

**MINUTES
CITY OF ISANTI
CITY COUNCIL
November 05, 2008**

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

The Pledge of Allegiance was recited.

Members Present: Mayor George Wimmer, Council Members Alan Duff, Ralph Johnson, Jeffery Kolb, and Sue Larson.

Members Absent: None.

Staff Present: City Administrator Don Lorsung, Assistant City Administrator/City Clerk Irene Bauer, City Attorney Clark Joslin, Community Development Director Carla Vita, Finance Director Kristi Smith, and City Engineer Brad DeWolf.

Motion by Duff, second by Larson to approve the agenda as amended. Motion carried unanimously.

E. Proclamations/Commendations/Certificate Awards ó There were none.

F. Approve Minutes

Motion by Duff, second by Larson to approve the October 21, 2008 Regular City Council Meeting minutes as presented. Motion carried unanimously.

G. Citizens Input - There was none.

H. Announcements

Announcements were read.

I. Council Committee Reports

Councilmember Larson reported on the following meetings she had attended:

- Friends of the Isanti Area Library
- Community Involvement Team
- Announced that the Chamber event -Home for the Holidaysøis scheduled for Sunday, November 9

-

J. PUBLIC HEARINGS: There were none.

K. BUSINESS ITEMS:

1. CANVASS BOARD - Approve Local Election Results

Bauer presented the Abstract of Votes Cast for the Municipal General Election held on November 4, 2008 and reviewed the results of the election.

to approve the Abstract of Votes Cast as presented.

2. Resolution No. 2008-276, a Resolution to Order Public Hearing to Consider Nuisance Abatement for Properties in Violation of Nuisance Ordinance No. 123 and Parking Ordinance No. 397

Wacha gave a staff report whereas after serving the required notices to the property owner, property located at 817 Birch Street SW continues to be in violation of Ordinance No. 123 whereas the property has junk and debris in the yard and in violation of Ordinance No. 397 whereas there is a vehicle with expired license tabs parked in the back yard.

Motion by Larson, second by Kolb to approve Resolution No. 2008-276 that provides that a public hearing shall be held on Tuesday, November 18, 2008 at approximately 7:00 p.m. to hear on the violation of Ordinances 123 and 397. Motion carried unanimously.

3. Resolution No. 2008-277, a Resolution Approving the Scope of Services as Presented by Bolton and Menk for Updates to Portions of the Safe Routes to School Grant Authorizing the use of Training and Instruction Funds from the Park Budget for the Services

Vita gave a staff report whereas to move forward with the 2009 Safe Routes to School Grant application, updated and accurate costs are required for the sidewalk layout and construction that are to be requested within the grant application. Bolton and Menk estimate the costs for the project that include providing updated costs will be approximately \$500 and another \$500 to create a map that would indicate the proposed sidewalk location, current sidewalk and trail routes, relevant traffic control devices along the current route, and any additional trip generators along the route to support the grant request.

The Park and Recreation Board reviewed this matter at their October 28th meeting and recommended that the City Council move forward with the scope of services proposal as provided by Bolton & Menk for the amount of \$1,000; with funding for the services to come from the Training and Instruction portion of the Park Budget.

Larson commented that a blinking light should be placed at the crosswalk that is located east of the railroad tracks.

Wimmer commented on the need to have a complete sidewalk system placed on County Road 5.

Motion by Larson, second by Duff to approve Resolution No. 2008-277 as presented. Motion carried unanimously.

4. Consider Business Subsidy Projects in Default

Vita gave a staff report whereas letters have been sent to the owners of projects that have received Tax Increment Financing or Tax Abatement Business Subsidies and are in default of their Development Agreement due to non-payment of taxes and/or assessments.

City Council reviewed the projects that had not been up-
projects were Larson Plumbing & Heating Inc. and
October 7th meeting, Council sent this matter back to
the EDA to find the specific findings for the delay in payment of taxes and to provide a
clear plan for payment in a reasonable time frame.

