

**MINUTES
CITY OF ISANTI
CITY COUNCIL
April 01, 2008**

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 Alan Duff, Ralph Johnson, Jeffery Kolb, and Sue Larson.

Members Absent: None.

Staff Present: City Administrator Don Lorsung, Assistant City Administrator/City Clerk Irene Bauer, City Attorney Clark Joslin, City Engineers Brad DeWolf and Ken Adolf, Finance Director Rita Pierce, and Community Development Director Carla Vita

Motion by Larson, second by Kolb to approve the agenda as amended. Motion carried unanimously.

E. Proclamations/Commendations/Certificate Awards
There were none.

F. Approve Minutes
Motion by Larson, second by Duff to approve the March 18, 2008 Regular City Council Meeting minutes as corrected. Motion carried unanimously.

G. Citizens Input
There was none.

H. Announcements
Announcements were read.

I. Council Committee Reports
Mayor Wimmer reported mediation will be held for the LELS Union on April 4th; the Personnel Committee will be attending and stated that because Councilmember Kolb is unable to attend Councilmember Larson has agreed to sit in.

Mayor Wimmer reported on the Finance Committee meeting that had recently met.

Councilmember Larson reported she had attended the following meetings:

- Liquor Store Committee
- Ice Arena Board
- Highway 65 Coalition

J. PUBLIC HEARINGS:

J.1. Environmental Information Worksheet for Water Treatment Plant

Mayor Wimmer opened the public hearing at 7:05 p.m.

Oakley reported on the comments received from reviewers of the municipal water treatment plant's Environmental Information Worksheet (EIW). The worksheet was distributed to agencies as previously identified and to all other interested parties who may have contacted the City and requested a copy. The 30-day public comment period ended March 27, 2008. Two comment letters were received. The first was from the Minnesota Department of Natural Resources (MN/DNR); they provided recommendations for avoiding and minimizing impacts to the Blanding's Turtle. The second comment letter was received from the Army Corps of Engineers whereas they reported they will withhold project review comments until a wetland alteration permit is submitted.

Oakley stated the MN/DNR's recommendations will be followed during the construction of the treatment plant; and in regards to the comment from the Army Corps of Engineers, the municipal water treatment plant does not impact a designated wetland and a Corp of Engineers permit is not required.

Hearing no questions or comments, Mayor Wimmer closed the hearing at 7:07 p.m.

a. Resolution No. 2008-074, a Resolution Accepting the Environmental Information Worksheet (EIW) for the Construction of the Water Treatment Facility

There was general discussion on the process for submitting the design plans to the Minnesota Department of Health (MDH).

Motion by Duff, second by Larson to approve Resolution No. 2008-074 as presented. Motion carried unanimously.

K. BUSINESS ITEMS:

K.1. 2008 Street & Utility Improvement Project

a. Revised Preliminary Assessment Roll

b. Resolution Accepting Bid for the 2008 Street and Utility Improvement Project

Oakley updated Council on the construction and permitting requirements for the stormwater pond proposed to be located at the south end of the 2nd Avenue right-of-way. Oakley stated that on March 28, 2008 MFRA realized that construction could not proceed on the stormwater pond until the wetlands in that area have been delineated and a wetlands alteration permit (if one is required) is obtained from the County. The wetlands delineation cannot be completed until the beginning of the growing season in late April or early May.

Because of the delay to allow for the wetlands delineation, Oakley stated that this impacts the City's decision to award the 2008 Street Project at this time. Bids for the project were accepted on March 11, 2008. The Contractor who will be awarded the bid is required to

honor the bid for 60 days. Oakley stated that the Contractor has indicated he will extend the 60 day deadline if necessary.

There was general discussion on the matter of delineation and the awarding of the bid. Council indicated they would like to consider award of the bid at the May 20th meeting. To delay awarding the bid until May 20th would exceed the 60 days the Contractor is required to honor the bid. Council directed staff to obtain an extension from the Contractor in writing that he is willing to honor his bid and provide an extension beyond the 60 day deadline.

Motion by Larson, second by Kolb to consider award of the 2008 Street Improvement Bid at the May 20th meeting and direct staff to obtain a letter from the Contractor stating he agrees to the extension of his bid beyond 60 days and that he will guarantee his bid until May 20th. Motion carried unanimously.

