

**MINUTES
CITY OF ISANTI
CITY COUNCIL MEETING
WEDNESDAY, MARCH 4, 2020 – 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: Dan Collison

Staff Present: City Administrator Josi Wood, Community Development Director Sheila Sellman, Chief of Police Travis Muyres, City Engineer Jason Cook and Public Services Director Matt Sylvester

D. Public Comment

None

E. Adopt Agenda

Addendum:

Add K.6 Resolution 2020-051 Approving Operation of the Compost Site

Move Item L.11 to K.7 Resolution 2020-052 Accepting Proposal for Municipal Liquor Store Market Analysis

Motion by Bergley, second by Lundeen to approve modifications as listed above. Motion passed 4-0. Motion carried.

F. Proclamations/Commendations/Certificate Awards

None

G. Approve City Council Minutes

1. February 18, 2020- Regular Meeting of the City Council
2. February 18, 2020- Committee of the Whole Meeting
3. January 21, 2020- Planning Commission Meeting

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

H. Announcements

1. Committee of the Whole
2. City Council Meeting
3. Planning Commission Meeting

Tuesday, March 17, 2020 at 5:00 p.m.

Tuesday, March 17, 2020 at 7:00 p.m.

Tuesday, March 17, 2020

(Immediately following the City Council Meeting)

I. Council Committee Reports

None

J. Public Hearings

1. Consideration of Development and Business Subsidy Agreement for BP Metals
Mayor Johnson shared that he toured BP Metals with City Administrator Josi Wood and Community Development Director Sheila Sellman. Johnson continued to share that it is a remarkable company with remarkable owners.

Mayor Johnson opened the Public Hearing at 7:03 p.m.

With no comments from the public, Mayor Johnson closed the Public Hearing at 7:03 p.m.

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

2. 6th Avenue Rehabilitation - Improvement Hearing & Project Authorization

a. Resolution 2020-042 Authorizing Improvement on the 6th Avenue Rehabilitation Project

Mayor Johnson shared that an open house was held last Tuesday for this project.

City Engineer Jason Cook shared that 9 people attended the open house. Cook presented a slideshow relating to the project with proposed improvements such as reclaiming existing street section, patch concrete curb where needed, 5-foot concrete sidewalk along west side of 6th Avenue, replacing 6-inch watermain with 8-inch watermain and protect existing storm and sanitary sewer.

Mayor Johnson asked how thick the pavement currently is.

Cook stated it was found to be between two and a half and four and a half inches.

Johnson asked what thickness is standard.

Cook stated three and a half is standard and it was found that there was a little bit to be thicker than originally thought. Cook further shared that the street was constructed over three different phases and one of the phases went in a little thicker than the ones but in the end, they are all in a failed condition.

Councilmember Lundeen asked what the pros and cons are for going with asphalt over concrete for the surface sidewalk.

Cook shared that for life expectancy asphalt gets surface wear where it will fail sooner than concrete. Cook continued to share that City standard is a 5-foot walk with a 6-foot boulevard which is what is being recommended.

Cook shared that part of the project replacement of signs to meet reflective standards.

Cook shared that the projects estimated costs are as follows: street improvements \$297,300, Watermain Improvements \$67,800, Concrete Sidewalk Improvements \$212,300 with a total projected cost of \$577,400.

Cook shared that proposed project schedule with open house held on February 25, 2020, Public Hearing & Authorize project March 4, 2020, approve plans and specs and advertise for bids March 17, 2020, Award bid April 2020, Estimated Construction Period June-November 2020 and Final Assessment Hearing November 2020.

Councilmember Bergley asked if it was received well.

Cook stated at the open house it was received well and that majority of the questions were based on assessment amount. The letter that was received had the range of assessments without giving individual numbers because it was not locked into that detail yet. Once explaining that it is only assessing street costs that trying to stay consistently fair with all projects before and after.

Johnson shared that everyone was in agreeance that the street needed to be repaired and questions of what the cost was going to be, if a person had a corner lot if they were going to have to pay twice and how fees will be paid.

Lundeen asked if there was any state aid funding for this project.

Cook stated that yes, the entire project is state aid eligible excluding the watermain. Cook continued to share that other portions of the cost are anticipated to be covered by using state aid funds.

Lundeen asked if the state aid funding figured into the \$297,300 for watermain and \$212,300 for concrete sidewalk improvement.

Mayor Johnson stated that the \$297,300 and \$212,300 is without state aid funding so it could potentially be less.

Councilmember Gordon asked that the only cost to the City is \$67,800.

Cook stated yes because the \$297,300 and \$212,300 is covered by state aid funding.

Gordon asked that it is still being assessed even though the City does not have that cost because of the state aid funding.

Cook shared to be fair, all residents are to be assessed at the same portion of their street no matter where they are if they are on a state aid route or not. Ensuring consistency with the assessment procedure.

Councilmember Bergley asked what the options would be for a resident to pay.

Johnson stated that there is an option to pay it all upfront or the second option would be a ten-year payment plan.

