITS INC	609-20200	3,520.08
11/21	11/03/2021	57075	2827	RATWIK ROSZAK & MALONEY P.A.	505-20200	4,379.60
11/21	11/03/2021	57076	2341	RED BULL DISTRIBUTION CO INC	609-20200	170.29
11/21	11/03/2021	57077	2001	SHRED-N-GO INC	101-20200	98.75
11/21	11/03/2021	57078	2396	SOUTHERN GLAZERS OF MN	609-20200	6,637.57
11/21	11/03/2021	57079	1442	ST LOUIS MRO INC	101-20200	50.00
11/21	11/03/2021	57080	1361	STAPLES ADVANTAGE	603-20200	21.92
11/21	11/03/2021	57081	73	STAR	425-20200	292.60
11/21	11/03/2021	57082	2598	T.A. SCHIFSKY & SONS INC	101-20200	208.03
11/21	11/03/2021	57083	2962	THUNDER BROTHERS BREWERY INC	505-20200	1,454.00
11/21	11/03/2021	57084	2944	UNIFIRST CORPORATION	609-20200	954.74
11/21	11/03/2021	57085	42	VIKING COCA-COLA BOTTLING CO	609-20200	311.65
11/21	11/03/2021	57086	1922	WEX BANK	101-20200	4,177.15
11/21	11/03/2021	57087	2475	WHITE BEAR IT SOLUTIONS LLC	101-20200	2,938.00
11/21	11/03/2021	57088	3019	WIDSETH SMITH NOLTING & ASSOC INC	609-20200	4,125.00
11/21	11/03/2021	57089	780	WINE MERCHANTS	609-20200	1,134.00
Grand Totals:						156,740.89

Report Criteria:

Report type: Summary

Check.Type = {<-} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
11/21	11/10/2021	57090	3038	ALLIANCE BUILDING CORPORATION	609-20200	424,707.95
11/21	11/10/2021	57091	9	BERNICKS PEPSI-COLA	609-20200	799.72
11/21	11/10/2021	57092	368	BILLS QUALITY CLEANING	609-20200	712.00
11/21	11/10/2021	57093	2319	BREAKTHRU BEVERAGE OF MN	609-20200	1,541.54
11/21	11/10/2021	57094	1198	CENTER POINT ENERGY	601-20200	950.89
11/21	11/10/2021	57095	1822	CENTURYLINK BUSINESS SERVICES	101-20200	17.50
11/21	11/10/2021	57096	1629	CITY OF ISANTI	609-20200	76.99
11/21	11/10/2021	57097	8	DAHLHEIMER DISTRIBUTING CO	609-20200	4,100.85
11/21	11/10/2021	57098	385	FEDERATED CO-OPS INC	101-20200	20.99
11/21	11/10/2021	57099	2852	FIDELITY SECURITY LIFE INSURANCE CO	861-20200	134.55
11/21	11/10/2021	57100	2028	FURTHER	101-20200	32.20
11/21	11/10/2021	57101	2028	FURTHER	861-20200	1,200.00
11/21	11/10/2021	57102	3111	GOODMAN, SETH	603-20200	48.29
11/21	11/10/2021	57103	2761	GRATITUDE FARMS	101-20200	250.00
11/21	11/10/2021	57104	739	HACH COMPANY	601-20200	156.59
11/21	11/10/2021	57105	270	ISANTI READY MIX INC	920-20200	924.00
11/21	11/10/2021	57106	2297	J BECHER & ASSOCIATES INC	101-20200	450.00
11/21	11/10/2021	57107	7	JOHNSON BROTHERS LIQUOR CO	609-20200	1,929.71
11/21	11/10/2021	57108	5	KAWALEK TRUCKING	609-20200	61.00
11/21	11/10/2021	57109	3110	KNOLL, JUSTIN & REBECCA	601-20200	63.08
11/21	11/10/2021	57110	131	MACQUEEN EQUIPMENT INC	603-20200	896.68
11/21	11/10/2021	57111	1331	MAGER, JIM	101-20200	219.00
11/21	11/10/2021	57112	17	MCDONALD DISTRIBUTING CO	609-20200	5,739.70
11/21	11/10/2021	57113	2953	MIDCONTINENT COMMUNICATIONS	108-20200	118.59
11/21	11/10/2021	57114	2208	MINNESOTA EQUIPMENT INC	101-20200	38.31
11/21	11/10/2021	57115	823	MINNESOTA WISCONSIN PLAYGROUND	920-20200	79,814.00
11/21	11/10/2021	57116	176	MN DEPT OF REVENUE	101-20200	34,145.00
11/21	11/10/2021	57117	2842	MN PEIP	861-20200	32,407.38
11/21	11/10/2021	57118	2080	MVTL LABORATORIES INC	601-20200	304.47
11/21	11/10/2021	57119	2992	NEXTERA COMMUNICATIONS	108-20200	245.89
11/21	11/10/2021	57120	2231	NORTH 65 CHAMBER OF COMMERCE	108-20200	503.00
11/21	11/10/2021	57121	617	PAUSTIS & SONS	609-20200	204.50
11/21	11/10/2021	57122	44	PHILLIPS WINE & SPIRITS INC	609-20200	1,054.14
11/21	11/10/2021	57123	3109	RAUSCHENDORFER, RUTH	601-20200	59.79
11/21	11/10/2021	57124	2625	RESULTS TITLE	601-20200	48.44
11/21	11/10/2021	57125	3060	SCENIC SIGN CORP	609-20200	4,557.50
11/21	11/10/2021	57126	2174	SCR INC ST CLOUD	609-20200	19,402.00
11/21	11/10/2021	57127	2396	SOUTHERN GLAZERS OF MN	609-20200	3,559.14
11/21	11/10/2021	57128	1361	STAPLES ADVANTAGE	101-20200	95.48
11/21	11/10/2021	57129	73	STAR	108-20200	19.47
11/21	11/10/2021	57130	2598	T.A. SCHIFSKY & SONS INC	101-20200	218.30
11/21	11/10/2021	57131	2793	TEAM LABORATORY CHEMICAL LLC	602-20200	619.00
11/21	11/10/2021	57132	1290	THE AMBLE GROUP	101-20200	162.64
11/21	11/10/2021	57133	1762	THE TITLE GROUP	601-20200	10.08
11/21	11/10/2021	57134	2485	ULINE	609-20200	732.16
11/21	11/10/2021	57135	1820	URBANS HARDWARE INC	603-20200	27.26
11/21	11/10/2021	57136	2524	US BANK EQUIPMENT FINANCE	101-20200	63.00
11/21	11/10/2021	57137	686	VERIZON WIRELESS	101-20200	1,422.61
11/21	11/10/2021	57138	42	VIKING COCA-COLA BOTTLING CO	609-20200	247.70
11/21	11/10/2021	57139	1286	VINOCOPIA INC	609-20200	351.30
11/21	11/10/2021	57140	4	WATSON CO INC	609-20200	1,516.18

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
Grand Totals:						626,980.56

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Report type: Summary

Check.Type = {<>} "Adjustment"

City of Isanti

Gross Payroll	108,207.42
Social Security & Medicare	5,900.66
Public Employees Retirement	11,168.17
Total City Expense	<u><u>125,276.25</u></u>

Pay Date 11/12/2021

Pay Period 23 (10/24-11/6/21)

City of Isanti

Check Register - Mayor/Council Approval
Check Issue Dates: 10/20/2021 - 10/20/2021Page: 1
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Report Criteria:

Report type: Summary

Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/21	10/20/2021	56984	692	ARC IRRIGATION LLP	104-20200	112.75
10/21	10/20/2021	56985	1549	ASTECH CORP INC	440-20200	218,979.99
10/21	10/20/2021	56986	2850	BEAUDRY OIL & PROPANE INC	101-20200	2,207.03
10/21	10/20/2021	56987	53	BELLBOY CORPORATION	609-20200	3,249.96
10/21	10/20/2021	56988	9	BERNICKS PEPSI-COLA	609-20200	769.30
10/21	10/20/2021	56989	2621	BUREAU OF CRIM. APPREHENSION	101-20200	150.00
10/21	10/20/2021	56990	1815	CENTURYLINK	609-20200	665.06
10/21	10/20/2021	56991	1522	CERTIFIED LABORATORIES	101-20200	430.90
10/21	10/20/2021	56992	8	DAHLHEIMER DISTRIBUTING CO	609-20200	1,077.10
10/21	10/20/2021	56993	2478	EAST CENTRAL ENERGY	101-20200	42.85
10/21	10/20/2021	56994	55	ECM PUBLISHERS INC	609-20200	170.00
10/21	10/20/2021	56995	739	HACH COMPANY	602-20200	208.59
10/21	10/20/2021	56996	1891	ISANTI AREA JOINT FIRE DISTRICT	101-20200	62,565.68
10/21	10/20/2021	56997	7	JOHNSON BROTHERS LIQUOR CO	609-20200	2,807.99
10/21	10/20/2021	56998	5	KAWALEK TRUCKING	609-20200	170.40
10/21	10/20/2021	56999	1479	LOFFLER COMPANIES INC	108-20200	238.45
10/21	10/20/2021	57000	17	MCDONALD DISTRIBUTING CO	609-20200	10,878.64
10/21	10/20/2021	57001	2500	METRO SALES INC	101-20200	168.55
10/21	10/20/2021	57002	2080	MVTL LABORATORIES INC	602-20200	358.25
10/21	10/20/2021	57003	44	PHILLIPS WINE & SPIRITS INC	609-20200	3,072.72
10/21	10/20/2021	57004	2341	RED BULL DISTRIBUTION CO INC	609-20200	213.40
10/21	10/20/2021	57005	3103	ROCKSTAD, AMY	101-20200	295.28
10/21	10/20/2021	57006	3104	ROGER ALLEN BAND	101-20200	400.00
10/21	10/20/2021	57007	2396	SOUTHERN GLAZERS OF MN	609-20200	8,941.51
10/21	10/20/2021	57008	73	STAR	108-20200	10.76
10/21	10/20/2021	57009	859	SYLVESTER, MATTHEW	101-20200	15.00
10/21	10/20/2021	57010	42	VIKING COCA-COLA BOTTLING CO	609-20200	261.90
10/21	10/20/2021	57011	4	WATSON CO INC	609-20200	2,716.31
Grand Totals:						321,178.37

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:
Report type: Summary
Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/21	10/25/2021	56868	277	MN DEPT OF PUBLIC SAFETY	609-20200	20.00
Grand Totals:						20.00

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Report type: Summary

Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/21	10/27/2021	57012	598	ASPEN MILLS INC	101-20200	80.90
10/21	10/27/2021	57013	1141	ASSURANT EMPLOYEE BENEFITS	861-20200	642.67
10/21	10/27/2021	57014	9	BERNICKS PEPSI-COLA	609-20200	643.71
10/21	10/27/2021	57015	3106	BOLLINGER, RANDY	601-20200	68.64
10/21	10/27/2021	57016	1500	BOLTON & MENK INC	601-20200	42,116.25
10/21	10/27/2021	57017	2319	BREAKTHRU BEVERAGE OF MN	609-20200	5,609.06
10/21	10/27/2021	57018	120	CONNEXUS ENERGY	101-20200	19,938.88
10/21	10/27/2021	57019	3108	COURTRIGHT, MICHAEL & TRINA MARIE	601-20200	46.84
10/21	10/27/2021	57020	918	CRYSTAL SPRINGS ICE	609-20200	151.94
10/21	10/27/2021	57021	8	DAHLHEIMER DISTRIBUTING CO	609-20200	11,126.40
10/21	10/27/2021	57022	1941	DELTA DENTAL	861-20200	3,440.40
10/21	10/27/2021	57023	3069	FIRST RATE OUTDOORS LLC	101-20200	200.00
10/21	10/27/2021	57024	2209	INNOVATIVE OFFICE SOLUTIONS INC	101-20200	73.25
10/21	10/27/2021	57025	188	ISANTI COUNTY SHERIFF	101-20200	311.25
10/21	10/27/2021	57026	7	JOHNSON BROTHERS LIQUOR CO	609-20200	7,523.21
10/21	10/27/2021	57027	5	KAWALEK TRUCKING	609-20200	149.20
10/21	10/27/2021	57028	3107	KLANDE, LEVI	601-20200	66.66
10/21	10/27/2021	57029	3105	LAKE TITLE LLC	601-20200	33.42
10/21	10/27/2021	57030	2345	LARSEN DIRT WORKS LLC	101-20200	2,050.00
10/21	10/27/2021	57031	131	MACQUEEN EQUIPMENT INC	603-20200	296.33
10/21	10/27/2021	57032	17	MCDONALD DISTRIBUTING CO	609-20200	11,351.25
10/21	10/27/2021	57033	616	MENARDS - CAMBRIDGE	101-20200	113.46
10/21	10/27/2021	57034	194	MN DEPT OF HEALTH	601-20200	23.00
10/21	10/27/2021	57035	1845	MN DEPT OF TRANSPORTATION	425-20200	986.70
10/21	10/27/2021	57036	2080	MVTL LABORATORIES INC	602-20200	145.15
10/21	10/27/2021	57037	44	PHILLIPS WINE & SPIRITS INC	609-20200	1,003.40
10/21	10/27/2021	57038	2130	PROGRESSIVE BUILDERS INC	601-20200	20.09
10/21	10/27/2021	57039	1113	RJM DISTRIBUTING INC	609-20200	38.00
10/21	10/27/2021	57040	2489	SOLOMONSON, JON	603-20200	5.00
10/21	10/27/2021	57041	315	ST PAUL STAMP WORKS	101-20200	146.94
10/21	10/27/2021	57042	1361	STAPLES ADVANTAGE	609-20200	457.59
10/21	10/27/2021	57043	554	STEVES TIRE INC	101-20200	638.76
10/21	10/27/2021	57044	1503	THE AMERICAN BOTTLING COMPANY	609-20200	112.50
10/21	10/27/2021	57045	1762	THE TITLE GROUP	601-20200	13.04
10/21	10/27/2021	57046	1794	TITAN MACHINERY	101-20200	3,859.13
10/21	10/27/2021	57047	2485	ULINE	609-20200	612.99
10/21	10/27/2021	57048	42	VIKING COCA-COLA BOTTLING CO	609-20200	193.00
10/21	10/27/2021	57049	4	WATSON CO INC	609-20200	3,542.64
Grand Totals:						117,831.65

City of Isanti

Check Register - Mayor/Council Approval
Check Issue Dates: 10/26/2021 - 10/26/2021

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Oct 26, 2021 02:32PM

Report Criteria:
Report type: Summary
Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/21	10/26/2021	56869	120	CONNEXUS ENERGY	609-20200	976.03
Grand Totals:						976.03

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

City of Isanti

Check Register - Mayor/Council Approval
Check Issue Dates: 10/27/2021 - 10/27/2021Page: 1
Oct 27, 2021 04:07PM

Report Criteria:

Report type: Summary

Check.Check number = 56872,56873

Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/21	10/27/2021	56872	1536	MINNESOTA DEED	219-20200	833.33
10/21	10/27/2021	56873	1165	NORTHLAND TRUST SERVICES INC	602-20200	731,002.50
Grand Totals:						731,835.83

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

City of Isanti

Gross Payroll	103,518.18
Social Security & Medicare	5,808.37
Public Employees Retirement	11,104.22
Total City Expense	<u><u>120,430.77</u></u>

Pay Date 10/29/2021

Pay Period 22 (10/10-10/23/21)



Request for City Council Action

To: Mayor Johnson and Members of City Council
From: Sheila Sellman, Community Development Director
Date: November 16, 2021
Subject: Resolution 2021-XXX a resolution authorizing a reduction in the Letter of Credit for Fairway Greens North

Background:

The developer is requesting a reduction in the Letter of Credit (LOC) for Fairway Greens North. Please refer to the City Engineers memo on the explanation of the request. Community Development and Engineering agree on a reduction of \$431,468.12 for the completed work.

Attachments:

- Resolution 2021-XXX
- City Engineer Memo

RESOLUTION 2021-XXX

**AUTHORIZING A REDUCTION IN THE LETTER OF CREDIT FOR FAIRWAY
GREENS NORTH**

WHEREAS, Josh Savageau, the developer, has submitted a written request for a reduction in the letter of credit for Fairway Greens North; and,

WHEREAS, the requested reduction is for completed portions of the development; and,

WHEREAS, the Community Development Director and City Engineer have reviewed the requests and recommended approval to reduce the LOC by \$431,468.12.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Isanti, that the requested reduction in the letter of credit be hereby **APPROVED** as requested, **BE IT FURTHER RESOLVED** that the City Council of the City of Isanti authorizes City Staff to execute said reduction.

This Resolution was duly adopted by Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk



Real People. Real Solutions.

7533 Sunwood Drive NW
Suite 206
Ramsey, MN 55303-5119

Ph: (763) 433-2851
Fax: (763) 427-0833
Bolton-Menk.com

MEMORANDUM

Date: November 9, 2021
To: Sheila Sellman, Community Development Director
From: Jason W Cook, P.E.
City Engineer
Subject: Fairway Greens North –Letter of Credit Adjustment
City of Isanti, MN
Project No.: 0R1.125451

The Developer of the Fairway Greens North subdivision has requested a reduction to the Letter of Credit (LOC) the City holds on the project.

The developer has established a system of payment to the Contractor where payment is only released once the City has authorized the reduction of the Letter of Credit to be used for payment. This is a different process than we have used in the past.

In order to maintain the agreed upon balances at the completion of the project and hold retainage to ensure work is finalized and accepted, we recommend following city standard retainage practices. On City led projects, 20% of the requested amounts of non-permanent items is held to ensure the temporary items are removed at the end of the project, and 5% of permanent items that have been installed is held until all tests are passed and the work is finalized. We recommend continuing to hold the 25% additional amount from the initial 125% of the construction cost LOC balance to cover possible overhead costs and the required balances at the end of the project for closeout and warranty (20% until all documents are closed out, and then 10% for the warranty period).

Attached are the invoices from the contractors for work completed to date.

The materials have been found to be in compliance with city standards and all tests have passed to date.

\$17,000.00 of the requested amount is temporary erosion control measures, so, following city standard retainage practices, we recommend releasing 80% of these items in the amount of \$13,600.00.

\$439,861.18 of the requested amount are non-temporary measures, so, following city standard retainage practices, we recommend releasing 95% of these items in the amount of \$417,868.12.

We recommend approving the reduction of the Letter of Credit in the amount of **\$431,468.12** for materials incorporated into the project. This would hold \$25,393.06 in retainage following standard City contract practices.

The remaining balance of the Letter of Credit is anticipated to be sufficient to complete the project as proposed while covering all incurred overhead costs including testing, inspection, and contract administration.

Please contact me if you have any questions.



Erosion Works
8177 199th Ave NW
Elk River, MN 55330

Invoice

Date	Invoice #
9/10/2021	72601

Bill To
Homepride, Inc. 3495 Northdale Blvd NW Suite 200 Coon Rapids, MN 55448

Phone 763-262-7458 Fax 763-712-1851 Email: erosionworks@msn.com Website: www.erosionworks.net
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		P.O. No.	Terms	Project
Description	Quantity	Rate		Amount
Silt Fence Installation @ Fairway Greens Isanti	12,700	1.05		13,335.00
Did the above work on 9/10 and 9/11 as requested by Josh				



GUSTAFSON EXCAVATING, INC.

P.O. Box 788
6610 410th St.
North Branch, MN 55056
651-674-7430

INVOICE

Invoice # 33745

Date 10/25/2021

Bill To

HomePride Inc.
3495 Northdale Blvd., Suite 200
Coon Rapids, MN 55448

Project				P.O. No.		Terms
Fairway Greens North - 1st Addition						
Description	Qty	Units	Rate	Curr %	Total %	Amount
PAY REQUEST 1						
REMOVALS AND EROSION CONTROL						
Storm drain inlet protection	0.25		6,660.00	25.00%	25.00%	1,665.00
Gravel construction entrance			2,000.00	100.00%	100.00%	2,000.00
Remove existing bituminous pavement			988.50	100.00%	100.00%	988.50
Remove curb & gutter			50.00	100.00%	100.00%	50.00
EARTHWORK						
Common excavation	0.6		322,927.50	60.00%	60.00%	193,756.50
Subgrade preparation	0.1		14,826.25	10.00%	10.00%	1,482.63
Clay liner	0		56,821.50	0.00%	0.00%	0.00
Random rip rap class II	0		4,770.00	0.00%	0.00%	0.00
UTILITIES: STORM						
12" RC pipe sewer	0.1		28,116.50	10.00%	10.00%	2,811.65
12" HDPE pipe sewer	0		6,020.00	0.00%	0.00%	0.00
15" RC pipe sewer	0.1		25,864.00	10.00%	10.00%	2,586.40
15" HDPE pipe sewer	0		5,941.00	0.00%	0.00%	0.00
18" HDPE pipe sewer	0		4,888.00	0.00%	0.00%	0.00
24" RC pipe sewer			15,780.00	100.00%	100.00%	15,780.00
24" HDPE pipe sewer	0		30,672.00	0.00%	0.00%	0.00
Manhole	0.1		16,500.00	10.00%	10.00%	1,650.00
Catch basin	0.1		89,900.00	10.00%	10.00%	8,990.00
12" pipe apron	0.1		750.00	10.00%	10.00%	75.00
15" pipe apron	0.1		4,250.00	10.00%	10.00%	425.00
24" pipe apron	0.1		8,000.00	10.00%	10.00%	800.00
UTILITIES: SANITARY						
8" PVC sanitary service pipe	0.25		173,304.00	25.00%	25.00%	43,326.00
4" PVC sanitary service pipe	0.25		56,874.00	25.00%	25.00%	14,218.50
				Total		

Payments/Credits

Balance Due



GUSTAFSON EXCAVATING, INC.