K.2. Resolution No. 2008-075 a Resolution to Order Public Hearing to Consider Nuisance Abatement for Properties in Violation of Nuisance Ordinance No. 123

Wacha gave a staff report whereas property at 607 Rum River Drive SW is in violation of City Ordinance No. 123, Section 2.12; whereas the property has a vehicle without proper license plates and the vehicle is not in street operable condition.

Motion by Larson, second by Duff to approve Resolution No. 2008-075 as presented that provides for a public hearing to be held at 7:00 p.m. on April 15, 2008 to hear on the matter. Motion carried unanimously.

K.3. Resolutions Approving Requests for Funding

a. Resolution No. 2008-076, a Resolution Allocating \$1,000 from the 2008 Budget to the Isanti County Historical Society

Kathy McCully, Isanti County Historical Society requested a donation from the City and suggested a contribution rate of \$1/resident or \$5,181 for year 2008. Ms. McCully stated their organization would appreciate any amount the Council would consider to donate. McCully stated the Isanti County Historical Society is the only organization in the County that preserves and promotes history that is pertinent to Isanti County. The organization strives to promote history with programs, books, exhibits, displays, speakers, and workshops.

The 2008 budget provides for a total of \$5,000 for organizations requesting donations and there was much discussion on the limited funds the City has budgeted for these types of requests. It was stated that in year 2007 the City donated \$2000 to the Isanti County Historical Society, but based on discussion there was concern if the budget could support that same amount for year 2008.

There was discussion that the residents also pay taxes to the County so in effect residents are contributing to the organization twice.

Motion by Duff, second by Kolb to approve Resolution No. 2008-076 that allocates \$1,000 from the 2008 Budget to the Isanti County Historical Society. Motion Carried 4-1 (Wimmer opposed)

b. Resolution No.2008-077, a Resolution Allocating \$3,000 from the 2008 Budget to the Isanti Area Friends of the Library

Greg Owens, Representative of the Isanti Area Friends of the Library made a request for a donation in the amount of \$3,000. Owen's stated that the Isanti Area Friends of the Library are continuing their efforts to bring a full service library to the City. In the past year the Friends completed a 'Needs & Site Assessment' and the results were presented to the Council at an earlier meeting. The group is also considering establishing a 501-(c3) Non-Profit Corporation that will allow them to seek financial support from Community Leaders.

Motion by Larson, second by Johnson to approve Resolution No. 2008-077 allocating \$3,000 from the 2008 Budget to the Isanti Area Friends of the Library. Motion carried 4-1 (Kolb opposed).

K.4. Resolution No. 2008-078, a Resolution Awarding Quote and Authorizing to Enter into a Contract for Portable Toilet Services

Bauer gave a staff report whereas a request for quotes was placed in the Official Newspaper and posted for Portable Toilet Services for a two year period from April 1, 2008 through March 31, 2010.

Two quotes were received and they were from Jimmy's Johnnys, Inc. and Absolute Portable Restrooms. Jimmy's Johnnys, Inc. provided the lowest quote for the service.

Motion by Larson, second by Duff to approve Resolution No. 2008-078 awarding the Portable Toilet Services to Jimmy's Johnnys, Inc. Motion carried unanimously.

K.5. Resolution No. 2008-079, a Resolution Allocating \$1,000 from the 2008 Budget to the Cambridge-Isanti Soccer Association

Vita gave a staff report whereas Ms. Barb Dodd, representing the Cambridge-Isanti Soccer Association, has submitted a funding request for \$1,000. The funds would help the association pay for their portion of the insurance to the City of Isanti. The Park and Recreation Board has established a budget request process for private organizations and budgeted \$5,000 in its 2008 budget.

Motion by Johnson, second by Kolb to approve Resolution No. 2008-079 allocating \$1,000 from the Park Budget to the Cambridge-Isanti Soccer Association. Motion carried unanimously.

K.6. Consider Request for a Letter of Support for a Grant – Active Living by Design

Vita gave a staff report whereas staff received a request from Ms. Lisa Perlick, Coordinator for Active Living by Design, for a letter of support from the City for a Sustainability Funding Grant offered by the Robert Wood Johnson Foundation. The grant is intended to support efforts to disseminate, sustain and/or institutionalize current active living initiatives to go beyond the current ALBD funding period that expires in year 2008.

Duff inquired how much staff time is involved in the ALBD group and Vita responded that any time spent on the group is on her personal time as a volunteer.

Motion by Larson, second by Duff to approve a Letter of Support from the City for a Grant for ALBD. Motion carried unanimously.

