

CITY OF ISLE COUNCIL MEETING

Regular Meeting Minutes April 12th, 2022

After a council work session to discuss an offer for purchase of the Isle Department of Motor Vehicles office and a reopening plan for the Isle Municipal On Sale;

At 6:00 PM the regular meeting was called to order with the Pledge of Allegiance followed by roll call. **Council members present:** Mayor Ernie Frie, Ginger Houle, David Keding, Monica Keding and Naomi Creech.

Other staff present were: Jamie Hubbell, Tim Ramerth, Nikki Johann, Mark Reichel, Damien Toven and Jason Minenko.

A **Motion** to approve the April Agenda by Houle; second by Creech. All in favor, none opposed. Motion carried. **Motion** to approve the March Regular meeting minutes by Creech and seconded by Houle. All in favor, none opposed. Motion carried. **Motion** to approve the March final claims totaling \$207,051.60 by Houle with second by D Keding. All in favor, none opposed. Motion carried. Question regarding the ice machine charges by E Frie on the April claims to date followed by a **motion** to approve all \$195,0184.89 April claims to date by M Keding. Second by Creech. All in favor, none opposed. Motion carried.

Open Forum:

- a. None

Presentations, Announcements, Complaints and Requests:

- a. Proposal to discuss the purchase of the Isle DMV by KC Sarazin was reviewed. **Motion** by Mayor Frie to deny the proposal of purchase with M Keding with the second. All in favor, none opposed. Motion carried.
- b. An updated Scope of work for the 2021 audit and financial reports for \$11,675.00 by Molly Thompson with Schlenner Wenner & Co. was presented and approved by **motion** from Frie and seconded by Creech. All in favor none opposed. Motion carried.
- c. A **Resolution 2022-04A** Declaring the city to elect the standard allowance available under the revenue loss provision of the American Rescue Plan Act was approved by **Motion** by M Keding allowing the full \$72,925.15 remaining, from the original \$87,207.22 ARPA funds to be transferred to the general funds for eligible ARPA expenses. Second by Houle. All in favor, none opposed, motion carried.

Public Hearings: The public hearing was opened by **motion** by Houle at 6:08P.M. with a second by D Keding. The public hearing was then closed by **motion** by Houle at 6:12P.M. with a second by Creech.

- a. Special Use Permit application for short term vacation rental property use by Penny and Kurt Klipstein at 630 Meadow Lane was presented and approved. **Motion** by Houle with a second by Creech. All in favor, none opposed. Motion carried.
- b. Land Split & Subdivide for Travis Turgeon at 680 Isle St. East. All findings of facts presented via the public hearing from the Planning Commission and recommendation for full approval with no conditions to council. **Motion** by Houle, second by D Keding. All in favor, none opposed. Motion carried.

- c. **Zoning Map Amendment Ordinance 193** for zoning all annexation parcels in 2020-2021. Reviewed and approved by **motion** by Houle and seconded by Creech. All in favor, none opposed. Motion carried. Summary Ordinance will be published and recorded by the clerk's office.

Department Reports:

Public Works – Supervisor Minenko provided his department activities report for March. Plowing took place for three separate snowfalls last month. Dealt with some frozen lines and drains. Completed some vehicle maintenance. Continuing to watch for raised stops and valves during the spring thaw. A request for approval for both PWII Thompson and PWI Dunphy \$1 increases effective 4/12/22, for acquiring their water and sewer licenses per city policy. **Motion** by Houle with second by M Keding to approve. All in favor, none opposed. Motion carried. \$48,286.69 in total receipts for March water and sewer bills received. PW Expense budget at 23% YTD. Water Department 29% YTD and Sewer Department at 12% YTD.

Police Department- Chief Reichel presented his March report of 290 calls for service. More medicals are becoming normal for them and a couple search warrants completed. See packet full summary report. Police Department expense budget was at 26% YTD. The officers are hosting an elementary students and family bowling night on Monday the 18th. The Mille Lacs Drift Skippers donated \$250.00 for the event expenses.

