

CITY OF ISLE COUNCIL MEETING

Regular Meeting Minutes – June 9th, 2020

At approximately 6:00 pm the regular meeting was called to order with the Pledge of Allegiance then a moment of silence in honor of Planning Commissioner Dennis Trombly who served the city from 2010 – 2020. Followed by roll call.

Council members present: Mayor Rodney Schultz, Donald Dahlen, Ginger Houle, Monica Keding and Robert Koelfgen.

Other staff present were: Jamie Hubbell, Jason Minenko, Tim Ramerth, and Damien Toven was available via phone (Attorney).

A Motion to approve the June amended agenda by Houle; second by Keding. All in favor, none opposed. Motion carried. **Motion** to approve the May Regular meeting minutes by Dahlen and seconded by Keding. All in favor, none opposed. Motion carried. Keding made the **motion** to approve the May final claims totaling \$420,882.48 with second by Houle. All in favor, none opposed. Motion carried. Houle asked what ME Bulbs claim was for and Blu5. Hubbell confirmed the ME Bulbs was for lightbulb replacements and Blu5 is used to treat the sewer ponds. With that, a **Motion** to approve June claims to date totaling \$93,795.82; by Houle, with Dahlen seconding. All in favor. None opposed. Motion carried.

Open Forum:

- a. David Retka and Patrick Moenkhaus were present to address the council on behalf of the Flying Associations interest in the continued use of the city airport and to urge the enforcement of the Air Easement with removal of the existing obstructions. Retka encouraged the council to seriously consider making the airport public status for the survival of the airport. He felt that remaining private, limits the access and full potential of the airport. Both Retka and Moenkhaus reiterated that the flying club has funded all updates and maintenance of the airport to date and stated that if the council makes it public, they will continue to do their share to be sure that no financial burden would be placed on the tax payers of Isle. They stated that if the council decides to close the airport, then the flying association would have no choice but to bring \$100-200K litigation against the city. Retka closed his statements with, “Public is best, but private is acceptable;” as long as they agree to the revised lease agreement and give them a committed 20 year lease. Moenkhaus stated to add a clause to the new lease guaranteeing that no expense to the city/tax payers at all for any expenses would occur for the duration of the 20 year lease. If one expense would occur, then the lease could be broken by the city.
- b. Richard Braunig of the Minnesota Department of Aeronautics was present to answer any of the council’s questions on becoming Public Status verses remaining Private. Braunig stated that there are a few steps needed to become Public and before the city would be eligible for state grant funds for obstruction removal and O&M funds. First a resolution must be passed my majority vote by council to become public, then an obstruction removal plan and bid must be provided. Zoning and Safety Zone Mapping must then be completed. The state would be able to fund all of these aspects up to 95% grant and with that, the city would have to agree to a 20-year commitment of keeping the airport open and public status.

Public Hearings:

The Public hearing portion of the meeting was opened by **Motion** made by Dahlen and second by Houle. All in favor, none opposed. Motion carried.

- a. The airport discussion was continued and was then turned to the council to determine if they would like to keep the airport private, make it public or closed it indefinitely.
 1. Keding- “If the airport did not remain open for 20 years, would the city have to pay back the grant?” Braunig – “It would be straight-line depreciation”
 2. Dahlen – “The airport has existed for 60 years, there is not an issue of “if” it would stay open.”
 3. Ramerth – “Looking at the MNDOA Safe Zone mapping, it appears that three homes and one commercial building must be removed.” Braunig – “Yes, to become Public status, if the runway remains where it is, the Safe Zone must be cleared of all obstructions.” Schultz – “Remove structures? Houses?” Ramerth – “Yes, they are in the Air Safety Zone map.” Koelfgen – “Who pays for that? And to move people out of their homes?” Moenkhaus – “You take it by imminent domain”
 4. Koelfgen – “This is an issue of the easement not being enforced for over 20 years, and now we are being faced with this decision.” Moenkhaus – “ You need to do this to honor the lease. We are only requesting the promise of the safe use of the airport we lease.”
 5. Toven – “there are huge liability concerns with the continued use of the airport as it stands. A canceled lease agreement is the least of the concerns here. The associations attorney misstated plausible litigation amounts and it included FAA funding sources. The cases he previously represented were not the same situation as this one. I do not feel that the city would be responsible for relocation of hangars and most likely would only need to compensate for fair market value. The threat of litigation should not factor into this decision.”
 6. Rizer-Schmidt (homeowner within Air easement) – “I just want to confirm that you are talking about removing ALL of the trees, not just the tallest ones? Ramerth – “Yes, if you remember the survey, it is a clear cut of everything within the Air Easement.” Braunig – “ All obstructions must be clear. Removal of the largest obstructions and replace with shorter low growing trees/shrubs. You don’t want to go back every couple of years to keep trimming below the air space.” Rizer-Schmidt – “so you will replace all of our trees with lower growing trees? Moenkhaus – “That offer is no longer available.”

