

**CITY OF ISANTI
CITY COUNCIL MEETING
TUESDAY, MAY 17, 2016
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, Dan Collison and Steve Lundeen

Members Absent: None

Staff Present: City Attorney Clark Joslin, City Administrator Don Lorsung, Human Resources/City Clerk Lindsey McInnis, Chief Gene Hill, and City Engineer Brad DeWolf

D. Adopt Agenda

City Administrator Lorsung presented an Addendum to the Agenda adding the following new items:

- E1. Proclamation – Mayor’s Employer Celebration Day – June 7, 2016
- L12. Resolution Approving Medical Leave without Pay for Police Officer Roderick Barrows
- L13. Resolution Accepting Part Time Liquor Store Clerk Greta Stodieck’s Letter of Resignation

Motion by Lundeen, second by Collison to approve the agenda with the addition of Addendum items E1, L12 and L13. Motion carried unanimously.

E. Proclamations/Commendations/Certificate Awards

1. Mayor’s Employer Celebration Day – June 7, 2016

Mayor Wimmer read the proclamation.

F. Approve City Council Minutes

1. May 3, 2016 – Regular Meeting of the City Council

Motion by Lundeen second by Bergley to approve the regular City Council Meeting Minutes of May 3, 2016 as presented. Motion carried unanimously.

G. Citizens Input

None

H. Announcements

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|---|-----------------------------------|
| 1. City Offices Closed <i>(In Observance of Memorial Day)</i> | Monday, May 30, 2016 |
| 2. Parks, Recreation & Culture Board Meeting | Tuesday, May 24, 2016 at 6:00 PM |
| 3. City Council Meeting | Tuesday, June 7, 2016 at 7:00 PM |
| 4. EDA Meeting <i>(Immediately following the City Council Meeting)</i> | Tuesday, June 7, 2016 |
| 5. Planning Commission Meeting | Tuesday, June 14, 2016 at 7:00 PM |

I. Council Committee Reports

Mayor Wimmer stated the Fire District has produced their quarterly billing, and there was a larger increase than the City of Isanti had planned for. For a point of reference, last year the cost was \$45,000 per quarter this year it is at \$50,781. This has created a 13% increase in the Fire District's billing. The Mayor stated when levy and budget discussions arise this summer and fall, the City of Isanti will need to pass this increase on. He also mentioned to Councilmember Lundeen that they will need to try and determine where the increases are stemming from.

The Mayor stated that Allina Health Clinic has begun preparing their site.

The Mayor shared that Coborn's has invited Mayor to come to St. Cloud on June 6, 2016 to meet with key staff that will be operating the store in Isanti.

The Mayor also mentioned to the Council that they have been given some confidential information from the City Attorney that needs to be reviewed. Once reviewed, and prior to leaving it needs to be returned to Lindsey McInnis (Human Resources/City Clerk).

J. Public Hearings

None

K. Business Items

1. Resolution Approving a Special Event Permit for Car Shows to be Held in Downtown Isanti *(Dan Collison)*

Mayor Wimmer asked if any changes had been made from last year's Car Shows. Councilmember Collison stated nothing had changed, they will not be charging for parking. Collison did mention there was an error in the newspaper stating there would be a live band; however, the live band information is related to Downtown Street Dance. Collison also mentioned that they received a donation for the liability insurance, and that it has been received. The Mayor also mentioned that at the finale Family Pathways will not be hosting Ribfest again this year.

Motion by Bergley, second by Lundeen to approve Resolution 2016-169 as presented. Motion carried unanimously.

2. 2016 G.O. Sewer Revenue Bond Issue *(Jessica Green, Northland Securities, Inc.)*

Ms. Green addressed the City Council and provided comments relating to:

- a. Resolution 2016-170 - Providing for the Competitive Negotiated Sale of \$2,605,000 General Obligation Sewer Revenue Bonds, Series 2016A**
- b. Resolution 2016- 171 - Relating to the Issuance of G.O. Sewer Revenue Bonds, Series 2016A, Covenanting and Obligating the City to be Bound by and to Use the Provision of Minnesota Statutes, Section 446A.086 to Guarantee the Payment of the Principal and Interest on the Bonds**
- c. Approve Municipal Advisory Services Agreement by and between the City of Isanti, Minnesota and Northland Securities, Inc.**

Green stated the bond proceeds will be used to finance wastewater treatment improvements including a new lift station, pretreatment building, and various other systems. The total cost at this point is \$3,455,000 but there is an alternative being considered (subject to MPCA approval) that may lower that overall cost. The City is going to be contributing \$850,000 towards the project, which brings the financing requirement down to \$2,605,000.

