

**CITY OF ISANTI
CITY COUNCIL MEETING MINUTES
TUESDAY, SEPTEMBER 6, 2016 – 7:00 P.M.
CITY HALL**

The meeting was called to order at 7:00 p.m. by Mayor Wimmer.

The Pledge of Allegiance was recited.

Members Present: Mayor George Wimmer, Councilors: Paul Bergley, Dan Collison, Ross Lorinser, Steve Lundeen

Members Absent: None

Staff Present: City Attorney Clark Joslin, City Administrator Don Lorsung, City Clerk/Human Resources Lindsey McInnis, Police Chief Gene Hill, Economic Development Director Sean Sullivan and Interim Finance Director Gail Bauman.

Others Present: James Harris, Melissa Bettendorf

D. Adopt Agenda

Motion by Lundeen, second by Lorinser to approve the agenda. Motion carried.

E. Proclamations/Commendations/Certificate Awards

None

F. Approve City Council Minutes

1. August 16, 2016 – Regular Meeting of the City Council
2. August 16, 2016 – Closed Session Meeting of the City Council

Motion by Bergley, second by Collison to approve the regular and closed session City Council Meeting Minutes. Motion carried.

G. Citizens Input

James Harris, 459 3rd Ave N, approached the podium to inform the City Council he had a question and a statement. He also informed the Council that he would be recording, stating he has been accused of saying things that he has not said before. He was curious as to what the \$5 fee that is being charged by the utility company is for? He thought perhaps it was “that you are all too ashamed to send a bill saying we need more of your money.” Harris then asked “What is that money actually for?” He also wondered why the questionnaire regarding police brutality he has given out is not being answered.

Mayor Wimmer explained that the fee that is charged to the utility companies is for usage of city right of way, which is a common practice by many communities. They (the utility company) then have chosen to pass that fee on to the users of their utilities. That money is used for our street maintenance programs such as seal coating, crack sealing, those type of things.

The Mayor went on to state that the questionnaire is something that has been responded to many times. The Councilmembers have an option and may or may not respond to it, it is entirely up to them.

H. Announcements

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| 1. Planning Commission | Tuesday, September 13, 2016 at 7:00 p.m. |
| 2. City Council Meeting | Tuesday, September 20, 2016 at 7:00 p.m. |
| 3. Parks, Recreation and Culture Meeting | Tuesday, September 27, 2016 at 6:00 p.m. |

I. Council Committee Reports

Mayor noted that while going through the Fire District minutes, he had seen they were potentially purchasing property for a new Fire Hall at the corner of Whiskey and Heritage. Mayor did contact the Fire Chief and let him know that area is not zoned for such a use. Mayor talked with him and advised him to contact Ms. Achman, Community Development Director if they decide to pursue finding a parcel for a new station. They would need to put it in an area that would be properly zoned. Mayor suggested that if we have something like this come up, we want to make sure we get these into the committee reports, so they don't waste time and effort going down the wrong path. Councilor Lundeen explained he was not able to attend the last Fire District meeting, and prior to that it was brought up as a possibility to research and there was no further discussion than that.

J. Public Hearings

K. Business Items

1. Discussion Regarding School District Spending on Security & School Resource Officers (*Mayor Wimmer*)

The Mayor explained he has tried to work with the school district repeatedly and has not received a satisfactory answer in regards to this issue. Cambridge schools have two full time resource officers. One is at the high school and there is another at the middle school. Mayor believes they have also bought equipment such as a squad car. The Isanti Middle School has just one part-time officer. Mayor will be looking for an accounting of what has been spent in this area in both communities. It seems as if there is no parity. If it is a question of the quality of our school resource officer, last year our officer was named the top resource officer in the State. He has most recently received another award from "Toward Zero Deaths". He is a top notch resource officer. The Mayor asked for Council support as he has tried to work with the Superintendent and the school district for an explanation or a reason why things are happening this way. He has not received anything remotely satisfactory for it. It can be assumed there are no worse or better issues in their middle school in Cambridge than in Isanti. A question was asked by Lorinser if Cambridge Police Department put more money into the program or the school district? Mayor answered that the school district does. Collison stated that his understanding was that the second officer and squad car was all paid for by the school. Bergley asked if one was at the Middle School and one was at the High School? Collison said that one is at the High School and the other floats between all the specialty schools and the Middle School. The Mayor said he can understand that the High School needs its own officer and that is not the issue. When we are talking about the middle schools and intermediate schools the resources should be roughly the same. There's a significant amount of money being spent and we are all in that School District. There should be equal support. Councilor Lorinser asked the Mayor what answers he has been given so far. Mayor responded that in regards to the squad car, he has been told it was probably not a good idea but he wants to have actual specific language, why it happened, how it happened and why they are paying for a part time officer in Isanti and a full time officer in Cambridge when they have roughly the same student population. The Mayor added that there may be a perfectly legitimate reason but he wants to see it. He feels that as a tax payer if they are not subsidizing us with the same services as another community, he believes it is an issue. The Mayor would like to send a letter requesting the information, working with the Chief and Staff to compile it. He will update Council when he receives an answer. He stated he has tried to get an answer for roughly the past two years.