The EDA reviewed this item at their October 28, 2008 meeting and found specific
findings of which to deny the extension for Larson Plumbing & Heating Inc. and Three
Star Holdings, LLC and were as follows:

Larson Plumbing & Heating Inc:

- Not paying taxes
- Default of Development Agreement
- No plan to make them whole
- Already received an extension from the City
-

Three Star Holdings, LLC

- Not Paying taxes
- Default of Development Agreement
- No plan to make them whole
- No business in operation within the building

Staff was advised on this matter by Business Subsidy Attorney Consultant Deike of
Bradley & Deike P.A. and Business Subsidy Consultant Kurtz of Ehlers & Associates,
Inc. Business Consultant Deike reviewed the options that the City could pursue based on
the recommendation given by the EDA and provided recommendations to the City
Council to consider.

There was general discussion on the projects that are in default. There was discussion
that the City has been working with Three Star Holdings, LLC whereas they are actively
pursuing to get someone in their building and if there should be consideration that action
on this property should be delayed for a period of two weeks.

Motion by Larson, second by Johnson to not provide reimbursement of assessments now
or at anytime in the future and to not rebate land for the construction of a fifth building to
Larson Plumbing & Heating, Inc. based on the findings as provided by the EDA. Motion
carried unanimously.

Motion by Larson, second by Duff to table action for two weeks on the Three Star
Holdings, LLC property and bring back for action at the November 18, 2008 City
Council meeting based on the previous discussion that this property owner is actively
pursuing to get someone in their building. Motion carried unanimously.

**5. Resolution No. 2008-278, a Resolution Ordering Preparation of Feasibility
Report for the 3rd Avenue NW Improvement Project**

DeWolf gave a staff report on a proposal prepared by Bolton & Menk for professional
services for the preparation of a Feasibility Report for the reconstruction of 3rd Avenue

to the corporate limits of the City. The proposal to not-to-exceed cost of \$4,000.

Motion by Larson, second by Kolb to approve Resolution No. 2008-278 as presented.
Motion carried unanimously.

6. Consider Well No. 1 Rehabilitation

DeWolf gave a staff report on the rehabilitation of Well No. 1. Traut Well was awarded a contract for the repair of Well No. 1 and they have pulled the pump and have sent it in for repair. The pump had failed because the pump has been pumping sand from the well.

DeWolf stated that initially it was thought that part of the side of the well had sloughed off and sand had settled and there would be a need to remove the material from the bottom of the well. It was found that the upper level of the formation is very soft so the sand is not sloughing off to the bottom of the well, but it is pulling off the sides and is being pumped out of the top of the well. To alleviate this problem, a screen must be placed in the well with a gravel pack in the open hole. This will essentially give the City a new functional well that will be sand free and will serve the City for many years. Traut Well provided an estimate of \$66,199 for this improvement. The initial Traut Well proposal was an additional \$2200 dollars that was for testing, and DeWolf stated there will be no reason to test the well after the well is gravel packed.

A second option was presented that was to repair the well pump and put it back in service. Well No. 1 must be used until the Water Treatment Facility is complete due to the low radium content in Well No. 1 and the blending requirements by the Minnesota Department of Health. After the Water Treatment Facility is on line, Well No. 1 could then be used as an emergency backup well as Wells No. 2 & 3 will be put into the lead role and Well No. 1 will be used as a backup well.

DeWolf stated this is an option for Council to consider with well No. 1 being the only well without a high radium level; if Well No. 1 is kept as a back up; it should be kept as redundancy so if something would go wrong with the Water Treatment Facility, the City could go back to using Well No. 1 because it meets the Federal drinking water standards for radium. If the City rehabilitates Well No. 1 by putting in a screen and gravel pack, the well would be a functioning well for a very long time.

There was general discussion on the need to retain Well No. 1 as a back-up well, specifically because this well must be used in order to meet the radium requirements for the drinking water standards in the event the Water Treatment Plant is shut down.

Smith stated that the funds for the repair of Well No. 1 would be expended to the Maintenance and Repair expenditure line (601-49400-401) in the Water budget and funds would be transferred at the end of the year from the Water Replacement Fund to cover the expenditure.

