

**MINUTES**  
**CITY OF ISANTI**  
**CITY COUNCIL MEETING**  
**TUESDAY, APRIL 20, 2021 – 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 (via Zoom), Paul Bergley, Steve Lundeen and Dan Collison

Members Absent: None

Staff Present: City Administrator Josi Wood, City Clerk Jaden Strand, City Engineer Jason Cook, Finance Director Mike Betker and Chief of Police Travis Muyres

Others Present: Justin Nilson-Abdo Eick and Meyers (via Zoom), Melissa Asmussen

**D. Public Comment**

Melissa Asmussen, 405 Moline Loop NW, shared her concerns regarding Paradise Homes that built her house and advised others from using the builder if they can.

**E. Adopt Agenda**

**ADDENDUM**

**ADD L.9 Resolution 2021-085** Authorizing Execution of Subordination Agreement

Motion by Lundeen, second by Collison to adopt the agenda with the modification listed above. Motion passed 5-0. Motion carried.

**F. Proclamations/Commendations/Certificate Award**

**1. VFW “Buddy” Poppy**

Mayor Johnson read the proclamation and encouraged all citizens to wear a Buddy Poppy as mute evidence of gratitude to the men and women of this country who have risked their lives in defense of the freedoms which we continue to enjoy as American citizens.

**G. Approve City Council Minutes**

**1. April 6, 2021- Regular Meeting of the City Council**

**2. February 2, 2021 EDA Meeting Minutes**

Motion by Lundeen, second by Bergley to approve minutes as presented. Motion passed 5-0. Motion carried.

**H. Announcements**

- |   |                                      |
|---|--------------------------------------|
| <b>1. Park, Recreation, &amp; Culture Board Meeting</b> | Tuesday, April 27, 2021 at 6:00 p.m. |
| <b>2. City Council Meeting</b>                          | Tuesday, May 4, 2021 at 7:00 p.m.    |
| <b>3. Economic Development Authority Meeting</b>        | Tuesday, May 4, 2021                 |

**I. Council Committee Reports**

Councilmember Gordon stated that it was shared at the Community Education meeting that some activities are back up and running. Gordon further shared that they are hoping to get their classes sizes back up to normal capacity and full again.

**J. Public Hearings**

**1. Main Street Reconstruction Project**

City Engineer Jason Cook shared a presentation regarding the Main Street Reconstruction project. Cook further shared that an informational open house was held on March 25<sup>th</sup>, 2021. Eight individuals representing six properties attended in person and approximately five individuals attended online via Zoom. The majority of the attendees agreed the roadway was in need of repair. Most questions were regarding individual assessment amounts, interest rates and the number of years to pay the assessment. Cook continued on to share that the total project cost is \$674,000.00 and next step in the Main Street 429 assessment process is to hold a public hearing on the improvement.

Mayor Johnson opened the public hearing at 7:27 p.m.

Melissa Bettendorf from North 65 Chamber shared concerns as the parade is scheduled for July 8<sup>th</sup>.

Mayor Johnson stated that there will be no interruption to the parade.

Cook shared that the road will be reclaimed so it will be gravel but no interruption.

Councilmember Bergley shared that he did not think a gravel road for a parade was ideal.

Discussion was held regarding a July 12<sup>th</sup> start date for construction to avoid any potential conflicts with the parade.

Mayor Johnson closed the public hearing at 7:35 p.m.

**a. Resolution 2021-074 Authorizing Improvement on the Main Street Reconstruction Project**

Motion by Lundeen, second by Collison to approve resolution with a construction start date of July 12<sup>th</sup>. Motion passed 5-0. Motion carried.

**b. Resolution 2021-075 Approving Plans and Ordering Advertisement for Bids for the Main Street Reconstruction Project**

Motion by Lundeen, second by Bergley to approve resolution as presented. Motion passed 5-0. Motion carried.

**K. Business Items**

**1. Resolution 2021-076 Accepting the 2020 Annual Financial Report and Management Letter (Abdo, Eick and Meyers- Justin Nilson)**

Justin Nilson from Abdo, Eick and Meyers shared a video presentation via Zoom regarding the 2020 Financial Audit as well as financial highlights for 2020. Nilson shared that there were no findings of any instances for noncompliance with testing. Nilson continued to

share there was one finding during the internal control finding that is consistent with previous years and also consistent with smaller cities, for having not prepared the year end financials.

Nilson shared that overall, the General Fund budgeted a decrease in fund balance of about \$50,000.00. However, the General Fund Balance increased by about \$250,000.00. Overall, it was a pretty good year. The main reason was a positive budget from variance in revenues from the Cares Act funding, grants and underspending. Nilson stated that there was nothing that really stood out in the expenditures which demonstrates good consistency in the General Fund.