P.O. Box 788
6610 410th St.
North Branch, MN 55056
651-674-7430

INVOICE

Invoice # 33745

Date 10/25/2021

Bill To

HomePride Inc.
3495 Northdale Blvd., Suite 200
Coon Rapids, MN 55448

Project				P.O. No.		Terms	
Fairway Greens North - 1st Addition							
Description	Qty	Units	Rate	Curr %	Total %	Amount	
48" Manhole	0.4		84,500.00	40.00%	40.00%	33,800.00	
Tracer wire	0.25		9,179.50	25.00%	25.00%	2,294.88	
8"x4" WYE	0.1		13,860.00	10.00%	10.00%	1,386.00	
UTILITIES: WATER							
8" C900 PVC watermain	0.25		170,787.50	25.00%	25.00%	42,696.88	
6" Hydrant	0.25		45,500.00	25.00%	25.00%	11,375.00	
8" Gate valve and box	0.1		44,100.00	10.00%	10.00%	4,410.00	
Ductile iron fittings	0.1		16,086.40	10.00%	10.00%	1,608.64	
1" Type K copper pipe	0.1		64,986.00	10.00%	10.00%	6,498.60	
Corp	0.1		13,860.00	10.00%	10.00%	1,386.00	
Curb Stop & Box	0.1		34,650.00	10.00%	10.00%	3,465.00	
CONCRETE							
Concrete curb & gutter S418	0		115,840.00	0.00%	0.00%	0.00	
4" Concrete walk	0		28,920.00	0.00%	0.00%	0.00	
6" Concrete walk	0		45,100.00	0.00%	0.00%	0.00	
6" Aggregate base (CV) class 5	0		7,830.00	0.00%	0.00%	0.00	
BITUMINOUS PAVING							
1.5" - Type SP 9.5 wearing course mixture (3,B)	0		69,712.00	0.00%	0.00%	0.00	
2.5" - Type SP 12.5 non-wearing course mixture (3,B)	0		118,118.00	0.00%	0.00%	0.00	
8" Aggregate base (CV) class 5	0		78,561.00	0.00%	0.00%	0.00	
MISCELLANEOUS							
Salvage sign	0		540.00	0.00%	0.00%	0.00	
Install sign	0		8,460.00	0.00%	0.00%	0.00	
Segmental retaining walls	0		22,000.00	0.00%	0.00%	0.00	
				Total			

Payments/Credits

Balance Due

A Community For Generations.



Request for City Council Action

To: Mayor Johnson and Members of City Council
From: Sheila Sellman, Community Development Director
Date: November 16, 2021
Subject: Resolution 2021-XXX Approving Second Extension of Recording the Final Plat for Fairway Greens South

Background:

At the June 1, 2021 City Council meeting the Council approved the preliminary and final plat for Fairway Greens North. City code requires final plats to be recorded within 90 days. As part of the development agreement process the developer has requested a discussion on utility oversizing that we are requiring, resulting in the need to extend the recording. The City Code allows for two extensions. The developer is requesting a one-year extension to record the final plat.

Request:

Consider resolution 2021- XXX approving an extension of recording the final plat for Fairway Greens South for one year.

Attachments:

- Resolution 2021-XXX

RESOLUTION 2021-XXX

**APPROVING SECOND EXTENSION OF RECORDING THE FINAL PLAT FOR
FAIRWAY GREENS SOUTH**

WHEREAS, the developer has an approved final plat known as Fairway Greens South consisting of 45 residential lots; and,

WHEREAS, a 90-day extension was approved on September 7, 2021; and,

WHEREAS, Subdivision Ordinance 536, Article 6, Subdivision 1 (I) requires all plats shall be recorded with the County Recorder's Office within ninety days after the date of approval; and,

WHEREAS, due to the developer not being able to secure bids in time, a one-year extension has been requested;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Isanti, Minnesota hereby approves the extension for one year to record the plat.

This Resolution hereby approved by the City Council of the City of Isanti this 16th day of November 2021.

Mayor Jeff Johnson

Attest:

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

ADOPTING THE COMMERCIAL DOT DRUG AND ALCOHOL TESTING POLICY

WHEREAS, the City of Isanti preforms random, reasonable suspicion and at hire drug and alcohol testing on DOT staff; and,

WHEREAS, cities must test any employees whose jobs require them to have a commercial driver's license; and,

WHEREAS, the Omnibus Transportation Employee Testing Act of 1991 requires drug and alcohol testing of employees who drive motor vehicles in safety-sensitive functions; and,

WHEREAS, this policy supersedes Resolution 2007-157 to be added to the Personnel Policy;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ISANTI, MINNESOTA to adopt the Transportation Employee Drug and Alcohol Policy as attached as 'Exhibit A'.

This Resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

**CITY OF ISANTI
COMMERCIAL DRIVER'S LICENSE
DRUG AND ALCOHOL POLICY**

POLICY STATEMENT

The City of Isanti (City) recognizes applicants and employees who are required to hold a Commercial Driver's License (CDL) to perform safety-sensitive functions are subject to the drug and alcohol testing provisions mandated by the Omnibus Transportation Employee Testing Act of 1991. The City has established this policy on the use of drugs and alcohol, including testing for drugs and alcohol as mandated by Title 49 C.F.R. Part 382. Work performance and safety suffers when employees use or abuse drugs and/or alcohol. The City wishes to provide a safe workplace for our employees, customers, and the general public by maintaining a drug and alcohol free workplace.

To the extent federal statute or regulations change, the policy shall be construed as consistent with those changes. Because changes in applicable law and the City's practices and procedures may occur from time to time, this policy may change in the future, and nothing in this policy is intended to be a contract, promise, or guarantee the City will follow any particular course of action, disciplinary, rehabilitative or otherwise, except as required by law.

COVERAGE AND APPLICABILITY

In response to regulations issued by United States Department of Transportation ("DOT"), the City has adopted this Policy on Alcohol and Controlled Substances for employees who hold a commercial driver's license (CDL) to perform their duties.

All applicants, including persons currently employed by the City, that apply for a position where job duties include operating commercial motor vehicles, will be required to submit to a pre-employment drug test if a job offer is made.

Given the significant dangers of alcohol and controlled substance use, each applicant and driver must abide by this policy as a term and condition of hiring and continued employment. Moreover, the City is required by federal law to implement and maintain a policy which addresses certain requirements related to drug and alcohol use and associated testing for its CDL drivers.

PROCEDURE

To ensure this policy is clearly communicated to all drivers and applicants, and in order to comply with applicable federal law, drivers and applicants are required to review this policy, sign the "CDL Driver Acknowledgement of DOT Drug and Alcohol Policy" form [see Appendix A], and return this documentation to the Human Resources Department.

DEFINITIONS

The following definitions shall define the terms as used in this policy. In the event any conflict should arise between the definitions of terms herein and the definitions of those terms in DOT rules, regulations, interpretations or guidance, the definitions herein shall be deemed superseded and the DOT rules, regulations, interpretations or guidance shall control.

Accident means an occurrence involving a CMV operating on a public road which results in:

1. A fatality; or
2. Bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
3. One or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle(s) to be transported away from the scene by a tow truck or other motor vehicle.

Actual knowledge means actual knowledge by an employer that a driver has used alcohol or controlled substances based on the employer's direct observation of the driver, information provided by the driver's previous employer(s), a traffic citation for driving a CMV while under the influence of alcohol or a controlled substance, or a driver's admission of alcohol or controlled substance use under the provisions of Sec. 382.121. Direct observation as used in this definition means observation of alcohol or controlled substance use and does not include observation of driver behavior or physical characteristics sufficient to warrant reasonable suspicion testing under Sec. 382.307. As used in this definition, "traffic citation" means a ticket, complaint, or other document charging driving a CMV while under the influence of alcohol or controlled substances.

Adulterated Specimen means a specimen that has been altered, as evidenced by test results showing either a substance that is not a normal constituent for that type of specimen or showing an abnormal concentration of an endogenous substance.

Alcohol means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohol including methyl or isopropyl alcohol.

Alcohol Concentration means the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an alcohol test conducted under 49 C.F.R. Part 40.

Alcohol Confirmation Test means a subsequent test using an Evidential Breath Testing Device (EBT), following a screening test with a result of 0.02 or greater, that provides quantitative data about the alcohol concentration.

Alcohol Screening Device (ASD) means a breath or saliva device, other than an EBT, that is approved by the National Highway Traffic Safety Administration and appears on the Office of Drug and Alcohol Policy and Compliance's (ODAPC) Web page for "Approved Screening Devices to Measure Alcohol in Bodily Fluids" because it conforms to the model specifications of National Highway Traffic Safety Administration (NHTSA).

Alcohol Screening Test means an analytic procedure to determine whether an employee may have a prohibited concentration of alcohol in a breath or saliva specimen.

Alcohol Use means the drinking or swallowing of any beverage, liquid mixture or preparation (including any medication) containing alcohol.

Breath Alcohol Technician (BAT) means a person who instructs and assists employees in the alcohol testing process and operates an EBT.

Chain of Custody means a procedure used to document the handling of the urine specimen from the time the employee gives the specimen to the collector until the specimen is destroyed. This procedure uses the Federal Drug Testing Custody and Control Form (CCF).

Collection site means a place designated by the City, where individuals present themselves for the purpose of providing a urine specimen for a drug test.

Commercial Driver's License Drug and Alcohol Clearinghouse (Clearinghouse) means the FMCSA database that 49 C.F.R. Part 382, Subpart G requires employers and service agents to report information to and to query regarding drivers who are subject to the DOT controlled substance and alcohol testing regulations.

Commercial Motor Vehicle (CMV) means a motor vehicle or combination of motor vehicles used to transport passengers or property if the vehicle:

1. Has a gross combination weight rating (GCWR) of 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight rating of more than 10,000 pounds; or
2. Has a gross vehicle weight rating (GVWR) of 26,001 or more pounds, or
3. Is designed to transport 16 or more passengers including the driver; or
4. Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act, (49 U.S.C. 5103(b)) and which requires the motor vehicle to be placarded under the Hazardous Materials Regulations (49 C.F.R. Part 172, Subpart F).

Confirmation (or confirmatory) drug test means a second analytical procedure performed on a different aliquot of the original specimen to identify and quantify the presence of a specific drug or drug metabolite.

DHHS is the Department of Health and Human Services or any designee of the Secretary of the Department of Health and Human Services.

Dilute Specimen means a specimen with creatinine and specific gravity values that are lower than expected for human urine.

Disabling Damages means damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs.

1. *Inclusions.* Damage to motor vehicles that could have been driven, but would have been further damaged if so driven.
2. *Exclusions.*
 - a) Damage which can be remedied temporarily at the scene of the accident without special tools or parts.
 - b) Tire disablement without other damage even if no spare tire is available.
 - c) Headlight or taillight damage.
 - d) Damage to turn signals, horn or windshield wipers which make them inoperative

Driver means any person who operates a commercial motor vehicle. This includes, but is not limited to: Full time, regularly employed drivers; casual, intermittent or occasional drivers; leased drivers and independent owner-operator contractors. All “drivers” are “employees” for purpose of this policy.

Drugs (or Controlled Substances) means the substance for which laboratories are required to test for under 49 C.F.R. Part 40 and FMCSA regulations as each may be amended from time to time.

Employee means any person who is designated in a DOT Agency regulation as subject to drug testing and/or alcohol testing. For purposes of drug testing, the term employee has the same meaning as the term “donor” does in connection with Custody and Control Forms and Department of Health and Human Service regulations and guidance.

Evidential Breath Testing Device (EBT) means a device that is approved by the NHTSA for the evidential testing of breath at the .02 and .04 alcohol concentration, and appears on ODAPC’s Web page for “Approved Evidential Breath Measurement Devices” because it conforms with the model specifications available from NHTSA.

FMCSA is the Federal Motor Carrier Safety Administration.

Initial Drug Test (also known as a screening drug test) means the test used to differentiate a negative specimen from one that requires further testing for drugs or drug metabolite.

Laboratory means any US laboratory certified by DHHS under the National Laboratory Certification Program as meeting the minimum standards of Subpart C of DHHS Mandatory Guidelines for Federal Workplace Drug Testing Programs; or in the case of foreign laboratories, a laboratory approved for participation by DOT under this part.

Licensed medical practitioner means a person who is licensed, certified, and/or registered, in accordance with applicable federal, state, local, or foreign laws and regulations, to prescribe controlled substances and other drugs.

Medical Review Officer (MRO) means a person who is a licensed physician and who is responsible for receiving and reviewing laboratory results generated by an employer’s drug testing program and evaluating medical explanations for certain drug test results.

Negative return-to-duty test result means a return-to-duty test with a negative drug test result and/or and alcohol test with an alcohol concentration of less than 0.02 as described in 49 C.F.R. Part 40.305.

Prescription Medications means the use (by a driver) of legally prescribed medications issued by a licensed health care professional familiar with the driver's work related responsibilities.

Random selection means a mechanism for selection of employees for testing where each employee has an equal chance of being selected each time selection are made.

Reasonable suspicion means that the employer believes the appearance, behavior, speech, etc. of an employee are indicative of the use of a drugs or alcohol based on the observation of at least one (1) supervisor or official who has received training in the identification of behaviors indicative of drug and/or alcohol use.

Safety-sensitive function means all time from the time a driver begins to work or is required to be in readiness to work until the time the driver is relieved from work and all responsibility for performing work. Safety-sensitive functions shall include:

1. All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer;
2. All time inspecting equipment as required by the Federal Motor Carrier Safety Regulations, or otherwise inspecting servicing, or conditioning any CMV at any time;
3. All time spent at the driving controls of a CMV in operation;
4. All time, other than driving time, in or upon any CMV except time spent resting in a sleeper berth;
5. All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded;
6. All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle;

Screening Test Technician (STT) means anyone meeting the requirements for a BAT that may act as a SST, provided that the individual has demonstrated proficiency in the operation of a non-evidential screening device.

Service Agent or Third Party Administrator means any person or entity, other than an employee of the employer, who provides

services specified under this part to employers and/or employees in connection with DOT drug and alcohol testing requirements.

Substance Abuse Professional (SAP) means a person who evaluates employees who have violated a DOT alcohol and drug regulation and makes recommendations concerning education, treatment, follow-up testing, and aftercare.

Substituted Specimen means a specimen with creatinine and specific gravity values that are so diminished that they are not consistent with human urine.

RESPONSIBILITIES

All employees are strictly prohibited from using, possessing, selling, transferring, transporting, or being under the influence of drugs or alcohol while working, performing job duties, while on the employer's premises, or while operating the employer's vehicles or equipment.

It is the City's responsibility to provide testing for drivers that is in compliance with all federal and state laws and regulations, and within the provisions of this policy. The City will retain all records related to this testing. The City's designated person(s) to retain records, monitor, facilitate, and answer questions pertaining to these procedures is the City Human Resources Director or designee(s).

The supervisor(s) of drivers is responsible to be able to make reasonable suspicion observations to determine if the driver is impaired in some way, and be prepared to implement the requirements of this policy if necessary.

The driver is responsible for complying with the requirements set forth in this policy. The driver will not use, have possession of, abuse, or have the presence of alcohol or any controlled substance in excess of regulation-established threshold levels while on duty. The driver will not use alcohol within 4 hours prior to performing a safety-sensitive function, while performing a safety-sensitive function, immediately after performing a safety-sensitive function, or as required under post-accident testing.

The driver must submit to alcohol and controlled substances tests administered under Part 382.

The driver is responsible to inform their supervisor of any prescription medication use prior to performing a safety-sensitive function which may have an effect on their driving ability. The driver may be required to present written evidence from a health care professional which describes the effects such medications may have on the driver's ability to perform safety-sensitive functions. The City reserves the right to seek additional opinions from qualified medical personnel concerning the potential effects of the prescribed medication on a driver's ability to perform safety-sensitive functions, and to prohibit a driver from performing safety-sensitive functions while they are taking prescription medications. Any such prohibition will be without prejudice and the driver will be allowed to return to duty upon ceasing to use the medication or when the City determines safety-sensitive functions will not be affected upon review of sufficient information, provided by a qualified medical personnel.

PROHIBITED DRUG AND ALCOHOL RELATED CONDUCT

The following alcohol and drug related activities are prohibited by the FMCSA for operators of CMV(s):

1. Reporting for duty or remaining on duty to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater.
2. Being on duty or operating a CMV while possessing alcohol, unless that alcohol is manifested as a part of a shipment. This includes the possession of medicines containing alcohol (prescription or over the counter), unless the package seal is unbroken.
3. Using alcohol while performing safety-sensitive functions.
4. Performing safety-sensitive functions within four (4) hours after using alcohol.
5. When required to submit a post-accident test, using alcohol within eight (8) hours following the accident or prior to undergoing a post-accident alcohol test, whichever comes first.
6. Refusing to submit to an alcohol or drug test required by post-accident, random, reasonable cause, return to duty, or follow up testing requirements.
7. Reporting for duty or remaining on duty, requiring the performance of safety-sensitive functions, when the driver uses any drug, except when instructed to by a licensed medical practitioner who has advised the driver that the substances do not adversely affect the driver's ability to operate a CMV.
8. Reporting for duty, remaining on duty, or performing a safety-sensitive function after testing positive for drugs.

OTHER ALCOHOL RELATED CONDUCT

FMCSA rules require that in the event of an alcohol test result equal or greater than 0.02 BAC, but less than 0.04 BAC the employee will not be permitted to perform safety-sensitive duties for a minimum of 24 hours.

TYPE OF TESTING REQUIRED

PRE-EMPLOYMENT TESTING (Sec. 382.301): All applicants, including employees currently employed by the employer, applying for a job where duties include operating a CMV, are required to submit to pre-employment testing for controlled substances, if a job offer is made. The offer is contingent upon all of the following:

1. A negative result of the drug test.
- a) Diluted specimens: A Positive diluted specimen verified and reported by the MRO will be treated as a verified positive test. A Negative diluted specimen verified and reported by the MRO will be directed to immediately take another test. The test of any second test conducted shall be the final test result.
2. The applicant's written agreement authorizing all former employers to release to the Employer all information about the applicant concerning the following items within the last three (3) years:
 - a) alcohol tests with result of 0.04 BAC or greater,
 - b) positive test results for drugs,
 - c) refusals to be tested,
 - d) any SAP referrals or evaluations
3. The receipt of acknowledgements from all former employers in a manner satisfactory to the Employer indicating that none of the items referenced in paragraph 2 above have occurred with respect to the applicant.
4. Verification that applicant has submitted electronic consent through the Clearinghouse granting access to the applicant's Clearinghouse records to determine whether the Driver:
 - a) Has a verified positive, adulterated, or substituted controlled substances test result;
 - b) Has an alcohol confirmation test with a concentration of 0.04 or higher;
 - c) Has refused to submit to a test in violation of §382.211;
 - d) That an employer has reported actual knowledge, as defined at §382.107;
 - e) That the driver used alcohol on duty in violation of §382.205;
 - f) That the driver used alcohol before duty in violation of §382.207;
 - g) That the driver used alcohol following an accident in violation of §382.209;
 - h) That the driver used controlled substance in violation of §382.213.
5. Completion of a successful query of the Clearinghouse indicating that none of the items referenced in paragraph 4 above have occurred with respect to the applicant.

An applicant who submits a specimen which the MRO verifies and reports to be an adulterated or substituted specimen will be deemed to have refused to submit to testing.

The employer will not consider an applicant for employment who received a verified positive test result.

An applicant who refuses to submit to a controlled substance test shall be disqualified from further consideration for the conditionally offered position.

POST-ACCIDENT TESTING (Sec. 382.303): If a driver is involved in an accident, the driver shall immediately notify their supervisor. The driver is subject to post-accident testing if the accident involved:

1. a fatality,
2. bodily injury with immediate medical treatment away from the scene,
3. disabling damage to any motor vehicle requiring tow away, or
4. the driver receiving a citation.

The driver may also be subject to post-accident testing at the discretion of the supervisor without the meeting the above listed reasons, including, but not limited to, involvement in an accident resulting in \$500.00 or more in damage to one or more motor vehicle(s) as estimated by the supervisor.

The driver will be tested for drugs and alcohol as soon as possible following the accident. The driver must remain readily available for testing. If the driver isn't readily available for alcohol and drug testing, the driver may be deemed as refusing to submit to testing. A driver involved in an accident may not consume alcohol for eight (8) hours or until testing is completed.

If the alcohol test is not administered within two (2) hours following the accident the Designated Employer Representative (DER) or designee(s) will prepare a report and maintain a record stating why the test was not administered within two (2) hours.

If the alcohol test is not administered within eight (8) hours following the accident, all attempts to administer the test will cease. The DER or designee(s) will prepare a report and maintain a record stating why the test was not administered within eight (8) hours.

The drug test must be administered within thirty-two (32) hours of the accident. If the test could not be administered within thirty-two (32) hours, all attempts to test the driver will cease. The DER or designee(s) will prepare and maintain a record stating the reasons why the test was not administered within thirty-two (32) hours.

RANDOM TESTING (Sec 382.305): Random testing will be spread reasonably throughout the calendar year. All random alcohol and drug tests will be unannounced, with each driver having an equal chance of being tested each time selections are made. The selection of drivers for random alcohol and controlled substances testing will be made by a scientifically valid method as described in Sec. 382.305(i). At least the minimum percent of the average number of driver positions as required by FMCSA will be tested for each year.

A driver may be tested for alcohol while performing a safety-sensitive function, just before performing a safety-sensitive function, or just after completing a safety-sensitive function.

The driver must proceed immediately to the assigned collection site when notified of being randomly selected for testing.

REASONABLE SUSPICION TESTING (Sec. 382.307): If the driver's supervisor or another official designated to supervise drivers believes a driver is under the influence of alcohol or drugs, the driver will be required to undergo a drug and/or alcohol test. Reasonable suspicion alcohol testing is only authorized if the observations are made during, just preceding, or after the driver is performing a safety-sensitive function.

The basis for requiring testing will be specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the driver. In the case of controlled substance, the observations may include indications of the chronic and withdrawal effects of a controlled substance. A written record of the observations leading to an alcohol or controlled substance reasonable suspicion test, signed by the supervisor or official who made the observation, will be completed within twenty-four (24) hours of the observed behavior or before the results of the alcohol or controlled substances test are released, whichever is first.

The driver's supervisor or another official will immediately remove the driver from any and all safety-sensitive functions and take the driver or make arrangements for the driver to be taken to a testing facility.

If an alcohol test is not administered within two (2) hours following a reasonable suspicion determination, the DER or designee(s) will prepare and maintain a record stating the reasons why the test was not administered within two (2) hours. If the test was not administered within eight (8) hours after a reasonable suspicion determination, all attempts to administer the test shall cease. A record of why the test was not administered must be prepared and maintained.

Notwithstanding the absence of a reasonable suspicion test, no driver may report for duty or remain on duty requiring the performance of safety-sensitive functions while the driver is under the influence of or impaired by alcohol, as shown by the behavioral, speech, and performance indicators of alcohol use, nor will the City permit the driver to perform or continue to perform safety-sensitive functions until (1) an alcohol test is administered and the driver's alcohol concentration is less than .02; or (2) twenty-four (24) hours have elapsed following the determination of reasonable suspicion.