Green directed Council to the Agenda document with the issuing process, specifically to page 4. She stated that today, May 17th, the Council is considering the adoption of the set sale resolution, if that moves forward Northland Securities is to release the preliminary official statement. Staff has also already provided the general information certificate. During the week of June 6th they are proposing to hold the rating call, with the rating being released on June 13th. The Bond Sale would be at 10:30am on June 21st, and following that they would come to City Council that evening with the true interest cost and recommendation. If that moves forward, bond proceeds would be available on or around July 19th. Green directed the Council to page 5 of the document, which provides a summary of the recommended terms. City of Isanti's bond sale would be a public sale, meaning Northland Securities, Inc. would be soliciting competitive bids. The sale date and council consideration would fall on Tuesday, June 21st to align with the council meeting. Statutory authority that the City is using is Chapter 475 – General debt authority, as well as Chapter 444 which governs the Cities utility revenue debt. For repayment terms: the bonds would mature annually on December 1st of 2018 through 2029. First interest payment would be due December 1, 2016 and semi-annually thereafter on June 1 and December 1. Security is the general obligation pledge of the City combined with the net revenues of the sanitary sewer utility system. The call date will be December 1 of 2025. If there is an opportunity to refund cash or lower interest rates, the City will be able to call those bonds on December 1 of 2024 or any date thereafter. The bonds will be designated as bank qualified. A rating will be sought from Standard & Poor's Rating Services, there is also an application to the Minnesota Credit Enhancement Program. It is not anticipated that bonds will be subject to arbitrage rebate. Briggs & Morgan will continue to act as bond counsel as they have in the past.

Green directed Council to the proposed debt service schedule, in which interest rates will continue to move as the actual bids come in. However, if the scale comes close to what Northland has proposed the average coupon would be approximately 1.85% for the life of the bonds.

Mayor Wimmer pointed out that this is wrapped into the debt schedule, as what the City had based their utility rates going forward on, and it is all inclusive. Ms. Green concurred.

Clarification on what PFA was, was requested. Green stated it is the Public Facilities Authority, a state program. The previous debt that the City has issued, was issued a rating of AA- by Standard & Poor's, the Credit Enhancement Program has an underlying rating of AA+. With the City's current rating combined with the Credit Enhancement Program, it is anticipated that lower interest rates will be received.

Motion by Lundeen, second by Bergley to approve Resolution 2016-170, Resolution 2016-171 and the Municipal Advisory Service Agreement as presented. Motion carried unanimously.

3. Resolution Authorizing Loan with Trans Mississippi Biological Supply

Mayor Wimmer indicated that Trans Mississippi is a fantastic company that provides kits to schools for biology projects such as dissection of frogs and other insects, as well as things like live butterfly kits. They are the largest in Minnesota and currently based out of St. Paul. The plan is that Trans Mississippi Biological Supply will be taking over the middle four bays at the condo units at 101 Isanti Parkway NE. They will be

moving in in two phases. Specifically, the plan is during June and July they will begin, and finish in the fall and have full facilities operating at that time.

Motion by Bergley, second by Collison to approve Resolution 2016-172 as presented. Motion carried unanimously.

4. Proposed 2017 Budget Calendar

Budget workshop sessions to prepare for 2017 budget and levy are planned to be held following the currently scheduled City Council meetings:

Tuesday, July 19, 2016

Wednesday, August 3, 2016

Tuesday, August 16, 2016 (only if additional third workshop is deemed necessary)

Motion by Bergley, second by Lundeen to approve as presented. Motion carried unanimously.

5. Resolution 2016-173 Approving Lease Agreement and Operating Policy between the City of Isanti and Redbirds Baseball for the Use of Sportsman Field

Motion by Lundeen, second by Bergley to approve Resolution 2016-173 as presented. Motion carried unanimously.

6. Resolution 2016-174 Repair of Bluebird Park Structure

Mayor Wimmer reviewed the state of the current park structure, describing that the rope was fraying. Public Works has tried temporary fixes, but all have been unsuccessful. Due to the severity of the damage at the connection point, it has become a safety issue. The cost to repair the structure is a fairly significant expense. Currently the Park and Recreation Maintenance fund could incur the cost but it would result in having no additional money in the fund for the rest of the year. The repair expense would need to come out of the general fund. The Mayor also indicated that when Public Works prepared for the upcoming year, that this structure was not something they anticipated would need repairs.

The Mayor added that this is something that may begin to come up a lot. Structures that were put in the early 2000's, when in need of repairs, will have some significant maintenance and replacement costs. According to Statute, the City cannot use Park Dedication funds to repair any existing structures, it is strictly for new structures.