With no further discussion, the request for motion was determined at Keding making the **motion** with option #1 to keep the airport private with the Flying Association’s agreement to pay for the air easement obstruction removal completely and to grant them a revised 5 year lease agreement. Koelfgen seconded. Four aye votes with one nay vote by Dahlen. Motion carried.

A second motion was heard on whether or not to temporarily close the airport until the hazards and obstructions were removed. Keding asked Braunig for his input and was answered with, “we are already aware of the obstructions and they are noted in the NOTUM for all pilots as a warning for landing at the Isle Airport.” Dahlen made the **motion** to keep the run way open while work on clearing the obstructions occurs. Braunig stated that the city
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would have to confirm clearing timelines with the MNDNR and thought that these areas could not be fully cleared until October. Braunig gave the City until the end of the year to take care of the obstructions or they would be forced to close the runway. Houle seconded the motion. Four aye votes with one nay vote from Schultz. Motion carried.

- b. **Resolution 2020-06E Order to Abate public nuisance at 560 Superior St. W. Cinthia Manning property. Motion** by Houle to approve with Dahlen making the second. All in favor, none opposed. Motion carried.

The public hearing portion of the meeting was closed by **Motion** from Dahlen and second by Houle. All in favor, none opposed. Motion carried.

Presentations, Announcements, Complaints and Requests:

- a. David Oberfeld presented the League of MN Cities Berkley Insurance Trust Property, Casualty and Work Comp policy renewals. 6% increase at \$37471 package property policy and 9% increase at \$38157 workman's compensation policy package without a deductible option. **Motion** by Dahlen to approve both, with a second by Houle. All in favor, none opposed. **Resolution 2020-06A to not waive monetary limits on municipal tort liabilities set by the league of cities. Motion** by Houle with a second by Keding. All in favor, none opposed. Motion carried.
- b. Ebner Insurance quote from Illinois Casualty Company for the municipal liquor liability insurance renewal. Off Sale only option was \$1883.00. Off and On Sale option was \$9852.00. **Motion** by Keding to accept the Off and On sale option; second by Koelfgen. All in favor, none opposed. Motion carried.
- c. All city wide property trespass order on Jared Beamish; to protect all staff, for one (1) full year - *confidential case information shared with council only; not made public. **Motion** by Houle, followed by Dahlen with the second. All in favor, none opposed. Motion carried.
- d. Wolf's Resort on North Scenic Drive requested a refund of sewer usage charges on their last billing for a water leak caused by a broken pipe from winter damage. Request for a credit of \$322.64 approved for account #1030800 by **motion** from Dahlen and second by Koelfgen. All in favor, none opposed. Motion carried.
- e. Review of the Proposed Purchase agreement for the Isle Industrial Park. Attorney edits made with Industrial board approvals. **Motion** by Dahlen to move forward with final agreement. Second by Koelfgen. All in favor, none opposed. Motion carried.
- f. **Resolution 2020-06B Approval for Variance** application for MRM Investments for Lot 3 Block 1 of Maplewood Townhomes. All factors were reviewed and agreeable. **Motion** by Dahlen to approve the variance to the front and rear setbacks for the twin homes on Lot 3. Second by Koelfgen, all in favor. None opposed. Motion carried.
- g. **Resolution 2020-06C Approval of replatting for a CIC** application for MRM Investments on Maplewood Manor Lots 1-3, Block 1. Preliminary Plat was reviewed and accepted by **motion** from Dahlen and second from Keding. All were in favor, none opposed. Motion carried. Final plat will be reviewed for approval at the next regular meeting.
- h. Steve Hall proposal to deed the cul-de-sac at west end of Dorothy St. to the city in exchange for water and sewer connection fees waived for his new construction at 1260 Dorothy St. The deed would include the street ROW and paved cul-de-sac and all ingress

and egress of utility easements on both properties. **Motion** to accept his proposal by Dahlen with a second by Houle. All in favor, none opposed. Motion carried.

Department Reports:

Public Works – Supervisor Minenko provided the May department’s activity report. A request for a wage increase for PWI Jim Pancake was presented for review. Request for a \$2 per hour increase to remain competitive due to Pancake acquiring both his water and sewer licenses. Keding made the motion to approve with Dahlen second. Four aye votes with one nay vote from Schultz. \$38,345.00 total receipts for May water and sewer bills.

Due to COVID restrictions – all other managers were excused from this meeting

Police Department- Chief Reichel provided his May report and Mayor Schultz reviewed his summary of 215 incident reports for the month. All officers continuing to practice all safety protocol measures for prevention of exposure. Personal Protective Equipment supplies remain available to date.