K.7. Resolution No. 2008-080, A Resolution Approving Support of the North TH 65 Corridor Coalition's 2008 Resolution of Support for Transportation Improvements

Vita gave a staff report whereas the North TH 65 Corridor Coalition recently drafted and approved a Resolution of Support for Transportation Improvements, which identifies two priority projects for the corridor. The projects are 1) Four lane expansion of Highway 65 from CSAH 30 north of Cambridge to Highway 107 near Braham and construction of a new intersection/interchange at TH 107; 2) Signalization at TH 65 and CR 74 (221st) intersection in East Bethel.

Duff stated that he supports the resolution, but would like to see steps taken that could incorporate and include a Park and Ride and Commuter Rail.

Motion by Duff, second by Larson to approve Resolution No. 2008-080 as presented. Motion carried unanimously.

K.8. Resolution No. 2008-081, a Resolution Authorizing Staff to Order and Place a City Sign Within Sportsman Field

Vita gave a staff report whereas in December 2007 Council approved the City to pay rent for a sign to be erected in perpetuity at Sportsman Field in lieu of making a donation to the Redbird's organization.

Vita presented two versions of the sign for Council review and requested action to authorize staff to order and have the approved sign installed at Sportmans Field.

The Park and Recreation Board reviewed this item at their March 25th meeting and have recommended approval of the top sign as provided on the handout, providing the address to City Hall is not included on the sign.

Motion by Johnson, second by Larson to approve the top sign provided on the handout of the two presented and approve Resolution No. 2008-081 as presented. Motion carried unanimously.

K.9. Resolution No. 2008-082 a Resolution Approving the Placement of Two (2) Platform Structures, as Requested by Kevin Riedemann, on behalf of the Rum River BMX Association, on the Property at 101 Isanti Parkway

Vita gave a staff report whereas the Rum River BMX Association requested at the March 25th Park and Recreation Board meeting the placement of two platform structures to be placed on City property that the BMX Association has their BMX tracks on.

Building Official Sames has reviewed the proposed plans and does not see any issues with the plan. The BMX Association is not constructing a new building, expanding or changing the use of a building, parcel of land, or accessory structure that results in a different intensity of use, therefore a formal site plan approval process is not necessary at this time.

The Park & Recreation Board reviewed the proposal at their March 25th meeting and has recommended approval of the plans for two platform structures.

Motion by Johnson, second by Larson to approve Resolution No. 2008-082 as presented. Motion carried unanimously.

K.10. Resolution No. 2008-083, a Resolution Approving the Abatement Policy and the 2008 EDA Priority Projects.

Vita gave a staff report whereas the Isanti City Partnership has been working on a Tax Abatement policy for the past year. The policy will be used as an incentive to bring business and industry to the City and as a tool to assist in the business recruiting and retention process.

Vita stated that priority projects will be recommended by the EDA annually to the City Council with the policy used as a tool. Current priority projects are a hotel, drug store and clinic.

The City is allowed by State Statute to use up to 10% of its tax levy for abatement and this will be monitored closely.

The Isanti City Partnership recommends approval of the Abatement policy.

The EDA met on March 25 and recommends approval of the Abatement policy that includes an Abatement application fee of \$1,000 plus costs.

Motion by Larson, second by Kolb to approve Resolution No. 2008-083 as presented and to amend the Abatement policy to reference 'tax revenue' instead of 'tax base'; and to approve the Abatement fee of \$1,000 plus costs. Motion carried unanimously.

K.11. Resolution No. 2008-084, a Resolution Authorizing the Purchase of Patriotic Buntings for City Hall

Vita gave a staff report whereas the Downtown Committee has been researching a common theme or look to tie the downtown businesses together. The Downtown Committee is working to encourage the downtown businesses to decorate their business with Patriotic Buntings for the upcoming BMX 2008 Land of Lakes ABA National Competition that starts on June 21st.

The Downtown Committee recommended to the EDA to decorate the west side of City Hall with patriotic buntings to allow for participation in the decoration of the downtown businesses for the upcoming BMX event.

The EDA met on March 25th and has recommended approval to decorate the west side of City Hall that is 60 feet in length. The cost of the buntings is \$.50/linear foot; and to hang a bunting on the west side of City Hall would cost \$30.

Motion by Duff, second by Larson to approve Resolution No. 2008-084 as presented. Motion carried unanimously.

K.12. Resolution No. 2008-085, a Resolution Authorizing the Hanging of Flowers on Twelve Downtown Street Poles

Vita gave a staff report whereas the Downtown Committee has been exploring the hanging of plants from the downtown light poles. The Committee is seeking donations for the hanging plants and is working with groups to maintain and water the plants.