It was discussed when the repair would take place. Due to ordering and shipping of the necessary part it is estimated that the structure will be repaired 10-12 weeks from date of approval.

Collison asked if Public Works is going to dismantle the current netting. The Mayor indicated that ideally we would be looking to have the structure down this week by Public Works and that he would contact Josi Woods to determine if that was possible.

Motion by Lundeen, second by Collison to replace the equipment and as mentioned in Resolution 2016-174, to remove the existing netting to avoid a safety issue. Motion carried unanimously.

7. Resolution 2016-175 Approving Request from Jim Bergman for a Conditional Use Permit to Operate a Motor Vehicle Sales Office and Display at 11 Heritage Boulevard NW, Isanti.

Motion by Lundeen, second by Bergley to approve Resolution 2016-175 as presented. Motion carried unanimously.

8. Resolution 2016-176 Approving the Request from Minnco Credit Union for an Interim Use Permit to allow for Temporary Motor Vehicle Sales on the Property located at 309 and 311 Credit Union Drive NE, Isanti.

Motion by Bergley, second by Lundeen to approve Resolution 2016-176 as presented. Motion carried unanimously.

9. Ordinance No. 644 Amending Zoning Ordinance 445, Section 6: Residential Districts and Section 14: Performance Standards to include fencing/barricade requirements for swimming pools

Motion by Bergley, second by Lundeen to approve Ordinance No. 644 (Amending Ordinance 445) as presented. Motion carried unanimously.

10. Ordinance No. 645 Amending City Code Chapter 8-6, Planning Commission to Reduce the Number of Members

Mayor Wimmer indicated that the Planning Commission Advisory Board would go down to the 6 currently on the board, and reduce down to 5 members beginning January 1, 2017.

Motion by Collison, second by Bergley to approve Ordinance No. 645 (Amending City Code Chapter 8-6) as presented. Motion carried unanimously.

11. Resolution 2016-177 to Award School Watermain Loop Improvements to Northdale Construction Co.

Award Recommendation was provided by Brad DeWolf with Bolton and Menk, Inc.

Mr. DeWolf indicated that on May 3, 2016 five bids were received regarding the School Watermain Loop Improvements projects. The Engineer's Estimated cost was in the \$185,000 to \$200,000 range. A low bid was received from Northdale Construction Co, which is a reputable firm. Northdale Construction can complete the project in accordance with the contract. It is recommended the project is awarded to Northdale Construction Co in the amount of \$156,824.52.

Motion by Lundeen, second by Bergley to approve Resolution 2016-177 as presented. Motion carried unanimously.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$305,533.61 and Payroll in the amount of \$95,486.16

2. Final Meeting Minutes for the April 5, 2016 Economic Development Authority Meeting
3. Final Meeting Minutes for the April 12, 2016 Planning Commission Meeting
4. Authorizing Advertising for Quotes for Lease of City Owned Crop Land
5. **Resolution 2016-178** Accepting Proposal for Electrical Maintenance Services
6. **Resolution 2016-179** Approving an On-Sale 3.2 Malt Liquor License for Isanti Lions Club for the 2016 Isanti Street Dances
7. **Resolution 2016-180** Approving an On-Sale Liquor License for Isanti Firefighter's Rodeo Association
8. **Resolution 2016-181** Offering the Position of Administrative Data Clerk to Janice Lutterman
9. **Resolution 2016-182** Offering the Position of Economic Development/Marketing Intern to Kathryn Skalicky
10. **Resolution 2016-183** Offering the Position of Part-Time Liquor Store Clerk to Sarah Cisar
11. **Resolution 2016-184** Approving Use of Water Tower for Training by Isanti Fire District
12. **Resolution 2016-185** Approving Medical Leave without Pay for Police Officer Roderick Barrows
13. **Resolution 2016-186** Accepting Part Time Liquor Store Clerk Greta Stodieck's Letter of Resignation

Motion by Lundeen second by Bergley to approve the consent agenda. Motion carried unanimously.

M. Other Communications

1. Draft Meeting Minutes for the May 3, 2016 Economic Development Authority Meeting
2. Draft Meeting Minutes for the May 10, 2016 Planning Commission Meeting
3. Amended 2016 Planning Commission Meeting Schedule
4. April Police Department Report
5. April Code Enforcement Report
6. April Building Inspector Report
7. May Engineering Report

Adjournment

Motion by Bergley second by Collison to adjourn. Motion carried unanimously. Meeting adjourned at 7:19 p.m.

Respectfully Submitted,

Lindsey McInnis
Human Resources/City Clerk