Liquor Store Operations- Report submitted by Haley Weets and presented by Hubbell. May revenues were down \$7185.71 from 2019 with \$88,464.79 in total revenue. May expenses were down by \$2162.87 with \$85993.73 in total expenses. Total profit for May was \$2471.06 with a Year to date net effect profit at \$9379.40. Manager is working on 4th of July weekend bar events. Request for motion to purchase a new POS System and upgrade. A quote for Square from the manager’s request, at \$4106.00 reviewed. Capital Budget of \$12,906 remains to accommodate this purchase. **Motion** by Houle, second by Keding to order the new system. All in favor, none opposed. Motion carried.

Fire Department- Chief Miller reported earlier that the hauler trailer was put out for bids and was sold. A resignation accepted for fire fighter Cody Gregoire. **Resolution 2020-06D** to hire two new Fire fighters, Wyatt Jensen and Riley Magnuson approved by **Motion** by Dahlen, seconded by Houle, all in favor, none opposed. Motion carried. Dahlen reported that the annual motorcycle ride and pancake breakfast was still scheduled to occur on June 27th. Starts at the fire hall at 8:30am with the group returning to the fire hall for supper.

Planning Commission – June 1st meeting discussed. Clean up day went well, not many attended. McCartney’s variance approved, Red Beard ROW permit to improve the drainage approved, BFK Properties upper deck permit approved. Continued discussions on blight properties of concern.

Airport Committee – No report

City Engineer –Tim Ramerth was present to discuss the May project statuses. The Oak St./Torchlight crossing is estimated at \$100K or less. The timing with the MNDOT Highway 47 project is crucial to be the most cost-effective time for this opportunity. Ramerth stated that if the city waits until future to put the casing across the state highway it could cost four times the amount due to time, materials and excavating the state ROW. By unanimous verbal vote, Council agreed to cap the crossing and casing at \$100K. Four aye votes. Ramerth will get the quotes submitted to the state for approval to bid and lowest bidder will be awarded before the next regular meeting. Ramerth is working on getting the final plans for the full project to Rural Development by month’s end. He and Damien are finishing up easement legals, and project notifications. The Industrial Park will get deeded to the city over the next couple weeks and we are waiting on the State Park to determine if they want to move forward with connecting to the city sewer infrastructure.

Unfinished Business:

- a. Adopted **Resolution 2019-12FA** Establishing water and sewer rates was reconfirmed with the full council agreeing verbally to leave the effective date as approved last month, at July 20th, 2020 billing. No further discussion.

New Business:

- a. Liquor License renewal for Isle Bowl and Pizza approved by **motion** by Dahlen, second by Houle. All in favor, none opposed. Motion carried. With that approval, council also agreed that all liquor license renewals for 2020 shall be at a pro-rated fee to offset the 2-3 months holders were forced to be closed due to the COVID state of emergency shut down by the state. **Motion** by Dahlen, second by Houle. All in favor, none opposed. Motion carried.
- b. Letter of Support submitted to MN Department of Natural Resources Parks & Trails for the proposed Water trail for kayaks, canoes and small craft on Mille Lacs Lake approved by **motion** from Houle and seconded by Dahlen. All in favor, none opposed. Motion carried

Clerk’s Report:

- a. Hubbell has prepared options for Revolving loan funds available to any local businesses for COVID relief opportunities. Original MIF funds have been released from current regulations to make more available to all businesses. Motion by Schultz to approve suggested cap amount of \$25,000 to make available for business relief with a maximum loan of \$5000 per application. Second by Dahlen. All in favor, none opposed. All details per loan to be determined by Revolving loan board per applicant.

Financials:

- a. General Fund balance: \$846,181.39 Liquor Fund balance: \$37,698.12

Adjourn: Motion to adjourn and sign claims at 8:35 P.M. by Houle, seconded by Koelfgen. Next regular meeting, July 14th, 2020. All in favor, none opposed. Motion carried.

Dated on this 9th day of June, 2020
 APPROVED on this 14th day of July, 2020

 Rodney Schultz - Mayor

ATTEST:

 Jamie Hubbell, MCMC Clerk-Treasurer

CERTIFIED BY VOTE:

Motion _____

Second _____

AYE

NAY

<input type="checkbox"/>	Donald Dahlen	<input type="checkbox"/>
<input type="checkbox"/>	Ginger Houle	<input type="checkbox"/>
<input type="checkbox"/>	Monica Keding	<input type="checkbox"/>
<input type="checkbox"/>	Robert Koelfgen	<input type="checkbox"/>
<input type="checkbox"/>	Rodney Schultz	<input type="checkbox"/>