

**MINUTES
CITY OF ISANTI
CITY COUNCIL
NOVEMBER 1, 2011
ISANTI CITY HALL**

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

The Pledge of Allegiance was recited.

Members Present: Mayor George Wimmer, Councilors Jim Kennedy, Sue Larson, Steve Lundeen and Ross Lorinser

Members Absent: None.

Staff Present: City Administrator Don Lorsung, City Attorney Clark Joslin, Finance Director Kristi Smith, Human Resources/Deputy City Clerk Karissa Henning, Economic Development Director Sean Sullivan, Police Lieutenant Gene Hill, and City Engineer Brad DeWolf

Motion by Larson, second by Kennedy to approve the agenda as presented. Motion carried unanimously.

E. Proclamations/Commendations/Certificate Awards

None.

F. Approve City Council Minutes

Motion by Larson, second by Lundeen to approve the minutes of the October 18, 2011 City Council Meeting and City Council Closed Session. Motion carried unanimously.

G. Citizens Input

None.

H. Announcements

Announcements were read.

Larson made comment that the City Council Work Session for November 15, 2011 should not be cancelled and advised to keep the Work Session to discuss budget concerns. Mayor Wimmer stated that there would be overlap between the City Council Work Session and the City Council Meeting for December 6, 2011. Lorinser asked if it mattered having the discussion on the budget during the City Council Meeting versus both at the Work Session and regular Council Meeting. Larson stated it would be good to have open discussion before City Council Meeting. The Council agreed upon keeping the City Council Work Session for November 15, 2011 at 5:45 p.m.

I. Council Committee Reports

Councilor Larson reported on:

- **Chamber News**
 - Christmas Village decorating is this Saturday, November 5th at 10:00 a.m. on Main Street
 - Home for the Holidays is November 12-13th
 - Santa days is scheduled for December 3rd 9:00 a.m. to Noon at Spirit River Community Center in the restaurant side
 - Town tree decorating is scheduled for 2:00 p.m. on December 3rd
- **Arena Board**
 - Black top project for the north side of the building was approved
 - Working on Salute to Troops Night
- **NLX Alliance**
 - Approved an agreement between MN Dot and the Alliance
 - Working on a planning development for the High Speed Project
 - Isanti County is a part of this Alliance
- **GPS 4593**
 - MN Real Estate Conference is coming up
 - Strategic Planning
 - New Brochure is out
- **Isanti Area Joint Fire District**
 - Audit came in
 - Purchasing a ladder truck
 - Taking part in an ISO Evaluation which tests for loading on November 3rd – this is how the City insurance rating happens
- **East Central Regional Development Commission**
 - Presentation on MN Dot's 50 year vision
 - www.minnesotago.org is the website to look at for the 50 year vision
- **League of Minnesota Cities**
 - Presentation on the Roll-Out Plan
- **Isanti County Friends**
 - Moving forward with promoting Outreach services that include the Isanti Library Link
 - On Monday, November 14th they are attending the East Central Regional Library Board meeting and presenting on why the Outreach program is so important

J. Public Hearings

1. 2011 Street and Utility Improvement Project Assessments

City Engineer Brad DeWolf gave a PowerPoint presentation on the final assessment hearing for the 2011 Street and Utility Improvements. The total cost proposed to be assessed to benefitting properties is \$303,762.63 or approximately \$15,000 less than presented in the Preliminary Engineering Report. The primary difference is due to making adjustments on corner lot properties which were previously assessed for improvements on Main Street and in the 2008 Street and Utility Project. In accordance with the assessment ordinance, those properties which were previously assessed on one

side of a corner lot are assessed for ½ the frontage when the other side is completed, resulting in a lower assessment than reported in the preliminary report.

DeWolf stated that the project limits include 2nd Avenue 3rd Avenue, 4th Avenue, and a portion of 5th Avenue, Elizabeth and Broadway. This is the last reconstruction project that needs to be completed within the community. Currently about half the project is paved and the contractor will be back in town this week. Driveways will be paved by the end of the week and landscaping will follow next week.

DeWolf made comment that the assessment roll has been prepared in accordance with City Code Chapter 276. Storm sewer reconstruction was not assessed. Street reconstruction is assessed at 25%. Water main reconstruction is assessed at 25% on a per lot basis. Sanitary sewer is assessed at 25% on a square foot basis. Curb and gutter, is assessed by linear feet of the adjusted frontage. Property owners are credited for the 2008 project overlap.

DeWolf noted that the proposed final assessment rates are the same as presented to the property owners at the open house and public hearing. Sanitary sewer is \$0.09 per square foot, water main is \$231 per lot, storm sewer was not assessed, street is \$22.52 per adjusted frontage and curb and gutter is \$14.25. The resolution prepared will levy the assessments for a period of ten years at an interest rate of 3.9%. DeWolf announced if any property owners have questions or concerns about the construction at their property they can meet with him to address those issues.

Mayor Wimmer opened the public hearing at 7:13 p.m.

Jenny Andy spoke on behalf of Niki Boquist who lives at 103 3rd Avenue Southwest. Andy stated she is having trouble understanding how to pay for the assessment. Andy read the letter aloud that Boquist received. Andy questioned the last portion of the letter that states Boquist does not have the right to prepay the assessment. She questioned if Boquist runs into money in three years, why can she not pay a larger sum of it off – reiterating that the last portion of the letter states ‘you do not have the right to prepay the assessment’.

