

**MINUTES
CITY OF ISANTI
CITY COUNCIL
March 16, 2011
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 Louise Duff, Jim Kennedy, Sue Larson, and Ross Lorinser.

Members Absent: None.

Staff Present: City Administrator Don Lorsung, Assistant City Administrator/City Clerk Irene Bauer, City Attorney Clark Joslin, Finance Director Kristi Smith, Economic Development Director Sean Sullivan, City Planner Lisa Wilson, and City Engineer Brad DeWolf

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

E. Proclamations/Commendations/Certificate Awards.

There were none.

F. Approve Minutes

Motion by Larson, second by Kennedy to approve the minutes of the March 1, 2011 regular meeting of the City Council as presented. Motion carried unanimously.

Motion by Duff, second by Larson to approve the minutes of the March 1 & 4, 2011 City Council Community meetings as presented. Motion carried unanimously.

G. Citizens Input.

Clark Johnson, 1300 291st Avenue NE – Read a three page statement that included his opposition to the forced annexation, why affected property owners were not notified of the meeting on the intent to annex their properties, the holding of secret meetings, the number of properties considered for forced annexation, quotes made by the City Administrator, and the increase in property taxes that would be the result of annexation into the City.

Mayor Wimmer stated that action does not take place at the Citizen Input part of the agenda. Mayor Wimmer stated that the first step when considering the annexation of the properties that are surrounded by the City is for the City Council to consider if they want to move forward with the process; if the Council chooses to move forward notifications will be sent out to all affected property owners and possibly to properties adjacent to the subject properties.

Mayor Wimmer stated that, yes, these properties are paying township taxes and not City taxes, and believes that every property should be looked at individually as each property has a different situation. Mayor Wimmer commented on the valuation of properties and that they are set by the County.

Mayor Wimmer stated that decisions are not made at secret meetings; that the City does hold committee meetings where the background work is done, and these matters are then brought before the City Council for final review, consideration, and action.

Mayor Wimmer made comment on zoning and noted that the number of properties that are being considered for annexation are twenty three properties. That he had included the potential for annexation of these properties in his State of the City Address so there would be public awareness; and this is the first meeting the matter has been brought before the City Council for their consideration to act if they desire to move forward with the annexation matter.

Mr. Johnson stated that ten days ago he had received a call from a person (he stated he wished to not identify this person) that action on the annexation was to take place with no notification to the affected property owners. That was the first information he had on this matter and has since found out that this was going on for quite some time. That the Township was first notified four days ago. That he felt that this is a matter between the City, Township, and property owners and that the City should have notified the affected property owners thirty days ago, before it was discussed this evening.

Mayor Wimmer stated that no annexation is done secretly; that based on Council action to move forward with the annexation process, letters of notifications would then be sent out to the affected property owners.

George Hemen – 320 Palomino Road – Stated he was looking for confirmation that the vote the Council may take would be not to move forward with the process, but to see what the sediment from the affected property owners would be on the process.

Mayor Wimmer stated that it could be a vote that could go a variety of ways, to move forward, to gather information, not to move forward, etc.

Hemen stated that whatever the vote, that he wants to see there is opportunity for residents to speak on the matter.

Mayor Wimmer reviewed the process for annexation and that a public hearing would be held should the Council choose to move forward with the annexation process.

Hemen stated that if a public hearing is called it is too late, that he wants to see the process take more time so residents have a time to speak up on the matter.

H. Announcements - Announcements were read.

I. Council Committee Reports

Councilor Larson reported on the following meetings she had attended:

- Community Education

- Community Awareness Forum
 - Scheduled for April 7th at the Cambridge Middle School
 - Transportation
- Isanti Area Chamber of Commerce
 - Spring Fling – scheduled for April 16th
- Isanti Police Department
 - Proposing a Pet Clinic for April 23rd
 - Based on Council action the late fee for City pet licenses will be waived when purchased at the Pet Clinic
- Liquor Store Committee
 - Operations/Maintenance
 - Lorsung gave a report on the MMBA Conference he attended
- Historic Downtown Committee
 - Main Street Flowers
 - Signing for downtown and County Road 5
- GPS 45:93
 - Working with the ECRDC to put on a financial resource summit
- Ice Arena
 - Scheduled events to be held at the Arena
 - Watson Food Show
 - Circus
 - Wrestling Event

