

**MINUTES
CITY OF ISANTI
CITY COUNCIL
December 2, 2014
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 Sue Larson, Adam Johnson, Steve Lundeen, and Dan Collison

Members Absent: None

Staff Present: City Administrator Don Lorsung, City Attorney Clark Joslin, Finance Director/Assistant City Administrator Sarah Cotton, Human Resources/Deputy City Clerk Karissa Henning, Police Chief Gene Hill, Economic Development Director Sean Sullivan, Community Development Director Roxanne Achman, and City Engineer Brad DeWolf

D. Adopt Agenda

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

E. Proclamations/Commendations/Certificate Awards

None.

F. Approve City Council Minutes

Motion by Johnson, second by Larson to approve the minutes of the November 12, 2014 canvass board meeting, November 18, 2014 regular meeting, and November 18, 2014 closed session meeting of the City Council. Motion carried unanimously.

G. Citizens Input

None.

H. Announcements

Announcements were read.

I. Council Committee Reports

Councilor Larson reported on:

- **Joint Powers Operating Fire District**
 - Fire Chief Randy Polzin will be retiring within the next year
 - Al Jankovich is anticipated to be the next Fire Chief
 - New employee costs may increase over the next few years
 - Interviews are being held for fire fighters currently

- **GPS 45:93**

- Money committed to the Virtual Incubator program was reallocated to Economic Gardening
- Deed - Dislocated Worker Program

J. Public Hearings

None.

K. Business Items

1. 2015 Final Budget and Levy Presentation

Cotton reported that the following changes are included in the 2015 Budget:

Revenues:

- Lease Revenue Increased \$32,622.75 to Reflect Fire Station #1 Rent
- General Fund Fund Balance Reliance

Expenditures:

- Fire Protection Services increased to \$180,000 (9.8% Over 2014 Actual) for the 2015 Budget
- Debt Service Adjusted to Reflect Interest Savings on Bonding – 2014A and 2014B Series
- Police Department Budget Reflects \$5,000 in Tuition Reimbursement for 2015. PT Wages was offset by \$5,000. Net impact to the 2015 Budget is \$0.
- Benefits Adjusted for Actual Health/Dental Renewal Premiums. Approximately \$15K in Savings Recognized from the Assumed Premium Increases as part of the Preliminary Budget Process.

Capital:

- Procurement of Public Works Service Vehicle and Vacuum/Jetter Truck moved from 2014 Budget to 2015 Budget

Mayor Wimmer noted that a number of the costs for the 2015 budget are one-time costs, and will not reoccur yearly, such as the replacement of the phone system at City Hall.

Cotton noted that the revenue for 2015 is around \$3.9 million dollars.

Cotton added that the largest portion of the City budget goes to public safety at 31%.

Cotton reported the largest revenue contribution will come from property taxes at 50%.

Mayor Wimmer stated that there would have been a bigger difference in the property tax contributions if it were not for Local Government Aid (LGA); Mayor Wimmer estimated 65% of property taxes would be pulled for revenue if it were not for the LGA.

Cotton noted the proposed tax levy collectible in 2015 is \$1,957,507; the estimated 2015 tax rate, based on the values used in the 2015 proposed tax statements that were just sent out, is 74.7%.

Cotton reported that the City of Isanti's adjusted taxable value is up about 5.7% over 2014.

a. Resolution 2014-284 Adopting the Final Budget for Year 2015

Motion by Larson, second by Johnson to approve Resolution 2014-284 as presented. Motion carried unanimously.

b. Resolution 2014-285 Adopting the Final 2014 Tax Levy, Collectible in 2015

Motion by Larson, second by Johnson to approve Resolution 2014-285 as presented. Motion carried unanimously.

c. Resolution 2014-286 Adopting the Final Budget for the Enterprise Funds for Year 2015

Motion by Larson, second by Johnson to approve Resolution 2014-286 as presented. Motion carried unanimously.

d. Resolution 2014-287 Approving a Cost of Living Adjustment (COLA) for Non-Union Employees

Motion by Larson, second by Johnson to approve Resolution 2014-287 as presented. Motion carried unanimously.

2. Resolution 2014-288 Approving a Salary Change for Pay Equity Compliance

Motion by Johnson, second by Lundeen to approve Resolution 2014-288 as presented. Motion carried unanimously.