There was discussion by Council on who would be responsible for the watering of the plants. Vita stated the Committee will be contacting the Master Gardners, Girl Scouts and Boy Scouts. It was stated that the plants are not to go up until there is a plan in place to take care of them.

Motion by Duff, second by Johnson to approve Resolution No. 2008-085 with the condition that the City will not be responsible for maintaining the plants, and if the plants are not maintained they shall be removed. Motion carried unanimously.

K.13. APA Economic Development Division Nomination for the Ever Cat Fuels Project

Vita gave a staff report whereas annually the American Planning Association (APA) Economic Development Division awards a City for Excellence in Economic Development. Staff is recommending that the Ever Cat Fuels project is nominated for an award for Excellence in Economic Development through the APA.

Johnson voiced his concern of how the City can nominate the Ever Cat Fuels project before it is totally constructed and in production.

There was discussion on the award; and whereas this is for the planning process and bringing them to Isanti.

Motion by Duff, second by Larson to approve the nomination of the Ever Cat Fuels project for Excellence in Economic Development and direct staff to submit the required documents. Motion carried unanimously.

K.14. Resolution No. 2008-086, a Resolution Authorizing Transfer of Funds and the Use of Funds from Fund 920 (Replacement Fund)

Pierce gave a staff report whereas Chief Sager is requesting funding for the Law Enforcement software maintenance in the amount of \$5,820; and requesting authorization to purchase digital recording equipment for the Police Department.

Pierce stated the \$5,820 for the software maintenance was not budgeted for in the 2008 budget. The Finance Committee has reviewed this matter and has recommended that a transfer is made from the City Technology Fund to cover the cost of the software maintenance.

Chief Sager also requested the use of \$1,170 from the Capital Equipment Replacement Fund for the purchase of digital recording equipment; and the Finance Committee has recommended the use of Capital Equipment Replacement funds for the purchase.

Motion by Larson, second by Kolb to approve Resolution No. 2008-086 as presented. Motion carried unanimously.

K.15. Amending Fees

Pierce gave a staff report whereas staff is requesting amending Ordinance No. 429, an ordinance setting forth fees within the City by adding language that includes 'dog license late fees', and because the City no longer offers life time dog licenses the renewals for those that are 'grandfathered'; and to provide for the 'Tax Abatement Application Fee'.

Pierce reviewed the Resolution that provides for changes in dog fees to cover the Dog Catcher's increased fees based on the awarding of a contract in March for those services, adding the dog license fee of \$5.00 and the Tax Abatement Application Fee of \$1,000.

- a. **Ordinance No.433, an Ordinance Amending Ordinance No. 429 – an Ordinance Setting Forth Fees within the City of Isanti**
- b. **Resolution No. 2008-087, a Resolution Adopting Fees within the City of Isanti**

Motion by Duff, second by Larson to adopt Ordinance No. 433 and Resolution No. 2008-087 as presented. Motion carried unanimously.

K.16. Liquor Store Remodeling Project

Lorsung gave a staff report whereas the Liquor Store Committee is requesting consideration to move forward on the replacement of Liquor Store equipment and remodeling needs. Lorsung stated that the equipment and remodeling concept is to relocate and install new equipment that includes a cooler with a beer cave, new sales

floor racking and a new sale's counter. Funding for the project would come from the Liquor Store reserves.

Lorsung stated that there should be consideration if the fire sprinkler system should be replaced. The Building Code does not require a sprinkling system for the building; and the cost to replace the current system is approximately \$35-37,000. Should the sprinkling system not be replaced, there would be a cost of approximately \$3,000 for the removal of the old system. Lorsung stated that if the building was not sprinkled, the annual insurance cost for an unsprinkled building is an additional \$1200 per year. There was general discussion if the City had insurance to cover business disruption in the event of an unforeseen natural disaster. Staff reported they felt there was insurance in an unforeseen event, but would check into this.

Lorsung stated there should be consideration to install handicap upgrades to the facility. This would include the installation of handicap access doors; the cost for two sets of doors for the main entrance is estimated at \$20,000.

There was general review and discussion on other work included in the project costs. The total project costs were estimated at \$165,385 including replacement of the sprinkling system and \$131,285 if the City did not install the sprinkling system.

Motion by Larson, second by Johnson to move forward with the Liquor Store remodeling project without the sprinkler system. Motion carried unanimously.

