

**MINUTES
CITY OF ISANTI
CITY COUNCIL MEETING
TUESDAY, DECEMBER 3, 2019 – 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

Members Absent: Councilor Dan Collison

Staff Present: City Administrator Josi Wood, Human Resources/ City Clerk Katie Brooks, Community Development Director Sheila Sellman, Finance Director Mike Betker and Chief of Police Travis Muyres

D. Adopt Agenda

Addendum:

Add J.8 Isanti Area Joint Operating Fire District Joint Powers Agreement Amendment

Motion by Lundeen, second by Bergley to approve agenda with the modification listed above.

E. Proclamations/Commendations/Certificate Award

None

F. Approve City Council Minutes

1. November 19, 2019- Regular Meeting of the City Council

2. November 19, 2019- Committee of the Whole Meeting

3. September 17, 2019- Planning Commission Meeting

4. September 24, 2019- Park, Recreation and Culture Board Meeting

Motion by Bergley, second by Lundeen to approve minutes as presented. Motion passed 4-0. Motion carried.

G. Announcements

1. Committee of the Whole

Tuesday, December 17, 2019 at 5:00 p.m.

2. City Council Meeting

Tuesday, December 17, 2019 at 7:00 p.m.

3. Planning Commission Meeting

Tuesday, December 17, 2019

(Immediately following the City Council Meeting)

(Dates on the agenda were incorrect)

H. Council Committee Reports

Councilor Lundeen shared that the Amendment for the Isanti Area Joint Operating Fire District Joint Powers Agreement is giving the Fire District the ability to charge for calls and runs. Lundeen further shared that the agreement is not changing except allowing for the Fire District to charge for calls.

I. Public Hearings

None.

J. Business Items

City Administrator Josi Wood

1. Resolution 2019-304 Compliance Updates for Personnel Policy

City Administrator Josi Wood shared that the Personnel Policy had a complete rewrite done in order to become compliant with state and federal law. The Personnel Policy had not gone through a full update since it was created. Wood continued to share that there have been minor revisions, but not a full rewrite of the Personnel Policy. Wood stated that updating the Personnel Policy was one of the goals at the goal setting meeting at the beginning of the year in January. Wood further stated that there are no significant changes or major changes just updating. Wood further shared that these were recommendations and reviewed by The League of Minnesota Cities and the City's Attorney.

Motion by Lundeen, second by Bergley to approve resolution as presented. Motion passed 4-0.
Motion carried.

Finance Director Mike Betker

2. Consider Amendments to City Code and 2020 Fee Schedule

- a. **Ordinance-713** Amending City Code Chapter 160 Fees
- b. **Resolution 2019-305** Adopting Fees Within the City of Isanti

Finance Director Mike Betker shared that based on the recommendation at Committee of the Whole there are a few revisions under administration. The revisions include removing agenda packet subscription and open burning permit. Betker shared that a burning permit is still required but there will no longer be a charge for it. Betker continued to share the cost for water meters has been updated based on the 2020 quote and the utility rates will go up 3% per city code. Betker stated that it has been in place since the last rate study in 2015.

Councilor Bergley asked if the revisions under administration were replaced.

Betker responded by sharing that the items were simply removed as there is no fee associated with them.

Motion by Bergley, second by Gordon to approve Ordinance 713 and Resolution 2019-305 as presented. Motion passed 4-0. Motion carried.

3. Resolution 2019-306 Adopting the 2020 Final Budget

4. Consider Debt Levy Variance from Original Bond Register

- a. **Resolution 2019-307** Reducing Debt Levy Requirements for GO Bond 2010B
- b. **Resolution 2019-308** Reducing Debt Levy Requirements for GO Bond 2011A

5. Resolution 2019-309 Adopting the Final 2019 Tax Levy, Collectible in 2020

6. Resolution 2019-310 Adopting the Final 2020 Enterprise Fund Budgets

7. Resolution 2019-311 Approving a Cost of Living Adjustment (COLA) For Non-Union Employees

Finance Director Mike Betker shared that there will be a 3.8% increase in the proposed tax rate for 2020 from 2019. Betker briefly shared budget options considered in the budget including current street improvement projects that were originally identified in 2010, delay/ eliminate capital maintenance/ replacement items have been identified as needed and not funding them becomes more expensive and reducing operating expenditures including contracts and other legal obligations limit

scope of possible cuts and reduction of health insurance costs lowered the proposed tax rate increase from 9.7% to 3.8%.