Motion by Larson, second by Johnson to approve the rehabilitation of Well No. 1 with a screen and gravel pack for a cost of \$66,199. Motion carried unanimously.

Division Storm Sewer Cleaning

storm sewer line that was installed as part of the Sun Prairie Development is now filled with sand and is in need of cleaning.

This section of the storm sewer line was damaged by a fence that was designed and installed by the School District. As a result of the damage done to the storm pipe and likely erosion from both developers and the school districts sites, the storm pipe has filled up with sand to the point that it will need to be cleaned so it can function as designed and not cause property damage up stream of its location.

There are funds available from a Letter of Credit for the Sun Prairie Development as well as escrow funds available from the School District that are in place as a part of the Development Agreement for the development of the project.

Three quotes were received to clean the pipe and the low quote was received from Infratech in the amount of \$215/hr.

Motion by Larson, second by Johnson to approve pursuing the draw of funds from the Developer and School District sureties to allow for the hiring of Infratech to complete the storm sewer cleaning at the above stated site. Motion carried unanimously.

8. Economic Stimulus Package Project Priorities

Vita gave a staff report whereas City Engineer DeWolf became aware through MNDOT that an economic stimulus package is being considered by Congress. The stimulus package's goal is to create jobs and would be 100% funded with federal funds. One area of this stimulus that is being considered is local construction projects related to road construction and safety.

DeWolf stated that projects that were looked at were projects that could be bid in 90 days.

The Development Advisory Committee met and recommended the following two projects:

- County State Aid Road 5 Pedestrian Safety improvement
- Railroad Avenue construction;

And the following as two alternatives:

- Third Avenue Construction
- Pedestrian Bridge

There was brief discussion on the projects and which projects take high priority.

Motion by Duff, second by Kolb to submit to MNDOT the projects in order as stated above to receive possible economic stimulus funds for the City. Motion carried unanimously.

9, a Resolution Accepting Final Pay Request and Street Improvement into its Two Year Warranty

- Period
2. Accounts Payable in the Amounts of \$675,981.26 and Payroll in the Amount of \$64,589.48
 3. Approve the August 26 and September 23, 2008 EDA Minutes
 4. Approve the September 23, 2008 Park & Recreation Board Minutes
 5. **Resolution No. 2008-280**, a Resolution Approving Temporary 3.2 Beer License to the Blaine Jaycees
 6. **Resolution No. 2008-281**, a Resolution Approving Temporary Liquor Application for the Blaine Jaycees
 7. **Resolution No. 2008-282**, a Resolution Approving Resignation of Part-Time Liquor Store Clerk Clifford Larson
 8. **Resolution No. 2008-283**, a Resolution Approving the Lawn Mowing Policy
 9. **Resolution No. 2008-284**, a Resolution Approving Local Gambling Permit for Gymnastics Galaxy
 10. **Resolution No. 2008-285**, a Resolution Approving 3.2 Beer License to the Blaine Jaycees
 11. Approve Reimbursement of Sewer Usage Charges

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

M. Other Communication

Other communication was reviewed as presented.

N. Closed Meeting – City Administrator Performance Review

The Closed session adjourned at approximately 7:59 p.m. and resumed into open session.

Summary of Closed Meeting

Joslin provided the following summary of the Closed Meeting.

Joslin stated that the meeting was closed for the purpose of holding the annual performance review; a review session of the Council with the City Administrator. During the closed session each of the City Council members and Mayor Wimmer stated their perspective on the job performance that is being done by City Administrator Mr. Lorsung. In general the reviews were very positive. Mr. Lorsung responded with his thoughts regarding the challenges facing him in the foreseeable future given the fiscal issues, and Council commented on those matters too. There was discussion regarding ways to best accomplish the management of the City personnel and resources. Following that discussion, the closed session was adjourned and Council went back into open session.



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to adjourn. Motion passed unanimously.

Meeting adjourned at 8:03 p.m.

Respectfully Submitted,

Irene J. Bauer
Assistant City Administrator/City Clerk