RETURN-TO-DUTY TESTING (Sec 382.309): The City reserves the right to impose discipline against drivers who violate applicable FMCSA or DOT rules or this policy, subject to applicable personnel policy and collective bargaining agreements. Except as otherwise required by law, the City is not obligated to reinstate or requalify such drivers for a first positive test result.

Should the City consider reinstatement of a DOT covered driver, the driver must undergo a SAP evaluation and participate in any prescribed education/treatment, and successfully complete return-to-duty alcohol testing with a result indicating an alcohol concentration of less than 0.02 and/or a controlled substance test with a verified negative result, before the driver returns to duty requiring the performance of a safety-sensitive function. The SAP determines if the driver has completed the education/treatment as prescribed.

The employee is responsible for paying for all costs associated with the return-to-duty test. The controlled substance test will be conducted under direct observation.

FOLLOW-UP TESTING (Sec. 382.311): The City reserves the right to impose discipline against drivers who violate applicable FMCSA or DOT rules or this policy, subject to applicable personnel policies and collective bargaining agreements. Except as otherwise required by law, the City is not obligated to reinstate or requalify such drivers.

Should the City reinstate a driver following a determination by a SAP that the driver is in need of assistance in resolving problems associated with alcohol use and/or use of controlled substances, the City will ensure that the driver is subject to unannounced follow-up alcohol and/or controlled substance testing. The number and frequency of such follow-up testing will be directed by the SAP and will consist of at least six (6) tests in the first twelve (12) months following the driver's return to duty. Follow-up testing will not exceed sixty (60) months from the date of the driver's return to duty. The SAP may terminate the requirement for follow-

up testing at any time after the first six (6) tests have been administered, if the SAP determines that such testing is no longer necessary. The employee is responsible for paying for all costs associated with follow-up tests.

Follow-up testing will be conducted only when the driver is performing safety-sensitive functions, or immediately prior to or after performing safety-sensitive functions.

COST OF REQUIRED TESTING. The City will pay for the cost of pre-employment, post-accident, random, and reasonable suspicion controlled substance and alcohol testing requested or required of all job applicants and employees. The driver must pay for the cost of all requested confirmatory re-tests, return-to-duty, and follow-up testing.

TESTING PROCEDURES

All testing shall be conducted in accordance with 49 C.F.R. Part 40 and any published guidance, interpretation or amendments. If any conflict arises between the procedure described below and the currently effective provisions of 49 C.F.R. Part 40, the currently effective provision shall control.

DRUG TESTING PROCESS: Drug testing is conducted by analyzing an employee's urine specimen. Laboratory analysis of specimens consists of testing for the following classes of drugs at the cutoff levels determined by DOT:

1. Amphetamines/Methamphetamines
2. Cocaine
3. Opioids
4. Phencyclidine (PCP)
5. THC (marijuana, hashish, etc.)

In accordance with FMCSA regulations, the urine specimens will be collected using the split sample collection method. The employee will provide a urine sample at an employer designated collection site. The collection site personnel will then pour the sample into two sample bottles, labeled "primary" and "split", seal the specimen bottles, complete the CCF, and prepare the specimen bottles for shipment to the testing laboratory for analysis. The specimen preparation shall be conducted in sight of the employee.

Once the specimen is received by the testing laboratory, the laboratory will inspect the specimen bottles and the CCF for the presence of any fatal or correctable flaws. The laboratory will then conduct the initial testing on the specimen to determine if the specimen contains sufficient quantity of any drug to warrant further testing. The testing laboratory will also conduct validity testing on the specimen to determine whether certain adulterants or foreign interfering substances are present in the urine, if the urine was diluted, or if the specimen was substituted.

If the results of the initial drug test are negative, no further testing will be conducted. If the results of the initial drug test are positive, the laboratory will perform a confirmation testing on the specimen for each of the substances identified in the initial test. The results of any confirmation tests will be the laboratory's final test result.

Drug test results are reported directly to the MRO by the testing laboratory. The MRO reviews the laboratory results, verifies the results, then reports the results directly to the employer. If the laboratory results are negative, the MRO performs an administrative review only. If the laboratory's test result is confirmed positive, adulterated or substituted the MRO performs an administrative review and interviews the employee in order to provide an opportunity to explain the test result. The MRO will contact the employee directly, on a confidential basis, to determine whether the employee wishes to discuss the test result. The MRO will determine whether a legitimate medical explanation exists to explain the laboratory result. If no legitimate medical explanation is offered for the laboratory's test result the MRO shall verify the test results as positive for drugs, or as a refusal to test because of adulterated or substituted and report the results to the employer.

The MRO shall notify each employee that the employee has seventy-two (72) hours in which to request a test of the split specimen. If the employee requested an analysis of the split specimen within seventy-two (72) hours of having been informed of a verified positive test, the MRO shall direct the laboratory, in writing, to transfer the split specimen to another DHHS-Substance Abuse and Mental Health Services Administration (SAMHSA) certified laboratory for analysis. If the employee has not contacted the MRO within seventy-two (72) hours, the employee may present the MRO information documenting that serious illness, injury, inability to contact the MRO, lack of actual notice of the verified positive test, or other circumstances unavoidably prevented the employee from timely making contact. If the MRO concludes that there is a legitimate explanation for the employee's failure to contact him or her within seventy-two (72) hours, the MRO will direct the analysis of the split specimen.

If after making reasonable efforts and documenting those efforts, the MRO is unable to reach the employee directly, the MRO must contact the employer, who shall direct the employee to contact the MRO.

The MRO may verify a test positive without having communicated directly with the employee about the test results under the following circumstances:

1. The employee expressly declines the opportunity to discuss the test results.
2. Neither the MRO nor the employer is able to reach the employee within ten (10) days of the date on which the MRO received the test result from the laboratory.
3. The employee has not contacted the MRO within seventy-two (72) hours of being instructed to do so by the employer.

Special Urine Specimen Collection Situations

The Observed Collection

In most circumstances the employee will provide the urine specimen in a private enclosure. However, in limited situation the employee is required to be observed while providing the required urine specimen. A direct observation collection is required in the situations listed below:

1. For all Return-to-Duty Follow-up drug tests
2. If the collector observes materials brought to the collection site or if the employee's conduct clearly indicates an attempt to tamper with a specimen;
3. If the employee provides a specimen with a temperature out of range;
4. If the employee provides a specimen that appears to have been tampered with;
5. If the laboratory reported to the MRO that a specimen was invalid, and the MRO reported to the employer that there was not an adequate medical explanation for the result, the employee must submit a second specimen under direct observation;
6. If a positive, adulterated, or substituted test result had to be cancelled because the test of the split specimen could not be performed, then the employee must submit a second collection under direct observation; and
7. If the laboratory reported to the MRO that the specimen was negative-dilute with a creatinine concentration greater than or equal to 2mg/dL but less than or equal to 5 mg/dL, then the employee must submit to a second collection under direct observation.

In an observed collection, a person of the same gender will accompany the donor into the urination area to observe the urination process. The observer is required to direct the donor to raise his or her shirt, blouse, or dress/skirt, as appropriate, above the waist; and lower clothing and underpants to show the observer, by turning around, that the donor does not have a prosthetic device. The observer must then watch the donor urinate into the collection container. Specifically the observer must watch the urine go from the donor's body into the collection container.

Employee is unable to provide sufficient specimen

If the employee is unable to provide the appropriate quantity of urine, the collection site person will instruct the employee to drink up to forty (40) ounces of fluids distributed over a period of up to three hours or until the employee has provide a sufficient sample. If the employee is still unable to provide a complete sample, the test shall be discontinued and the employer notified. The employee will be instructed to obtain, within five (5) working days, an evaluation from a licensed physician acceptable to the MRO to determine if the employee's inability to provide a specimen is genuine or constitutes a refusal to test.

TESTING LABORATORY: All drug testing will be conducted by a laboratory certified by DHHS-SAMHSA to perform drug testing for DOT regulations. The laboratory shall be chosen by the employer or its service agent.

ALCOHOL TESTING PROCESS: The FMCSA alcohol test rules require alcohol screening tests to be administered by a BAT using an EBT or ASD; or by a STT using an ASD. The technician will first administer an alcohol screening test. Any result less than 0.02 alcohol concentration is considered a "negative" test. If the alcohol concentration is 0.02 or greater a second test, an alcohol confirmation test, must be performed. The alcohol confirmation test must be conducted on an EBT administered by a BAT. The test must be conducted within 15–30 minutes of the alcohol screening test. The results of the alcohol confirmation test will be the final test result. If the employee attempts and fails to provide an adequate amount of breath, the employer will direct the employee to obtain written evaluation from a licensed physician to determine if the employee's inability to provide a breath sample is genuine or constitutes a refusal to submit to testing. Alcohol test results are reported directly to the employer.

REFUSAL TO SUBMIT TO TESTING

An employee subject to this policy shall have refused to submit to testing when they:

1. Fails to appear for a test after being directed to do so by the employer;
2. Fails to remain at the test site until the test is completed;
3. Fails to provide a urine specimen for a required drug test or fails to attempt to provide a breath or saliva specimen for a

required alcohol test;

4. Fails to permit the direct observation or monitoring of the provision of their urine specimen for drug test when required by DOT regulations;
5. Fails to provide a sufficient amount of urine or breath for a drug or alcohol test and it has been determined through a medical evaluation that there was not adequate medical explanation for the failure;
6. Fails or declines to take a second test that the employer or collector has directed the employee to take;
7. Fails to undergo a medical examination as directed by the MRO as part of the result verification process or as directed by the employer as part of the DOT required insufficient specimen procedure;
8. Fails to sign the certification statement at Step 2 on the Alcohol Testing Form (for an alcohol test);
9. Fails to cooperate with any part of the testing process (e.g. refuse to empty pockets when directed by the collector, behave in a confrontational way that disrupts the collection process, fails to wash hands after being directed to do so by the collector);
10. For an observed collection, fails to follow the observer's instructions to raise clothing above waist, lower clothing and underpants, and turn around to permit the observer to determine if the donor has any type of prosthetic or other device that could be used to interfere with the collection process;
11. Possesses or wears a prosthetic or other device that could be used to interfere with the collection process;
12. Admits to the collector or MRO that he/she adulterated or substituted the specimen;
13. Has a test result that is verified by the MRO as adulterated or substituted.
14. Engages in other conduct that clearly obstructs the test process.

CONSEQUENCES OF REFUSAL TO SUBMIT TO TESTING: An employee who refuses to submit to alcohol and/or controlled substance test required by this policy will not be permitted to perform safety-sensitive functions and will be considered insubordinate which will result in disciplinary action, up to and including immediate termination from employment. In accordance with the FMCSA's Clearinghouse reporting requirements, the City will report a driver's refusal to submit to a DOT test for controlled substance or alcohol use to the Clearinghouse within three (3) business days.

ADULTERATED/SUBSTITUTED SPECIMENS: An employee who submits a specimen which the MRO verifies and reports to be an adulterated or substituted specimen will have refused to submit to testing.

DILUTED SPECIMENS: Any specimen submitted by an employee which the MRO verifies and reports as a positive diluted specimen will be treated as a verified positive test.

Any employee who submits a specimen which the MRO verifies and reports as a negative diluted specimen will be directed to immediately take another test. The test of any second test conducted shall be the final test result.

EMPLOYEE/APPLICANT RIGHTS TO A SPLIT SAMPLE TEST

All applicants and employees subject to the drug testing provisions of this policy that receive a confirmed positive test result for the use of drugs, have the right to request, at employee or applicant expense, a confirming retest of the split urine sample.

If the confirming retest is negative, no adverse action will be taken against the employee, and an applicant will be considered for employment.

DISCIPLINE

Any employee found to be in violation of this policy is subject to disciplinary action, up to and including termination of employment. Nothing in this policy limits or restricts the right of the employer to discipline or discharge an employee for conduct which violates the employer's policies or rules. Except as otherwise required by law, the City is not obligated to reinstate or requalify such drivers for a first positive test result.

FMCSA CONSEQUENCES TO EMPLOYEES ENGAGING IN PROHIBITED CONDUCT

Employees who have engaged in prohibited conduct are subject to the following consequences according to FMCSA rules:

1. The employee will be immediately removed from safety-sensitive functions;
2. The employee will not be permitted to perform safety-sensitive functions;
3. The employees will be referred to a SAP and advised by the employer of the resources available to him/her in evaluating and resolving problems associated with the misuse of alcohol and/or the use of drugs;
4. If the employer retains the employee, the employee must complete an initial evaluation by a SAP who will determine what assistance the employee needs in resolving problems associated with alcohol misuse and/or drug use;
5. The SAP will make a recommendation for education or treatment and refer the employee to an appropriate educational or treatment program;
6. The employee must complete a follow-up evaluation with the SAP to determine if the employee has successfully carried

out the SAP's educational or treatment recommendations;

7. If the SAP believes any ongoing services are needed to assist an employee to maintain sobriety or abstinence from drug use after the employee resumes the performance of safety-sensitive duty, the employee must comply with these recommendations and the employer or its agent may monitor and document the employee's participation in the recommended services;

8. Before the employee will be allowed to return to performing of safety-sensitive functions, they must undergo a return-to-duty testing. If the conduct involved the use of alcohol, the employee must submit to an alcohol test with a result indicating breath alcohol level of less than 0.02. If the conduct involved the use of drugs, the employee must submit to a drug test with a verified negative test result received; and

9. The employee shall also be subject to unannounced follow-up alcohol and/or drug testing.

LOSS OF CDL LICENSE FOR TRAFFIC VIOLATIONS IN COMMERCIAL AND PERSONAL VEHICLES

Effective August 1, 2005, the FMCSA established strict rules impacting when CDL license holders can lose their CDL for certain traffic offenses in a commercial or personal vehicle. Employees are required to notify their supervisor immediately if their CDL changes in any way (Sec. 391.11-391.15).

CONFIDENTIALITY/RECORDKEEPING

All driver alcohol and controlled substance test records are considered confidential (Sec. 382.401). For the purpose of this policy/procedure, confidential recordkeeping is defined as records maintained in a secure location with controlled access.

Driver alcohol and controlled substance test records will only be released in the following situations (Sec. 382.405):

1. to the driver, upon his/her written request;
2. upon request of a DOT agency with regulatory authority over the City;
3. upon request of state or local officials with regulatory authority over the City;
4. upon request by the United States Secretary of Transportation;
5. upon request by the National Transportation Safety Board (NTSB) as part of a crash investigation;
6. upon request by subsequent employers upon receipt of a written request by a covered driver;
7. to the decision maker in a lawsuit, grievance, or administrative proceeding initiated by or on behalf of the individual, and arising from a positive DOT drug or alcohol test or a refusal to test (including, but not limited to, adulterated or substituted test results) of this part (including, but not limited to, a worker's compensation, unemployment compensation, or other proceeding relating to a benefit sought by the driver). Additionally, an employer may disclose information in criminal or civil actions in accordance with 49 C.F.R. § 40.323(a)(2).
8. upon written consent by the driver authorizing the release to a specified individual.

In the event of a post-accident test, the drug and/or alcohol test result(s) may also be provided to the worker's compensation insurance carrier.

COMMERCIAL DRIVER'S LICENSE DRUG AND ALCOHOL CLEARINGHOUSE REPORTING REQUIREMENT

The City is required to query and report to the Clearinghouse prior to hiring new drivers, conduct annual checks of existing CDL drivers, and, as required by 49 C.F.R. Part 382, Subpart G, the following information will be reported to the Clearinghouse:

1. A verified positive, adulterated, or substituted drug test result;
2. An alcohol confirmation test with a concentration of 0.04 or higher;
3. A refusal to submit to a drug or alcohol test;
4. An employer's report of actual knowledge of, as defined at 49 C.F.R. §382.107:
 - a) On duty alcohol use pursuant to 49 C.F.R. §382.205;
 - b) Pre-duty alcohol use pursuant to 49 C.F.R. §382.207;
 - c) Alcohol use following an accident pursuant to 49 CFR §382.209;
 - d) Drug use pursuant to 49 C.F.R. §382.213;
5. A SAP's report of the successful completion of the return-to-duty process;
6. A negative return-to-duty test; and
7. An employer's report of completion of follow-up testing.

[See APPENDIX B- Driver Consent for Limited Queries of the Clearinghouse]

In addition, a driver is entitled, upon written request, to obtain copies of any records pertaining to the driver's use of alcohol or a controlled substance, including any records pertaining to his or her alcohol or controlled substance tests.

TRAINING AND ASSISTANCE

Driver Education and Training (Sec. 382.601): All drivers will be given information regarding the requirements of Part 382 and this policy by Human Resources or their supervisor.

Training for Supervisors (Sec. 382.603): The City shall ensure all persons designated to supervise drivers receive at least sixty (60) minutes of training on alcohol misuse and receive at least an additional sixty (60) minutes of training on controlled substances use. The training will be used by the supervisors to determine whether reasonable suspicion exists to require a driver to undergo testing under § 382.307. The training shall include the physical, behavioral, speech, and performance indicators of probable alcohol misuse and use of controlled substances. Recurrent training for supervisory personnel is not required.

Referral, Evaluation, and Treatment (Sec. 382.605): A list of substance abuse professionals will be provided to all drivers who fail an alcohol test or test positive for drugs. According to FMCSA regulations, prior to returning to duty, a driver must be evaluated by a SAP and must complete the treatment recommended by the SAP. Successful completion of a return to duty test and all follow-up tests is mandatory. All cost associated with referral, evaluation, and treatment is the sole responsibility of the driver/employee.

DESIGNATED EMPLOYER REPRESENTATIVE (DER)

The DER will coordinate the implementation, direction, and administration of the alcohol and drug testing policy for the employer. The DER is the individual(s) employed by the Employer who is identified by the employer as able to receive communications and test results from service agent and who is authorized to take immediate actions to remove employees from safety-sensitive duties and to make required decisions in the testing and evaluation process. Employee questions concerning this policy should be directed to the DER.

Our DER(s) are:

Katie Grotte or designee(s)
City Human Resources Director
(763) 762-5760

MISCELLANEOUS

The Employer retains the right to modify this policy to conform to changes in regulation or law.

This policy is not intended to alter the at-will nature of employee's employment with employer and shall not be construed to create any contract for, or promise of, continued employment.

APPENDIX A

TO

**COMMERCIAL DRIVER'S LICENSE
DRUG AND ALCOHOL POLICY**

CDL Driver Acknowledgement of Receipt of Employer Policy

I, _____, acknowledge that I have received a copy of the City of Isanti's ("Employer") Commercial Driver's License Drug and Alcohol Policy. I have read, understand and agree that I will abide by the Employer policies. I also understand that the Employer has the right to modify this policy as changes in regulation, law, or as the Employer otherwise determines is necessary.

EMPLOYEE:

I understand that violation of the DOT regulations and/or Employer policies would be an act of misconduct and/or gross misconduct, and failure to comply is grounds for disciplinary action, up to and including termination.

I further acknowledge that I have voluntarily signed this document below and that my signature is evidence of my agreement to and acceptance of these terms and conditions of my employment.

Signature: _____ Date: _____

Printed Name: _____ Witness Signature: _____

APPLICANT:

I understand my conditional job offer will be withdrawn if I refuse to test or test positive for a controlled substance.

I further acknowledge that I have voluntarily signed this document below and that my signature is evidence of my agreement to and acceptance of these terms and conditions of my pre-employment testing.

Signature: _____ Date: _____

Printed Name: _____ Witness Signature: _____

APPENDIX B

TO

**COMMERCIAL DRIVER'S LICENSE
DRUG AND ALCOHOL POLICY**

**Driver Consent for:
Limited Queries of the Federal Motor Safety Administration (FMCSA)
Drug and Alcohol Clearinghouse**

I, _____, hereby provide consent to the City of Isanti conducting limited queries of the FMCSA Commercial Driver's License Drug and Alcohol Clearinghouse (Clearinghouse) to determine whether drug or alcohol violation information about me exist in the Clearinghouse.

I understand that if a limited query conducted by the City of Isanti indicates that drug or alcohol violation information about me exists in the Clearinghouse, FMCSA will not disclose that information to the City of Isanti without first obtaining additional specific consent from me.

I further understand that if I refused to provide consent for the City of Isanti to conduct a limited query of the Clearinghouse, the City of Isanti must prohibit me from performing safety-sensitive functions, including driving a commercial motor vehicle, as required by FMCSA's drug and alcohol program regulations.

This consent will remain in effect through the duration of my employment with the City of Isanti and authorizes the City of Isanti to conduct limited queries as often as needed to comply with FMCSA requirements.

Employee Printed Name

Employee Signature

Date

CDL Number

RRM: #398987

RESOLUTION 2021-XXX

**ACCEPTING LETTER OF RESIGNATION FOR COMMUNITY DEVELOPMENT
DIRECTOR SHEILA SELLMAN**

WHEREAS, Community Development Director, Sellman has submitted a letter of resignation to the City Administrator on October 15, 2021; and,

WHEREAS, the effective date of this resignation is November 15, 2021 as a final day of employment; and,

WHEREAS, the letter of resignation and the effective resignation date is in compliance with the personnel policy as a 30- day notice is required; and,

WHEREAS, Sheila Sellman is leaving employment in good standing and is eligible for applicable payouts;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, to hereby approve as follows:

1. That the resignation of Community Development Director Sheila Sellman is hereby effective November 15, 2021 as the final day of work with the City of Isanti.
2. That the Human Resources Director and the City Administrator are hereby directed to fill the position immediately.

This Resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

ACCEPTING VOLUNTARY RESIGNATION FOR LIQUOR STORE CLERK II KATIE OLSEN

WHEREAS, PT Liquor Store Clerk, Katie Olsen has voluntary resigned from her position by not showing to 3 or more of her shifts per current personnel policy 2.02; and,

WHEREAS, the effective date of this resignation is November 1st, 2021; and,

WHEREAS, Katie Olsen is not leaving employment in good standing as she did not resign per current personnel policy with proper 2-week notice;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, to hereby approve as follows:

1. That the resignation of Katie Olsen is hereby effective November 1st, 2021.
2. That Human Resources Director and Liquor Store Manager are hereby directed to fill the position.

This Resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

APPROVING THE REHIRE OF FT LIQUOR STORE CLERK I TO BECKY WHITMAN

WHEREAS, the City Council of the City of Isanti is required to approve hiring of all employees; and,

WHEREAS, the City Council has approved at the Committee of the Whole meeting on October 19, 2021 to add another FT Liquor Store Clerk I; and,

WHEREAS, the Interviewing Panel has selected Becky Whitman as the most qualified candidate for the position, as she previously has worked for the Isanti Liquor Store; and,

WHEREAS, the offer is contingent upon successfully passing a background investigation and reference check;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, as follows:

1. Human Resource Director has offered Becky Whitman the FT Liquor Store Clerk I position to for the City of Isanti Liquor Store
2. This position is full-time, non-exempt, and eligible for all benefits.
3. The expected start date in that position is November 8, 2021.
4. The wage will start at Step 4 of the wage scale at \$17.1598 per hour
5. That Becky Whitman will accrue vacation at the first-year rate.
6. Human Resources Director is to complete all required documentation for the completion of the employment offer and place a copy of this Resolution in the employee's personnel file for future reference.

This resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

APPROVING THE OFFER FOR COMMUNITY DEVELOPMENT DIRECTOR STEPHANIE HILLESHEIM

WHEREAS, the City Council of the City of Isanti approves all new employees; and

WHEREAS, the City Council approved to advertise and accept applications to fill Community Development Director Position; and,

WHEREAS, the Interviewing Panel selected the most qualified candidate for Community Development Director position; and,

WHEREAS, the candidate's offer is contingent on successfully completing and passing a background investigation and reference check;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, as follows:

1. That Human Resources offered the Community Development Director position to Stephanie Hillesheim for the City of Isanti and that she shall be eligible to start in that position after successfully passing a background and reference check expected start date November 30, 2021.
2. That Stephanie shall start at Step 3 of the wage scale at \$92,294.59 (\$44.3724 per hour).
3. That Stephanie Hillesheim shall receive 40 hours vacation banked to start.
4. That Stephanie Hillesheim shall be on probationary status per the Personnel Policy in the position Community Development Director position effective November 30, 2021.
5. That Human Resources is directed to complete all required documentation for the completion of the employment contract and employment offer.
6. That Human Resources is directed to forward an executed copy of this resolution to the employee and place a copy in the employee's personnel file for future reference.

This Resolution is hereby approved by the Isanti City Council this 16th day of November, 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
Human Resources/City Clerk

EMPLOYMENT AGREEMENT

THIS AGREEMENT made and entered into on November 16, 2021 by and between the City of Isanti, Minnesota, a municipal corporation, herein called EMPLOYER, and Stephanie Hillesheim, herein called EMPLOYEE. This Agreement shall become effective on the EMPLOYEE'S first day of employment of November 30, 20121.

EMPLOYER desires to employ the services of Stephanie Hillesheim as Community Development Director for the City of Isanti as provided by applicable Minnesota law and applicable ordinances of the City of Isanti, Minnesota.

It is the desire of the EMPLOYER to employ the EMPLOYEE and it is the EMPLOYEE's desire to accept employment from the EMPLOYER on the terms and conditions as set forth herein.

NOW THEREFORE IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, THE EMPLOYER AND EMPLOYEE AGREE AS FOLLOWS:

1. Duties. As authorized pursuant to the provisions of Minnesota Statutes Section §412.111, the EMPLOYER hereby agrees to employ EMPLOYEE as Community Development Director of the City of Isanti to perform the functions and duties as specified in the job description for the position of Community Development Director of the City of Isanti, as approved by the City Council, and as the same may be amended from time to time.

2. Term. The EMPLOYEE's employment shall be for an indefinite term at the will of the EMPLOYER. The terms of this contract shall be applicable from November 30, 2021 and until termination of the employment relationship, or until amended by subsequent agreement approved by action of the City Council of the City of Isanti and signed by both EMPLOYER and EMPLOYEE.

3. Employment at Will. The EMPLOYEE is employed at the will of the EMPLOYER, and therefore may be terminated at any time with or without cause upon, except as hereinafter provided, not less than 30 days' written notice from EMPLOYER to EMPLOYEE.

EMPLOYER may however, in EMPLOYER's sole discretion, terminate the EMPLOYEE without any prior notice for misconduct, defined as follows:

- A. Conduct by the EMPLOYEE resulting in criminal charges against the EMPLOYEE (except for petty misdemeanor traffic violations); or
- B. EMPLOYEE's refusal to obey a lawful directive of EMPLOYER; or
- C. Acts by the EMPLOYEE intended to cause injury to the EMPLOYER.

The EMPLOYEES probationary period shall be six (6) months, unless extended for a specified period not to exceed six (6) additional months. Notwithstanding the provision for thirty (30) days' notice prior to termination, the EMPLOYER shall have the right to terminate employment with the EMPLOYEE with or without cause at any time during the EMPLOYEES probationary period without the requirement that said thirty (30) days' notice be given.

4. Salary. EMPLOYER agrees to pay EMPLOYEE for services rendered pursuant to this contract wages calculated on an annual base salary of \$92,294.59 (step 3) payable in installments at the same time as other payroll employees of the EMPLOYER are paid. Subsequent annual step salary increases, as applicable, shall be contingent upon on a satisfactory annual performance review. Cost of living salary adjustments, if any, shall be subject to approval by the City Council.

5. Vacation, Sick Leave and Insurance Benefits. The EMPLOYEE shall be entitled to 40 hours of vacation banked. The EMPLOYEE shall be entitled to earn vacation at the accrual

rate of year (2) two or (12 days a year) per current personnel policy, with any additional adjustment based on years of service as prescribed by the EMPLOYER's personnel policy.

Sick leave shall be provided as prescribed by the EMPLOYER's personnel policy.

Insurance and other employee benefits shall be provided as prescribed by the EMPLOYER's personnel policy.

6. Performance Appraisal. The City Administrator, or in absence of the City Administrator, the Mayor and Council shall review and evaluate the performance of EMPLOYEE at least once annually. Following completion of each such performance appraisal the EMPLOYEE shall be given a summary thereof. In the first year of employment the EMPLOYEE shall be subject to a probationary performance review after three and six months of employment as per the EMPLOYER's personnel policy.

7. Retirement Benefits. The EMPLOYEE shall be entitled to participate in the accrual of retirement benefit contributions as prescribed for public employees under PERA, and/or under any other retirement program, if any, which may now or hereafter be available pursuant to and consistent with any applicable state or federal laws and EMPLOYER's personnel policy.

8. Personnel Policy. Except where specifically abridged or modified by this Agreement, the EMPLOYEE shall be subject to all terms and provisions of the EMPLOYER's personnel policies as set forth in the EMPLOYER's personnel policy manual. If any provision of this manual conflicts with a provision in this contract, then the contractual provision shall prevail.

9. Professional Development. The EMPLOYER agrees, subject to annual budget approval and subject to preauthorization of the City Administrator and/or City Council, to pay all necessary and reasonable expenses of EMPLOYEE for short courses, institutes and seminars that are, in the opinion of both EMPLOYER and EMPLOYEE necessary for professional

development of EMPLOYEE. These shall include materials and coursework necessary for the EMPLOYEE to obtain their AICP certification. Once certified, these expenses include up to 40 credit hours per year of Continuing Professional Education as required for EMPLOYEE to maintain on a current basis their AICP certification. EMPLOYER shall pay for EMPLOYEE's attendance at the Minnesota Planning Association annual conference. The EMPLOYER will pay costs for training fees, travel and lodging, and meals, as per the EMPLOYER's personnel policy manual. The EMPLOYER shall pay for publications for the EMPLOYEE to assist in performance of their job duties. Such publications shall be approved by the EMPLOYER.

10. Professional Membership. During the term of employment, EMPLOYER will pay EMPLOYEE's annual regular membership dues for EMPLOYEE's ongoing membership in the AICP, APA, MNAPA, and Economic Development Association of MN as the same become due and payable.

11. Severability. Should any provision of this agreement be held unlawful by a Court of competent jurisdiction; all other provisions of this agreement shall remain in force for the duration of the agreement.

12. Notices. Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, and addressed as follows:

EMPLOYER

Mayor of City of Isanti
110 First Ave. NW
P.O. Box 428
Isanti, MN 55040

EMPLOYEE

Stephanie Hillesheim
11078 Geneva Circle SE
Becker, MN 55308

Alternatively, notices required pursuant to this agreement may be personally served as prescribed by the Minnesota Rules of Civil Procedure. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the United States mail.

13. Council Approval. This Employment Agreement is subject to approval by the City Council of the City of Isanti, Minnesota.

IN WITNESS WHEREOF, the EMPLOYER has caused this agreement to be signed and executed on its behalf by the Mayor and City Administrator, and the EMPLOYEE has signed and executed this agreement as of the day and year first above written.

EMPLOYER

EMPLOYEE

City of Isanti, Minnesota

By: _____
Mayor Jeff Johnson
Its Mayor

Stephanie Hillesheim

By: _____
Josi Wood
Its City Administrator

RESOLUTION 2021-XXX

APPROVING THE HIRE OF LIQUOR STORE CLERK II FOR NICOLE JOHNSON

WHEREAS, the City Council of the City of Isanti is required to approve hiring of all employees; and,

WHEREAS, the City Council has approved the PT Liquor Store Clerk II position; and,

WHEREAS, the Interviewing Panel has selected Nicole Johnson as the most qualified candidate for the position; and,

WHEREAS, the offer is contingent upon successfully passing a background investigation and reference check;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, as follows:

1. Human Resource Director has offered the Liquor Store Clerk II position to Nicole Johnson for the City of Isanti.
2. This position is full-time, non-exempt, and eligible for all benefits.
3. The expected start date in that position is November 16, 2021.
4. The wage will start at Step 1 of the wage scale at \$14.4715.
5. This position is non-exempt and not eligible for benefits.
6. This position will be scheduled up to 29 hours per week.
7. Human Resources Director is to complete all required documentation for the completion of the employment offer and place a copy of this Resolution in the employee's personnel file for future reference.

This resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

APPROVING THE HIRE OF LIQUOR STORE CLERK II FOR SANDRA KOLLER

WHEREAS, the City Council of the City of Isanti is required to approve hiring of all employees; and,

WHEREAS, the City Council has approved the PT Liquor Store Clerk II position; and,

WHEREAS, the Interviewing Panel has selected Nicole Johnson as the most qualified candidate for the position; and,

WHEREAS, the offer is contingent upon successfully passing a background investigation and reference check;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, as follows:

1. Human Resource Director has offered the Liquor Store Clerk II position to Nicole Johnson for the City of Isanti.
2. This position is full-time, non-exempt, and eligible for all benefits.
3. The expected start date in that position is November 16, 2021.
4. The wage will start at Step 1 of the wage scale at \$14.4715.
5. This position is non-exempt and not eligible for benefits.
6. This position will be scheduled up to 29 hours per week.
7. Human Resources Director is to complete all required documentation for the completion of the employment offer and place a copy of this Resolution in the employee's personnel file for future reference.

This resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

APPROVING THE POSITION OF POLICE SUPPORT SPECIALIST

WHEREAS, the City Council of the City of Isanti is required to approve new positions and the Committee of the Whole moved to create the position of FT Police Secretary to FT Police Support Specialist; and,

WHEREAS, the position of Police Secretary was re-evaluated for Penny Anderson, after analyzing the job duties of the PT Police Data Clerk and PT Police Secretary it to be found the position of FT Police Secretary performed more managerial or lead duties; and,

WHEREAS, the FT Police Secretary will now be a separate position from the PT Police Secretary and the PT Police Data Clerk (See Exhibit A); and,

WHEREAS, based off of local City comparisons and job description evaluation the position falls under the Grade 10 of the current wage scale and 194 in points; and,

WHEREAS, Penny Anderson is currently in the position of Police Secretary and will be re-titled to Police Support Specialist with adjusted wage effective November 2;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota, as follows:

1. The City will now have a non-exempt position called Police Support Specialist
2. Penny Anderson will now have the title and wage of Police Support Specialist.
3. Penny Anderson will not lose any seniority, benefits or status.
4. The Police Support Specialist will be a wage scale Grade 10.
5. That Human Resources is directed to forward an executed copy of this resolution to the employee and place a copy in the employee's personnel file for future reference.

This Resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

City of Isanti
POSITION DESCRIPTION

POLICE SUPPORT SPECIALIST

DEPARTMENT: Police
FLSA CLASSIFICATION: Non-Exempt
REPORTS TO: Chief of Police
SUPERVISES: Police Office Staff

DEFINITION: The Police Support Specialist performs skilled administrative support and technical supervision of office staff for the Police Department. They perform high level secretarial support and confidential secretarial duties for the Police Chief and other staff of the Police Department as directed.

To perform this job successfully, an individual must be able to perform each duty satisfactorily. The requirements listed below are representative of the knowledge, skill and abilities required. The Essential functions listed below are intended as illustrations of the various types of work that may be performed. The omission of specific duties does not exclude them if the work is similar, related or a logical assignment to the position.

ESSENTIAL FUNCTIONS OF THE JOB:

- Serves as a lead to staff to include assigning and monitoring work and providing direction.
- Oversees the general work flow of the office to ensure tasks are completed in a timely manner.
- Transcribes and assists the investigator as requested. Assists Investigator with Child Maltreatment reports and MAARC reports.
- Performs skilled administrative support work including: typing a variety of documents, letters, reports and memos and retrieves documents as needed.
- Supervises the Permit Tech and Secretary, assists in hiring, assigns and reviews work, advises and handles the more complex questions or requests, coaches and trains and conducts performance reviews, subject to approval by the Chief.
- Assists the Chief with BCA related tasks and security trainings. Assists with Triennial Audit with BCA (Hot file, CCH-III, Administrative audit).
- Assists the police officer assigned to the evidence room by reviewing and disposing of property and recording for chain of possession.
- Maintains POR database.
- Greet the public as they enter the department and assist with questions or complaints.
- Answer phones and assist citizens with questions or complaints.
- Process all citations to courts and prosecuting authorities as well as search warrants.
- Process all Part A and Part B offenses to the State and Federal Bureau of Investigation.
- Code, input incident reports, transfer information to BCA (CJRS).
- Oversee the maintenance of police files, records, and related documents and ensure accuracy.
- Process and review requests for LE data/ reports

- Oversee processing requests for discovery from prosecution and/or defense.
- Provide all services for 'Bad Checks', including paperwork and documentation.
- Provide services for 'Record Checks' – Criminal History.
- Review and make changes to the MN State ID's provided by MNCJSS daily notification.
- Process Court Dispositions received by Daily Disposition Bulletin
- Designated Records Manager for the department.
- Maintain dispositions for review of Squad and Body Cam video evidence
- Manage all police records including Squad and Body video evidence for retention.
- Assist Code Enforcement as needed.
- Oversee orders for supplies for the Police Department.
- Oversee and assist process and complete background investigations and record checks.
- Manage the inventory of office supplies, phone system set up, speed dials and set up for new hires.
- Agency TAC (Terminal Agency Coordinator); liaison between agency and BCA on matters related to FBI CJIS and BCA MNJIS access. Which includes fingerprinting all users prior to access, ensure all officers are allowed access to proper applications with BCA and have completed security training prior to access of CJIS. Ensure requirements are up to date and training is documented within the records management system.
- Performs other related duties as assigned or apparent.

EQUIPMENT USED:

This position uses a variety of equipment typical to a traditional office setting. Such equipment may include, but is not limited to, personal computers, printers, telephones, fax machines and copy machines.

REQUIRED KNOWLEDGE AND ABILITIES:

- Knowledge and ability to operate computers and computer software and department radios.
- Knowledge and ability to maintain files and records; and knowledge of record retention.
- Knowledge of Data Privacy Laws.
- Knowledge of city, state and federal laws and regulations.
- Ability to provide excellent written and oral communication and interpersonal skills.
- Ability to have respectful interaction with coworkers, supervisor, the general public.
- Ability to proactively greet customers; be friendly, professional, polite and helpful in dealing with the public and employees.
- Ability to represent the City in a positive and professional manner at all times.
- Ability to read maps and give directions.
- Ability to produce quantity, quality and accurate work with strong attention to detail.
- Ability to 10- key and type efficiently.
- Ability to maintain confidentiality with private data.
- Ability to organize work and utilize work time productively and multi-task.
- Ability to consistently have strong customer service and a positive attitude.
- Ability to work independently and as a team player.
- Ability to effectively solve problems and have strong analytical skills.
- Ability to perform essential functions during required hours of work.

MINIMUM QUALIFICATIONS:

- High school degree or equivalent.
- Two (2) or more years of police administrative or police records management experience.
- Three (3) years of increasingly responsible office support work including records management, data entry, word processing and customer service.
- Previous government experience

PREFERRED QUALIFICATIONS:

- Associates degree in business or related field.
- Two (2) or more years in an administrative supervisory role.
- Experience in law enforcement, military or government settings

CONDITIONS OF EMPLOYMENT:

- Must possess a valid Minnesota Driver's License or the ability to obtain within thirty (30) days of employment.
- Must represent the City in a respectful, professional manner with positive interactions with the public.
- Must satisfactorily pass a criminal background examination.
- Must comply with organizational and departmental policies.

WORK SCHEDULE:

The typical work schedule for this position is Monday-Friday, hours are subject to current personnel policy. Additional hours may be required on occasion.

WORK ENVIRONMENT/PHYSICAL DEMANDS:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

This position requires the employee to work alone, with others, around others and have contact with the public. This position will work inside in an office.

Activities that will **occur continuously**, 5-8 hours: Sitting, walking, verbal communication, hearing, repetitive motions, handling, typing, light physical effort.

Activities that will **occur frequently**, 2-5 hours: problem solving, written communication, reaching, interpersonal skills, standing, pulling.

Activities that **occur occasionally**, up to 2 hours: reaching, hand/eye/foot coordination, balancing, temperature changes, loud noises.

Activities that **occur infrequently**, less than 1 hour: lifting, bending, stooping, kneeling, reaching at, above, and below shoulder level with the right, left, and both shoulders, carrying, and lifting and carrying up to 24 pounds.

This position will require the ability to drive an automobile.

This job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job change.

The City of Isanti is an Equal Opportunity Employer. In compliance with the Americans with Disabilities Act, reasonable accommodations are offered to qualified individuals with disabilities. Prospective and current employees are encouraged to discuss potential accommodations with the employer.

ACKNOWLEDGEMENT:

I have read this job description and fully understand the requirements set forth herein. I understand that this is to be used as a guide and that I will be responsible for performing other duties as assigned. I further understand this job description does not constitute an employment contract with the City of Isanti.

Employee Signature

Printed Name

Date



Request for City Council Action

To: Mayor Johnson and Members of City Council
From: Katie Brooks, Human Resources Director
Date: November 16, 2021
Subject: Liquor Store Dress Code Policy

Background:

Isanti Liquor Store staff have previously been expected to wear “appropriate clothing” per current dress code policy. With respect to the new Liquor Store coming in November 2021. All Employees will be required to wear Isanti shirts once the new store opens. This policy will be added to the Liquor Store Process Manuel and Personnel Policy.

Request:

This is informative and does not have a resolution

RESOLUTION 2021-XXX

TO REPEAL CITY POLICIES THAT ARE NO LONGER APPLICABLE

WHEREAS, the City of Isanti has a number of policies that are no longer applicable due to changes in state statute, superseded by City Code, new policies were written or subsequent policies were already included in the Personnel Policy, Policy Manual or Lexipol; and,

WHEREAS, the following policies shall be repealed:

- 1999-135 Business Subsidy
- 2017-286 Council Mtg Procedures
- 2009-078 PW Procedures
- 2014-017 Sidewalk Snow Policy
- 2016-210 Nuisance Lot Mowing
- 2016-279 Nuisance Abatement
- 2015-297 Outdoor Hockey Rink
- 2009-078 PW Policies and Procedures
- 2012-254 Water disconnect Policy
- 2018-277 Language Change Dom. Abuse
- 2013-054 Panic Button Security
- 2007-057 Travel Reimbursement
- 2009-080 Temperature Settings
- 2013-210 Veteran Bid Preference
- 2007-194 Development Agreement Process
- 2003-110 Street Closure Application
- 2003-007 Zoning Violations
- 2010-230 Grant Management Guide
- 1997-34 Use of Municipal Liquor Store Net Profits
- 1996-18 Liquor Store Funds for Special Events
- 2010-249 Liquor Store Cash Balance
- 1995-10 Transferring Surplus Funds from Previous Year
- 2007-230 Fee Policy on Existing Home, Comm, or Industrial Building

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota to approve repealing policies outlined per this Resolution.

This Resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

AUTHORIZING THE ESTABLISHMENT OF A PERMIT AND PLAN REVIEW FEE REFUND POLICY

WHEREAS, the City of Isanti's Building Official is responsible for plan review and building inspections; and,

WHEREAS, per MN Rules Chapter 1300.0160 Subp. 9, the City is authorized to implement a policy for permit and plan review refunds; and

WHEREAS, this Resolution supercedes 2004-089;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Isanti, Minnesota as follows:

1. The Building Inspections Department shall be authorized to refund fees for permits in which no work has been done and no inspections have been made.
2. Requests for refunds must be in writing and signed by the permit holder. The Building Official will review the request for refund and make a determination to approve or deny the request. The City shall retain the following as described in the table below:

City Retains	Timeframe
\$50.00 – Fees less than \$50.00 are non-fundable	For requests made within 30 days
\$50.00 or 20% of the permit fee whichever is greater	For requests made within 60 days
\$50.00 or 40% of the permit fee whichever is greater	For requests made within 90 days
\$50.00 or 60% of the permit fee whichever is greater	For requests made within 120 days
\$50.00 or 80% of the permit fee whichever is greater	For requests made within 180 days

3. No refunds will be approved or granted after 180 days from the date the permit was issued. No refunds will be approved or granted for the following: Plan Review Fees, State Surcharge Fees, Re-inspection Fees, and any other services that have previously been rendered.

This resolution was duly adopted by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

AMENDMENTS TO REVOLVING LOAN FUND POLICY

WHEREAS, the City of Isanti approved a Revolving Loan Fund (RLF) Policy on October 5, 2010; and,

WHEREAS, the Economic Development Authority Board recommended amendments to the RLF policy that was voted on and approved January 7, 2020 referenced as ‘Exhibit A’

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota to approve the RLF policy referenced as ‘Exhibit A’ as recommended by the Economic Development Authority.