Mayor Johnson opened the meeting for public input at 8:01 p.m.

Ed Tiller, 400 5th Ave S, addressed that he is concerned with his 40% increase in property taxes.

Finance Director Mike Betker stated that 40% is a significant increase and should be addressed with Isanti County Assessor.

Launa Hollin, 37 Buckskin Blvd, shared that she had an 84% increase and she contacted the Isanti County Assessor and she was very helpful in explaining why she was receiving such a significant increase. Hollin suggested residents that are questioning the amount they owe in property taxes should contact the County Assessor and she will explain the reasoning why.

Marilee Selin, 34175 Verdin St. NW Cambridge, MN, asked if there is a financial incentive with the CBD Joint being in Isanti.

Finance Director Mike Betker shared that the taxes are collected on the structure and not the business itself.

Brad Hale, 1204 Blossom Blvd, asked if the CDJ Joint was age restricted.

Community Development Director Sheila Sellman shared that there is no age restriction to enter the store, but there is an area in the store that is age restricted.

John Farris, 100 8th Ave SE, shared that he supports a capital maintenance plan and steady fiscal responsibility of keeping taxes at a steady increase or steady rate.

Mark Reller, 227 Richard Ave, shared that he is fine with the capital maintenance plan but stated it is unfair to people like him that paid for their street taxes and now part of their taxes are going to help pay other people for their taxes so they do not have to pay the bill that he did.

Finance Director Mike Betker shared that any assessments that would be applied to a street project will still be applicable within the plan. Betker continued to share that within the plan he projects assessments below what the standard is to be fiscally conservative and any assessments that would apply would be up to City Council and that barring action by the Council assessments would follow current assessment policy.

Councilor Gordon shared that property values are going up and residents are paying more taxes whether the tax rate increases or not and suggested lowering the street construction levy by \$103,000 this year.

Finance Director Mike Betker discussed that reducing the street construction levy will push slated projects back.

Councilor Lundeen made a motion to lower the street construction levy by \$103,000.

Councilor Gordon asked if the street construction levy should be lowered to \$104,000 instead.

Motion by Lundeen, second by Gordon to approve J.3 through J.7 with the modification on J.5 to lower the street construction levy by \$104,000 to bring the tax rate increase down to 0%. Motion passed 4-0. Motion carried.

8. Isanti Area Joint Operating Fire District Joint Powers Contract

Councilor Lundeen shared that the Fire District have always billed for fire calls but an issue occurred with a township fire that occurred less than a year ago with a kennel fire. Lundeen continued to share that the owner of the property does not want to pay the bill for the incident. Lundeen further shared that the contract allows the Fire District to legally bill for fire calls.

Motion by Gordon, second by Bergley to approve contract as presented. Motion passed 4-0. Motion carried.

K. Approve Consent Agenda

1. Accounts Payable in the Amount of \$237,750.76 Payroll in the Amount of \$100,608.73
2. **Resolution 2019-312** A Resolution Reducing the LOC for Legacy Pines 1st Addition
3. **Resolution 2019-313** Authorizing the Acceptance of the Labor Agreement Between the City of Isanti and Law Enforcement Labor Services, Inc. Local 416
4. **Resolution 2019-314** Memorandum of Understanding for Vacation Hours and Accrual Rate for Lieutenant John McCarty
5. **Resolution 2019-315** A Resolution to Establish a Bus Staging Area Along Centennial Dr NW
6. **Resolution 2019-316** A Resolution Denying a Conditional Use Permit Amendment for Art and Science Academy for a Storage Container
7. **Resolution 2019-317** Approving Purchase and Placement of Dog Park Parking Only Signs Near the City of Isanti Dog Park
8. **Resolution 2019- 318** Accepting Insurance Claim with Connexus Energy

Motion by Lundeen, second by Bergley to approve Consent Agenda as presented. Motion passed 4-0. Motion carried.

L. Other Communications

None

M. Closed Session

1. City Administrator Performance Review

At 8:48 p.m. the City Council went into a closed session regarding performance review of the City Administrator.

Upon reopening of the meeting, no action was taken.

Adjournment

Motion to adjourn by Lundeen, second by Bergley. Motion passed 4-0. Motion carried. The meeting was adjourned at 9:17 p.m.

A handwritten signature in black ink that reads "Jaden Moore". The signature is written in a cursive style with a large, stylized "J" and "M".

Jaden Moore
Deputy City Clerk/ Human Resources