J. Public Hearings

1. 2011 Street & Utility Improvements Project

City Engineer Brad DeWolf gave an overview of the proposed 2011 Street and Utility Improvements Project. DeWolf stated that an open house was held on March 8th and there was approximately twenty people who attended. DeWolf stated that the proposed project was initially a part of the 2008 Street and Utility Improvement Project but that project was reduced in scope. Due to the narrow streets no sidewalks have been included in the current proposed improvement project.

DeWolf reviewed the existing conditions of the streets, sanitary sewer, and storm drainage. DeWolf stated that the sanitary sewer is clay pipe and in need of replacement; and in many locations the clay pipe has offset joints of about two inches and occurs every two feet. For this reason lining the sewer main is not an option.

DeWolf reviewed the proposed improvements and the assessments as provided by City Code 276, the cost and funding summary, and the proposed project schedule.

Mayor Wimmer opened the Public Hearing at 7:35 p.m.

Corrine Schunk – 204 Elizabeth Street SW – questioned if the construction would take place in the summer; and stated she had concerns with the parking when construction was taking place because she has a handicapped person who resides at the residence.

DeWolf – The project is proposed for the summer of 2011. Contracts address accessibility and the engineers and contractors will work with the property owner for special needs.

Mayor Wimmer – Advised Ms. Schunk to contact him if there are issues that arise.

Brian Strike – 409 Broadway Street SE – Strike Funeral Home – Stated that in the legal notice it stated 4th Avenue SE (to replace Penny Lane) was a part of the project; is this now not the case?

DeWolf – Stated that at the last meeting of the Council, (March 1, 2011) the pedestrian bridge project was canceled, therefore the construction of 4th Avenue SE has been removed from the project; the work on the Broadway Street SE area will be for the installation of sanitary sewer

Strike – Questioned if it is critical for the sewer project to go through? And if Council has thought about re-selling the property? That hopefully Richard Avenue will be extended to Broadway Street.

DeWolf – Stated that there are some sanitary sewer issues that are being dealt with and this sanitary sewer connection will allow for adequate capacity.

Roy Bakalyar – 112 Broadway Street SW – Questioned does the public have the opportunity to vote on the project or is this a City matter that is just approved by the Council?

Mayor Wimmer – Replied the Council votes on the project.

Bakalyar – Stated, so the public has no input in this?

Mayor Wimmer – Replied that there is not a direct vote by the neighborhood.

Bakalyar – Stated that he would think that something of a 1.2 million dollar City spending project would be something that you (the Council) would want to ask your citizens about and that he would request that Council consider putting a referendum together on this. Thank you.

Lou Ella Polzin – 17 Broadway SW – Stated that we know that the City is going to raise the water and sewer rates; this has been in the paper and it sounds like a considerable amount; and still we are taking money out of the sewer fund and the water fund to fund this project. Right?

Mayor Wimmer – Correct.

Polzin – How can you take money out when we have to raise the rates to put money in?

Mayor Wimmer – The reason we are raising the rates is more due to the expansion that the City had put forth from several years ago to pay off that debt. This project, when we put together the financial plan, are all factored into that rate structure so as to ensure

those funds do not run out of money. There have been two to three issues in this section in the past year – year and a half and that there has been a debate on whether to replace the clay tile or not. This goes back to 2002 – 2003 when the process started to get all the sanitary clay tile updated. This is the last section of it.

Russ Gilyard – 210 4th Avenue SW – Stated that he objects to the assessment to the longest side of the street – Gilyard stated that he would think it should be on the frontage rather than the side. Gilyard stated that when there were water assessments years ago that is how it was and that he thinks it should be on the front rather than the side.