Finance Director Mike Betker stated that a resident can pay very early in the process this year and have no interest cost or make annual payments on the ten-year period and a third option would be is to repay somewhere in the ten-year period. Betker continued to share that a resident can repay at any point during the ten years however, any time after November 15th the next years interest is accrued in its entirety on the 15th.

Johnson asked what would happen if someone wanted to redo their driveway when the street is being redone.

Cook shared that for the project the City is restricted to the right of way that the work is being done in and those costs are usually included in the street costs and distributed to everyone uniformly but from the right of way to the apron of the home the resident would need to contact the contractor in order to receive a price. Cook further shared that it would be a private deal between the homeowner and the contractor.

Johnson asked what the City Code is for the width of a driveway.

Community Development Director stated that according to the City of Isanti's Zoning Ordinance it is 30 feet.

Mayor Johnson opened the Public Hearing at 7:25 p.m.

Blake Pendzimas, 28117 Polk Street, asked if a portion of people's driveways would be tarred?

Cook stated that City wide the average right of way is 60 feet wide so it would be 33 feet from center of the road. Cook continued to share in a project that is being run by the City if a driveway is impacted, the City will replace how much is impacted up to the right of way.

Ryan Ingberg, 600 Cedar Street, shared that he is one that is worried about money and that his driveway does not fall on 6th Avenue but still has to pay the cost while his neighbor uses this road on a daily basis and multiple times gets away without paying. Ingberg asked what happens years from now when Cedar Street gets done and his neighbor has to pay and Inberg has to pay again.

Cook referenced the assessment policy for corner lots.

Johnson stated that those residents on a corner lot had been taken into consideration and those with corner lots would be discounted.

Kristen Lorsung, 311 6th Avenue SW, asked if the sidewalk will tear up her grass.

Cook stated that the plan is to resod from the back of the curb to the sidewalk and from the back of the sidewalk to whatever it takes to tie back into the existing grass.

Lorsung stated that she will be losing a tree and asked if that will be replaced.

Johnson asked how many trees will be taken out because of this project.

Cook stated that he did not have the number in front of him but he believed it was less than a dozen.

Johnson stated that he would work on possibly getting the tree replaced.

Lorsung stated that she was told that she could go 32 feet on her driveway and now she is hearing 30 feet. Lorsung asked if there is going to be enough room when she goes 30 feet.

Community Development Director Sheila Sellman stated it is 30 feet in the right of way.

City Administrator Josi Wood stated so everyone is on the same page, the best would be to have Kristen Lorsung and Community Development Director Sheila Sellman meet. Wood continued to share that Sellman is the one who does the permits and that way there would not be any sort of discrepancies of what Lorsung has imaged.

Mayor Johnson closed the Public Hearing at 7:53 p.m.

A motion was made by Lundeen, second by Gordon to approve resolution as presented. Motion passed 4-0. Motion carried.

K. Business Items

City Administrator Josi Wood

- 1. Ordinance-725** Amending Ordinance No. 720, Adopted on January 21, 2020, and Titled Peddlers, Solicitors, and Transient Merchants

City Administrator Josi Wood shared that as discussed at the February 18th City Council meeting it was to add in an exception excluding tax exempt, non-profit organizations from needing to obtain a permit for transient merchant, peddler or solicitor. Wood further shared that it has been memorialized within the document and ready for approval.

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

- 2. Resolution 2020-043** Adopting Policy to Waive Specified Fees for Qualified Non-Profit and Tax-Exempt Organizations in the City of Isanti

Motion by Lundeen, second by Bergley. Motion passed 4-0. Motion carried.

- 3. Liquor License and Pawnshop Renewals**
 - a. Resolution 2020-044** Approving a Liquor License Renewal for Junction Bowl and Whistle Stop Bar & Grill
 - b. Resolution 2020-045** Approving a Liquor License Renewal for Rum River VFW 2735
 - c. Resolution 2020-046** Approving a Liquor License Renewal for Wintergreen's Golf and Grill
 - d. Resolution 2020-047** Approving a Liquor License Renewal for Thunder Brothers Brewery, Inc.
 - e. Resolution 2020-048** Approving a Pawnshop License Renewal for Northern Pawn, Inc.

Councilor Lundeen asked Chief of Police Travis Muyres if there are any issues with any of the renewals.

Chief of Police Travis Muyres stated that part of the renewal was to review prior year and call volumes and there was nothing that was outlined or concerning from previous years.

Mayor Johnson stated that there was a representative from each of the above businesses.

Motion by Lundeen, second by Bergley to approve resolutions 3.a, 3.b, 3.c, 3.d and 3.e as presented. Motion passed 4-0. Motion carried.

4. Resolution 2020-049 Granting an Extension to the Recording of Final Plat Legacy Pines 2nd Addition

Community Development Director Sheila Sellman shared that in the City's ordinance when receiving a final plat approval, the document needs to be recorded within 90 days of approval. Sellman continued to share that Legacy Pines 2nd Addition has asked for an extension because the 90 days would be up on Friday March 6th, 2020. Sellman continued to share that it is being asked for a 60-day extension.