Motion by Lundeen, second by Bergley to give Council support to Mayor sending a letter requesting the information discussed above. Motion carried.

2. **Resolution 2016-253** Approving a Special Event Permit Application for a Car Show at Isanti VFW
(*Dan Collison*)

Mayor Wimmer pointed out the application for the Special Event Permit came in late and he personally would not have accepted it. He also noted that according to the permit, the sign permit has not yet been received. Councilor Collison stated that he felt this should fall under the exempt signs, subdivision 9. Mayor asked Collison if he had provided staff with a specific sign? Collison said he had not. Mayor indicated that he will need to work with City Staff to make sure all City requirements are met. The Mayor also indicated that he will be putting forth language in City Policy, which will be brought to Council, that a current councilmember will not be allowed to bring forth agenda items to represent another body or organization that they sit on, even if there is no fiduciary benefit to that councilmember.

Motion by Lundeen, second by Bergley to accept the resolution approving the special event permit as long as all city requirements and code are followed and met. Motion carried.

City Administrator Don Lorsung

3. Adoption of Budget and Preliminary Levy

a. **Resolution 2016-254** Setting the 2017 Final Budget and Levy Meeting

Final consideration on the budget will be given at the 7:00p.m. December 6th City Council meeting

b. **Resolution 2016-255** Approving the 2017 Preliminary Budget for the City of Isanti

c. **Resolution 2016-256** Adopting the Proposed 2016 Tax Levy Collectible in 2017 for the City of Isanti

Gail Bauman, Interim Finance Director, explained per state law cities are required to set their maximum tax levy and certify it to the County by the end of September. She then presented a short power point presentation.

Mayor Wimmer also mentioned to Council that we have to provide the adoption of the budget and preliminary levy to the County before we get the actual City valuation. So this number is what we are collecting in total tax dollars, we will not know the percentage of what the effect of levy will be until we get that evaluation. We don't usually receive the actual City valuation for another month or so.

Ms. Bauman did state that preliminary numbers were received from the County, but if possible it is better to wait until final numbers are available. She began with a slide comparing revenues and expenditures for the past seven years. The four years between 2012 and 2015 we were consciously spending down the General Fund Fund Balance. Then in 2016, it was basically a balanced budget, and this upcoming year we are starting to add back to into the general fund. We have fallen slightly below the 50% mark required by City Policy, so we are beginning placing money back into the General Fund fund balance.

Next is the comparison of expenditures by department from 2007 to 2017. Some departments that increased the most are Public Safety, which went from 24.4% to 33% in 2017. Also, the Parks Recreation and Culture increased during that same timeframe. Debt service stayed the same and general governmental went down, which could be a result of some reclassification between some expenditures. The Mayor mentioned PRC

took over operations of the Community Center, Farmer's Market and Street Dances which were three main things that were not in the 2007 budget.

The next items discussed were the bigger items that impacted the General Fund for 2017. Some of these may not be changes from last year. For example, we had a squad car budgeted last year and we have another squad car budgeted this year. But some things are new, like the \$10,000 of mediation/arbitration fees, which is a potential cost to the City and we want to prepare for that. The Mayor mentioned that this is something that has occurred enough that we need to begin to budget for it, and that this number is based on previous fees that the City has incurred. Ms. Bauman then went on to state that there is a 2% COLA included in the budget, also mentioning that contracts have not been approved yet, so this is a placeholder for those. There is an increase in the budget for health insurance, 15% increase in the Fire Protection Services, the final year of street lighting infill project, various capital outlay items in Parks & Rec, increase to the EDA budget, a street painter and trailer and a portion of the GIS software, in which the remaining balance is coming out of Utility funds.

She then discussed the General fund budgeted Revenues by source type. As with most cities property taxes is the biggest at 63.4%, then Intergovernmental Revenues at 17.6%, followed by Transfers. The transfers primarily consist of the transfer from the liquor store, which is budgeted for 2017 at \$350,000.