Mayor Wimmer – Stated that this has been the policy of the City for quite some time. There has been ongoing discussion on the assessment policy and to be fair with how all residents have been treated for assessments on projects, the current policy will be followed.

Gilyard – Maybe in the future the City could do the improvements and tax everyone.

Mayor Wimmer – That is one way to go.

Gilyard – That is how it was done years ago. Everyone uses the road, what's on top and what's underneath it

Kathleen Mattson – 108 3rd Avenue SW – The road I am on – I don't think we need the curb and gutter; and for me it's a lot of money that I do not have; I do not see a need for it.

DeWolf – Curb and gutter is two fold, one is to control the drainage so it gets to the storm sewer system; and secondly it defines the structural integrity of the edge of the roadway when people drive along the edge - so its for structural integrity and drainage purposes.

Paulette Gehrke – 202 Elizabeth Street SW – Why is this project even being considered given the state of our economy. Ms. Gehrke went on to read a prepared statement to the Council on the state of the economy; the statement included there should be consideration to limit the project to 4th Avenue SW where there has been sewer issues; and questioned how the City is going to fund the project. Gehrke did make comment that doing the project now rather than later is most likely a real bargain, however even bargains cost money. Gehrke made comment that \$87,000 of general fund money was going to be used on the project; and made comment on the proposed increase in the sewer and water rates and stated that the \$87,000 could be used to offset the water and sewer fund. Gehrke questioned if the water and sewer rates that are proposed to increase were proposed knowing that a substantial amount of funds were going to be used from that fund to support the funding for this project.

Gehrke quoted the Mayor on a statement relating to the pedestrian bridge project and felt the statement is felt by residents who may or may not benefit from the proposed improvement project; the quote is as follows: "At a time when we are looking at cutting services, this project makes no sense."

Gehrke asked what would be the estimated cost to both the City and the affected residents if the City chose to do only the 4th Avenue SW improvement. Has it ever been considered, and if not, why not? And do you think it is something the City should consider at this time?

Mayor Wimmer – Stated that this 2011 improvement project is half of the project from the 2008 street improvement project; and the project may not have been a hot issue this year if it hadn't been for the sewer problems that have arisen in the past twelve months. The Mayor stated that the City does not know how long the system will continue to operate without further major problems. That to cut back on this project will allow for the overall cost for a portion of the project to increase.

There was ongoing communication that took place between Mayor Wimmer and Ms. Gehrke on the current economic times, the size of the project, and the feasibility of how much of the project should take place today. There was ongoing communication of how much longer will it be before the same sewer issues that arose on 4th Avenue SW will arise within the balance of the proposed project area.

Gehrke suggested that if the Council were to do only the 4th Avenue SW portion of the project that the balance of the project is revisited in two years. At that time the economy is going to be better and residents would be more able to assume the assessments. That this is not the time to do the full project.

Mayor Wimmer – Questioned should the project move forward when the first assessment payment would be due from the property owner.

DeWolf – The assessment hearing would be held in November of 2011 and the first payment would be due with the pay 2012 property taxes.

Dave Denker – 206 4th Avenue SW – Stated he is retired, on a fixed income, and that he is in favor of the project. Now is the time to get the project done cheaper

Roland Polzin – 17 Broadway Street SW – Stated that since he has been living at the property he thinks the City has tore the street out about three times. Two years ago the street was tore apart and he could not get out of his driveway for about three weeks, new tar was put in then and now they are going to tear out all that new tar and that it makes no sense to him

Mayor Wimmer – Stated this is why when breaking up the projects it ends up costing more.

Hearing no further questions or comments Mayor Wimmer closed the public hearing at 8:10 p.m.

Larson questioned if the City owed it to the residents to table the project and look at what the cost would be to do just 4th Avenue SW.

DeWolf stated that they can put the numbers together, however this will delay the schedule and bidding for the project would take place in mid to late June.