K.17. Engineering Project Transition

Lorsung gave a staff report whereas staff has been working with Brad Dewolf, Bolton & Menk, Inc. and Bryan Oakley, MFRA regarding the transition of engineering responsibilities and work on City Projects to Bolton & Menk, Inc.. Lorsung outlined the transition work with MFRA as follows: 1) continue work on Well No. 3 and Well No. 3 Pumphouse, 2) continue work on the WWTF Screening project; these two items would continue to project acceptance and beginning of warranty time period. 3) MFRA will transfer engineering materials, punch lists, record plans and plan review letters on existing private infrastructure projects. This would include the transfer of maps and engineering record plans and documents as needed.

Bolton & Menk, Inc. transition on certain projects is as follows: 1) take over the 2008 Street & Utility Improvement from the date of the award of the bid; 2) work from current status to project closeout on the SE Quadrant Improvements; 3) provide engineering services as needed for existing private engineering projects with the emphasis to close out the majority of these projects by the end of 2008.

There was discussion on the current status of the Water Treatment Facility (WTF) project and how to proceed with engineering services for the construction phase of the project. There was discussion on requesting a proposal from Bolton and Menk for their fees to provide their services for the construction phase of the WTF and whereas costs for the services would then be reviewed.

Motion by Johnson, second by Larson to approve the Engineering Transition plan as presented excluding the Water Treatment Plant. Motion carried unanimously.

K.18. Update on Foreclosure Situation

Lorsung gave a staff report whereas the City is facing similar problems with foreclosures as many communities in the State. The City has concerns regarding the status of housing and the potential for vacant properties that will not be maintained or become damaged. Lorsung stated this not only affects the property itself, but also adjoining residences and the neighborhood through nuisances and property valuation.

Lorsung presented an outline of steps whereas the City can identify, contact and work with agents and successor owners on foreclosed property. Staff will be working with the County and reviewing City utility records on a weekly basis to identify foreclosed and/or vacant property.

Motion by Larson, second by Duff to approve the plan as provided by staff and the use of City resources to administer the foreclosure issue. Motion carried unanimously.

Greg Owens, Community Pride Bank informed Council there is training available on foreclosures and stated he had information he could provide to staff that may assist the City.

K.19. City Administrator Don Lorsung's Employment Agreement

Mayor Wimmer gave a staff report whereas the City Attorney and Personnel Committee negotiated with City Administrator Don Lorsung to update his Employment Agreement from its anniversary date of November 14, 2007. The Agreement was negotiated with a 3% salary adjustment; this would make his annual salary beginning and retroactive to November 14, 2007 at \$87,550 per year. A \$50/mo increase was provided for his mileage expense allowance and is retroactive to November 14, 2007. The contract provides for attending the Spring and Mid-winter Minnesota City/County Management Association conferences and deleting membership to the National League of Cities as well as removing attendance at the National League of Cities conference.

Motion by Duff, second by Larson to approve City Administrator Don Lorsung's employment agreement as presented and retroactive to November 14, 2007. Motion carried unanimously.

K.20. Resolution No. 2008-088, a Resolution Appointing Ms. Lisa Crawford as Interim Liquor Store Manager

Lorsung gave a staff report whereas the Personnel Committee met to consider the appointment of Lisa Crawford as Interim Liquor Store Manager for a period of thirty days through the period of time Liquor Store Manager Shari Harker is out on medical leave. The Committee is recommending additional compensation in the amount of \$2/hr effective from March 26, 2008 through April 25, 2008; the expected leave of absence period.

Motion by Larson, second by Johnson to approve Resolution No. 2008-088 as presented.
Motion carried unanimously.

L. Consent Agenda

The following consent agenda was considered:

1. Accounts Payable in the Amounts of \$287,981.14 and Payroll in the Amount of \$72,033.92
2. **Resolution No. 2008-089, a Resolution Accepting Part-Time Police Officer Nicholas Schafer's Letter of Resignation**
3. Approve Minutes:
 - a. February 26, 2008 Park & Recreation Board
 - b. February 26, 2008 EDA

Motion by Larson, second by Kolb to approve the above stated Consent Agenda as presented. Motion carried unanimously.

M. Other Communication

Other communication was reviewed as presented.

Adjournment

Motion by Larson, second by Johnson to adjourn. Motion passed unanimously.

Meeting adjourned at 8:25 p.m.

Respectfully Submitted,

Irene J. Bauer
Assistant City Administrator/City Clerk