

**CITY OF ISANTI
CITY COUNCIL MEETING
TUESDAY, DECEMBER 5, 2017 – 7:00 P.M.
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, Council Members: Paul Bergley, Dan Collison, Steve Lundeen, and Ross Lorinser

Members Absent: None.

Staff Present: City Administrator Don Lorsung, Human Resources/City Clerk Katie Brooks, City Attorney Clark Joslin, Police Chief Gene Hill, Economic Development Director Sean Sullivan, Finance Director Mike Betker, and Assistant City Engineer Jason Cook

Others Present: George Hemen, Elizabeth Anderson, Anita Reinking, County Commissioner Mike Warring

D. Adopt Agenda

Administrator Lorsung explained the agenda was amended by adding Items L.10 – Resolution Approving Request for Proposals for Building Inspection Services and L.11 – Resolution Approving a Memorandum of Understanding between the City of Isanti and I.U.O.E., Local 49, AFL-CIO Regarding Assignment of On-Call Duty for the Maintenance Technician I Classification

Motion by Collison, second by Lundeen to approve the agenda with modifications listed above. Motion carried.

E. Proclamations/Commendations/Certificate Awards

None.

F. Approve City Council Minutes

1. November 21, 2017 - Regular Meeting of the City Council

Motion by Lundeen, second by Bergley to approve minutes as presented. Motion carried.

G. Citizens Input

None.

H. Announcements

1. City Council Meeting

Tuesday, December 19, 2017 at 7:00 p.m.

2. Planning Commission Meeting

Tuesday, December 19, 2017

(Immediately following the City Council Meeting)

3. **CITY OFFICES CLOSED**

Friday, December 22, 2017 (Beginning at Noon)

Monday, December 25, 2017 (All day)

(In observance of the Christmas holiday)

I. Council Committee Reports

Mayor Wimmer reported that City officials from several departments met with representatives from Connexus, the City of Cambridge, and Isanti County regarding the recent power outage to

discuss the how the separate groups worked together to respond to the situation. It was a significant hit to a critical power pole which knocked out a substation resulting in the loss of power to approximately half of Isanti County. All were pleased with how well everyone worked together and it was a good informational meeting.

Mayor Wimmer also gave an update on the annexation. The golf course was not contested by the township and has been approved and signed off on. A proposal from the township is expected to be received regarding the orderly annexation properties.

J. Public Hearings

None.

K. Business Items

1. Establishing a Date for the City Council Goal Setting Meeting
January 22, 2018 from 8:00 am to noon was decided upon for the City Council goal setting meeting.

Motion by Lorinser, second by Bergley to approve the date. Motion carried.

Finance Director Mike Betker

2. 2018 Final Budget and Levy Presentation
 - a. **Resolution 2017-289** Adopting the Final Budget for Year 2018
 - b. **Resolution 2017-290** Adopting the Final 2017 Tax Levy, Collectible in 2018
 - c. **Resolution 2017-291** Adopting the Final Budget for the Enterprise Funds for Year 2018
 - d. **Resolution 2017-292** Approving a Cost of Living Adjustment (COLA) for Non-Union Employees

Finance Director Mike Betker led the presentation, which is the culmination of a long process started back in April. Comparisons for Expenditures in the last 10 years show decreases for General Government, Public Safety, and Public Works. That is good as those are three areas that tend to increase over time.

Notable Expenditures for 2018 include a 26.3% increase in health insurance, a 3% COLA for employees, and \$18,000 for tennis court resurfacing. EDA is up \$10,000 over last year and this is the first year for the EDA levy. A new truck with plow is to be purchased for \$50,000 with the General Fund and Water/Sewer each paying half. This is also the last year of the Street Lighting Infill unless the Council takes some action at the Goal Setting Session.

The big takeaway for the 2018 General Fund budgeted revenues is that 81% of the General Fund revenues is from taxes and intergovernmental revenues which are things like LGA grants, PERA aid, Police Training Aid, and similar sources. Transfers, such as the \$300,000 to \$350,000 that comes from the City Liquor Store each year, is also helpful in keeping down the levy.

The proposed Property Tax Levy is \$2,759,731 and includes the General Fund, EDA, and Debt Services. The taxable market value for 2018 increased a little more than 11%, City debt was cut 4%, and the General Fund balance increased by \$170,356. Most notable was that even though the levy has gone up, the taxable market value has also increased enough that the City property tax rate has decreased by 5%.

