

**MINUTES  
CITY OF ISANTI  
CITY COUNCIL  
June 1, 2010  
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 Jim Kennedy, Jeffery Kolb, Sue Larson, and Ross Lorinser.

Members Absent: None.

Staff Present: City Administrator Don Lorsung, Assistant City Administrator/City Clerk Irene Bauer, City Attorney Clark Joslin, Finance Director Kristi Smith, Economic Development Director Sean Sullivan, Lieutenant Gene Hill, and City Engineer Brad DeWolf.

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

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

RJ Sauzageau, Representative of CenterPoint Energy presented the CenterPoint Energy Community Partnership Grant check in the amount of \$1,733 to Lieutenant Gene Hill, representing the Isanti Police Department. The funds will be used for an 800 MHZ radio for the police reserves.

**F. Approve Minutes**

Motion by Larson, second by Kolb to approve the minutes of the May 18, 2010 Work Session, Regular and Closed Session of the City Council as presented. Motion carried unanimously.

**G. Citizens Input** – There was none.

**H. Announcements** - Announcements were read.

**I. Council Committee Reports**

Councilor Larson reported on the following meetings she had attended:

- Liquor Store Committee
  - o Staffing
- GPS 45:93
  - o Annual meeting was held
    - Dan McElroy was the guest speaker and spoke on State Transportation
  - o Board Member appointments were made with Ms. Larson and Commissioner Duff appointed to sit on the Board and Economic Development Director Sean Sullivan appointed as an At-Large voting member.

- ICICLE
  - o IT Technology
  - o County Wide Emergency Management
  - o County Wide Fire District
  - o East Central Cable Commission
    - Potential for Joint Franchise Power Agreement with the City of Cambridge & Isanti
- Fire District Board
  - o Discussion on City of Isanti outstanding fire run invoices
  - o Fire Runs
  - o Station 3
- Ice Arena Board
  - o Maintenance
  - o Financing – Kevin Johnson present to speak on
  - o Ice contract – Owls hockey team
- Community Involvement Team
  - o Take a Kid Fishing day is scheduled for June 5<sup>th</sup>
    - Mentors are the Sportsman's Club, and Isanti Police Department and Reserves. Lunch will be served by the Lions Club.
- Downtown Committee
  - o Isanti Family Farmers Market open house will be held on June 5<sup>th</sup>
  - o Flower boxes have been set out
    - More businesses are taking part in the beautification of the City
    - Industries Inc. will be watering the hanging flower baskets
- Traffic Forum
  - Scheduled for June 4<sup>th</sup> - 5 to 7 p.m. with Congressman Oberstar at Anoka Ramsey Community College
- LMC
  - o Annual League Conference scheduled for June 23 to 25
  - o Unallotments
  - o City Services
- Friends of the Library
  - o Summer Reading Program
  - o Quilt Raffle
    - Sponsored by the Isanti Lions

**J. Public Hearings.** There were none.

#### **K. K. Business**

##### **1. Resolution No. 2010-123, a Resolution Approving Special Event Request – Community Pride Bank**

Motion by Kennedy, second by Larson to approve Resolution No. 2010-123 as presented. Motion carried unanimously.

##### **2. Resolution No. 2010-124, A Resolution Approving Special Event Request – Wintergreens Golf and Grill**

Jan Peterson, Isanti Area Chamber of Commerce was present and stated that she liked the idea that Wintergreens Golf and Grill was proposing an event as a part of the Jubilee Days activities, however she had a concern of parking in the area, specifically on Credit Union Drive. There was discussion that the Wintergreens event will start when the parade

is still going on and that many of the parade units use Credit Union Drive to exit the parade area. That by allowing parking on both sides of Credit Union Drive as proposed within the Special Event Application, there would not be room for some of the parade units to drive down the street.

There was discussion on this matter and if parking should be allowed on just one side of Credit Union Drive to ensure good traffic flow and emergency use of the road.

Motion by Kennedy, second by Lorinser to approve Resolution No. 2010-124 approving Wintergreen's Special Event with the condition that the City will post 'no parking' signs on the east side of Credit Union Drive on July 8, 2010. Motion carried unanimously.

**3. Resolution No. 2010-125, a Resolution Approving Extension of Development Deadline for Hough-Gargaro, LLC and First Amendment to Purchase and Development Agreement**

Sullivan gave a staff report whereas the Development Agreement entered into with Hough-Gargaro, LLC required the construction of a 40,000 square foot manufacturing facility on Lot 3; Lot 6 consists of approximately 1.97 acres and was considered excess land and required the construction of an additional 15,000 square feet of building by July 11, 2010 on the parcel. To date the Developer has constructed a 40,000 square foot manufacturing facility on Lot 3, which operates as American Manufacturing, and has thirty-five employees.

