

**MINUTES
CITY OF ISANTI
CITY COUNCIL
December 16, 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, Police Chief Ron Sager, City Planner Lisa Krause, and City Engineer Brad DeWolf.

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

E. Proclamations/Commendations/Certificate Awards

Mayor Wimmer presented plaques to the out going Council Members Ralph Johnson and Alan Duff. Mayor Wimmer announced EDA Member Louise Duff's term expires on December 31, 2008; and Council Member Alan Duff presented Ms. Duff with a Certificate of Appreciation.

F. Approve Minutes

Motion by Larson, second by Kolb to approve the December 2, 2008 Truth-in-Taxation Hearing and 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

Mayor Wimmer reported on the following:

- The Finance Committee has met and will continue to meet to review the impact the potential LGA cuts will have on the City.

Councilmember Larson reported on the following meetings she had attended:

- Downtown Committee
- Police Committee
- Friends of the Library
- Community Involvement Team
- Visited the City of Zimmerman with City Administrator Lorsung to look at their cable video system

Councilmember Duff reported the Police Committee had discussion on the dog ordinance and that he would like to see discussion continue on the ordinance next year.

J. PUBLIC HEARINGS

1. Vacation of Public Drainage and Utility Easement – Northland 66 Premium Stores, LLC

Joslin reviewed the relocation of a drainage and utility easement on the Northland 66 Premium Stores, LLC property. The relocation is based on a revision to the plans for the location of the sanitary sewer and water lines. To relocate the easement requires a vacation of the existing easement, in exchange for the grant of a replacement easement in the revised location. Joslin stated that a signed revised easement has been received from Jeff and Kathy Hansmann, owners of Northland 66 Premium Stores, LLC.

Mayor Wimmer opened the public hearing at 7:12 p.m. to hear on the vacation of a public drainage and utility easement. Hearing no questions or comments, Mayor Wimmer closed the public hearing at 7:12 p.m.

a. Resolution No. 2008-305, a Resolution Approving Vacation

Motion by Duff, second by Larson to approve Resolution No. 2008-305 as presented.
Motion carried unanimously.

2. Vacation of Public Drainage and Utility Easements – Villages on the Rum Third Addition

Joslin reviewed the proposed vacation of certain public drainage and utility easements dedicated to the City of Isanti pursuant to the Plat of Villages on the Rum Third Addition. Joslin stated that those easements except those that have been revised are no longer necessary due to the changes in the subsequent phases of the plat.

Mayor Wimmer opened the public hearing at 7:13 p.m. to hear on the vacation of public drainage and utility easements. Hearing no questions or comments, Mayor Wimmer closed the public hearing at 7:13 p.m.

a. Resolution No. 2008-306, a Resolution Approving Vacation

Motion by Duff, second by Larson to approve Resolution No. 2008-306 as presented.
Motion carried unanimously.

K. BUSINESS

1. Resolution No. 2008-307, a Resolution Directing Staff to Prepare the East Central Regional Development Commission East Central Arts Council Art Organization Grant

Jaysen Guthmueller - member of the Isanti Historic Downtown Committee requested consideration to pursue a grant from the East Central Regional Development Committee (ECRDC) for grant funds for a downtown mural. Photos were reviewed that would depict the history most related to Isanti and a photo that displayed a potato harvest was selected. The mural location is proposed to be located on the side of the building at 105 Main Street West. There was some discussion of future expansion of the Qwest building that would cover the mural should they expand. Guthmueller stated that he has had conversation with Qwest and they have indicated that an expansion to their building would be decades away.

There was discussion on how much staff time would be required to make the application for the grant and Vita stated she estimates eleven hours of staff time. Guthmueller stated that he will be assisting with the application.

Estimated cost of the project is \$7,000 and the grant is for \$5,000. There was discussion on how the difference of \$2,000 would be covered. Guthmueller stated that the \$7,000 was the estimated cost based on market research for the mural of the size that is proposed; that a portion of the grant is capital investment and Guthmueller stated that he would be willing to come up with the additional funds to cover the cost of the mural that exceeds the \$5,000 of grant funds.

Motion by Johnson, second by Larson to approve Resolution No. 2008-307 as presented. Motion carried unanimously.

2. Downtown Christmas Decorations

Jaysen Guthmueller – member of the Isanti Historic Downtown Committee requested consideration to start the process of the construction of Christmas decorations in anticipation of the 2009 holiday season. Guthmueller stated that to purchase decorations is very costly and he proposed that a retired local metal worker could build a metal decoration; the decorations would have lights installed on them and that a local metal worker would build the brackets for them. These decorations would be mounted on the light poles that do not have banners installed on them in the downtown area.