The last item was the preliminary proposed maximum tax levy for 2017 which has an increase of \$47,000 to \$2,587,561. Mayor Wimmer stated that the breakdown is the \$37,000 for the Fire District costs, which is an increase over last year and our best estimate as to potential costs, as well as the \$10,000 for mediation/arbitration costs.

The Mayor then explained that the overall increase is 1.5% in total dollars coming in. He stated that property taxes can be challenging to explain to residents how it exactly works. The County typically puts out a video to try and provide further explanation on how the process works. The Mayor said there are basically three main levers on what your individual property tax is going to be. One is what each district is increasing for the tax, the second in the changes in valuations based on each individual home, and the third is the new value of entry to the City.

Mayor Wimmer also identified another area of funding that hurt us, which is the LGA (the tax bill) that had passed both houses but was vetoed by the Governor. The LGA had around \$40,000 for the City in new funding. The Mayor feels as if we have put together a very conscientious budget.

Motion by Lundeen, second by Lorinser to approve the Resolutions 2016-254, 2016-255 and 2016-256. Motion carried.

Economic Development Director Sean Sullivan

4. **Resolution 2016-257** for Authorization and Execution of Repayment Agreement with J Robinson Construction, Inc. on Lot 2, Block 1 Sun Prairie First Addition

Motion by Collison, second by Lundeen. Motion carried.

5. **Resolution 2016-258** for Authorization and Execution of Repayment Agreement with J Robinson Construction, Inc. on Lot 1, Block 2, Sun Prairie First Addition

Motion by Lundeen, second by Collison. Motion carried.

6. **Resolution 2016-259** for Authorization and Execution of Repayment Agreement with J Robinson Construction, Inc. on Lot 1, Block 3, Villages on the Rum Common Interest Community Number 6

Motion by Lundeen, second by Bergley. Motion carried.

7. **Resolution 2016-260** Awarding Demolition Contract and Authorization of Interfund Loan
Council member Lundeen asked where Sauter and Sons, Inc. are located? Economic Development Director Sean Sullivan answered that they were based out of Ramsey, MN. Lundeen pointed out that Above All Rooftops and Remodeling is located in Isanti. Lundeen would like to keep award the contract to a business in our home town. He stated that the business pays local taxes. He suggested trying to see if they could do better. Mayor Wimmer pointed out the difference is a significant amount, over \$1,500 and Lorinser added that the policy has always been to take the lowest competent bidder.

Motion by Lorinser, second by Collison to award the contract to *Sauter and Sons, Inc.* Motion carried.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$354,103.40 and Payroll in the amount of \$89,997.34
2. Contractor's Pay Request for School Watermain Loop Improvements in the Amount of \$145,794.92
3. Final Meeting Minutes for the July 26, 2016 Parks, Recreation and Culture Meeting
4. **Resolution 2016-261** to Amend Resolution 2016-174 Addressing the Damaged Playground Equipment at Bluebird Park
5. **Resolution 2016-262** Offering the Position of Part Time Liquor Store Clerk III to Becky Whitman
6. **Resolution 2016-263** Authorizing the Hire of Part Time Liquor Store Clerk to Ashely Dutcher
7. **Resolution 2016-264** Approving to Sell the Forfeited 1999 Dodge Ram 1500 at Public Auction
8. **Resolution 2016-265** Authorizing the Chief of Police to Dispose of Abandoned Property Specifically 1992 Mazda B4000 Truck
9. **Resolution 2016-266** Approving a Local Gambling Permit to the Knights of Columbus #10238
10. **Resolution 2016-267** Approving Application for Exempt Gambling Permit for North Branch Area Education Foundation
11. **Resolution 2016-268** Accepting Part Time Liquor Store Clerk Christie Visser's Letter of Resignation
12. **Resolution 2016-269** Accepting Part Time Liquor Store Clerk Matthew Ferris' Letter of Resignation
13. **Resolution 2016-270** Accepting Contract Extension with AEM Financial Solutions for Interim Financial Management Services
14. **Resolution 2016-271** Approving the Sale of Surplus/Abandoned Property Held by the Police Department at Public Auction
15. **Resolution 2016-272** Accepting Annual Walkthrough of Buildings on City Property Report

Motion by Lundeen, second by Collison. Motion carried.

M. Other Communications

1. Draft Meeting Minutes for the August 23, 2016 Parks, Recreation and Culture Meeting

Adjournment

Motion by Lundeen, second by Lorinser to adjourn. Motion carried. Meeting was adjourned at 7:25 p.m.

Respectfully submitted,

Janice Lutterman
Administrative Data Clerk