Ross stated that he wants to see the overall costs kept down and not see a split in the proposed project.

a. Resolution No. 2011-051, a Resolution Ordering the 2011 Street & Utility Improvements Project and Preparation of Plans

Motion by Lorinser, second by Wimmer to approve the resolution to approve the project. Motion failed with a 3-2 vote (Kennedy and Larson opposed). (The resolution to order the project must have a super majority vote of a minimum of 4/5 vote)

K. Business

1. Interview Applicant for Appointment to Fill the Vacant Youth Economic Development Authority Seat

It was stated that Zackary Knutson applied for the vacant Youth Economic Development seat.

Mayor Wimmer stated that it would be difficult to bring back someone who had been previously voted off the EDA Board by its members and approved by the City Council.

There was brief discussion on the benefits of having a youth representative on the EDA Board and it was suggested that this is sent to the EDA Board for review. Larson stated that when looking at the youth member seat that the parameters of the benefits a youth member brings to the Board must be carefully considered. That this gives the City the opportunity to mentor and provide opportunities for youth members.

Motion by Duff, second by Lorinser to send this matter to the EDA Board to look at the benefits a youth member brings to the Board. Motion carried unanimously.

2. Agenda Request – Alan Duff

a. Connexus Board of Directors

Alan Duff introduced himself and stated that he is a candidate for the Connexus Board of Directors for the 3rd District. Duff requested Council authorize staff to vote for him when mailed ballots from Connexus are received by the City.

Motion by Kennedy, second by Lorinser to authorize staff to vote for Alan Duff for the Connexus Board of Directors for the 3rd District. Motion carried unanimously.

3. Special Event Application from the Cambridge-Isanti Soccer Club

There was a brief review of the Special Event application received from the Cambridge-Isanti Soccer Club. Mr. John Kinsey, representative for the Cambridge-Isanti Soccer Club was present and stated that all the parking needs have been addressed.

a. Resolution No. 2011-052, a Resolution Approving Special Event Application to Cambridge-Isanti Soccer Club

Motion by Kennedy, second by Lorinser to approve Resolution No. 2011-052 as presented. Motion carried unanimously.

4. Resolution No. 2011-053, a Resolution Calling for a Public Hearing on Behalf of the Planning Commission to Amend Ordinance No. 445 Zoning, Section 16 Signs, Subdivision 8-Sign Provisions for Projecting Signs

Motion by Lorinser, second by Larson to approve Resolution No. 2011-053 as presented. Motion carried unanimously.

5. Discussion on Crop Farming

There was review and discussion on a cash crop that would be farmed for Ever Cat Fuels that had been initially discussed at the March 8th Planning Commission meeting. Roger Bergman and Lynn Swanson were present to review and discuss the crop and the locations that they intended to farm the crop. It was noted that property that is zoned R-1 and crop farming is considered a permitted use; and property zoned B-2 is listed as an Interim Use for crop farming, and if farming had not occurred on the property or has ceased to exist for a period of one year or more an Interim Use Permit would be required. It was stated by staff that all areas considered to be farmed by Bergman and Swanson were farmed in the past year.

There was review of the type of crop that is proposed to be farmed that is Camelina and that the information provided indicated that it is a weed. There was discussion if this may or may not be a noxious weed and if this will introduce a new weed into the area. Bergman stated that the plant is from the mustard family and it is like flax

John Kinsey commented that he had a concern if the plant should spread as the soccer fields lie across from one of the fields that Bergman and Swanson have proposed to plant with the Camelina seed.

There was no action by Council on this matter.

6. Ordinance No. 501, an Ordinance Amending Ordinance No. 445-Zoning, Section 16-Signs, Subdivision 11-Exempt Signs, Political Signs

Motion by Kennedy, second by Lorinser to adopt Ordinance No. 501 as presented. Motion carried unanimously.

7. Resolution No. 2011-054, a Resolution Approving Additional Cost for Remote Equipment for the Supervisor Control and Data Acquisition (SCADA) System for the Lift Stations

Motion by Kennedy, second by Larson to approve Resolution No. 2011-054 as presented. Motion carried unanimously.