Councilmember Lorinser asked Mr. Betker to explain the tax rate. Mr. Betker said the tax rate is taxable market value divided by the levy. After more discussions about tax rate and valuations, Mr. Betker pointed out that property taxes for the current year are determined by the Property Tax Assessor the previous year in April. So, property taxes that are due in 2018 are assessed in April 2017 and it is at that time the property value must be contested by the property owner if they do not agree with the valuation. Mayor Wimmer said it was important to note that currently everything is still an estimate and the proposed property tax rate won't be locked in until March. Discussion continued by the Council about how the tax rate affects the levy.

Anita Reinking, property owner of 823 Park Brook Road NW, Isanti, approached the podium to ask about her property taxes and how they are determined as she was concerned her property taxes will increase greatly due to the date she closed her home. After trying to provide some guidance regarding her property value, it was explained that none of the City Council or City employees were the authority that makes those decisions.

Motion by Lorinser, second by Collison to approve the 2018 Final Budget and Levy Resolutions as presented. Motion carried.

City Administrator Don Lorsung

3. Resolution 2017-293 Engineering Services RFP / Review

City Administrator Don Lorsung said this is part of the professional services review which occurs every five years. The contract with Bolton & Menk to provide City engineering services was renewed by the Council five years ago and the contract is now in the 10th year. A decision needs to be made to again renew the contract with the existing service provider or to seek out RFP's. After discussing the drawbacks and benefits of renewing the contract without obtaining additional RFP's, consensus of the Council was to start by requesting a proposal from Bolton & Menk for a contract extension for the next five years.

Motion by Lundeen, second by Collison to approve the request for proposal. Motion carried.

4. Resolution 2017-294 Site Plan Building Appearance Review for Isanti Hotel Partners, LLC

Councilmember Lundeen said he had received some calls from residents and wanted to clarify that Penny Lane would not be shut down until Richard Avenue went through. Mayor Wimmer said that would be for the Council to decide and take action on, but that was the intent as the Council has previously discussed.

Motion by Bergley, second by Lorinser to approve the request as presented. Motion carried.

Chief of Police Gene Hill

5. Resolution 2017-295 Police Department Events Costs

Police Chief Hill gave an overview to the Council of the cost breakdown of yearly events the Police Department hosts for the community. Funds for these events are from the Police Department Budget. Federal grant monies received to assist with some of the event costs were not included in the budget.

Councilmember Collison asked if any of the food for the events could be donated. Chief Hill said that it has been in the past and occasionally still is. Recently, with the League of Minnesota Cities support, the State Legislature passed a law that allows cities to spend limited funds for community engagement with law enforcement to foster positive relations. The same law allows the Council to give authorization to City officials and staff to solicit funds for such events.

The Council and Chief then discussed organization partners that are grant-funded to assist with providing law enforcement for the annual Rodeo Jubilee Days.

A motion was made by Lundeen, seconded by Collision, to approve the listed events and authorize the Chief or his designees to solicit contributions to off-set the costs. Motion carried.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$186,768.77 and Payroll in the amount of \$139,667.35
2. Pay Request No. 2 for the 2017 Palomino Road Improvements to C & L Excavating in the Amount of \$247,948.29
3. Final Meeting Minutes for the October 24, 2017 Parks, Recreation and Culture Meeting
4. Final Meeting Minutes for the October 17, 2017 Planning Commission Meeting
5. **Resolution 2017-296** Accepting Minnesota Department of Health Grant for WHPP Implementation in the amount of \$3,055.50
6. **Resolution 2017-297** Approving a Check be Written to Girl Scouts for Volunteering at the Community Movie Night
7. **Resolution 2017-298** Accepting the Resignation of Public Works Employee Mike Harris
8. **Resolution 2017-299** Accepting the Resignation of Building Official Nick Henly
9. **Resolution 2017-300** Approving Permanent Hire of Community Development Director Ryan Kernosky
10. **Resolution 2017-301** Approving Request for Proposals for Building Inspection Services
11. **Resolution 2017-302** Approving a Memorandum of Understanding between the City of Isanti and I.U.O.E., Local 49, AFL-CIO Regarding Assignment of On-Call Duty for the Maintenance Technician I Classification

Motion by Bergley, second by Lorinser to approve Consent Agenda as presented. Motion carried.

M. Other Communications

1. Draft Meeting Minutes for the November 28, 2017 Parks, Recreation and Culture Meeting
2. Draft Meeting Minutes for the November 21, 2017 Planning Commission Meeting

Adjournment

Motion to adjourn by Lundeen, second by Lorinser. Motion carried. The meeting was adjourned at 7:41 p.m.

Respectfully Submitted,



Jeannifer Anderson
Administrative Data Clerk