This Resolution is hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

Exhibit A
City of Isanti
Revolving Loan Fund Policy
Adopted October 5, 2010
Revised January 7, 2020

Purpose:

The purpose of this policy is for the City to have the opportunity to provide short-term financing to assist business in the form of a loan. The purpose of such financing is to provide gap financing where conventional funding sources are not sufficient to meet the business needs for new facilities, business retention, building purchase, renovation, expansion, landscaping, machinery and equipment. The objectives of the revolving loan fund are to create or retain permanent full-time jobs in the City; to improve the overall tax base of the City; to diversify the economy; and to enhance the quality of life within the community.

The revolving loan fund is intended to complement and not to compete with private lending institutions. All loans are subject to the availability of funds. All funding is limited to the corporate limits of the City of Isanti. In addition to the loan terms and conditions set forth in this policy, the City shall have the right to impose additional terms and conditions in its sole discretion.

Revolving Loan Fund Evaluation and Approval Criteria:

Prior to the approval of any economic assistance, the Finance Director shall review the application and any other documentation to ensure all necessary information has been provided. The City's Attorney should prepare, or if prepared by others, review all documents related to the public assistance. The cost incurred by the City for such review and preparation shall be paid by the applicant.

If requested, an appraisal shall be submitted establishing the value of all collateral that will be pledged as security for the loan with an analysis of the life and value of the assets. The Council has the right to accept or reject the appraisal. If an appraisal is provided to the City, the cost of the appraisal is the responsibility of the applicant. At no time is a loan to be granted that exceeds ninety percent of the collateral that is to be pledged as security.

Applicants must be in compliance with the City of Isanti zoning codes as well as all other local, state, and federal laws applicable to them.

All applicants shall pay the non-refundable application fee and non-refundable origination fee as established by the City Council. The commitment fees shall be retained for the administration of the loan.

Revolving Loan Fund Repayment and Default Information:

Applicant shall make all loan payments to the City electronically through the Automated Clearing House (ACH) system. Applicant shall provide the City with a fully completed and executed authorization as required by ACH.

The applicant agrees to promptly notify the City of any change in the location of the collateral and agrees not to sell, lease, offer to lease or transfer the collateral in any way without prior consent of the City. The applicant will keep the collateral insured at all times and safe from damage and theft

and will pay promptly taxes and/or any debt to which collateral is secured. The applicant will pay a delinquency and collection charge on each installment not paid within 10 days of due date in the amount of 5% of each installment in default, plus reasonable costs of collection including attorney's fees. An applicant will be considered in default under the agreement upon occurrence of any of the following events: (a) default in the payment of any obligation including payment of taxes and City utility bills, (b) giving false information to the City, (c) loss, theft, substantial damage, destruction, sale, or encumbrances to any of the collateral, (d) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property, or assignment for the benefit of creditors by applicant, (e) other conditions that may be imposed by the City.

Upon such default and anytime thereafter, the City has the option to declare all obligations immediately due and payable. Without limitation, the City has the right to take immediate and exclusive possession of the collateral. The City will give the applicant at least 10 days written notice before the sale or disposition of the collateral.

Immediate repayment of the entire outstanding balance of the loan will be made if the business relocates outside the corporate limits of the City.

Disbursement Process:

Applicant shall be solely responsible for all payments for eligible uses of funds. Loan proceeds shall be paid directly to applicants only after the work for which payment is requested has been performed or items purchased and inspected by the City, if applicable. Applicant will provide all invoices, certification and evidence in such form that the City may require, demonstrating work has been completed and Applicant has paid for the items eligible in the loan agreement. If periodic draws are requested, they will be limited to amounts equal to the values of materials furnished and/or services completed and shall be limited in number to three, including final payment. No payments shall be made without appropriate lien waivers being given.

Business Subsidy Reporting:

As required by Minnesota Subsidies Law, certain assistance provided to a business must be reported to the Department of Employment and Economic Development on forms provided by the State of Minnesota. The applicant must provide information regarding jobs created and wages paid.

City of Isanti
Application for
Business Assistance Financing

Legal Name of Applicant: _____

Name of Business: _____

Business Address: _____

Telephone Number: _____

E-mail Address: _____

Business Website: _____

Tax ID #: _____ NAICS Code: _____

Name of Contact Person: _____

General Information:

Principal(s)	Address	Phone	Social Security #	Title	% of Ownership

Type of Business: Sole Proprietorship: _____ Corporation: _____
 Partnership: _____ New Business: _____

Date Established: _____

Business Name: _____

Address: _____

Web Address: _____

Type (partnership, etc.): _____

Authorized Representative: _____ Phone: _____

E-mail of contact person: _____

Description of Business: _____

Legal Counsel: _____

Address: _____ Phone: _____

Contact Person: _____ E-mail: _____

Participating Bank: _____

Address: _____ Phone: _____

Contact Person: _____ E-mail: _____

Accountant: _____

Address: _____ Phone: _____

Contact Person: _____ E-mail: _____

Financial Background:

- 1) Have you ever filed for bankruptcy? _____
- 2) Have you ever defaulted on any loan commitment? _____
- 3) Have you applied for conventional financing for a project? _____
- 4) List Financial references:
 - a. _____
 - b. _____
 - c. _____

Project Information:

- 1) Location of proposed project: _____
- 2) Amount of Business Assistance requested: _____

- 3) Need for Business Assistance: _____
- 4) Present ownership of site: _____
- 5) Number of permanent jobs created as a result of project: _____
- 6) Estimated annual sales: Present: _____ Future: _____
- 7) Market value of project following completion: _____
- 8) Anticipated start date: _____
- 9) Anticipated completion date: _____

Financial Information:

1) Estimated project related costs:

- a) Land Acquisition: \$ _____
- b) Site development: _____
- c) Building cost: _____
- d) Equipment: _____
- e) Architectural / Engineering fees: _____
- f) Legal fees: _____
- g) Off-site development costs: _____
- h) Public infrastructure costs: _____
- i) Other (explain): _____

Total \$ _____

2) Sources of financing:

- | | | |
|-----------------------------------|----------|-------|
| a) Private Financing Institution: | \$ _____ | _____ |
| b) Revolving Loan Funds: | _____ | |
| c) Other Public Funds (identify): | _____ | _____ |
| d) Developer Equity: | _____ | |

Total \$ _____

**Public/Private
Total**

City of Isanti

Check List for Final Application

The following is a list of the information and documentation necessary to submit a final application. Forms have been enclosed to aid you in preparing this information.

_____ A. Description of the project that you propose to take place at the property as well as a Business Plan and History of the Business including a written description of the business, principals, and past projects.

_____ B. Market Analysis and Business Plan

_____ C. Products

_____ D. Manufacturing Process

_____ E. Financial Information

1. Projections. Provide pro-forma balance sheets, income statements and statements of cash flow (in both a monthly and annual basis) for the next three years. Define the assumptions used to derive the projections.

2. Profit and Loss Statements: last three years, current statement (less than 90 days old) and three years' projections.

3. Balance Sheets: last three years, current, and three years projections.

_____ F. Schedule of Business Debts

_____ G. Statement of Collateral

_____ H. Resumes and Personal Financial Statements

_____ I. Preliminary financial commitment from bank.

_____ J. Information on Affiliates

_____ K. Appraisals / Proposed Lease / Purchase Agreements

_____ L. Corporate / Partnership Authorization

Additional Attachments

_____ 1. Last year's Business Income Tax Statement, if applicable

_____ 2. Last year's Personal Income Tax Statement

_____ 3. Evidence of Payroll tax payment

_____ 4. Evidence of Worker's Compensation Insurance

_____ 5. A letter from the County Auditor or Treasurer verifying that there are no outstanding judgments or tax liens against the business, property or owners of the business.

_____ 6. Plans and drawing of project.

_____ 7. Background material of company

_____ 8. Payment of fee.

_____ 9. A map showing the location of your business, legal description and parcel identification number.

_____ 10. Current zoning of the property.

_____ 11. Existing Comprehensive Future Land Use designation of the property.

_____ 12. A statement identifying how the Revolving Loan Fund money will be used and why it is necessary to undertake the project.

_____ 13. A statement identifying the public benefits of the proposal. This may include property valuation, job creation if applicable and other community assets.

TO BE SIGNED BY APPLICANT

I have willfully furnished this information to the City of Isanti for the purpose of applying for a loan. I understand that this information will be available for review by the City Finance Director, the City Attorney, or any other professional the City Council may request. I declare that the information provided in this application is true to the best of my knowledge. I understand that the City of Isanti has the right to verify this information and will be in contact with those individuals and institutions involved in this proposed project as well as credit references. False information, in addition to disqualifying me from any further considerations and financial assistance, may also subject me to litigation to recover the City's expenses related to reviewing this application and/or costs to collect any loan balances. In addition, I understand that the City of Isanti may release information for public relations purposes regarding the project, excluding any confidential financial information.

Signature

Date

Loan Criteria

Eligible Businesses

- ~Businesses must be located, or willing to relocate to the City of Isanti.
- ~Manufacturing, assembly, warehousing, research and development, retail and service businesses.

Ineligible:

- ~Non-profits are not eligible under this program.

Eligible Uses of Funds:

- ~Building Purchase
- ~Building construction
- ~Building renovation / expansion
- ~Machinery & equipment
- ~Landscaping
- ~Retention

Ineligible Uses of Funds:

- ~Working Capital
- ~Inventory
- ~Purchase of equity positions in business enterprises
- ~Refinancing of existing debt

Loan Amounts:

- ~\$15,000 to \$50,000
- ~The City reserves the right to approve loan amounts less than the amount requested.
- ~Funding is limited to 33% of the eligible asset.

Loan Terms Available:

- ~Up to 10 year loan terms are available.
- ~Each loan will be determined on a case-by-case basis.
- ~Equipment loans will generally not exceed beyond the depreciated life of the asset being financed.
- ~Debt Service Coverage of 1.2/1.

Interest Rates:

- ~Anywhere from a rate of 3% to the 5 year Treasury bill + 1%
- ~Interest rates will be fixed.
- ~Interest rates are determined on a case-by-case basis.

Job Creation & Wage Requirements:

- ~Must meet State requirements when utilizing State funds and business subsidy law if applicable.

Fees:

- ~Approved borrowers are responsible for all legal fees, document preparation, recording & filing fees.
- ~An application fee and a 1% origination fee will apply.

Equity Requirements:

- ~The borrower must provide a minimum of 10% of total project costs as equity.

Personal Guarantees:

- ~Personal guarantees are required of all persons having 20% or more ownership of the business.
- ~Life insurance on the principle(s), for the amount of the loan is required. This insurance policy must be assigned to the City of Isanti.

Repayment Ability:

- ~Credit Checks will be made on businesses and primary owners as a part of the financial analysis.
- ~Applicants must demonstrate adequate historical and / or pro-forma cash flow for the proposed new debt.

Financial Structure:

- ~A financial institution must be involved in the development project.

Collateral Requirements:

- ~The Finance Director, the City Attorney, or any other professional the City Council may request will review and take into consideration loan collateral coverage.
- ~The City may take a subordinate collateral position to other lenders.

Management Experience:

- ~It is required that the project have capable, skilled management through experience or expertise in the applicant's industry, either through previous successful business ownership or through appropriate managerial support services.

Late Penalties:

- ~The City shall include late penalties for loan payments made after their due date.

Loan Disbursement Policy:

- ~The City will place restrictions on the disbursement of loan funds.

Consideration in Setting Interest Rates:

- ~Size of Loan
 - ~Length of Loan
 - ~Use of Loan
 - ~Inflationary expectations.
 - ~Interest rate expectations.
 - ~Perceived risk of project
 - ~Amount of owner equity.
 - ~Presence / absence of other funding sources.
 - ~Financial strength of ownership
 - ~General economic conditions & expectations.
 - ~Type and size of building
 - ~Number of jobs created, if applicable
 - ~Wages paid
 - ~Location of business within the City.
- Considering all these factors, loan interest rates are set at the sole discretion of the City of Isanti.



Memo for Council

To: Mayor Johnson and Members of the City Council
From: Finance Director Betker
Date: November 16, 2021
Subject: Adopting Finance Related Policies

Background:

The attached policies are final drafts of those discussed at Committee of the Whole on October 19th 2021.

Request:

Consider Adoption of the following Policies:

- Tax Abatement Business Assistance Policy – Remove all language regarding a five year limit for assistance..
- Fund Balance Policy – Largely the same as prior version however enterprise funds are now included within the policy and the General Fund target Fund Balance would now be a range, between 30% and 70%.
- Investment Policy – Entirely rewritten but with many of the same features, much of which is based on state statute. Biggest change is that the new policy would give the Finance Director additional discretion to invest in a slightly broader portfolio of investments. Matches state statute with the exception of commercial paper, which is not included in this policy. Also clarifies that working with multiple brokers is acceptable and eliminates the need to use the RFP process to make that determination.
- Purchasing Policy – Update Committee reference language, revise dollar threshold limits for administrative approval, as well as the sealed bid threshold, which now matches State Statute. Also moved needed unbudgeted expenditures from Finance Committee oversight and authorization to City administrator authorization and oversight as well as other minor language changes.
- Single Audit Policy – Entirely new policy written at the recommendation of the City auditors.

Action Required:

Consider adoption by Resolution

Attached:

Res 2021-XXX Adopting Finance Related Policies

RESOLUTION 2021-XXX

ADOPTING FINANCE RELATED POLICIES

WHEREAS, Staff has thoroughly reviewed the City's finance related policies and made recommended revisions in the best interest of the City; and,

WHEREAS, the policies have been reviewed by the Committee of the Whole on October 19, 2021 and they recommend adopting the following policies:

- Tax Abatement Business Assistance Policy ('Exhibit A')
- Fund Balance Policy ('Exhibit B')
- Investment Policy ('Exhibit C')
- Purchasing Policy ('Exhibit D')
- Federal Grants Administration (Single Audit) Policy ('Exhibit E'); and,

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL of the City of Isanti, Minnesota, hereby approves the policies outlined per this Resolution and attached as 'Exhibit A', 'Exhibit B', 'Exhibit C', 'Exhibit D', 'Exhibit E'.

This Resolution hereby approved by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

‘Exhibit A’

Tax Abatement Business Assistance Policy

Adopted November 16, 2021
Supercedes Resolution 2008-083

Purpose:

The purpose of this policy is to provide a guide to be used in the processing and reviewing of requests from private businesses locating in or expanding in the City of Isanti for tax abatement business assistance. This policy was developed as a method to assist in business expansion, location and relocation within the City of Isanti. This policy is intended to be a guide only and the City has the right to depart from the guidelines set forth herein in its sole discretion.

Proposed Abatement Funding:

The City of Isanti will work to obtain tax abatement for a successful project, with the County of Isanti and the Cambridge - Isanti School District. We also believe this tool should be considered available in a modified format for Businesses that would provide significant development in our area, but that this outline is for the "normal" business attraction to our area.

Abatement Evaluation and Approval Criteria:

Upon a business submitting a request to City Staff; City Staff shall forward the request for evaluation to the City of Isanti Economic Development Authority (EDA). The project will be scored using the information provided by the business requesting a business subsidy. The scores will assist in making a decision if the project qualifies for tax abatement.

The EDA will forward a recommendation to the City Council with the score of the project. The City Council will make the final decision on what, if any, business assistance will be provided for a project. The information provided by the business requesting the assistance will be used in determining if the limited tax abatement shall be used on the project.

Some criteria, by their very nature, may be subjective. However, wherever possible "when the proposal may meet one or more "benchmark" criteria does not mean that it is entitled to funding under this policy. The determination to grant or not grant a subsidy for a business resides in the sole discretion of the City.

Eligibility of Businesses to Obtain Business Assistance:

The business assistance shall be provided with the applicable State legislative restrictions, State Auditor interpretation, debt limit guidelines, and other appropriate financial requirements and policies. The criteria for a business to obtain tax abatement business assistance is outlined in the tax abatement formula worksheet that is updated yearly by the City and stated below:

- A) Eligibility to receive tax abatement business subsidy per all governmental laws and policies.
- B) Proposals shall create jobs within Isanti or relocate jobs from another community.
- C) Type of business requesting the assistance.

- D) Increase the tax base of the City of Isanti.
- E) Diversification of the tax base of the City of Isanti.
- F) To assist in redevelopment costs.
- G) To determine consistency with the City of Isanti Comprehensive Plan and City Planning and Zoning Ordinances.
- H) Environmental and City Service demands.
- I) Job retention, increasing the local job base and diversification of the jobbase.
- J) Evaluate the wages for the retained and/ or increased jobs.
- K) Location of the project.
- L) Priority of the project as determined by the EDA and City Council.
- M) To not support speculative industrial, commercial and office projects.
- N) To encourage additional unsubsidized private development in the area, either directly, or through secondary "spin-off" development.
- O) Business assistance will not be used when the developer's credentials, in the judgment of the City, are inadequate due to past track record relating to: timeliness and quality level of completed projects, general reputation, bankruptcy, credit worthiness or other relevant considerations by the City.
- P) Business assistance will not be used for projects that would generate significant environmental problems in the opinion of the local, state, or federal governmental entities.
- Q) Business assistance may not be allocated due to the following factors: projects that fail to meet good public policy criteria as determined by the EDA and City Council, including, poor project quality; projects that are not in accordance with the comprehensive plan, zoning, redevelopment plans and city policies; projects that provide no benefit or improvement to surrounding land uses, the neighborhood, and/ or the City; projects that do not have significant new, or retained employment; projects that do not meet financial feasibility criteria established by the City; and projects that do not provide for the highest and best desired use for the property.

Statutory Limits:

The City of Isanti shall follow the statutory limits on the use of tax abatement as stated by State Statute. Any grant of \$25,000+ or loan of \$75,000+ shall have a business subsidy agreement and meet certain wage and job goals and stay in business for at least 5 years. (Per Minnesota Statute Sections 116J.993 to 116J.995). The business subsidy agreement and City Council resolution shall state the length of the business assistance.

Policy Review:

This policy shall be evaluated on a yearly basis to ensure its applicability and to establish priority economic development projects to the following year.

Pre-Application for Business Assistance Financing

Legal Name of Applicant: _____

Address: _____

Telephone Number: _____

E-mail Address: _____

Business Website: _____

Name of Contact Person: _____

Requested Information:

Please submit the following information to Staff for your business subsidy review:

- 1) A map showing the exact boundaries of the property requested to be abated.
- 2) Describe the project that you propose to take place at the property. Please include building size, business type/ use; existing parking/ parking needs; proposed project timing; estimated market value of the project upon completion. Parcel numbers and/ or legal description.
- 3) Existing Comprehensive Future Land Use designation of the property.
- 4) Current zoning of the property.
- 5) A statement identifying how the increment assistance will be used and why it is necessary to undertake the project.
- 6) A statement identifying the public benefits of the proposal including estimated increase in property valuation, new jobs created or relocated, hourly wages and other community assets.
- 7) A written description of the developer's business, principals, history and past projects.

I understand that the application fee of \$1000 will be used for the City of Isanti and consultant costs and may be partially refundable if the request for assistance is withdrawn. Refunds will be made at the discretion of the City Council and may be based on the cost uncuffed by the City prior to the withdrawal of the request for assistance. If the initial application fee is insufficient, I will be responsible for additional deposits.

Applicant Signature:

Date:

Application for Business Assistance Financing

General Information:

Business Name: _____ Date: _____ Address:

_____ Web

Address: _____ Type

(partnership, etc.): _____ Authorized

Representative: Phone: _____ E-mail: _____

Description of Business: _____

Legal Counsel: _____ Address: _____ Phone: _ _ _ _ _

Financial Background:

1) Have you ever filed for bankruptcy? _____

2) Have you ever defaulted on any loan commitment? _____

3) Have you applied for conventional financing for a project? _____

4) List Financial references:

a. _____

b. _____

C. _____

5) Have you ever used Business Assistance financing before? _ _ _ _ _

If yes, what, where and when? _____

Project Information:

- 1) Location of proposed project: _____
 - 2) Amount of Business Assistance requested: _____
 - 3) Need for Business Assistance:
 - 4) Present ownership of site: _____
 - 5) Number of permanent jobs created as a result of project: _____
 - 6) Estimated annual sales: Present: _ _ _ _ _ Future: _ _ _ _ _
- Market value of project following completion: _____
- Anticipated start date: _____
- 7) Anticipated completion date: _____

Financial Information:

- 1) Estimated project related costs:
 - a) Land Acquisition: \$ _____
 - b) Site development: _____
 - c) Building cost: _____
 - d) Equipment: _____
 - e) Architectural / Engineering fees: _____
 - f) Legal fees: _____
 - g) Off-site development costs: _____
 - h) Public infrastructure costs: _____
 - i) Other (explain):

2) Source of financing:	Amount:
a) Private Financing Institution: _____	_____
b) Tax Abatement Funds: _____	_____
c) Other Public Funds (identify): _____	_____
d) Developer Equity: _____	_____

Please Include:

- 1) Preliminary financial commitment from bank.
- 2) Plans and drawing of project.
- 3) Background material of company.
- 4) Pro Forma analysis.
- 5) Financial statements.
- 6) Statement of property ownership or control.
- 7) Payment of application fee of: \$1000.00 (one thousand dollars.)

‘Exhibit B’

Fund Balance Policy Adopted

November 16, 2021

PURPOSE

The purpose of this policy is to establish specific guidelines the City of Isanti will use to maintain an adequate level of fund balance to provide for cash flow requirements and contingency needs because major revenues, including property taxes and other government aids are received in the second half of the City’s fiscal year.

The purpose of this policy is to also establish specific guidelines the City of Isanti will use to classify fund balances into categories based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in these funds can be spent.

CLASSIFICATION OF FUND BALANCE/PROCEDURES

1. Nonspendable

- This category includes fund balance that cannot be spent because it is either (i) not in spendable form or (ii) is legally or contractually required to be maintained intact. Examples include inventories and prepaid amounts.

2. Restricted

- Fund balance should be reported as restricted when constraints placed on those resources are either (i) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (ii) imposed by law through constitutional provisions or enabling legislation.

3. Committed

- Fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. The committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to commit those amounts.
- The City’s highest level of decision-making authority (City Council) will annually or as deemed necessary commit specific revenue sources for specified purposes by resolution. This formal action must occur prior to the end of the reporting period, however, the amount to be subject to the constraint, may be determined in the subsequent period.
- To remove the constraint on specified use of committed resources the City Council shall pass a resolution

4. Assigned

- Amounts that are constrained by the government's intent to use for specified purposes, but are neither restricted nor committed. Assigned fund balance in the General fund includes amounts that are intended to be used for specific purposes.
- The City Council has delegated the authority to assign and remove assignments of fund balance amounts for specified purposes to the Finance Director or City Administrator.