There was much discussion on the liability of the decorations that related to the installation of the lights on the decorations, the brackets, the weight of the decorations, and if the electric power needed for the decorations was sufficient.

Council was in consensus to direct that the issues and concerns as stated above are further researched and to bring back to a future Council meeting. Council directed that the LMC is contacted relating to any liability that the City might face if this type of decoration is installed on the downtown light poles.

3. Ordinance No. 446, an Ordinance Amending Ordinance No. 445, Zoning, Section 2 Definitions, Section 7 Business Districts, Section 8 Industrial Districts, and any other Associated Sections, to Include Provisions for Household Maintenance and Small Engine Repair Services and Garage Widths

Krause gave a staff report whereas the Planning Commission held a public hearing to hear on amendments to the Zoning Ordinance. One of two amendments was to include the allowance of Household Maintenance and Small Engine Repair Service in the list as a Conditional Use within the 'B-1' Central Business District, the 'B-2' General Business District, and the 'I-1' Industrial Park District. An amendment to provide for 'garage width' definition was also considered at this hearing. The Planning Commission recommended approval of the zoning amendments.

Motion by Johnson, second by Larson to adopt Ordinance No. 446 as presented. Motion carried unanimously.

4. Resolution No. 2008-308 a Resolution Approving the Proposal for Professional Services with Central Minnesota Housing Partnership for the Neighborhood Stabilization Grant

Vita have a staff report whereas the City has an opportunity to make application of non-competitive grant funds that were released by the Federal Government for the Stabilization of Neighborhoods in reaction to the foreclosure crises. \$552,855 of grant funds has been appropriated for the Isanti area. Vita reviewed the criteria of which homebuyers must meet to receive funds for down-payment assistance, rehabilitation, demolitions, and purchase of homes and land banking.

The grant requires that the City or a consultant for the City has Community Development Block Grant experience. Staff has met with entity's that will assist in the grant application and administration of the Stabilization of Neighborhoods grant funds and requested Council consider Central Minnesota Housing Partnership's proposal to do so.

There was discussion on the amount of the grant funds that can be used to administer the grant and it was stated it is 10% of the amount received.

There was brief discussion on the number of foreclosed homes in the City.

Motion by Duff, second by Larson to approve Resolution No. 2008-308 as presented. Motion carried unanimously.

5. Resolution No. 2008-309, a Resolution Receiving Feasibility Report; Ordering Project; and Order the Preparation of Plans and Specifications for the 2009 3rd Avenue NW Street Improvement Project

DeWolf presented the Feasibility Report for the proposed 2009 3rd Avenue NW Street Improvement. Reviewed were the project area, design considerations, existing conditions, street improvements that included Option A – Rural Section Roadway and Option B – Urban Section Roadway, stormwater management, watermain improvement, and the improvement layouts for Option A and B. Also reviewed were the estimated

costs that came in at \$453,389.37 for Option A – Rural Section Roadway and \$590,295.37 for Option B – Urban Section Roadway.

There was discussion on parking on the improved roadway; that if the road is constructed as a rural section, parking on the side of the road will cause deterioration along the sides due to vehicles moving over the edge and causing damage. DeWolf recommended that no parking is allowed on either side regardless of the type of road that is approved. There was discussion on the current parking available for the soccer fields.

The costs and funding sources were discussed and that the project could be considered under a '429' process or funded through an intra-fund loan from the Sewer Fund. It was stated that the funds in the amount of \$244,286 that have been obtained from a Developer's Letter of Credit will be used towards the improvement; and that the balance of the costs would be assessed to the City. There was discussion on borrowing from the Sewer Fund for the project and not use the '429' process. If Option A is selected, the City would have to budget approximately \$20,000 per year for a period of ten years to pay back the sewer fund.

There was much discussion on doing the project under Option A – Rural Section or Option B – Urban Section. Johnson stated he would like to construct using Option B. There was discussion that this will add another \$14,000 to pay-back the intra-fund loan.

It was stated and confirmed by City Attorney Joslin that should the City not move forward with the project that the Letter of Credit funds would have to be returned.

Because a part of the project provides for construction on township right-of-way, there was direction that a meeting is held with Isanti Township to review and discuss the road improvement plan.

Motion by Johnson, second by Larson to approve Resolution No. 2008-309 to order the 2009 3rd Avenue NW Street Improvement using Option B – Urban Section Design and to fund the project by borrowing from the Sewer Fund. Motion carried unanimously.