The Development Agreement states that the excess land (1.97 acres) will be conveyed by the Developer to the City for the price of one dollar if construction of the 15,000 square foot building does not occur by July 11, 2010. The Developer has requested that the City extend the time allowed to construct the 15,000 square feet of building to July 11, 2012.

Motion by Lorinser, second by Kennedy to approve Resolution No. 2010-125 as presented. Motion carried unanimously.

**4. Resolution No. 2010-126, a Resolution Approving the Adoption of the TIF Management Plan**

Motion by Kennedy, second by Lorinser to approve Resolution No. 2010-126 as presented. Motion carried unanimously.

**5. Resolution No. 2010-127, a Resolution Relating to City of Isanti Position on Isanti County EDA Role**

Sullivan gave a staff report whereas at the May Isanti County EDA meeting there was discussion regarding the purpose and priorities of the Isanti County EDA Board. The consensus of the Board was to ask the cities to meet and discuss the role of the County EDA moving into the future.

There was review and discussion on the items that were to be considered and consensus to recommend and communicate to the Isanti County EDA Board the following: 1) Recommend Isanti County EDA stick to its original focus which was to facilitate the development of an industrial rail park. 2) If the County EDA determines that it would like to expand its role that they would serve as conduit for grant opportunities that the City isn't eligible for or serve as a co-applicant for funds. 3) If funding is to be utilized by the County EDA it should not be in the form of an additional County EDA levy. The

funds should be reallocated from within the existing budget of the Isanti County general fund levy and dedicated to the EDA.

There was brief review and discussion on what the organization GPS 45:93 does.

Motion by Larson, second by Kennedy to approve Resolution No. 2010-127 with the three elements as stated above. Motion carried unanimously.

**6. Resolution No. 2010-128, a Resolution Approving RFP and Authorize to Request RFP for the City's Web Site Hosting**

Sullivan gave a staff report whereas the current City website is hosted by Aluna Design and Aluna Design does not have the space necessary to host the City's website and have it operate as designed. Based on City Council direction, Staff has developed a RFP that would provide for the moving of the existing website, or one similar in nature and email service to another host server.

Motion by Lorinser, second by Larson to approve Resolution No. 2010-128 as presented. Motion carried unanimously.

**7. Resolution No. 2010-129, a Resolution Authorizing Appointment of Economic Development Director Sullivan to the At-Large Seat on the Executive Board for GPS 45:93**

Motion by Kennedy, second by Larson to approve Resolution No. 2010-129 as presented. Motion carried unanimously.

Sullivan stated that he has had discussion with GPS 45:93 relating to dues for Cities.

**8. Resolution No. 2010-130, a Resolution Approving the Plans for the 2010 Railroad Avenue & Utility Improvement Project and Ordering Advertisement for Bids**

DeWolf gave a staff report whereas the final plans and specifications have been prepared for the Railroad Avenue SE improvements. The schedule for the improvement was reviewed based on action to move forward with the project.

Motion by Lorinser, second by Larson to approve Resolution No. 2010-130 as presented. Motion carried unanimously.

**9. Resolution No. 2010-131, a Resolution Accepting Proposal to Provide Engineering Services for Testing a Section of Isanti Parkway Road**

Motion by Lorinser, second by Larson to approve Resolution No. 2010-131 as presented. Motion carried unanimously.

**10. Resolution No. 2010-132, a Resolution Authorizing Staff to apply to the Minnesota Department of Public Safety, Office of Traffic Safety for the Safe & Sober Communities Grant and Authorize Execution of Agreement**

Motion by Kennedy, second by Larson to approve Resolution No. 2010-132 as presented. Motion carried unanimously.

**11. Resolution No. 2010-133, a Resolution Authorizing Minnesota Public Facilities Authority Credit Enhancement Program Agreement**

Smith gave a staff report whereas through the Minnesota Public Facilities Authority Credit Enhancement Program the cost to obtain and upgrade the City's bond rating is \$500; the rating is for the General Obligation Utility Revenue Bonds, Series 2010A for the County Road 5 Lift Station Project and the water improvement portion of the Railroad Avenue SE Improvement project. Should the City receive an upgrade in bond rating the estimated interest cost savings on the bond would be approximately \$12,000.

Motion by Kennedy, second by Lorinser to approve Resolution No. 2010-133 as presented. Motion carried unanimously.

**12. Resolution No. 2010-134, a Resolution Approving Engagement Letters for Utility Rate Study Update and 2010 Audit**

Motion by Kennedy, second by Larson to approve Resolution No. 2010-134 as presented. Motion carried unanimously.

**13. Consider 2011 Budget Calendar**

Smith reviewed the schedule for Departments to meet with the Finance Committee on their 2011 proposed budgets. Smith reviewed the dates for City Council Budget Work Sessions as follows:

- Tuesday, July 20, 2010
- Wednesday, August 4, 2010
- Tuesday, August 17, 2010 – if necessary

Motion by Kennedy, second by Lorinser to approve the Budget Work Sessions per the above schedule. Motion carried unanimously.