5. Unassigned

- Unassigned fund balance represents the residual classification for the General fund. Includes amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General fund. The General fund should be the only fund that reports a positive unassigned fund balance amount.
 - i. The City will seek to maintain a maximum unassigned fund balance in the General fund of 70% of the next year's budgeted expenditures of the General fund. This will assist in maintaining an adequate level of fund balance to provide for cash flow requirements and contingency needs because major revenues, including property taxes and other government aids are received in the second half of the City's fiscal year. Additionally this will assist in maintaining a stable tax rate even in times of significantly reduced taxable market value. Fund balance in excess of 70% shall be utilized to reduce the tax rate in the subsequent budget year(s). Use of fund balance to reduce the tax rate should be guided by the City's desire to avoid double digit increases or decreases in the tax rate, as measured by percent against the prior year's certified tax rate.
 - ii. The City will seek to maintain a minimum unassigned fund balance in the General fund of 30% of the next year's budgeted expenditures of the General fund. In the event that fund balance falls below 30% the Council will determine a plan to restore the fund balance first to the minimum 30% threshold and then subsequently toward the 70% maximum threshold. Any such plan shall be guided by the City's desire to avoid double digit increases or decreases in the tax rate, as measured by percent against the prior year's certified tax rate.

STABILIZATION ARRANGEMENTS

Stabilization arrangements are defined as formally setting aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise.

The City will set aside amounts by resolution as deemed necessary that can only be expended when certain specific circumstances exist. The resolution will identify and describe the specific circumstances under which a need for stabilization arises. The need for stabilization will only be utilized for situations that are not expected to occur routinely.

MONITORING AND REPORTING

The City Administrator and Finance Director shall annually prepare the status of fund balance in relation to this policy and present to the City Council in conjunction with the development of the annual budget.

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order; 1.) committed 2.) assigned and 3.) unassigned.

A negative residual amount may not be reported for restricted, committed, or assigned fund balances in the General fund.

ENTERPRISE FUNDS

The City will seek to maintain cash balances sufficient to cover 6 months of operating expenses, the next year's debt service obligations as well as future identified capital outlay needs. In the event that cash balances fall below the above prescribed level, the Council will determine a plan to restore the deficient cash balance. Any such plan shall be guided by the City's desire to avoid double digit increases in service rates, as measured by percent against the prior year's service rate.

‘Exhibit C’

Investment Policy Adopted

November 16, 2021

PURPOSE

The purpose of this policy is to establish the specific guidelines for the investment of all public funds of City of Isanti. This policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return commensurate with the City’s investment risk constraints and cash flow characteristics of the portfolio.

OBJECTIVES

The objective of this policy is to establish standards for governing the investment of the funds of the City. These funds will be invested in accordance with this policy and Minnesota Statute 118A. The City has determined that its funds shall be invested based on the following three objectives, listed in priority order:

- **SAFETY OF PRINCIPAL** – Safety of principal is the foremost objective of the City. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. Avoiding capital losses shall be the primary objective of each investment transaction.
- **MAINTENANCE OF ADEQUATE LIQUIDITY** – The portfolio will remain sufficiently liquid to enable the City to meet all operating and capital requirements that might be reasonably anticipated. A portion of the portfolio may be placed in money market mutual funds or local government investment pools, which offer same-day liquidity.
- **MAXIMIZATION OF RETURN ON INVESTMENT** –Following the satisfaction of liquidity and maturity needs, the balance of the funds available for investment will be placed with institutions that offer the highest rate of return consistent with preservation of principal.

SCOPE

This policy applies to all financial assets of City of Isanti. While separate investment funds are created to accommodate reporting on certain bonded indebtedness, individual investments are purchased using a pooled approach for efficiency and maximum investment opportunity. The City’s funds are defined in the City’s *Comprehensive Annual Financial Report* and include all *Governmental, Enterprise, Internal Service and Agency funds* and any new funds created by the City, unless specifically exempted by the City Council through resolution.

POOLING OF FUNDS: Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

STANDARDS OF CARE

1. PRUDENCE

The prudent person standard shall be applied to the management of the portfolio. This standard states: “Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.”

Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

2. ETHICS AND CONFLICTS OF INTEREST

Any city official involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial decisions. Investment officials shall disclose any material interests in financial institutions with which they conduct business. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City.

3. DELEGATION OF AUTHORITY

The Finance Director is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Finance Director through assistance of staff and consultants shall develop and maintain written administrative procedures for the operation of the investment program, monitoring diversification and risk as well as a system of controls to regulate the activities of subordinate officials. Procedures should include references to: safekeeping, investment accounting, repurchase agreements, wire transfer agreements and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and procedures established by the Investment Officer.

4. INTERNAL CONTROLS

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record-keeping
- Safekeeping account
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

FINANCIAL INSTITUTIONS AND SAFEKEEPING

1. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS

The Finance Director is authorized, as allowed under State Statute, to designate depositories and broker-dealers for City Funds. The Finance Director will maintain a list of financial institutions authorized to provide investment services to the City. All broker/dealers who desire to become qualified bidders for investment transactions must supply the Finance Director or Designee with:

- Audited financial statements (a current audited financial statement is required to be on file for each financial institution)
- Proof of National Association of Security Dealers (NASD) certification,
- Proof of Minnesota registration
- Broker Notification and Certification form required by Minnesota Statutes 118A prior to any investment transactions with the City. The Broker Notification must be updated annually.
- The Official Broker/Dealer Questionnaire must be on file for each broker the City is currently doing business with.
- Authorized institutions must maintain an investment office within the Twin Cities metropolitan area and have other Minnesota local government clients.

The purchase of all investments must be from institutional brokers. An annual review of the financial condition and registration of qualified financial institutions and brokers/dealers will be conducted by the investment officer.

2. SAFEKEEPING

Investments shall be safe kept in the City's name. Certificates will be held at the financial institution in the City's name. All securities should be a risk category one according to the Governmental Accounting Standard No. 3.

SUITABLE AND AUTHORIZED INVESTMENTS

Consistent with Minnesota Statute 118A, the following investments will be permitted by this policy:

- U.S. Treasury Obligations (bills, notes, bonds);
- U.S. Government Agency and Federally Sponsored Agency Securities, excluding mortgage backed securities that fail the FFEIC test;
- General obligations of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- Certificates of deposit with federally insured institutions that are collateralized or insured in excess of the amount provided by the Federal Deposit Insurance Corporation coverage limit;
- Bankers Acceptances that are eligible for purchase by the Federal Reserve;
- Repurchase Agreements which conform to the requirements stated in 118A.05, sub. 2 of the statutes;
- Guaranteed Investment Contracts that meet the requirements of M.S. 118A;
- Local government investment pools, either state-administered or through joint powers statutes and other intergovernmental agreement legislation;
- Shares of an investment company which is registered under the Federal Investment Company Act of 1940 and which holds itself out as a money market fund meeting the conditions of rule 2a-7 of the Securities and Exchange Commission and is rated in one of the two highest rating categories for money market funds by at least one nationally recognized statistical rating organization;

- Shares of an investment company which is registered under the Federal Investment Company Act of 1940, and whose shares are registered under the Federal Securities Act of 1933, as long as the investment company's fund receives the highest credit rating and is rated in one of the two highest risk rating categories by at least one nationally recognized statistical rating organization and is invested in financial instruments with a final maturity no longer than 13 months.

INVESTMENT PARAMETERS

1. DIVERSIFICATION

The investments shall be diversified by:

- Limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- Limiting investment in securities that have higher credit risks,
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. MAXIMUM MATURITIES

To the extent possible, the City should attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 10 years from the date of purchase.

REPORTING

1. METHODS

The Finance Director shall prepare an investment report at least quarterly to the City Administrator, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City Administrator to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include the following:

- Listing of individual securities held at the end of the reporting period,
- Realized and unrealized gains for losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year,
- Average yield to maturity of portfolio on investments as compared to applicable benchmarks,
- Listing of investment by maturity date,
- Percentage of the total portfolio which each type of investment represents.

2. PERFORMANCE STANDARDS

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should seek to obtain a market average rate of return during an economic environment of stable interest rates.

3. MARKING TO MARKET

The market value of this portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued to the City Administrator at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the recommended practice.

POLICY CONSIDERATIONS

The City's investment policy shall be adopted by resolution by the City Council and will be reviewed on an annual basis. Any changes must be made in consultation with the Finance Director and approved by the City Council.

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

STATUTORY AUTHORITY

Specific investment parameters for the investment of public funds by the City are found in Minnesota Statutes Chapters 118A. Copy attached to this policy.

LIST OF ATTACHMENTS

The following documents, as applicable, are attached to this policy:

- Relevant investment statutes and ordinances.

INVESTMENT POLICY APPROVAL

This policy was accepted and approved by the City Council on November 16, 2021.

City of Isanti Investment Policy

APPENDIX A

**LISTING OF AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS
AND LIST OF AUTHORIZED PERSONNEL**

AS OF 11/16/2021

Financial Institution

RBC Capital Markets

Falcon National Bank

Authorized Personnel

Finance Director

City Administrator

City of Isanti Investment Policy

APPENDIX B

RELEVANT INVESTMENT STATUTES AND ORDINANCES

AS OF 11/16/2021

118A.01 DEFINITIONS.

Subdivision 1. Application.

The definitions in this section apply to sections **118A.01** to **118A.06**.

Subd. 2. Government entity.

(a) "Government entity" means a county, city, town, school district, hospital district, public authority, public corporation, public commission, special district, any other political subdivision, except an entity whose investment authority is specified under chapter 11A or 356A.

(b) For the purposes of sections **118A.02** and **118A.03** only, the term includes an American Indian tribal government entity located within a federally recognized American Indian reservation.

Subd. 3. Financial institution.

"Financial institution" means a savings association, commercial bank, trust company, credit union, or industrial loan and thrift company.

Subd. 4. Public funds.

"Public funds" means all general, special, permanent, trust, and other funds, regardless of source or purpose, held or administered by a government entity, unless otherwise restricted.

History:

1996 c 399 art 1 s 2; 1999 c 151 s 39

118A.02 DEPOSITORIES; INVESTING; SALES, PROCEEDS, IMMUNITY.

Subdivision 1. Designation; delegation.

(a) The governing body of each government entity shall designate, as a depository of its funds, one or more financial institutions.

(b) The governing body may authorize the treasurer or chief financial officer to:

(1) designate depositories of the funds;

(2) make investments of funds under sections **118A.01** to **118A.06** or other applicable law; or

(3) both designate depositories and make investments as provided in this subdivision.

118A.02 DEPOSITORIES; INVESTING: SALES, PROCEEDS, IMMUNITY. (CONTINUED)

Subd. 2. Sale; proceeds; immunity, if loss.

(a) The treasurer or chief financial officer of a government entity may at any time sell obligations purchased pursuant to this section and the money received from such sale, and the interest and profits or loss on such investment shall be credited or charged, as the case may be, to the fund from which the investment was made.

(b) Neither such official nor government entity, nor any other official responsible for the custody of such funds, shall be personally liable for any loss sustained from the deposit or investment of funds in accordance with the provisions of sections **118A.04** and **118A.05**.

History:

1996 c 399 art 1 s 3

118A.03 WHEN AND WHAT COLLATERAL REQUIRED.

Subdivision 1. For deposits beyond insurance.

To the extent that funds on deposit at the close of the financial institution's banking day exceed available federal deposit insurance, the government entity shall require the financial institution to furnish collateral security or a corporate surety bond executed by a company authorized to do business in the state. For the purposes of this section, "banking day" has the meaning given in Federal Reserve Board Regulation CC, Code of Federal Regulations, title 12, section 229.2(f), and incorporates a financial institution's cutoff hour established under section **336.4-108**.

Subd. 2. In lieu of surety bond.

The following are the allowable forms of collateral in lieu of a corporate surety bond:

- (1) United States government Treasury bills, Treasury notes, Treasury bonds;
- (2) issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- (3) general obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- (4) general obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- (5) irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- (6) time deposits that are fully insured by any federal agency.

118A.03 WHEN AND WHAT COLLATERAL REQUIRED. (CONTINUED)

Subd. 3. Amount.

The total amount of the collateral computed at its market value shall be at least ten percent more than the amount on deposit at the close of the financial institution's banking day, except that where the collateral is irrevocable standby letters of credit issued by Federal Home Loan Banks, the amount of collateral shall be at least equal to the amount on deposit at the close of the financial institution's banking day. The financial institution may furnish both a surety bond and collateral aggregating the required amount.

Subd. 4. Assignment.

Any collateral pledged shall be accompanied by a written assignment to the government entity from the financial institution. The written assignment shall recite that, upon default, the financial institution shall release to the government entity on demand, free of exchange or any other charges, the collateral pledged. Interest earned on assigned collateral will be remitted to the financial institution so long as it is not in default. The government entity may sell the collateral to recover the amount due. Any surplus from the sale of the collateral shall be payable to the financial institution, its assigns, or both.

Subd. 5. Withdrawal of excess collateral.

A financial institution may withdraw excess collateral or substitute other collateral after giving written notice to the governmental entity and receiving confirmation. The authority to return any delivered and assigned collateral rests with the government entity.

Subd. 6. Default.

For purposes of this section, default on the part of the financial institution includes, but is not limited to, failure to make interest payments when due, failure to promptly deliver upon demand all money on deposit, less any early withdrawal penalty that may be required in connection with the withdrawal of a time deposit, or closure of the depository. If a financial institution closes, all deposits shall be immediately due and payable. It shall not be a default under this subdivision to require prior notice of withdrawal if such notice is required as a condition of withdrawal by applicable federal law or regulation.

Subd. 7. Safekeeping.

All collateral shall be placed in safekeeping in a restricted account at a Federal Reserve bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection shall be approved by the government entity.

History:

1996 c 399 art 1 s 4; 2003 c 51 s 15,16; 2004 c 151 s 1,2; 2004 c 174 s 2; 2007 c 44 s 7; 2007 c 57 art 3 s 39; 2008 c 154 art 10 s 1; 2014 c 292 s 1

NOTE: The amendments made to subdivisions 1 and 3 by Laws 2004, chapter 151, sections 1 and 2, are effective retroactively from the beginning of a government entity's fiscal year 2003 and apply to each fiscal year thereafter. Laws 2004, chapter 151, section 3.

118A.04 INVESTMENTS.

Subdivision 1. **What may be invested.** Any public funds, not presently needed for other purposes or restricted for other purposes, may be invested in the manner and subject to the conditions provided for in this section.

Subd. 2. **United States securities.** Public funds may be invested in governmental bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress.

Subd. 3. **State and local securities.** Funds may be invested in the following:

(1) any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating service;

(2) any security which is a revenue obligation of any state or local government which is rated "AA" or better by a national bond rating service;

(3) a general obligation of the Minnesota housing finance agency which is a moral obligation of the state of Minnesota and is rated "A" or better by a national bond rating agency; and

(4) any security which is an obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to section 126C.55.

Subd. 4. **Commercial papers.** Funds may be invested in commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less.

Subd. 5. **Time deposits.** Funds may be invested in time deposits that are fully insured by the Federal Deposit Insurance Corporation or bankers acceptances of United States banks.

Subd. 6. **High-risk mortgage-backed securities.** For the purposes of this section and section 118A.05, "high-risk mortgage-backed securities" are:

(1) interest-only or principal-only mortgage-backed securities; and

(2) any mortgage derivative security that:

(i) has an expected average life greater than ten years;

(ii) has an expected average life that:

(A) will extend by more than four years as the result of an immediate and sustained parallel shift in the yield curve of plus 300 basis points; or

(B) will shorten by more than six years as the result of an immediate and sustained parallel shift in the yield curve of minus 300 basis points; or

(iii) will have an estimated change in price of more than 17 percent as mediate and sustained parallel shift in the yield curve of plus or minus 300 basis points.

118A.04 INVESTMENTS.

Subd. 7. **Temporary general obligation bonds.** Funds may be invested in general obligation temporary bonds of the same government entity issued under section 429.091, subdivision 7, 469.178, subdivision 5, or 475.61, subdivision 6.

Subd. 8. **Debt service funds.** Funds held in a debt service fund may be used to purchase any obligation, whether general or special, of an issue which is payable from the fund, at such price, which may include a premium, as shall be agreed to by the holder, or may be used to redeem any obligation of such an issue prior to maturity in accordance with its terms. The securities representing any such investment may be sold by the government entity at any time, but the money so received remains part of the fund until used for the purpose for which the fund was created. Any obligation held in a debt service fund from which it is payable may be canceled at any time unless otherwise provided in a resolution or other instrument securing obligations payable from the fund.

Subd. 9. **Broker; statement and receipt.** (a) For the purpose of this section and section 118A.05, the term "broker" means a broker-dealer, broker, or agent of a government entity, who transfers, purchases, sells, or obtains securities for, or on behalf of, a government entity.

(1) Prior to completing an initial transaction with a broker, a government entity shall provide annually to the broker a written statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota Statutes governing the investment of public funds.

(2) A broker must acknowledge annually receipt of the statement of investment restrictions in writing and agree to handle the government entity's account in accordance with these restrictions. A government entity may not enter into a transaction with a broker until the broker has provided this written agreement to the government entity.

(3) The state auditor shall prepare uniform notification forms which shall be used by the government entities and the brokers to meet the requirements of this subdivision.

History: 1996 c 399 art 1 s 5; 2013 c 143 art 12 s 1; 2014 c 292 s 2,3

118A.05 CONTRACTS AND AGREEMENTS.

Subdivision 1. May enter into.

In addition to other authority granted in sections **118A.01** to **118A.06**, government entities may enter into contracts and agreements as follows.

stat.118A.05.2

Subd. 2. Repurchase agreements.

Repurchase agreements consisting of collateral allowable in section **118A.04**, and reverse repurchase agreements may be entered into with any of the following entities:

- (1) a financial institution qualified as a "depository" of public funds of the government entity;
- (2) any other financial institution which is a member of the Federal Reserve System and whose combined capital and surplus equals or exceeds \$10,000,000;
- (3) a primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or
- (4) a securities broker-dealer licensed pursuant to chapter 80A, or an affiliate of it, regulated by the Securities and Exchange Commission and maintaining a combined capital and surplus of \$40,000,000 or more, exclusive of subordinated debt.

118A.05 CONTRACTS AND AGREEMENTS.

Reverse agreements may only be entered into for a period of 90 days or less and only to meet short-term cash flow needs. In no event may reverse repurchase agreements be entered into for the purpose of generating cash for investments, except as stated in subdivision 3.

stat.118A.05.3

Subd. 3. Securities lending agreements.

Securities lending agreements, including custody agreements, may be entered into with a financial institution meeting the qualifications of subdivision 2, clause (1) or (2), and having an office located in Minnesota. Securities lending transactions may be entered into with entities meeting the qualifications of subdivision 2 and the collateral for such transactions shall be restricted to the securities described in this section and section **118A.04**.

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Subd. 4. Minnesota joint powers investment trust.

Government entities may enter into agreements or contracts for:

- (1) shares of a Minnesota joint powers investment trust whose investments are restricted to securities described in this section, section **118A.04**, and section **118A.07**, subdivision 7;
- (2) units of a short-term investment fund established and administered pursuant to regulation 9 of the Office of the Comptroller of the Currency, in which investments are restricted to securities described in this section and section **118A.04**;
- (3) shares of an investment company which is registered under the Federal Investment Company Act of 1940 and which holds itself out as a money market fund meeting the conditions of rule 2a-7 of the Securities and Exchange Commission and is rated in one of the two highest rating categories for money market funds by at least one nationally recognized statistical rating organization; or
- (4) shares of an investment company which is registered under the Federal Investment Company Act of 1940, and whose shares are registered under the Federal Securities Act of 1933, as long as the investment company's fund receives the highest credit rating and is rated in one of the two highest risk rating categories by at least one nationally recognized statistical rating organization and is invested in financial instruments with a final maturity no longer than 13 months.

stat.118A.05.5

Subd. 5. Guaranteed investment contracts.

Agreements or contracts for guaranteed investment contracts may be entered into if they are issued or guaranteed by United States commercial banks, domestic branches of foreign banks, United States insurance companies, or their Canadian subsidiaries, or the domestic affiliates of any of the foregoing. The credit quality of the issuer's or guarantor's short- and long-term unsecured debt must be rated in one of the two highest categories by a nationally recognized rating agency. Agreements or contracts for guaranteed investment contracts with a term of 18 months or less may be entered into regardless of the credit quality of the issuer's or guarantor's long-term unsecured debt, provided that the credit quality of the issuer's short-term unsecured debt is rated in the highest category by a nationally recognized rating agency. Should the issuer's or guarantor's credit quality be downgraded below "A", the government entity must have withdrawal rights.

History:

1996 c 399 art 1 s 6; 1997 c 219 s 1; 2000 c 493 s 1; 2005 c 152 art 1 s 2; 2010 c 234 s 1; 2010 c 385 s 4; 2013 c 143 art 12 s 2; 2014 c 292 s 4

118A.06 SAFEKEEPING; ACKNOWLEDGEMENTS.

- (a) Investments, contracts, and agreements may be held in safekeeping with:
- (1) any Federal Reserve bank;
 - (2) any bank authorized under the laws of the United States or any state to exercise corporate trust powers, including, but not limited to, the bank from which the investment is purchased;
 - (3) a primary reporting dealer in United States government securities to the Federal Reserve Bank of New York; or
 - (4) a securities broker-dealer, or an affiliate of it, that meets the following requirements:
 - (i) it is registered as a broker-dealer under chapter 80A or is exempt from the registration requirements;
 - (ii) it is regulated by the Securities and Exchange Commission; and
 - (iii) it maintains insurance through the Securities Investor Protection Corporation or excess insurance coverage in an amount equal to or greater than the value of the securities held.
- (b) The government entity's ownership of all securities under paragraph (a) must be evidenced by written acknowledgments identifying the securities by the names of the issuers, maturity dates, interest rates, CUSIP number, or other distinguishing marks.

History:

1996 c 399 art 1 s 7; 2010 c 234 s 2

118A.07 ADDITIONAL INVESTMENT AUTHORITY.

118A.07 ADDITIONAL INVESTMENT AUTHORITY.

stat.118A.07.1

Subdivision 1.Authority provided.

As used in this section, "governmental entity" means a city with a population in excess of 200,000, a county that contains a city of that size, or the Metropolitan Council. If a governmental entity meets the requirements of subdivisions 2 and 3, it may exercise additional investment authority under subdivisions 4, 5, and 6.

stat.118A.07.2

Subd. 2.Written policies and procedures.