Finance Director Kristi Smith

6. Resolutions Relating to the Adoption of the 2009 Budget

a. Resolution No. 2008-310, a Resolution Relating to Adoption of the Final Budget for the City of Isanti for 2009

Smith reviewed the final changes made to the proposed 2009 budget. She stated that the last amount provided by the County Auditor's office on the 2009 estimated tax capacity was used, and that the tax rate for year 2009 is proposed at 53.937%.

Motion by Duff, second by Larson to approve Resolution No. 2008-310 as presented.

b. Resolution No. 2008-311, a Resolution Relating to Adoption of the Final 2008 Tax Levy, Collectable in 2009

Motion by Duff, second by Larson to approve Resolution No. 2008-311 as presented. Motion carried unanimously.

c. **Resolution No. 2008-312, a Resolution Relating to Adoption of the Final Budget for the Enterprise Funds of the City of Isanti for 2009**

Motion by Duff, second by Larson to approve Resolution No. 2008-312 as presented.
Motion carried unanimously.

7. **Resolution No. 2008-313, a Resolution Calling for the Redemption of the Outstanding General Obligation Improvement Bonds, Series 1999B**

Smith gave a staff report whereas General Obligation Improvement Bonds, Series 1999B were issued for Dual Industrial Park Street and Drainage Improvements. That there is sufficient cash in the fund to call the bonds; the call date would be February 1, 2009. By calling in the bonds the City would be saving approximately \$37,000 in future interest payments. When the bonds are paid off there will be approximately \$26,000 that can be transferred to another debt service fund.

Motion by Kolb, second by Larson to approve Resolution No. 2008-313 as presented.
Motion carried unanimously.

8. **Ordinance No. 447, an Ordinance Amending Ordinance No. 171 (Water Services), Section 1 – Water Availability and Use Charge, Section 4. Accounts in Name of Property Owner; Deposit; Lien for Delinquent Accounts, and Section 6. Right to Discontinue Service Refused and Ordinance No. 448, an Ordinance Amending Ordinance No. 172 (Sewer Services), Section 1 – Sewer Availability and Use Charge, and Section 4. Accounts in Name of Property Owner; Deposit; Lien for Delinquent Accounts**

Smith gave a staff report whereas amendments were made to the Water Ordinance that will allow for the City to seek recovery for undercharges for twelve months of service and at the request of the account holder, the City will provide a payment plan. Smith stated that State Statute provides that a City can seek recovery for undercharges for up to six years.

The ordinance also provides modifications regarding unpaid water charges becoming liens on the property and when the certification to the County will be done; and amends the ordinance to allow the City to obtain an administrative search warrant to gain access to the property if the property owner refuses to allow the City access.

Smith stated modifications were made to the Sewer Ordinance on how the annual calculation is completed for determining residential sewer charges, unpaid sewer charges becoming a lien upon the property, and when the certification to the County will be done.

Motion by Larson, second by Johnson to adopt Ordinance No. 447 and Ordinance No. 448 as proposed. Motion carried unanimously.

9. Resolution No. 2008-314, a Resolution Accepting Donation from the Isanti Lions Club

Smith gave a staff report whereas the Isanti Lions desire to donate \$450 of their gambling funds to the City with the intent the funds are used towards the purchase of a downtown park bench. The City will in turn forward the funds to the Chamber of Commerce and the Chamber will make the purchase.

Motion by Larson, second by Duff to approve Resolution No. 2008-314 as presented.
Motion carried unanimously.

Mayor Wimmer stated that Staff is to ensure the funds are used for the park bench and that the bench is located on City property.

Police Chief Ron Sager

10. Resolution No. 2008-315, a Resolution Authorizing Making Application for Child Safety Seat Grants from the Minnesota Office of Traffic Safety

Sager gave a staff report whereas the Police Department has the opportunity to request a grant for Child Safety Seats from the Minnesota Office of Traffic Safety and requested approval to submit an application for a grant.

Motion by Johnson, second by Larson to approve Resolution No. 2008-315 as presented.
Motion carried unanimously.

11. Resolution No. 2008-316, a Resolution Authorizing to Make Application to the Metropolitan Emergency Services Board for the Public Safety Interoperable Communications Grant

Sager gave a staff report whereas the Police Department has the opportunity to make application for a grant to the Metropolitan Emergency Services Board for the Public Safety Interoperable Communications Grant that would help defray the cost of the purchase of 800 MHz radios. They would be requesting \$16,000 and the purchase must be made by 2010. It was stated that this grant requires a 20 percent match from the City.

Motion by Larson, second by Kolb to approve Resolution No. 2008-316 as presented.
Motion carried unanimously.