8. Resolution No. 2011-055, a Resolution Approving the Plans and Specifications for the PFA Funded Water System Improvements

Motion by Larson, second by Kennedy to approve Resolution No. 2011-055 as presented. Motion carried unanimously.

9. Resolution No. 2011-056, a Resolution Authorizing 2011 Budget Amendments

Motion by Kennedy, second by Larson to approve Resolution No. 2011-056 as presented. Motion carried unanimously.

10. Resolution No. 2011-057, a Resolution Authorizing Approval to Enter into an Agreement with Community Pride Bank for Banking Services

Motion by Kennedy, second by Lorinser to approve Resolution No. 2011-057 as presented. Motion carried unanimously.

11. Resolution No. 2011-058, a Resolution Authorizing Staff to Apply to the Minnesota Department of Labor and Industry for a Safety Hazard Abatement Grant

Motion by Kennedy, second by Larson to approve Resolution No. 2011-058 as presented. Motion carried unanimously.

12. Bill for Trail Snow Removal

Smith gave a staff report whereas as directed by City Council, the Finance Committee further reviewed the bill that was submitted by Mille Lacs Oil Company (developer) for snow removal on the trail adjacent to their property along CSAH 5 as well as the invoices sent by the City to Mille Lacs Oil Company for sidewalk snow removal for the 2010-2011 season.

According to the Anlauf Commercial Park Development Agreement the developer was responsible for the trail maintenance until the warranty period expired on December 16, 2010.

The Finance Committee recommended that no payment or consideration of reduction in billing for City removal of snow on sidewalks in the development is made.

Mayor Wimmer stated that Mille Lacs Oil Company was responsible for clearing snow from the trail adjacent to their property as provided within the Development Agreement.

There was no action by Council on this matter.

13. Consider Amendment to Sidewalk Snow Removal Policy

Lorsung gave a staff report whereas as directed by the City Council, the Public Works Committee has reviewed the need to amend City policy regarding sidewalk sections that do not serve or connect developed areas in the City. They have reviewed amendments for both the City Code and current policy concerning snow removal from sidewalks and have recommended adoption by the City Council.

The City Code change allows the City Council to exempt sidewalks from snow removal requirements and the Resolution addresses review and exemption of sidewalk sections that meet specific criteria. This policy would be included as part of the Public Work's Committees annual review of school sidewalks routes for the next snow season.

Implementation of the new policy is proposed to begin with the 2011/2012 snow season.

a. Ordinance No. 502, an Ordinance Amending the Code for the City of Isanti, Chapter 284 – Regulating Streets and Sidewalks

b. Resolution No. 2011-059, a Resolution Providing a New Policy on Snow Removal from Sidewalks

Motion by Kennedy, second by Larson to approve Ordinance No. 501 and Resolution No. 2011-059 as presented. Motion carried unanimously.

14. Ordinance No. 503, an Ordinance to Amend City Code, Chapter 325 – Water

Lorsung gave a staff report whereas an ordinance amendment has been prepared for Council review and consideration that would add language to Chapter 325, Water. The amendments to Chapter 325-12, Responsibility for Repairs address the following matters:

- Responsibility of owners to repair their service lines, building water systems and fixtures.

Right now we do not have specific language to require that owners fix their systems. We have had situations where water leaks have been identified and the owners have refused to repair. Some of the situations are where the water pipes leaking in the system are before being metered, so there is little incentive for the owner to correct. Staff is concerned about wanton waste of water.

- Definition of City responsibility regarding private infrastructure (lighting, sprinkler systems, etc.), landscaping, trees and driveway surfacing that has to be removed in order to repair water service lines in boulevard areas.

This policy has been informally used to date, and staff recommends it be placed in writing. Language has been added regarding what restoration measures will take place.

The Public Works Committee has reviewed the above policy and recommends its approval.

Motion by Larson, second by Lorinser to adopt Ordinance No. 503 as presented. Motion carried 4-1 (Kennedy opposed).