Prior to exercising any additional authority under subdivisions 4, 5, and 6, the governmental entity must have written investment policies and procedures governing the following:

- (1) the use of or limitation on mutual bond funds or other securities authorized or permitted investments under law;
- (2) specifications for and limitations on the use of derivatives;
- (3) the final maturity of any individual security;
- (4) the maximum average weighted life of the portfolio;
- (5) the use of and limitations on reverse repurchase agreements;
- (6) credit standards for financial institutions with which the governmental entity deals; and
- (7) credit standards for investments made by the governmental entity.

stat.118A.07.3

Subd. 3.Oversight process.

Prior to exercising any authority under subdivisions 4, 5, and 6, the governmental entity must establish an oversight process that provides for review of the governmental entity's investment strategy and the composition of the financial portfolio. This process shall include one or more of the following:

- (1) audit reviews;
- (2) internal or external investment committee reviews; and
- (3) internal management control.

Additionally, the governing body of the governmental entity must, by resolution, authorize its treasurer to utilize the additional authorities under this section within their prescribed limits, and in conformance with the written limitations, policies, and procedures of the governmental entity.

If the governing body of a governmental entity exercises the authority provided in this section, the treasurer of the governmental entity must annually report to the governing body on the findings of the oversight process required under this subdivision. If the governing body intends to continue to exercise the authority provided in this section for the following calendar year, it must adopt a resolution affirming that intention by December 1.

stat.118A.07.4

Subd. 4.Repurchase agreements.

A governmental entity may enter into repurchase agreements as authorized under section **118A.05**, provided that the exclusion of mortgage-backed securities defined as "high-risk mortgage-backed securities" under section **118A.04, subdivision 6**, shall not apply to repurchase agreements under this authority if the margin requirement is 101 percent or more.

stat.118A.07.5

Subd. 5.Reverse repurchase agreements.

Notwithstanding the limitations contained in section **118A.05, subdivision 2**, the governmental entity may enter into reverse repurchase agreements to:

- (1) meet cash flow needs; or
- (2) generate cash for investments, provided that the total securities owned shall be limited to an amount not to exceed 130 percent of the annual daily average of general investable monies for the fiscal year as disclosed in the most recently available audited financial report. Excluded from this limit are:
 - (i) securities with maturities of one year or less; and
 - (ii) securities that have been reversed to maturity.

There shall be no limit on the term of a reverse repurchase agreement. Reverse repurchase agreements shall not be included in computing the net debt of the governmental entity, and may be made without an election or public sale, and the interest payable thereon shall not be subject to the limitation in section **475.55**. The interest shall not be deducted or excluded from gross income of the recipient for the purpose of state income, corporate franchise, or bank excise taxes, or if so provided by federal law, for the purpose of federal income tax.

stat.118A.07.6

Subd. 6.Options and futures.

A governmental entity may enter into futures contracts, options on futures contracts, and option agreements to buy or sell securities authorized under law as legal investments for governmental entities, but only with respect to securities owned by the governmental entity, including securities that are the subject of reverse repurchase agreements under this section that expire at or before the due date of the option agreement.

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Subd. 7.Negotiable certificates of deposit.

A Minnesota joint powers investment trust may invest funds in negotiable certificates of deposit or other evidences of deposit, with a remaining maturity of three years or less, issued by a nationally or state-chartered bank, a federal or state savings and loan association, or a state-licensed branch of a foreign bank, except that for obligations with a maturity of one year or less, the debt obligations of the issuing institution or its parent are rated in the top short-term rating category by at least two nationally recognized statistical ratings organizations and for obligations with a maturity in excess of one year, the senior debt obligations of the issuing institution or its parent are rated at least A or its equivalent by at least two nationally recognized statistical ratings organizations. Investments in these instruments shall not be subject to the collateralization requirements of section **118A.03**.

History:

1996 c 399 art 1 s 8; 2014 c 292 s 5

118A.08 NO SUPERSEDING EFFECT.

Except as provided in Laws 1996, chapter 399, article 1, section 11, sections **118A.01** to **118A.06** shall not supersede any general or special law relating to the deposit and investment of public funds.

History:

1996 c 399 art 1 s 9

‘Exhibit D’

Purchasing Policy

Amended January 6, 2009
Amended December 15, 2009
Amended August 16, 2011
Amended June 3, 2014
Amended March 15, 2016- Addendum
Amended January 17, 2017
Amended October 19, 2021
Adopted November 16, 2021 (supercedes)

PURPOSE

The City of Isanti will support a purchasing policy that provides quality goods and services that meet the need of the City. These goods and services will be acquired in a manner to maximize the value received for each tax dollar spent. Purchasing policies are designed to facilitate the effective delivery of municipal services while maintaining adequate financial controls.

All purchasing by local government units is regulated by State Law. Consequently, these laws will govern each employee’s responsibility in all purchasing processes.

The primary basis for the City’s system of internal control is the City’s annual budget. The budget, as adopted by the City Council, serves as the basis for the City’s spending for that year. All purchases must be within a department’s annually adopted final operating or capital budget.

It will be the responsibility of each City employee to adhere to the purchasing process and procedures for the actual ordering/purchasing of goods and services, procedures for receiving and reporting purchases and procedures for payment of vendor invoices.

The City of Isanti encourages its staff to consider local purchasing when all factors are relatively equal.

GUIDELINES

It is the policy of the City of Isanti that the following ethical principles shall govern the conduct of every employee involved, directly or indirectly, in the City procurement process.

1. All purchases must be within a department’s annually adopted final operating or capital budget.
2. Employees will avoid activities which would compromise or give the perception of compromising the best interests of the City of Isanti. Employees will not knowingly use confidential proprietary information for actual or anticipated personal gain.
3. Employees will follow guidelines outlined within the City’s approved Fuel Card and Credit Card Use Program.
4. Employees will avoid any activity that would create a conflict between their personal

interest and the best interest of the City. Conflicts exist in any relationship where a person is not acting in the City's best interest and may be acting in their own interest or the interest of someone associated with them. Such conflicts of interest would include being involved in any procurement in which:

- a. The employee or any member of the employee's family has a financial interest pertaining to the City procurement process.
- b. A business or organization in which the employee, or any member of the employee's family, has a financial interest pertaining to the City procurement process.
- c. Any other person, business, or organization with whom the employees or a member of the employee's family is negotiating or has an arrangement concerning prospective employment.

If such conflicts of interest exist, the employee will notify the City Administrator in writing and will remove him/herself from the City procurement process.

5. Employees will avoid the appearance of unethical or compromising practices in relationship, actions, and communications regarding the procurement process.
6. Employees will never solicit or accept money, loans, gifts, favors, or anything of value, from present or potential contractors which might influence or appear to influence a purchasing decision. If anyone is in doubt about whether a specific transaction complies with this policy, the person should disclose the transaction to the City Administrator for a determination of compliance.
7. The City of Isanti shall be environmentally conscious by encouraging the use of recycled products whenever reasonably practical and in the best interest of the City.
8. It is City policy not to endorse or in any way permit an employee's name, position or the City's name to be used and advertised as supporting a product or vendor. This does not apply to giving references for products or services used by the City.
9. No individual shall be allowed to make any purchases for personal use through the City.
10. Effective January 1, 2014, the City, with the exception of the Liquor Store, is exempt from paying sales tax on most goods and services. Reference Minnesota Statutes for current guidelines on Local Government Sales and Use Tax Exemptions.

PURCHASING PROCEDURES

These policies regulating the degree of formality are to be followed in the purchase of goods and services, depending on the costs of the items to be purchased. The splitting of purchases into smaller orders to avoid these requirements is strictly prohibited.

Purchase Level

\$0 - \$2,500

Quotes/Bids

Invoice

Approving Authority

Department Head

\$2,500.01 - \$10,000
\$10,000.01 - \$20,000
\$20,000.01 - \$100,000
Over \$100,000

2 Written Quotes*
2 Written Quotes*
3 Written Quotes *
Bids

Finance Director
City Administrator
City Council
City Council

**Written quotes or a completed quote form is to be attached where there is more than one feasible source*

All purchases must be within a department's annually adopted final operating or capital budget.

Purchases Under \$2,500. Department heads are authorized to purchase directly from vendors for any purchase under \$2,500. It is the responsibility of each Department head to insure complete control over this segment of the purchasing process. It is recommended that equipment purchases under \$2,500 should have two (2) quotations to confirm competitive pricing. Department heads should designate employees who will be allowed to make purchases and to provide internal control procedures to ensure that all purchases are for legitimate public purposes and all purchases accounted for.

Purchases from \$2,500.01 to \$10,000. Purchase requisitions for goods or services having a value of \$2,500 to \$10,000 must be submitted for approval by the City Finance Director prior to placing an order with a vendor. Before submitting a purchase requisition, Department heads must obtain two (2) or more written quotations for the goods or services required. The quotations may be in any written format and signed by an authorized representative of the vendor. The purchase requisition awarding the purchase to the lowest responsible bidder should then be forwarded to the City Finance Director who will check to ensure that the quotation form has been completed correctly and that funds are available in the appropriate budget. If Department heads are unable to secure two (2) quotations, a notation explaining why less than two (2) qualified vendors were available should be made on the quotation form, attached to the purchase order and forwarded to the City Finance Director. When seeking two (2) quotes, the practice of "auctioneering" should be avoided by refusing to disclose to a vendor the price quoted by competitors. Purchase requisition and quotation request form will be attached to the appropriate City Council bill list.

Purchases from \$10,000.01 to \$20,000 The same procedures apply as when purchasing from \$2,500 to \$10,000 except that once approved by the Finance Director further approval must be made by the City Administrator.

Purchases from \$20,000.01 to \$175,000 Prior to processing a purchase requisition to secure goods or services valued at \$20,000 to \$100,000, Department heads must obtain three (3) written quotations. For purchases over \$25,000 the State of Minnesota's Cooperative Purchasing Venture (CPV) must be considered. If Department Heads are unable to secure three (3) written quotations a memo explaining why less than three (3) qualified vendors were available as well as the Quotation Request form should be attached to the purchase order and forwarded to the City Clerk/Assistant for placement on the City Council agenda. All purchases over \$20,000 require City Council approval. The Quotation Request form requires appropriate planning to ensure that adequate lead time is available to satisfy the purchasing requirements.

Purchases over \$175,000 Department heads anticipating the purchase of goods or services valued over \$175,000 should prepare specifications based upon standards appropriate to meet the City's

needs. For local improvement contracts that are paid for with special assessments the purchases over \$175,000 process must be used. Specifications should be forwarded to the City Clerk. The City Clerk will then direct the preparation of the necessary bid packet, public notices and advertisements to meet the City's purchasing policy and will also send invitations to bid to qualified vendors. Department heads should submit a list of such vendors along with the specifications. A bid packet containing an invitation to bid, specifications, and general bid documents will be sent to these vendors, as well as those that respond to the legal notice. Formal bids will be advertised for at least ten (10) business days prior to bid opening.

After the bids are opened, the bids will be referred to the Department head for review. The Department head will prepare a written tabulation of all bids and draft a memo to the City Clerk that will be placed on the next City Council Agenda, which will include the Department heads recommendation for the bid award. All purchases over \$20,000 must be awarded by the City Council. The award will normally be made to the low bidder meeting specifications. If not, documentation should be made to list the reasons why other than the low bidder was selected in the best interest of the City. Performance bonds and payments bonds are required for all public work contracts over \$75,000. Bid bonds may be requested. Workers compensation insurance and general insurance certificates may also be required with the City of Isanti named as an additional insured.

Independent Contractor Exemption Certificate (ICEC) Residential and commercial building construction or improvement service independent contractors carrying on a trade or business as a sole proprietor must present an ICEC when submitting a quote or bid. In accordance with state law if a sole proprietor does not have an ICEC the individual becomes an employee of the City of Isanti. Payments made to a sole proprietor are subject to 2% withholding for Minnesota income tax if the work was performed in the State of Minnesota and the total payments during the year exceed \$600.

State of Minnesota Cooperative Purchasing Program All requirements of this policy are deemed to be met if purchases are made through this State Program. Depending upon purchase level of item appropriate approvals still apply. All purchases over \$25,000 require consideration of the Cooperative Purchasing Venture (CPV).

Cumulative Purchases The same purchase level guidelines under PURCHASING GUIDELINES remain effective for the total amount purchased throughout the year, however purchases for the same product may be made by a department by obtaining quotes/bids once during the year. Example: Sand/salt purchases for public works.

Emergency Purchases An "emergency" is defined as an unforeseen combination of circumstances that calls for immediate action to prevent a "disaster" from developing or occurring. A "disaster" is defined as a situation that creates an actual or imminent serious threat to the health and safety of persons, or a situation that has resulted or is likely to result in catastrophic loss to property or the environment, and for which traditional sources of relief and assistance within the affected area are unable to repair or prevent the injury or loss.

A "public health emergency" means an occurrence or imminent threat of an illness or health condition in Minnesota where there is evidence that the cause of the illness or health condition is bioterrorism, or an airborne infectious agent or toxin and that the illness poses a high probability of a large number of deaths or disabilities or widespread exposure to an airborne infectious agent that poses a significant risk to a large number of people.

Unbudgeted Expenditures by Department Heads may be permitted with approval from the City Administrator in amounts up to \$1,000 provided the expenditure is deemed necessary by the City Administrator and does not leave the Department's aggregate budget over the annually approved budget amount. If the latter occurs a budget amendment may be required at the direction of the Finance Director.

Professional Services are considered to be unique and are not subject to the bid law even though the contract amount may exceed \$175,000. This group includes: architects, engineers, construction managers, attorneys, accountants, consultants, and other services requiring technical, scientific or professional training

Request For Proposal (RFP) can be prepared much the same way as specifications including requirements and minimum standards for the services to be provided. RFP's should be submitted to the city council for review and approval prior to distribution. When a RFP is approved, a limited number of qualified professionals will be invited to submit a proposal setting forth their interest, qualifications and how they can meet the City's needs. In securing professional services it is the primary goal of the City to obtain the services of a professional who has a proven record of providing in a professional way those services required. A contract will be negotiated with the professional deemed to best meet the City's needs.

Contracts Only the city council may make contracts on behalf of the city. Individual council members, council committees, and city administrative officers may not enter into these contracts.

The following purchases are exempt from this purchasing policy:

Utility invoices-telephone, electric, natural gas, gasoline, mileage, products purchased for resale, emergency purchases, maintenance and repairs, schools, conferences and meeting reimbursements.

Major capital repairs beyond normal maintenance are NOT exempt from the purchasing policy.

Environmental Sustainability is promoted by conserving natural resources, minimizing environmental impacts, such as pollution and supporting strong recycling markets. Increasing the use and availability of environmentally preferable products that protect the environment. Rewarding manufacturers and vendors that reduce environmental impacts in their production and distribution systems. Creating a model for successfully purchasing environmentally preferable products that encourages other purchasers in our community to adopt similar goals. Lowering overall costs by addressing full cost accounting (purchase, maintenance, disposal, staff time, and labor) and leveraging buying power.

The following guidelines are to be followed as practicable by the City of Isanti:

1. Recycled Paper Products and Recycled-Content Products. Per Minnesota Statute 16B.122 and per the Federal Environmental Protection Agency's (EPA) requirements, the City of Isanti will endeavor to purchase paper products containing the highest postconsumer content practicable, but no less than 30% recycled-content for copy paper (which is the minimum recycled content standard established by the EPA Comprehensive Procurement Guidelines: www.epa.gov). The City should purchase other products made with recycled material whenever possible and economically feasible.

2. Waste Minimization. The City should buy in bulk whenever practicable to reduce packaging. Packaging that is reusable, recyclable or compostable is preferred, when suitable uses and programs exist.
3. Energy Saving Products. All appliances and products purchased by the City, for which the US EPA Energy Star certification is available, will meet Energy Star certification, provided such products are available and financially feasible (www.energystar.gov). This would include lighting systems, exhaust fans, water heaters, computers, exit signs, and appliances, such as refrigerators, dishwashers, and microwave ovens.
4. Water Saving Products. Water saving products purchased by the City will meet the WaterSense certification when such products are available and financially feasible (www.epa.gov.) This includes, but is not limited to, high-performing fixtures, such as toilets, waterless urinals, low-flow faucets and aerators, and upgraded irrigation systems.
5. Cleaning Products. Cleaning products purchased by the City will meet Green Seal, EcoLogo, and/or U.S. EPA Design for the Environment cleaning product standards, if such products are practicable, available, and perform to an acceptable standard.
6. Lighting. The City should purchase and install LED lighting on any new construction, retrofits, remodels or replacement projects, including street lighting.

When purchasing products and services for the City, staff will:

1. Ensure that specifications support the use of reusable, recycled, or environmentally preferable products by following these guidelines.
2. Evaluate environmentally preferable products to determine the extent to which they may be used by the department and its contractors.
3. Facilitate data collection on purchases of designated environmentally preferable products by the department in order to determine the effectiveness of the products and services.
4. Use a standard of accepting a 10% increased cost for these items. Financial incentives should be taken into consideration in cost comparisons.
5. All City departments are responsible for implementation of this policy and to ensure their respective employees are fully aware and supportive of the City's policy to purchase environmentally preferable goods and services. City staff will implement environmental sustainability guidelines in conjunction with the city's normal purchasing procedure and with consideration of the above price differential

Attachments:

Quotation Request Form
Purchase Requisition

‘Exhibit E’

Federal Grants Administration Policy

Adopted November 16, 2021

Goal

The goal of the City Council is to establish administrative requirements and cost principles for Federal grant awards received by the City of Isanti and the Economic Development Authority of the City of Isanti that comply with Key Policy Areas identified by the Office of Management and Budget.

Objective

The objective of the City Council in meeting this goal is to ensure compliance with OMB Uniform Grant Guidance:

- a. Have effective controls in place to manage Federal awards and show compliance with Federal Statutes, regulations and terms and conditions of the award by identifying how compliance is evaluated and monitored.
- b. Have reasonable procedures in place to protect personally identifiable information (PII) and other information identified as sensitive by Federal agency or pass-through entity.

Procedures

1. Segregation of Duties

- a. Personally identifiable information (PII) and sensitive data as defined by a Federal Agency or pass-through entity shall be accessible only by employees who have been determined to have need for the information. The City Administrator and the Finance Director will determine which city staff members need access to personally identifiable information that may be acquired through various Federal grant processes.
- b. Only those staff members who are required to access personally identifiable information will be authorized to access it when needed to produce accurate and complete financial data for reliable and timely financial and management reports.
- c. The Department Head for the department receiving a Federal Grant Award shall be the primary responsible person to review and approve all costs associated with the Grant.
- d. All required reports related to a Federal Grant shall be prepared by the responsible Department Head and reviewed and signed by the City Administrator and any other official as required in the Grant document.

2. Accounting Controls

- a. The financial accounting system must identify all federal awards in all accounts that are received and expended by:
 - i. CFDA number and title

- ii. Federal award ID and year
 - iii. Name of federal awarding agency
 - iv. Pass-through entity's name
- b. The payment process shall follow the accounting procedures for Accounts Payable.
- c. The Department Head assigned responsibility for a federal grant shall review and approve all requests for payment under the federal grant in accordance with Subpart E Cost Principles as well as the terms and conditions of the federal grant award.
- d. Federal grant payments received shall be disbursed according to the terms and conditions of the federal grant award. If grant disbursement guidelines are not included the grant proceeds shall be disbursed within 30 days of receipt.
- e. Payments to sub recipients are:
 - i. Not required to be maintained in separate depository accounts for federal awarded funds.
 - ii. Required to be accounted for by receipt, obligation and expenditure of federal funds.
- f. Travel costs must be consistent with Section 905 of the City of Isanti Personnel Policy.
- g. Personnel compensation from Federal grant awards shall follow the accounting procedures for Payroll to ensure accurate recording of an employee's time activities associated with a federal award.
- h. Complete payroll documentation must be maintained for all employees whose salaries are paid in full or in part by a federal award (200.430 (i) (1); and used in meeting cost sharing or matching requirements on Federal awards (200.430 (i) (4)).
- i. Contracts using Federal grant funds shall be with responsible contractors that can perform successfully meeting the requirements and terms and conditions of contract award based on:
 - i. Contractor integrity
 - ii. Compliance with public policy
 - iii. Record of past performance
 - iv. Financial and technical resources
- j. Conflict of interest disclosure:
 - i. Conflict of Interest forms shall be reviewed to determine if any conflict of interest exists in regard to a Federal Grant Award.
 - ii. Any potential conflict of interest that an employee may have relating to a Federal Grant Award must be disclosed in writing to the City Administrator and the Grant issuing Federal Agency.
 - iii. Any violation of Federal criminal law that involves fraud, bribery or gratuities that could affect a Federal Grant Award must be disclosed in writing to the City Administrator and Grant issuing Federal Agency.
 - iv. Any contractual or administrative issues, which may include disputes, protests and source evaluations, must be referred to the office of the City

Attorney who must provide guidance and facilitate a legal solution to the issue.

- k. Procurement of items to be purchased using Federal grant funds shall follow the Purchasing Policy contained in this manual and shall follow all state and federal rules and regulations.
 - i. Reasonable effort must be made to avoid purchasing unnecessary or duplicative items.
 - ii. Records must be maintained with sufficient detail to provide a historical or audit trail for the procurement.
 - iii. Employees who have a conflict of interest relating to the selection of a contractor who will be paid from Federal Grant funds must disclose such conflict of interest to the City Administrator who shall name another employee to select an appropriate contractor.
- l. Performance reporting will require:
 - i. Financial data to be related to performance of accomplishments.
 - ii. Oversight and monitoring must cover each program or activity.
 - iii. Quantifiable data when available.
 - iv. Trend data or data analysis
 - v. Explanation of reasons why goals were not met or explanation of any cost overruns.
- m. Prior written approval must be received from the Federal Grant Award Agency for indirect costs or the incurrence of special or unusual costs and the Federal Agency approval should include timeframe or written agreement.
- n. Report Certification for the Authorizing Official for any Federal Grant Award must sign a certification on the annual and final fiscal report or voucher requesting payments that includes the following language:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objective set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-32730 and 3801-3812).”



Memo for Council Action

To: Mayor Johnson and Members of the City Council
From: Finance Director Betker
Date: November 16, 2021
Subject: Closing Debt Service Fund 929

Background:

Final payment on the 2010B General Obligation Improvement Refunding Bonds is due by December 1st 2021. That final payment is to be approved at this November 2nd 2021 Council meeting. Upon final payment the Debt Service Fund should be closed per accounting standards.