Nilson continued to share that with the Special Revenue Fund Balances, it was a pretty good year for the park fund where there were some dedication fees received and not a lot of expenditures resulting in a good increase in the reserve level. Also, another positive thing was closing a couple small funds in 2020.

Nilson went on to share that in the City's Capital Project funds, the decrease is related to some of the street construction projects and the advance on MSA funding. The expenditures that did happen in 2020, expected revenues to be collected in future years for those MSA allotments.

Nilson further shared that one of the bonds from the Debt Service Funds drops off in 2020 which frees up some additional levies.

Nilson continued with the Enterprise Funds, which are made up of the water, sewer, storm water, and liquor funds. Nilson went on to share that both the water and sewer funds have healthy cash balances and good operating margins. Nilson continued to share that the storm water fund has a steady cash flow balance and is also on a steady increase. The liquor store fund for 2020 was a very good year with an operating income percentage is very strong at 13.3%. Even with the transfers out, the change in fund balance was positive at approximately \$180,000.00.

Nilson went on to share that there was a decrease in the City's tax rate which is also getting more in line with cities that have a population of under 10,000 people. Also, taxes per capita presented a decrease and more aligned with cities in the County and other cities with less than 10,000 people. Current expenditures per capita show a little bit bigger year with the street projects and other things but the City is in line as well. Nilson further shared that Debt expenditures per capita are on a downward shift which is a positive outlook for the City.

Motion by Lundeen, second by Collison to approve resolution as presented. Motion passed 5-0. Motion carried.

### **City Administrator Josi Wood**

#### **2. Resolution 2021-077 Approving a Special Event Permit Request for Walk for Life**

City Administrator Josi Wood shared that the Pregnancy Resource Center of Cambridge has submitted a special event permit application to host a one-day walk to raise money for non-profit community services. The event, including setup and tear down, will take place Saturday, May 15, 2021 from 8:00 a.m. to 1:00 p.m. at Bluebird park. No road closures or parking restrictions are being requested and the path will follow the walking paths within

the park. The event is free to attend and any donations collected will support the non-profit Pregnancy Resource Center. Staff has reviewed and requested approval.

Motion by Collison, second by Lundeen to approve resolution as presented. Motion passed 5-0. Motion carried.

**City Engineer Jason Cook**

- 3. Resolution 2021-078** Accepting Plans and Specifications and Authorizing Advertisement for Bid for the 2021 Pavement Management Project  
City Engineer Jason Cook shared that this is to accept plans and to authorize for bids on the 2021 Pavement Management Project. The schedule is as follows: bid opening June 1<sup>st</sup>, commence construction in June and expected construction completion is August 31<sup>st</sup>.

Motion by Lundeen, second by Bergley to approve resolution as presented. Motion passed 5-0. Motion carried.

**L. Approve Consent Agenda**

1. Payroll in the Amount of \$114,147.05 Accounts Payable in the Amount of \$228,052.63
  2. **Resolution 2021-079** Approval of New Hire Seasonal Eric Jones
  3. **Resolution 2021-080** Accepting Resignation from PT Police Officer Eric Baumgart
  4. **Resolution 2021-081** Accepting Quote for Cleaning Services and Authorizing Entering into a Contract for Cleaning Services
  5. **Resolution 2021-082** Approving a Minor Development Agreement with Coffee Holdings LLC
  6. **Resolution 2021-083** Setting Work Sessions for 2022 Budget
  7. Approving Request for Proposal for Electrical Maintenance Services
  8. **Resolution 2021-084** Approving a Mutual Aid Agreement Between the City of Isanti and the City of Cambridge for the Sharing of Equipment and Personnel Resources
  9. **Resolution 2021-085** Authorizing Execution of Subordination Agreement
- Mayor Johnson asked the Chief of Police to thank Mr. Baumgart for his service.

Johnson asked what the Mutual Aid is for the City of Isanti and the City of Cambridge.

City Administrator Josi Wood responded that the City of Isanti has mutual aid agreements with Cambridge, Brahm, Princeton, North Branch, East Bethel and Isanti County where if there was a state of emergency such as a tornado, the City would call upon its neighboring cities to help. It also allows to share equipment and personnel resources.

Motion by Lundeen to approve consent agenda with L.9 added, second by Collison. Motion passed 5-0. Motion carried.

**M. Other Communications**

1. March Police Department Reports
2. March Code Enforcement Officer Report
3. March Building Inspector Report
4. April Engineering Project Status Report

**Adjournment**

A motion was made by Bergley, seconded by Lundeen to adjourn. Motion passed 5-0. Motion carried.

Meeting adjourned at 7:55 p.m.  
Respectfully Submitted,

A handwritten signature in cursive script that reads "Jaden Strand".

Jaden Strand  
City Clerk