

**MINUTES  
CITY OF ISANTI  
CITY COUNCIL  
APRIL 21, 2015  
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 Paul Bergley, Adam Johnson, Steve Lundeen and Dan Collison

Members Absent: None

Staff Present: City Administrator/City Clerk Don Lorsung, Finance Director/ Assistant City Administrator Sarah Cotton, Assistant City Attorney Heidi Swisher, Human Resources/ Deputy City Clerk Karissa Henning, Police Lieutenant Travis Muyres, Economic Development Director Sean Sullivan, Community Development Director Roxanne Achman, Community Events Manager/ Parks Coordinator Josi Wood, and City Engineer Brad DeWolf

**D. Adopt Agenda**

**Addendum:**

<b>Add New L.10</b>	Resolution Accepting Part-Time Liquor Store Clerk Raquel Rudolph-Swenson's Resignation
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Motion by Johnson second by Lundeen to approve the agenda with the addendum as presented.  
Motion carried unanimously.

**E. Proclamations/Commendations/Certificate Awards**

None.

**F. Approve City Council Minutes**

Motion by Lundeen, second by Johnson to approve the minutes of the April 7, 2015 regular meeting, April 7, 2015 community meeting, and April 10, 2015 community meeting of the City Council. Motion carried unanimously.

**G. Citizens Input**

None.

**H. Announcements**

Announcements were read.

**I. Council Committee Reports**

Lundeen:

- Fire District met - potential changes to PERA for Fire Fighters

**J. Public Hearings**

None.

**K. Business Items**

1. **Resolution 2015-087 Approving Pavement Management Plan, Water and Wastewater Asset Management Plan and Revenue Plan for Funding Improvements**

Mayor Wimmer noted that no one showed up for the community meetings.

Motion by Lundeen second by Johnson to approve Resolution No. 2015-087 as presented.  
Motion carried unanimously.

2. **Two Cities, One Community Joint Event**

Mayor Wimmer stated that this is for a joint event between the City of Isanti and the City of Cambridge, which will be happening in October.

- a. **Resolution 2015-088 Approving Funding and Special Event Request for a Joint Event Between the City of Isanti and the City of Cambridge**

Motion by Johnson second by Lundeen to approve Resolution No. 2015-088 as presented.  
Motion carried 4-0-1. Bergley Abstained.

3. **Resolution 2015-089 Accepting the 2014 Annual Financial Report and Management Letter**

Matthew Vos, from Abdo, Eick and Meyers was present and summarized the City of Isanti's 2014 audit and financial report. Below are the highlights:

- The City does have sound policies and procedures in place, and is accounting for all transactions.
- The City has a good segregation of duties. The checks and balances are unique and impressive for how small the City is.
- Staff does a good job of preparing financial statements.
- The City has its goals and plans in place to maintain and replenish fund balances.

Mayor Wimmer added that the City has made significant investments in capital outlays; the City is finding ways to help pay for capital improvements and will not be solely relying on using the general fund reserve to help balance the budget. The City also has the fallback of Local Government Aid (LGA) money if needed. The LGA dollars are always held in the prior year to be used for the next year. This can be flipped around to be used in the current year if absolutely necessary.

- The City ended up with \$115,000 over the anticipated amount within licensing and permits.
- Spending was \$331,000 more than expected, however this was due to needed replacement of equipment and improvements. The general fund was able to cover for this variance.

- The largest source of revenue for the City is from taxes. This is about 51% of City revenue. This percentage is in line with where it was in 2013.
- LGA increased from \$313,000 up to \$545,000 in 2014.

Mayor Wimmer noted that City is lower than its peer groups for administrative costs and recognized staff as doing a tremendous job within their roles. Isanti has well credentialed staff and is a very efficient organization. Mayor Wimmer also attributes Isanti running so efficiently to the Council Committees. The Council Committees work hand-in-hand with staff.

- One significant change from 2013 is the revolving loan fund; this shows an increase in fund balance; however, this is not actually increasing in cash or revenue, it's increasing due to reporting changes.
- Large projects such as the BMX facility have been bonded for; the bond is anticipated to cover the cost of the project.
- Debt services were reviewed. The City is not relying on additional taxes to cover debt.
- The net debt per capita was at \$908 for 2014, higher than the last five years; this is due to the BMX facility being built and Public Works Site Improvements.
- The City's debt is comparable to where it was two years ago.

Mayor Wimmer noted that BMX debt will be paid through Rum River BMX, so those payments will offset over time.

Mayor Wimmer noted that the City is looking at doing a utility rate study within the 2016-2017 timeframe. Mayor Wimmer stated that he anticipates seeing a decent reduction in fees in 2018.

- Liquor Store sales have increased in 2012, 2013, and 2014.
- The Liquor Store's cash increased \$120,000 in 2014.

Mayor Wimmer noted that liquor sales gross profits have increased from 23 to 27.5 percent. This increase helps the City's taxes stay down. Mayor Wimmer noted Liquor Store Manager John Jacobi has done a good job managing operations.

- The Liquor Store's gross profit percentage is above the state average.

Mayor Wimmer reviewed that the taxes per capita are 30 percent less than our peer groups; the spending per capita is 15 percent less than our peer group.

Mayor Wimmer noted the City did increase spending for the replacement of some equipment to make sure everything is in good running condition, which is an upfront cost, but this will save the City in labor and repair costs down the road.