Recommendation:

Finance Director Betker is recommending that the cash balance remaining in fund 929 after the final debt payment has been made be transferred to the General Fund and that all remaining special assessments receivable be transferred to Fund 920. This fund closure and cash transfer has been previously discussed and accounted for within the previously presented preliminary 2022 Budget.

Request:

Staff is requesting approval of the attached Resolution.

Attachments:

- Res 2021-XXX Authorizing the Closing of Debt Service Fund 929

RESOLUTION 2021-XXX

AUTHORIZING THE CLOSING OF DEBT SERVICE FUND 929

WHEREAS, the City Council of Isanti finds that it is important to review financing to eliminate deficits in certain funds and close funds with no recent activity or for projects that are materially complete; and

WHEREAS, the City Council of Isanti finds that it is in the best interest of the community to close Debt Service Fund 929 to the General Fund (101) and Fund 920 – Capital Replacement Fund effective upon final scheduled payment of the debt service schedule; and

WHEREAS, the remaining cash balance in Fund 929 will be transferred to the General Fund and all remaining special assessments receivable will be closed to Fund 920.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Isanti, Minnesota, to:

1. Close Fund 929 – 2010B GO Improvement Refunding Bonds to the General Fund and Fund 920 – Capital Replacement Fund.

Adopted by the Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

FORGIVING INTERFUND LOAN PAYABLE FROM GENERAL FUND TO WATER AND SEWER UTILITIES

WHEREAS, the Isanti City Council has annually approved budgeted repayment of funds advanced to the General Fund by the Water and Sewer Utilities; and

WHEREAS, the General Fund had been making transfers of \$28,330 and \$56,670 annually to the Water and Sewer Funds respectively, that began in budget year 2019 and were scheduled to conclude in the 2028 budget year; and

WHEREAS, the fiscal health of the Water and Sewer Utilities is such that the repayment of these obligations is no longer a financial imperative; and

WHEREAS, the Isanti City Council has determined that it is in the best interest of the City to end the repayment schedule effective with the 2021 budget and consider the obligation of the General Fund to be completed.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Isanti, Minnesota as follows:

1. The City Council approves ending the aforementioned 10-year repayment schedule in budget year 2021.
2. The Finance Director is authorized to make the needed budget amendments within the 2021 Budget to conclude the repayment schedule with no transfers occurring in 2021.

This Resolution is hereby approved by the Isanti City Council this 16th day of November, 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk

Isanti Police Department

PO Box 428, 401 First Ave NW, Isanti, MN 55040 763-444-4761



Memo

To: Mayor Johnson and Members of the City Council
From: Travis Muyres, Police Chief
Date: November 16, 2021
Subject: Resolution Approving Archery Hunting regulations

Background:

Resolution 2010-193 adopted protocols to allow archery deer hunting within the city limits of Isanti. Discussion on proposed changes was held at October 19th Committee of Whole meeting.

Recommendation:

With new property annexation and changes over the past 11 years staff is requesting council approval on proposed changes.

Attachment:

- Resolution 2021-XXX

RESOLUTION 2021-XXX

RESOLUTION APPROVING ARCHERY HUNTING REGULATIONS

WHEREAS, the City of Isanti has regulations regarding hunting pursuant to City Code Chapter 188; and,

WHEREAS, requests have been made to the City of Isanti to bow hunt whitetail deer in the City; and,

WHEREAS, the City Council to allow archery hunting with conditions set by the City of Isanti and in conformance with hunting regulations specified by the Minnesota Department of Natural Resources;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Isanti, Minnesota to approve bow hunting in the City of Isanti as follows:

1. Under specific conditions attached as 'Exhibit A'.
2. Bow hunting in the City of Isanti shall be administered by the Isanti Police Department.

This Resolution was duly adopted by the Isanti City Council this 16th day of November 2021.

ATTEST:

Mayor Jeff Johnson

Jaden Strand
City Clerk

EXHIBIT A

1. Areas open for archery hunting of deer shall be single parcels larger than 40 contiguous acres.
2. Signed written permission from the property owner(s) of the tract that will be hunted. A map will be provided by the hunter to the City identifying the tracts, boundaries and closest residential structures. All hunting must be performed on those tracts.
3. Each 40 acre parcel is limited to two (2) archery hunting permits per each open bow season as set by the Minnesota Department of Natural Resources. If more than 2 hunters apply for permission from the City of Isanti to hunt in a designated area, a random drawing conducted by the City shall be used to select the hunter(s) for that area.
4. All hunting shall be conformance with regulations of the Minnesota Department of Natural Resources.
5. Hunting for deer is limited to utilization of an elevated tree stand. No still hunting or use of ground blinds shall be allowed. A map shall be provided to the City identifying the location of the elevated tree stand.
6. The hunter shall follow all State requirements for distance for discharge of a bow from residential dwellings, commercial structures and road right of ways.
7. No hunting shall take place within 500 feet of any Isanti City park boundary.
8. The City Administrator or Police Chief may suspend hunting activities in the event of emergency in the City of Isanti.
9. These hunting activities shall be administered by the Isanti Police Department.



L.20.

MEMO for CITY COUNCIL

To: Mayor Johnson and Members of the City Council
From: Alyssa Olson, Parks, Recreation & Events Coordinator
Date: November 16, 2021
Subject: Resolution 2021-XXX Approving BMX Lighting Upgrade

Background:

Rum River BMX has outlined a plan to upgrade current lighting inside of the Isanti Indoor Arena with LED fixtures that would enhance the lighting while saving money on utilities. The project will include the following:

- Replace 16 fluorescent fixtures in ceiling with 29 LED fixtures.
- Remove existing track lighting that are on poles.
- Upgrade all other arena fluorescent fixtures to LED using existing fixtures.

All work will be completed by a licensed electrician with permits and inspections and is anticipated to begin this month. Rum River BMX will be covering all costs associated with this project and the new lighting plan will increase the average foot candle reading to between 20-25 from 6-11.

Attachment:

1. Resolution 2021-XXX Approving BMX Lighting Upgrade

RESOLUTION 2021-XXX

APPROVING BMX LIGHTING UPGRADE

WHEREAS, the Rum River BMX has outlined a plan to upgrade the current lighting system in the Isanti Indoor Arena; and,

WHEREAS, Rum River BMX is proposing the following changes:

- Replace 16 fluorescent fixtures in ceiling with 29 LED fixtures
- Remove existing track lighting on poles
- Upgrade all other fluorescent fixtures to LED using existing fixtures; and,

WHEREAS, Rum River BMX is responsible for all costs associated with this project; and,

WHEREAS, Rum River BMX will work with a licensed electrician to complete the work and acquire all necessary permits and inspection approval;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Isanti, Minnesota to hereby approve the BMX lighting upgrade.

This resolution was duly adopted by the Isanti City Council this 16th day of November 2021.

Mayor Jeff Johnson

Attest:

Jaden Strand
City Clerk

RESOLUTION 2021-XXX

AUTHORIZING SALE OF SECURITY CAMERAS AND EQUIPMENT IN THE CURRENT LIQUOR STORE

WHEREAS, the City entered into a purchase agreement on October 5, 2021, with Nick & Drew Enterprises, LLC (they buyer) for the sale of the current liquor store at 400 West Dual Blvd.; and,

WHEREAS, some of the items inside the store that were not permanent fixtures were to be negotiated outside of the purchase agreement; and,

WHEREAS, the buyer proposes to buy the security cameras and equipment for \$1,000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Isanti, that the requested sale of security cameras and equipment are approved to sell for \$1,000 be hereby **APPROVED** as requested, **BE IT FURTHER RESOLVED** that the City Council of the City of Isanti authorizes City Staff to execute said sale.

This Resolution was duly adopted by Isanti City Council this 16th day of November 2021.

Attest:

Mayor Jeff Johnson

Jaden Strand
City Clerk



Isanti Police Department Monthly Report

October 2021

<u>Reported Crime</u>	<u>Month to Date</u>	<u>Year to Date</u>
Theft	7	88
Assault	4	42
Vandalism/Damage to Property	1	47
Narcotics	7	40
Burglary	1	8
Domestics	5	54
Crim Sex	2	9
Robbery	0	0
Loud Party/Disturbance	6	57
Medical	41	360
Permit to Purchase	5	84
Security Check / Extra Patrol	344	3,743

<u>Traffic Offenses</u>	<u>Month to Date</u>	<u>Year to Date</u>
No Insurance	30	85
DUI	1	19
Accidents	10	94
Hit & Run	0	1
Warrant P/U	6	52
Speed	13	148
DAR/DAC/DAS	38	102
Administrative Citations (Including Speed)	10	93

<u>Squad Mileage</u>	<u>Month End Mileage</u>	<u>Month Miles</u>	<u>YTD Miles</u>
Ford Explorer 221	101,749	433	5,948
Ford Explorer 224	100,941	797	7,904
Ford F150 225	53,049	3,774	11,777
Chevy Impala 223	100,758	328	2,741
Dodge Durango 226	39,264	1,569	13,270
Dodge Durango 227	Unavailable - In Shop	#VALUE!	#VALUE!
Dodge Durango 228	25,936	1,736	18,250
Chevy Tahoe 229	12,209	1,209	12,209

CEZT REPORT SEPTEMBER 2021

	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan
NEW THIS MONTH				12	4	17	13	10	12	9	2	9
TOTAL YTD				83	76	72	55	42	32	20	11	9
CARRIED FWD FROM PREVIOUS MONTH				5	13	4	4	5	3	1	5	5 (2020)
CLOSED THIS MONTH				10	12	8	13	11	10	7	6	9
REMAIN OPEN END OF MONTH (NOT CITATIONS)				7	5	13	4	4	5	3	1	5 (2020)

NEW CRIMINAL CITATIONS ISSUED THIS MONTH					1					1		
OPEN CRIMINAL CITATIONS END OF MONTH				6	6	5	5	5	5	4	4	
CAN-Proh Animals. 87-1												
CCV-Comm Vehicle Storage. 227-10												
CDO Dogs. 87-Article 2				1								
CPA-Park & Store. 227-8				1	1	6	3	4	9	3	1	
CSN-Snow Removal 216-2-Q										1	1	
CSP-Admin Permits/Solicitors/Peddlers												
CST--Fish Houses, PODS, Rolloffs. 227-8												
H2O-Water restrictions. 325-17					1							
NEX-Exterior Structure, Paint/Repair												
NGA-Garbage Service & Storage. 216-4							1					
NGR--Grass/weed length. 216-2-H				7		8	6	1				
Nuisance Junk/rubbish/salvage. 216-2-L				2		2	2	3	1	3		
NOX-Noxious Weeds												
NUV-Unlicensed vehicle or missing plates. 216-2-L							1	1		2		
SGN-Signs												
UNP-Unpermitted work												
ZAC-Accessory Building. 445				1								
ZFE-Fence. 216								1	1	1		
LETTERS SENT THIS MONTH				8	3	15	5	4	8	5	1	
ABATED PROPERTIES THIS MONTH				3	1	2	1					

CITY OF ISANTI MONTHLY REPORT

October 2021

RESIDENTIAL	Number of permits		Value of permits		Surcharge		Permit Fees		Sac/Wac Fees	
	Month	YTD	Month	YTD	Month	Quarter	Month	YTD	Month	YTD
FENCE	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
ROOF / SIDING	4	135	\$0.00	\$0.00	\$4.00	\$4.00	\$370.00	\$10,800.00		
DECK	2	29	\$0.00	\$8,000.00	\$2.00	\$2.00	\$600.00	\$8,284.28		
LL FINISH	1	20	\$0.00	\$7,000.00	\$1.00	\$1.00	\$300.00	\$5,178.88		
REMODEL / ADDITION	0	5	\$0.00	\$45,650.00	\$0.00	\$0.00	\$0.00	\$2,038.20		
GARAGE / SHED	0	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80.00		
MISCELLANEOUS	13	166	\$0.00	\$70,000.00	\$13.00	\$21.75	\$1,480.00	\$17,934.82		
SINGLE DWELLINGS	9	64	\$1,842,046.77	\$13,445,585.21	\$921.22	\$921.22	\$24,321.80	\$176,223.50		
MULTI DWELLINGS	0	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
MECHANICAL	15	132	\$0.00	\$0.00	\$15.00	\$17.00	\$1,125.00	\$9,820.00		
PLUMBING	14	111	\$0.00	\$0.00	\$14.00	\$14.00	\$1,116.00	\$8,980.00		
RESIDENTIAL TOTAL	58	663	\$1,842,046.77	\$13,576,235.21	\$970.22	\$980.97	\$29,262.80	\$239,339.68		
COMMERCIAL										
NEW BUILDINGS	1	2	\$557,238.50	\$2,476,138.50	\$278.62	\$278.62	\$6,253.50	\$6,253.50		
REMODEL / ADDITION	0	3	\$0.00	\$366,000.00	\$0.00	\$0.00	\$0.00	\$5,590.20		
PLUMBING	2	10	\$0.00	\$0.00	\$21.50	\$21.50	\$645.00	\$1,805.50		
MECHANICAL	0	5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$365.38		
ROOF / SIDING	0	2	\$0.00	\$15,150.00	\$0.00	\$0.00	\$0.00	\$1,728.50		
MISCELLANEOUS	3	59	\$0.00	\$673,390.00	\$3.00	\$3.00	\$594.00	\$14,960.40		
COMMERCIAL TOTAL	6	81	\$557,238.50	\$3,530,678.50	\$303.12	\$303.12	\$7,492.50	\$30,703.48		
RESIDENTIAL/COMMERCIAL TOTAL	64	744	\$2,399,285.27	\$17,106,913.71	\$1,273.34	\$1,284.09	\$36,755.30	\$270,043.16	\$73,312.50	\$430,008.50

YEARLY BUILDING PERMIT COMPARISONS

THRU 10/31/2021

Year	# permits	Single units	Multi units	Commercial	Permit Value	Permit Fees	WAC/SAC Fees
2014	439	34	0	2	\$14,621,172.44	\$172,167.41	\$264,546.17
2015	404	37	0	0	\$8,026,537.06	\$146,802.54	\$231,507.00
2016	499	58	0	4	\$20,051,192.20	\$284,109.32	\$617,564.88
2017	604	82	0	3	\$15,447,899.00	\$260,533.87	\$645,866.80
2018	581	77	0	2	\$20,100,118.43	\$313,013.58	\$431,650.00
2019	627	70	0	2	\$16,312,146.54	\$280,671.03	\$417,614.00
2020	930	82	0	2	\$19,847,857.82	\$349,586.20	\$488,201.00
2021	744	64	0	2	\$17,106,913.71	\$270,043.16	\$430,008.50

MONTHLY COMPARISON FOR 2021

Month	# Permits	Permit Value	Permit Fees
January	37	\$264,490.00	\$7,048.43
February	81	\$1,945,632.00	\$33,478.30
March	72	\$404,636.00	\$14,229.50
April	101	\$2,384,357.00	\$38,043.50
May	105	\$4,473,807.00	\$43,279.90
June	76	\$1,730,398.00	\$30,338.69
July	76	\$1,039,961.00	\$20,638.53
August	67	\$1,162,552.36	\$21,243.90
September	59	\$1,301,795.08	\$24,399.23
October	64	\$2,399,285.27	\$36,755.30
November	6	\$0.00	\$587.88
December	0	\$0.00	\$0.00
Totals	744	\$17,106,913.71	\$270,043.16



MEMORANDUM

Date: November 10, 2021
To: Honorable Mayor Johnson and Members of the City Council
From: Jason W Cook, P.E.
City Engineer
Subject: Project Status Report
Project No.: 0R1.123130

Please find listed below a status report of the current projects in the City of Isanti:

- 1) Liquor Store Site**
The site and building are on track for final completion this month.
- 2) Main Street Reconstruction**
Work is complete. Final closeout documents will be processed this month.
- 3) Eagle Park Parking Lot Reconstruction**
Work is complete. Final closeout documents will be processed this month.
- 4) Heritage Walk Improvements**
Work is complete. Final closeout documents will be processed this month.
- 5) 2021 Pavement Management Project**
Work is complete. Final closeout documents will be processed this month.
- 6) 2021 Storm System Management Project**
Work will continue on the apron restorations this month.
- 7) 6th Avenue Rehabilitation**
Work is complete. Final closeout documents will be processed this month.
- 8) Legacy Pines 2nd & 3rd Additions**
The final pavement lift on Eagle Street is scheduled to be completed next spring.
- 9) Fairway Greens South Development**
The owner has requested to extend the recording of the plat up to 1 year.
- 10) Fairway Greens North Development**
The First Addition Phase 1 will continue through next month. Curb has been installed and the first lift of pavement is scheduled this month.
- 11) MS4 Implementation**
We will continue to assist the City as requested to meet MS4 requirements.

Please contact me if you have any questions.

**CITY OF ISANTI
PARKS, RECREATION, AND CULTURE BOARD MEETING MINUTES
October 26, 2021**

Call to Order: Aaron Zdon called the meeting to order at 6:00 p.m.

Roll Call: Members Present: Aaron Zdon, Zachary Gahm, Dan HinnenKamp, Tressa Hunting, and Mayor Jeff Johnson

Staff Present: Alyssa Olson, Parks, Recreation & Events Coordinator

Agenda/Modifications: None; Motion by Gahm, second by HinnenKamp

3. Meeting Minutes: Motion by HinnenKamp; second by Johnson to approve meeting Minutes from September 28, 2021. Motion passed 5-0.

4. Little Free Library / Sports Library: Ms. Olson shared plans for adding a Little Free Sports Library to one of the parks in 2022 and requested the Board's insights on which park. The Board recommended either Bluebird Park or Mattson Park. Olson also shared that a local Eagle Scout is interested in adding a Little Free Library to one or more of our parks as part of his final service project. The Board recommended Bluebird Park, Mattson Park or Eagle Park for the standard library. Mr. Zdon noted that any unit placed should be anchored and/or placed on a concrete slab to secure the item for wind or vandalism. Olson will provide the recommendations to the Eagle Scout and report back to the Board with an update on timeline and location(s) associated with the project.

4. Department Updates: Olson shared an update on Curious Creatures and an intent to begin finding more toddler-friendly activities as most of the attendees this fall appear to be 2-3 year olds.

The holiday lighting event in December 2022 will be concept #2 from the event concept packet, which a ticketed walk-through experience. Olson is working on building out the event plan and sponsor opportunities. She requested the Board think about names for the event. Gahm wondered if the name is being over-considered, to which Olson noted that choosing a flashy name may give the appearance that the event is more than just a community festival and, thus, draw in more sponsors and attendees from outside of the County.

Eagle Park plan is to add some bushes and landscaping, and add a few more seating areas in the Spring while we wait for more information on the railroad park idea.

Bluebird Amphitheater has been named by the City Council and the build is nearly complete with doors and trim arriving earlier that day. The donation from the Lions Club is pending their decision on whether or not they want to provide a seating area. The ribbon cutting ceremony went well and the band sounded great with the amphitheater's acoustics.

Council has opted to have three of the Street Dances remain at Main Street in 2022 and one will move over to Bluebird Park. It may take on a different form in order to shift mentality on the event itself and to create a bigger show at the park. Olson is looking at the September 2022 dance moving over to Bluebird and being amplified with a carnival or expanded event. HinnenKamp asked if the events would still be called a 'street dance' if moved to the park and Olson noted that will be part of the Council's discussion next year on if they should take a new shape. It was also noted that the Street Dances do not necessarily have a long history in the city, but they are beloved and known as is.

Olson is working to update the Adopt-A-Park Policy to allow residents to request an addition or modification to an adopted park. The request was made by two local residents to utilize an area of Mattson Park that borders their properties as a flower garden. The application and agreement would designate the process for request approval and maintenance.

Olson shared that Northern Elements All Stars have selected to host the November and December movie nights. They will retain the profits from concession sales for both of those events. Olson is working on adding crafts and activities for the Santa event ahead of the December movie night. She is also working on the Candy Cane Flashlight Hunt on December 12.

5. Open Discussion: Johnson mentioned security camera plans for Bluebird Park. Olson is working on getting quotes for adding cameras to the amphitheater, as well as at the warming house at the BMX Arena. Johnson requested thoughts on adding cameras throughout the park to have a visual on the full area. The

Board was in agreement that we will need additional security as we continue adding to Bluebird and it would make some sense to cover the full park for liability. Olson will be reviewing quotes and options and moving to Council with potential options, as needed.

Johnson also mentioned he was approached by the Redbirds about the City painting the backside of the fence around Sportsman's Field, which is visible to Bluebird Park. It was noted that the City owns that property, but the Redbirds lease the field and maintain their own revenue, in addition to maintaining the field. Olson mentioned arts grants that are available that could be sought out for painting a mural on the back of the fence to make it more appealing and add some art to the park. Gahm mentioned using the County corrections services to paint the fence for us, using paint supplied by the City. Johnson will share the Sheriff's contact information with Olson so she can get insight into that process. Hunting mentioned that both of these options could fall under Arts & Culture and be applicable for a number of different grant programs.

Hunting circled back to discussions from the September Board meeting about inclusivity in City events. As part of those initiatives, Hunting found a handful of grants and organizations that can help and finance future events and programs that can assist in creating a more culturally diverse community. Olson summarized that we should consider looking to 2022 and beyond through a multi-cultural lens that will help us ensure our events and programs are appealing to the full community. Hunting also recommended including groups like United Nations from the local high school or Play Inc. and other community organizations that do build culturally diverse programs. Olson noted that it could look like turning Celebrate Isanti into a vendor fair that includes and showcases cultural groups from the region and truly celebrates all of the diversity in the area. Gahm mentioned using a similar event layout to the holiday lights event for future beer or food festivals. HinnenKamp noted the Farmers Market potentially moving to Bluebird as well. Olson noted that visibility is difficult at Bluebird due to its topography and the current plan is still to look at the new liquor store. Johnson mentioned bringing back a tree lighting ceremony with the new holiday event as something to consider with future planning.

Zdon confirmed that we will not have a December meeting, so the November meeting will be the final meeting of the year.

Adjournment: Motion by Johnson, second by HinnenKamp to adjourn the October 26, 2021 meeting of the Parks, Recreation, and Culture Board. Motion passed 5-0, meeting adjourned at 7:05 p.m.

Respectfully Submitted
Alyssa Olson
Parks, Recreation & Events Coordinator