15. Ordinance No. 504, an Ordinance Amendment to the City Code, Chapter 8, Article I – Advisory Boards

Lorsung gave a staff report whereas the current City Code does not contain an age requirement for Advisory Board members. A code amendment was presented to Council that provides all appointees to the Planning Commission shall be eighteen years of age or older; and all appointees to the Park and Recreation Board shall be eighteen years of age or older. The code amendment also included changing the number of members for the Park and Recreation Board from six down to five members per previous direction of the Council.

There was brief review that the Park and Recreation Board youth member age is 14-18 and a board members age is proposed at eighteen or older. City Attorney Joslin stated that staff must identify the position that is being filled to ensure there is not a conflict with the age requirements.

Motion by Larson, second by Kennedy to adopt Ordinance No. 504 as presented. Motion carried unanimously.

16. Discussion on Annexation of Unincorporated Areas Surrounded by the City

Lorsung gave a staff report whereas discussion took place at the March 2008 City Council meeting on annexation of unincorporated areas inside the City boundaries. The matter was initially directed to the Planning Commission and when brought back to the City Council at which they decided at that time not to do anything on this matter and that the matter should be reviewed again sometime in the future. The Development Review Committee (DAC) reviewed this matter again this year and made a recommendation that the City Council further consider if they would want to move forward with the annexation of the identified parcels and if Council pursued the annexation, the parcels are covered under the orderly annexation agreement between the City and Isanti Township.

Don Hansen, Isanti Township Board member made comments for Council consideration to annex in unincorporated areas that are surrounded by the City. Hansen stated that based on past history, the subject parcels have not been surrounded by the City by choice, but because developers wanted to annex and went around them to get the land they needed for development and to get City sewer and water for that development; that they did not have a choice. Now it is possible they are facing forced annexation and again without their choice. Hansen stated he understands legally the annexation can be forced, but that has nothing to do with being fair, morally correct, or just. Hansen stated that as far as the Township is concerned, it is not about money, but about the people. Hansen noted that there was previous mention of a 'free ride' by the affected parcels; that the Township has not received an invoice for assisting in road maintenance; and Hansen stated that the Township would be open to assisting with the cost of road maintenance for properties that have an adjacent City street next to their property.

Mayor Wimmer stated that he is in favor of working out an equitable cost sharing for City services these properties receive from the City.

Clark Johnson stated that based on Don Hansen's comments and his willingness to talk with the Council; that he is requesting the Council table this matter until a future meeting in April.

Motion by Lorinser, second by Kennedy, to direct the Finance Committee meet with Isanti Township representatives to work on a 'fee for services' plan and to bring this back to the Council for consideration. Motion carried unanimously.

J. Consent Agenda

1. Accounts Payable in the Amount of \$129,965.01 and Payroll in the Amount of \$72,575.72
2. Approval of the February 8, 2011 Planning Commission Meeting Minutes
3. **Resolution No. 2011-060**, a Resolution Approving Reller Signs Quote and Authorize Staff to Stain the Support Posts for the Community Bulletin Board
4. **Resolution No. 2011-061**, a Resolution Approving Temporary 3.2 Beer Licenses to the Blaine Jaycees
5. **Resolution No. 2011-062**, a Resolution Approving Temporary On-Sale Liquor License and Exempt Gambling Permit for St. Elizabeth Catholic Church

6. **Resolution No. 2011-063**, a Resolution Approving Renewal of Consumption & Display Permit to the Isanti Lions Club
7. **Resolution No. 2011-064**, a Resolution Authorizing Payment to Isanti County Sheriff's Office for RMS Server
8. **Resolution No. 2011-065**, a Resolution Approving a Policy on the Issuance of Dog License at Dog Clinics
9. Approve Police Department Staff to Assist East Central Veterinarians at the Annual Pet Clinic

Motion by Kennedy, second by Lorinser to approve the Consent Agenda items as presented. Motion carried unanimously.

N. Closed Session There was none.

Adjournment

Motion by Kennedy, second by Lorinser to adjourn. Motion passed unanimously.
Meeting adjourned at 9:02 p.m.

Respectfully Submitted,

Irene J. Bauer
Assistant City Administrator/City Clerk