Liquor Store Operations- March sales report was presented by Manager Johann. March revenues were up \$7216.90 from 2021 with \$50,065.21 in total sales revenue; expenses were up by \$6040.21 with \$64237.24 in total expenses for the month. Total loss for March was \$14,171.93 with a year to date net effect of a loss of \$8712.95. Johann stated that costs continue to go up and that she is continually monitoring the prices to stay profitable. She continues to prepare for the fishing opener event. Monthly budget transfer was not passed by motion by M Keding and second by D Keding to wait until next month to review. Johann presented a sample of the new sweatshirts on sale per Houle's request and is working to get a 3% credit card service fee added to all credit card transactions to help offset the added expense. She was awarded a scholarship from MMBA for a wine class at the Municipal Bar Association conference next month. Request to hire two new part time employees, Mary Larsen and Michelle Imholte, at \$12.00 per hour as of April 13th, 2022 by **Resolution 2022-04B** approved by motion by M Keding and seconded by Creech. All in favor, none opposed. Motion carried.

Fire Department- Chief Miller was absent, but requested Hubbell to review the department activities for March. Emergency Medical Responder training continues including one of the police officers. They are hosting one more ice rescue training in April before the ice out on the lake. A second review of the Alex Air invoice for an Ice Commander suit was presented by Hubbell on Miller's behalf. Even though he did not have prior approval, Hubbell suggested approving the payment in full since it was necessary for their training and operations. **Motion** by D Keding to approve full payment of one ice commander suit with the Fire Relief purchasing the second one. Second by M Keding. Houle opposed; Creech approved. Motion carried. Review of the Isle fun run (7/9) and motorcycle ride and raffle (7/2) approved by council. Fire Department expense budget was at 19% YTD.

Planning Commission – Commissioner Houle reported on the March and April meetings. Houle requested volunteers for the annual clean-up day June 4th at 12:30 - 3P.M. Dave Keding offered for one position. Houle stated that the Commission recommends to move forward on the Schmiede annexation request. Reviewed three land use permits that were approved. Reported that blight properties will be up for new inspection schedules May 2nd. And the EDA Board recommends to move forward with the Federal grant application process. Houle stated that our Zoning services contract with Sourcewell will expire on 12/31/22 with no option for renewal with them.

Airport Committee (34:24 – 50:47) – Don Dahlen stated that the association has not met yet for the year, but will be next month. Dahlen suggested that council discuss the Brumm parcel fence request. (Tabled from the August 2021 council meeting). Dahlen wanted to make the council aware of Brumm’s plans to erect a fence on the west side of the airport property encompassing the land behind the row of hangars. Some of his concerns were that this would potentially block/prevent the electric and water lines that were scheduled to go in for the hangars later this year. Dahlen requested that the Fire Chief review to make sure there were no concerns for access in the event of an emergency. Chief Miller had no concerns. Houle asked for Toven’s thoughts on the matter. Toven stressed that a lease or non-adverse possession agreement should be in place prior to the fence being erected. There should be a release of liability for any theft or damages that could occur from the access from the airport to the private owner’s lot and business assets. Dahlen states that the Airport Association has mixed feelings on approving. Frie stated that Brumm needs to bring this to the council if he wants to discuss it further. Frie **motioned** to only allow fencing construction on Brumm’s private property, with M Keding seconding. No vote was made.

City Engineer –Tim Ramerth presented his March report. Water and sewer main project contract with TNT Construction start date will be May 9th. They will be starting at the Industrial park and work north. The water meter project is under way. Items are arriving and notice will start to go out in May to schedule installs. Toven will draft an ordinance for the non-responsive fine and install fees. First reading May 10th. First notice will post on the next water billing. The water tower demo is slated for a May 31st deadline to be down and removed from site. Change order #3 & #4 were reviewed and approved and payment request #3 for MBI for \$12,548.12 was approved by **motion** from Creech, with a second by M Keding. All in favor, none opposed. Motion carried. The Hwy 47 crossing project is completed and final retainer payment can be paid. **Motion** by Houle, second by Creech. All in favor, none opposed. The Father Hennepin sewer project had its first payment request approved to the state. Further Inflow and Infiltration analysis will be completed once the water levels lower due to winter thaw. The Industrial Park EDA Federal Grant application is pending further consideration. Council had to determine if they were okay continuing with Widseth firm on the park project or if they wanted to consider going out for Request for Proposal, due to the EDA award board stating that engineering fees would be removed from the award if an approved RFP process is waived. Ramerth stated that Gail Levenson would apply for another state (BDPI) grant opportunity to cover these fees to offset if the council decided to stay with Widseth. Houle made the **motion** to move forward with Widseth and continue the EDA grant process. M Keding seconded. All in favor, none opposed. Motion

carried. Widseth Invoice #216008 totaling \$43,452.52 approved by **motion** by Houle with D Keding making the second. All in favor, none opposed. Motion carried.