Public Services Director Matt Sylvester

5. Resolution 2020-050 Amending the Lease Agreement with Rum River BMX Special Event Paid Parking Agreement

Public Services Director Matt Sylvester shared that the loan request from Rum River BMX to secure their events. Sylvester continued to share that after research and communication with the City Attorney the City Attorney informed city staff that the City has no legal basis to grant them the loan. Rum River BMX and the City of Isanti have come to an agreement for a 50/50 split and parking revenue fees. Sylvester stated that staff is recommending 50/50 split on Tier 2 and Tier 1 events to be 50/50 split but after Rum River BMX secures \$8,000.

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

6. Resolution 2020-051 Approving Operation of the Compost Site

Public Services Director Matt Sylvester shared that this went to City Council to have the Compost Site open Sundays throughout the season and then open on Saturdays for the first three Saturdays and the last three Saturdays. Sylvester continued to share that this is to switch to have the compost site open throughout the Summer on Saturdays and be open the first three Sundays and the last three Sundays of the season.

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

7. Resolution 2020-052 Accepting Proposal for Municipal Liquor Store Market Analysis

Councilmember Jimmy Gordon stated that he does not want to spend the \$7,000 that the market analysis will take when the money should not be used to build a Liquor Store until the City is debt free from all the debt it has already.

Mayor Johnson stated that it went from being \$30,000 to \$7,000 which is a huge drop. Johnson further stated that this is going to show if the Liquor Store should be rebuilt, expand or remodel.

Gordon stated when the City has the money, a market analysis should be done but not when the City does not have the cash to build or add onto the Liquor Store.

Finance Director Mike Betker shared that there are two types of debt that a City carries. One is general obligation debt which is paid for through a tax levy so there is a direct line between any resident's tax bill and that debt being paid. Betker continued to share that the other kind of debt

is revenue debt and this debt in large part is going to be issued by an enterprise fund (water, sewer and Liquor Store) and is paid through the revenues of that entity not through tax levy. Betker further stated that being informed of whether the Liquor Store should add on, remodel or build is going to affect what happens with the Fire Hall, Public Works and Police Department and he would rather spend the \$7,000 and have a better-informed decision for all the projects and an investment worthwhile.

Councilmember Steve Lundeen stated that he thinks it's a good idea and if anything, it will put the issue to bed on expanding or building new.

Councilmember Paul Bergley stated that he was on Liquor Committee before it went to Committee of the Whole and he has seen the numbers and John has taken that Liquor Store to the maximum; It has to end somewhere because it does pump so much money into the City and to maximize that this study will show that.

Betker stated the last analysis was done in 2006. Dakota Worldwide did the last market analysis which is why the City is able to get the great price of \$7,000 because they are only updating. The market study that Dakota Worldwide did in 2006 projected the Liquor Store sales would have grown 150% in three years.

Motion by Lundeen, Second by Bergley to approve resolution as presented. Motion passed 3-1 with Gordon voting Nay. Motion carried.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$150,035.02 Payroll in the Amount of \$102,446.37
2. **Resolution 2020-053** Approving Applications for Exempt Gambling Permits for Rum River BMX 50/50 Raffles
3. **Resolution 2020-054** Approving Amendment to the 2020 Budget
4. **Resolution 2020-055** Approving Extension of MOU with the City of Cambridge for Administrative Citation Hearing Officer
5. **Resolution 2020-056** Offering the Position of Part-Time Liquor Store Clerk to Scott Norsworthy
6. **Resolution 2020-057** Offering the Position of Part-Time Liquor Store Clerk to Sheila Johnsrud
7. **Resolution 2020-058** Offering the Position of Full-Time Public Works Maintenance Technician II to Nathan Hanson
8. Approving Request for Proposal for Rug and Uniform Services
9. Approving Request for Proposal for Portable Toilet Services
10. **Resolution 2020-059** Approving ASCAP Music License Annual Fee
- ~~11. Resolution 2020-XXX Accepting Proposal for Municipal Liquor Store Market Analysis~~
11. **Resolution 2020-060** Revoking Municipal State Aid Streets
12. **Resolution 2020-061** Establishing Municipal State Aid Streets
13. **Resolution 2020-062** Accepting Resignation of the Position of Planner

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

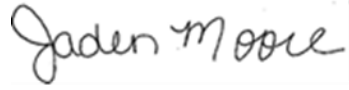
M. Other Communications

1. Draft Minutes from the February 25, 2020 Parks, Recreation and Culture Board Meeting

Adjournment

Motion to adjourn by Bergley, second by Lundeen. Motion passed 4-0. Motion carried. The meeting was adjourned at 8:15 p.m.

Respectfully Submitted,

A handwritten signature in black ink that reads "Jaden Moore". The signature is written in a cursive, flowing style.

Jaden Moore
Deputy City Clerk/ Human Resources