**14. Consider NSP Grant Modification**

Smith gave a staff report whereas modifications to the Neighborhood Stabilization Program budget is necessary and includes moving the remaining rehabilitation funds in the amount of \$25,602 to down payment assistance and moving the down payment assistance funds in the amount of \$24,164 between the income categories on an as needed basis.

Motion by Kennedy, second Lorinser to approve submitting grant modifications to the Minnesota Housing Finance Agency to move remaining rehabilitation funds to down payment assistance and authorize staff to prepare and submit future budget amendments to move down payment funds between 120% AMI and 50% AMI on an as needed basis. Motion carried unanimously.

**15. Resolution No. 2010-135, a Resolution Approving Public Works Emergency Contingency Plan**

Motion by Kennedy, second by Lorinser to approve Resolution No. 2010-135 as presented. Motion carried unanimously.

**16. Resolution No. 2010-136, a Resolution Approving a Two Tiered Health Insurance Plan for City Employees**

Motion by Kennedy, second by Kolb to approve Resolution No. 2010-136 as presented.

Lorsung noted that the new 120 Plan will go into effect for the non-union employees; that until the outcome of the union negotiations will it be determined if union employees will be affected by the 120 Plan.

**17. Resolution No. 2010-137, a Resolution Authorizing City Staff to Transfer Volleyball Equipment from Mattson Park to Bluebird Park**

Motion by Larson, second by Kolb to approve Resolution No. 2010-137 as presented. Motion carried unanimously.

**18. Resolution No. 2010-138, a Resolution Approving the Amendments to the Park Athletic Elements Reservation Policy for Inclusion of Regulations for the Reservation of Tennis Courts**

Motion by Larson, second by Kennedy to approve Resolution No. 2010-138 as presented. Motion carried unanimously.

**19. Resolution No. 2010-139, a Resolution Approving the Use of the Police Reserves for Evening Park Patrols**

Motion by Kennedy, second by Kolb to approve Resolution No. 2010-139 as presented. Motion carried unanimously.

**20. Resolution No. 2010-140, a Resolution Authorizing an Interim Liquor Store Key Holder Employee; Creating a Clerk III Position; and Authorize Advertising to Fill the Clerk III Position**

Motion by Lorinser, second by Larson to approve Resolution No. 2010-140 as presented. Motion carried unanimously.

**L. Consent Agenda**

1. Consider Accounts Payable in the Amounts of \$103,928.81 and Payroll in the Amount of \$65,537.97
2. Approval of February 23 and April 27, 2010 Park and Recreation Board Minutes
3. Approval of April 27, 2010 EDA Minutes
4. **Resolution No. 2010-141**, a Resolution Approving Identity Theft Prevention Program
5. **Resolution No. 2010-142**, a Resolution Accepting Funds from the CenterPoint Energy Community Partnership Grant

Motion by Lorinser, second by Kennedy to approve the Consent Agenda items as presented. Motion carried unanimously.

**N. Closed Session**

At 8:02 p.m. Wimmer announced that the Council would go into recess until 8:00; and at such time the City Council would go into Closed Session for receiving an update and status report on labor negotiations.

**1. Update on Labor Negotiations**

At 8:46 p.m. Council came out of closed session and Mayor Wimmer requested City Attorney Clark Joslin provide a summary of the closed session held to receive an update on labor negotiations.

Joslin stated that during the course of the Closed Session the Council received an update from Legal Counsel Joslin and Special Labor Counsel Frank Madden in regard to the status of the discussions and the options for moving forward with the labor contract

issues. Council asked and received answers to certain questions on the entire labor negotiation process and the current status was discussed and updated. Following that discussion Council came back into open session.

There was brief discussion by Council on the increase of the insurance stipend from the initial offer of \$750 to \$1000 for the second year that was approved by the Local 49 union members. There was a comment made that the City may want to consider approving the increase in the insurance stipend as the best option versus costs that could be incurred by the City on other potential legal issues that could arise should the Council move to not approve the contract.

It was questioned where the additional funds will come from to pay the additional \$250 to the employees and the response was that those funds would come from the savings in moving from the Aware Gold health plan to the 120 Plan.

Motion by Kennedy, second by Lorinser to approve **Resolution No. 2010-143**, a Resolution Authorizing the Acceptance of the Labor Agreement between the City of Isanti, MN and International Union of Operating Engineers Local No. 49 AFL-CIO. Motion carried unanimously.

Motion by Kolb, second by Larson to authorize submitting the City's final offer to the LELS union employees and to include the same insurance stipends that were approved for the Local 49 labor contract. Motion carried unanimously.

#### **Adjournment**

Motion by Lorinser, second by Kennedy to adjourn. Motion passed unanimously. Meeting adjourned at 8:52 p.m.

Respectfully Submitted,

Irene J. Bauer  
Assistant City Administrator/City Clerk