Unfinished Business:

- a. The Lodging tax Ordinance 113 Ch. 179 was brought back to the table for final discussion. Council felt that since they were the only entity requiring the 3% tax it made it unfair to establishments in Isle city limits verses all others in Mille Lacs Area Tourism membership. With M Keding making that statement she made the **motion** to repeal the 3% tax requirement ordinance. Houle seconded that motion. All in favor, none opposed. Toven will draft the repealer ordinance for next month. Hubbell stated that the Special Use Permit and annual fees will remain in effect. Motion carried.
- b. Liquor Manager Nikki Johann and Liaison Monica Keding presented a request for motion to reopen the On Sale portion of the Municipal Liquor Department. Johann will submit an amended liquor budget for approval at the next meeting and requested a full opening the Wednesday after her fishing opener special event. She suggested a limited opening of Wednesday - Saturday 9AM - 10PM and Sundays 11AM - 6PM only. Serving prepackaged foods and no kitchen prepared foods. Request approved by **motion** by M Keding and second by Creech. D Keding voted for while Houle opposed. Majority vote achieved. Motion carried.

New Business:

- a. Both the Isle Lions Club and the Mille Lacs Drift Skippers submitted proposals for gambling services in the On sale. Both offered the exact same commissions/rent agreements. **Motion** by Mayor Frie to award the Lions the contract, D Keding with the second. No votes in favor. Motion failed. A new **Motion** by Creech to award the contract to the Mille Lacs Drift Skippers as proposed, four ayes and 1 nay, by D Keding. Motion carried by majority vote.
- b. 2022 Aggregate Extraction Permit for 2000 Torchlight Road - Pojanowski property accepted and approved by **motion** by Houle with second by Creech. All in favor, none opposed. Motion carried.
- c. William Schmiede 3411 Isle St W. submitted a petition for annexation into city limits. **Motion** by Houle and second by D Keding to allow the clerk to prepare the annexation paperwork and begin the process. All in favor, none opposed. Motion carried.
- d. **Resolution 2022-04C** Accepting Donations from the Isle Lions in the amount of \$5000 for pass thru to the Isle Days Committee and from the Mille Lacs Drift Skippers for \$250 for the Police Department bowling event. Approved by **motion** from Mayor Frie, seconded by Creech. All in favor, none opposed. Motion carried.

Clerk's Report:

- a. Letter of Conditions from USDA Rural Development on the supplemental funding was reviewed by Hubbell, stating that Rural Development awarded an additional \$817,000 to the water and sewer project. That brought the USDA total grant to \$1,675,000.
- b. Deputy Clerk Peterson will be attending her third year of clerk's institute the second week in May.

Financials:

- a. March 31st General bank balance: \$1,057,943.39 Liquor Fund bank balance: \$44,373.38
- b. (see bank balance statement sheet for Savings, Investments and Fund balances)

Adjourn Regular Meeting to sign claims at 7:54PM: **Motion** to adjourn M Keding, seconded by D Keding. Next regular meeting, May 10th, 2022. All in favor, none opposed. Motion carried.

Dated on this 12th, day of April, 2022
APPROVED on this 10th, day of May, 2022

Ernie Frie - Mayor

ATTEST:

Jamie Hubbell, MCMC Clerk-Treasurer

CERTIFIED BY VOTE:

Motion _____

Second _____

AYE

NAY

<input type="checkbox"/>	NAOMI CREECH	<input type="checkbox"/>
<input type="checkbox"/>	ERNIE FRIE	<input type="checkbox"/>
<input type="checkbox"/>	GINGER HOULE	<input type="checkbox"/>
<input type="checkbox"/>	DAVID KEDING	<input type="checkbox"/>
<input type="checkbox"/>	MONICA KEDING	<input type="checkbox"/>