12. Resolution No. 2008-317, a Resolution Authorizing Staff to Order Molded Seats for Three Squad Cars

Sager gave a staff report whereas the squad cars currently have cloth back seats. The Safety Committee and McNeil Environmental have recommended the back seats are replaced with a plastic molded seat.

Two quotes were received for three molded seats and Sager recommended the molded seats are purchased from Cruisers in the amount of \$994.11.

Motion by Larson, second by Johnson to approve Resolution No. 2008-317 as presented.
Motion carried unanimously.

13. Consider Request to Run for 3rd Vice President for the MN Chief's of Police Association

Sager gave a staff report whereas he is requesting consideration by Council to allow him to run for 3rd Vice President for the MN Chief's of Police Association. This will allow him to eventually serve as President of the organization.

Motion by Larson, second by Duff to approve the above stated request. Motion carried unanimously.

City Administrator Don Lorsung

14. Consider Approval of Pay Equity Report

Lorsung gave a staff report whereas the City has been notified by the Department of Minnesota Management & Budget that the 2009 Pay Equity Implementation Report for the City is due on January 31, 2009.

When the compliance report was run using the required 2008 wages, it was found that that the City did not meet compliance and a minimum of three female position pay ranges would have to be adjusted in order to meet compliance. The three positions that have the least impact on the City budget and were recommended by the Personnel Committee were the Liquor Store Clerk II, Accounting Clerk, and Police Secretary positions.

Motion by Kolb, second by Duff to approve adjusting the pay range for the three positions as stated above with the effective date of the wages being December 31, 2008.. Motion carried unanimously.

L. CONSENT

1. Approval of C & L Excavating's Pay Estimate Request No. 2 in the amount of \$30,287.99 for Work Completed on the Fairway Greens Commercial Improvements
2. Approval of C & L Excavating's Pay Estimate Request No. 1 for the Work Completed on the Development Erosion Cleanup Projects as follows:

- South Park	\$22,476.80
- Villages on the Rum 3	\$19,320.00
- Villages on the Rum 3 – Phase 2	\$ 6,260.00
- Villages on the Rum 3 – Phase 3	\$42,868.00
- Villages on the Rum 4	\$57,648.00
- Villages on the Rum 5	\$ 5,960.00
3. Approval of Fransen Decorating's Pay Estimate Request No. 1 in the amount of \$6,916.95 for Work Completed on the WWTF Painting Project
4. Approval of Municipal Builders, Inc. Pay Estimate Request No. 5 in the amount of \$220,793.30 for Work Completed on the Water Treatment Facility
5. Accounts Payable in the Amounts of \$589,969.71 and Payroll in the Amount of \$90,627.63
6. Approval of November 12, 2008 Planning Commission Meeting Minutes
7. Approval of Abdo, Eick & Meyers 2008 Audit Contract
8. Approval of \$50,000 Payment to Isanti County for the Bike-Walk Trail

9. **Resolution No. 2008-318**, a Resolution Approving Temporary 3.2 Beer Licenses to the Blaine Jaycees
10. **Resolution No. 2008-319**, a Resolution Approving Amendment to City Administrator Don Lorsung's Employment Agreement
11. **Resolution No. 2008-320**, a Resolution Approving Cost of Living Adjustment (COLA) for all Non-Union Employees
12. Approval of Certification Form – Cambridge Isanti Bike/Walk Trail
13. **Resolution No. 2008-321**, a Resolution Accepting Northland 66 Site Improvements and Placing in a Two-Year Warranty
14. **Resolution No. 2008-322**, a Resolution Accepting Anluf's Commercial Development and Placing in its Two-Year Warranty Period
15. **Resolution No. 2008-323**, a Resolution Offering Seasonal Warming House Supervisor Position to Ms. Sarah Mongin
16. **Resolution No. 2008-324**, a Resolution Certifying Unpaid Nuisance Abatement Charges Collectable in 2009
17. **Resolution No. 2008-325**, a Resolution Offering Seasonal Warming House Supervisor Position to Mr. Beau Flandrick
18. **Resolution No. 2008-326**, a Resolution Offering Seasonal Warming House Supervisor Position to Ms. Lisa Luke
19. **Resolution No. 2008-327**, a Resolution to not Waive Statutory Liability Limits

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

M. Other Communication

Other communication was reviewed as presented.

Adjournment

Motion by Duff, second by Larson to adjourn. Motion passed unanimously.

Meeting adjourned at 8:26 p.m.

Respectfully Submitted,

Irene J. Bauer
Assistant City Administrator/City Clerk