3. Resolution 2014-289 Amending the City of Isanti Water Tap Policy and Adopting a Policy Relating to Frozen Water Service Lines

Motion by Johnson, second by Collison to approve Resolution 2014-289 as presented. Motion carried unanimously.

4. Plumbing Upgrades for the Isanti Indoor Arena

DeWolf reported that DAC has reviewed and recommended approval of the proposed upgrades to the restroom facilities in the Isanti Indoor Arena. The upgrades would include things such as replacing paper towel dispensers with electric hand dryers, and replacing porcelain faucets, toilets, and sinks with stainless steel ones. The total cost for the proposed upgrades would be \$23,844.00.

Motion by Johnson, second by Larson to approve the plumbing upgrades for the Isanti Indoor Arena as presented. Motion carried unanimously.

**5. Resolution 2014-290 Amending the Employment Contract with Public Works
Director Nick Fleischhacker**

Motion by Johnson, second by Larson to approve Resolution 2014-290 as presented. Motion carried unanimously.

**6. Resolution 2014-291 Approving the Reorganizing of the Community Development
Department and Economic Development Department**

Motion by Larson, second by Johnson to approve Resolution 2014-291 as presented. Motion carried unanimously.

**7. Resolution 2014-292 Approving the Transitioning of the Rental Licensing
Administration from the Building Official to the Code Enforcement/ Zoning
Technician and the Subsurface Sewage Treatment Systems (SSTS) Program from
the Building Official to Isanti County**

Motion by Johnson, second by Collison to approve Resolution 2014-292 as presented. Motion carried unanimously.

**8. Resolution 2014-293 Offering the Part-Time Custodian Position to Ms. Cindy
Schroeder**

Motion by Johnson, second by Larson to approve Resolution 2014-293 as presented. Motion carried unanimously.

9. Fire District Discussion

Mayor Wimmer stated as Larson had noted, Fire Chief Polzin will be retiring. Al Jankovich, First Assistant Chief, will take over as Fire Chief once Polzin retires. Mayor Wimmer noted it is anticipated that Jankovich will receive a \$20,000 to \$25,000 bump in pay for being the Fire Chief. Mayor Wimmer reported that the Fire District is working on bringing on another full-time employee as well. Mayor Wimmer made comment that with staffing changes, additional staff being added, and some needed capital improvements, this could mean an additional \$100,000 increase to the Fire District's budget. Mayor Wimmer noted that the Fire District budget could potentially double within 2-3 years. This means Isanti would be paying more for fire services.

Mayor Wimmer stressed that everyone wants to keep the Fire District, but something needs to be done with the formula.

There was discussion amongst the Council on if the City would be able to get the formula changed.

Mayor Wimmer stated that February is the drop dead date for trying to make changes this year in regards to the City seeking alternative services outside of the Fire District. Mayor Wimmer informed the Council that Cambridge is willing to work with the City on shared fire services until the City could start its own Fire Department.

Mayor Wimmer noted the Council has been trying all year to change the formula and the formula has not changed.

Mayor Wimmer requested of Council to allow staff to send out a letter to the agencies within the Fire District informing them of the current circumstances and that the City must make a decision by February in regards to continuation of fire services with the Fire District. The largest concerns to the City Council are the required unanimous vote needed to make any changes and the formula for the charging of fire services.

Mayor Wimmer also noted that after December the Fire District will be out of the Fire Hall in Isanti per a prior vote by Council. The Council would need to vote to let the Fire District back into the building.

The Council agreed to have staff send out a letter to the other agencies.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$117,539.02 and Payroll in the Amount of \$80,528.77
2. Final Minutes of the October 28, 2014 Parks, Recreation, and Culture Board Meeting
3. **Resolution 2014-294** Approving a Check be Written to Rum River BMX for Volunteering at the Community Movie Night
4. **Resolution 2014-295** Accepting Renewal Quote for Long Distance Phone Line Services
5. **Ordinance 590** to Amend the Code for the City of Isanti, Chapter 8, City Council, Article II, Section 8-13, Presiding Officer and Chapter 264, Article I, Section 264-9, Administration

Motion by Lundeen, second by Collison to approve the Consent Agenda as presented. Motion carried unanimously.

Adjournment

Motion by Lundeen, second by Larson to adjourn. Motion passed unanimously. Meeting adjourned at 7:31 p.m.

Respectfully Submitted,

Karissa Henning
Human Resources/Deputy City Clerk