Smith stated that if Boquist runs into money three years down the road, she can pay it all off at that point, although the full balance has to be paid. Smith noted that there is an option to prepay the full amount within the next 30 days with no interest. Mayor Wimmer explained that Boquist cannot pay three years at a time or five years at a time, she has to pay all of what is left, or choose on paying the set amount, which is around \$300.00 a year for Boquist, for the next ten years.

Lorinser asked Smith to explain why Boquist cannot over pay, or ‘prepay’ some years. Smith explained it is a multi-step process in order to allow that. The City would have to take the old assessment off the rolls, then go through Council with another public hearing to try to get a new assessment on the roll, and it is not certain it would even get approved.

Lorsung made comment that the current policy is the same policy that has been used for all of the phases of the improvements. Lorsung stated Boquist could make a partial payment within the first 30 days, but after the 30 days she would not be able to prepay for the next ten years, unless she pays it off entirely in full one year. Lorinser adds that if she prepays before the end of November, the reason she would not have to pay interest is because the amount has not hit the County's books yet.

Andy asked if this will be paid through property taxes. Larson explained the amount Boquist owes will show up on her taxes as a special assessment and this is how she would pay the fee each year. Andy asked if this would affect Boquist's escrow. Mayor Wimmer explained that escrow fluctuates every year depending on property taxes and other rates, so it will be slightly altered by this.

Mayor Wimmer stated that he, the Council, or City staff would be happy to sit down with Andy and Boquist to further explain this issue.

Mayor Wimmer asked if anyone else would like to speak in the open hearing. There was no further public comment. Mayor Wimmer closed the hearing at 7:19 p.m.

a. Resolution No. 2011-258 Adopting Assessment for the 2011 Street and Utility Improvement Project

Motion by Kennedy, second by Lorinser to approve Resolution No. 2011-258. Motion carried unanimously.

2. 2009 Deer Haven Improvement Project Special Re-Assessments

Don Lorsung explained another public hearing needs to be opened for the re-assessment of properties now owned by F&M Bank (successor to Community National Bank) for public improvements constructed as the 2009 Deer Haven Improvement Project. Lorsung made comment that this is a situation where Community National Bank had objected to the assessments; the basis was that they felt the assessment should extend not only to the undeveloped lots but also to the developed lots. The Council felt that the property owners who bought the developed lots, in good faith, should not have to pay for the final lift of bituminous pavement. Unfortunately, the District Court Judge did not agree and said the assessments needed to be extended to all the lots.

Staff has brought back a proposed assessment whereby the City will take on more of the expenses so the home owners of the improved properties do not have to pay. However, a portion is going back against the unapproved properties as if it were extended to all the lots. The bank stated they would not have a representative at the hearing tonight.

Mayor Wimmer opened up the public hearing for the 2009 Deer Haven Improvement Project Special Re-Assessments at 7:23 p.m. There was no public comment. Mayor Wimmer closed the public hearing at 7:23 p.m.

b. Resolution No. 2011-259 Adopting Re-Assessment for the 2009 Deer Haven Improvement Project

Motion by Larson, second by Lorinser to approve Resolution No. 2011-259 as presented.
Motion carried unanimously.

K. Business Items

1. Resolution No. 2011-260 Certifying Delinquent Charges for City Services Collectible in 2011

This is a list of unpaid charges for delinquent City services (water/sewer, nuisance mowing and snow removal). Added to the unpaid charges is a \$30.00 assessment fee per account. The total assessments will be levied against the property and collected with taxes payable in 2012.

Motion by Kennedy, second by Larson to approve Resolution No. 2011-260 as presented.
Motion carried unanimously.

2. Ordinance No. 522 Amending Chapter 325, Article II, Waterline Connections, Section 325-5, Placement of Water Shutoffs

The City has incurred expense and property owner dissatisfaction in repairs of non-functioning water shutoff valves that are located in improved driveways, sidewalks and private property areas. Staff prepared a proposed ordinance that requires that the water shutoff valves for new construction be located in street boulevard areas, and not in improved driveway, sidewalks or private property areas.

Motion by Kennedy, second by Larson to approve Ordinance No. 522 as presented.
Motion carried unanimously.

3. Resolution No. 2011-261 Establishing a Threshold for the Provision of Additional Portable Restroom Facilities for Special Events

It has been brought to City Staff attention that there was an issue with toilet facilities in Bluebird Park during a group sponsored event. With the number of individuals attending the event, coupled with the number of park patrons, questions were raised as to why additional facilities were not made available. Based on the Park Board recommendation, it is advised to require one additional portable restroom facility for special events anticipating more than 75 people, and two additional portable facilities provided for those special events exceeding 150 people. For events that exceed that, a chart will be used in calculating the toilet facilities necessary.

Motion by Kennedy, second by Lundeen to approve Resolution No. 2011-261 as presented. Motion carried unanimously.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amounts of \$125,252.18 and Payroll in the Amount of \$66,248.53
2. Approval of September 27, 2011 Park and Recreation Board Minutes
3. Approval of September 27, 2011 EDA Minutes
4. **Removed** - Consider Resolution Cancelling the November 15, 2011 City Council Work Session Meeting

Motion by Kennedy, second by Lundeen to approve the Consent Agenda with the removal of L.4 as presented. Motion carried unanimously.

Adjournment

Motion by Lorinser, second by Lundeen to adjourn. Motion passed unanimously. Meeting adjourned at 7:25 p.m.

Respectfully Submitted,

Karissa Henning
Human Resources/Deputy City Clerk