Mayor Wimmer stated the capital improvements the City has approved will make the City successful over the long term and this will prevent the City from leaving any ticking time bombs for anyone in the future.

Mayor Wimmer added that this audit and next year's audit will reflect those large capital expenditures for capital improvements. These are the goals of the Council, to set the City up for the long term.

- There will be some pension reporting changes next year, but this will not change at all how the City budgets pension currently.

Motion by Lundeen second by Johnson to approve Resolution No. 2015-089 as presented.  
Motion carried unanimously.

4. **Resolution 2015-090 Approving the Site Plan and Variance Requested for St. Elizabeth Ann Seton Catholic Church to Allow for an Expansion of the Parking Lot and an Increase in Impervious Surface Over the Permitted Amount at the Property Located at 207 Whiskey Road NW**

Motion by Lundeen second by Johnson to approve Resolution No. 2015-090 as presented.  
Motion carried unanimously.

5. **Ordinance 601 Amending Ordinance No 445 Zoning; Section 17 Off-Street Parking and Loading**

Motion by Lundeen second by Bergley to approve Ordinance No. 601 as presented. Motion carried unanimously.

6. **Resolution 2015-091 Awarding Quote for Outsourcing the Mowing of Nuisance Weed/Grass Abatement Lots**

Motion by Bergley second by Johnson to approve Resolution No. 2015-091 as presented.  
Motion carried unanimously.

7. **Resolution 2015-092 Authorizing Execution of Repayment Agreement for J Robinson Construction Inc. for Lot 14, Block 1, Villages on the Run Third Addition Phase 3**

Motion by Johnson second by Lundeen to approve Resolution No. 2015-092 as presented.  
Motion carried unanimously.

8. **Resolution 2015-093 Authorizing Execution of Repayment Agreement for J Robinson Construction Inc. for Lot 15, Block 1, Villages on the Run Third Addition Phase 3**

Motion by Lundeen second by Collison to approve Resolution No. 2015-093 as presented.  
Motion carried unanimously.

9. **Amendments to Ordinance No. 230-2 Use of Parks and No. 227-2 Parking and Storage**

a. **Ordinance 602 Amending City Code Chapter 230-2**

b. **Ordinance 603 Amending City Code Chapter 227-2**

Motion by Johnson second by Bergley to approve Ordinance No. 602 and Ordinance No. 603 as presented. Motion carried unanimously.

**10. Resolution 2015-094 Approving Funding and Placement of a Dedication Plaque for Isanti Indoor Arena**

Motion by Johnson second by Lundeen to approve Resolution No. 2015-094 as presented.  
Motion carried unanimously.

**11. Approval of Plans and Authorization to Advertise for Bids - 2015 Pavement Management Project**

Motion by Johnson second by Lundeen to approve the 2015 pavement manage project/plans and to advertise for bids as presented. Motion carried unanimously.

**12. Approval of Plans and Authorization to Advertise for Bids - Railroad Avenue Pond**

Motion by Lundeen second by Johnson to approve the railroad avenue pond plans and to advertise for bids as presented. Motion carried unanimously.

**13. Approval of Plans and Authorization to Advertise for Bids - 2015 City Parking Improvements**

Motion by Bergley second by Lundeen to approve the 2015 city parking improvement plans and to advertise for bids as presented. Motion carried unanimously.

**14. Ordinance 604 Amending City Code Chapter 325 and 260, Sewer, Placement of Driveways Over Utility Service Lines**

Motion by Johnson second by Lundeen to approve Ordinance No. 604 as presented. Motion carried unanimously.

**15. Resolution 2015-095 Calling Hearing on Postponed Assessments for Watermain Improvements of 2010 Railroad Avenue SE Street & Utility Improvement Project**

Motion by Johnson second by Bergley to approve Resolution No. 2015-095 as presented.  
Motion carried unanimously.

**L. Approve Consent Agenda**

1. Consider Accounts Payable in the Amount of \$277,400.74 and Payroll in the Amount of \$84,470.31
2. Final Minutes of the March 10, 2015 Planning Commission Meeting
3. Final Minutes of the March 3, 2015 EDA Meeting
4. **Resolution 2015-096** Approving a Check be Written to Pack 523 for Volunteering at the Community Movie Night
5. **Resolution 2015-097** Accepting a Letter of Resignation From Part-Time Custodian Cindy Schroeder
6. **Resolution 2015-098** Approving to Proceed with the Application to CenterPoint Energy for their 50/50 Safety/ Emergency Equipment Matching Grant
7. **Resolution 2015-099** Accepting a Proposal for City Hall Glass Partition Project
8. **Ordinance 605** Amending City Code Chapter 284 Traffic Regulations
9. Amendments to Chapter 160 Fees and City Fee Schedule
  - a. **Ordinance 606** Amending the Code of the City of Isanti Chapter 160 Fees

- b. **Resolution 2015-100** Adopting Fees with the City of Isanti  
10. **Resolution 2015-101** Accepting Part-Time Liquor Store Clerk Raquel Rudolph-Swenson's Letter of Resignation

Motion by Lundeen, second by Johnson to approve the Consent Agenda as presented. Motion carried unanimously.

**Adjournment**

Motion by Lundeen, second by Johnson to adjourn. Motion passed unanimously. Meeting adjourned at 7:46 p.m.

Respectfully Submitted,

Karissa Henning  
Human Resources/ Deputy City Clerk