

## CITY OF ISLE COUNCIL MEETING

Regular Meeting Minutes August 16th, 2022

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, Monica Keding, Dave Keding and Naomi Creech.

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

A **Motion** to approve the August Agenda by Houle; second by Creech. All in favor, none opposed. Motion carried. **Motion** to approve the July Regular meeting minutes by M Keding and seconded by D Keding. All in favor, none opposed. Motion carried. **Motion** to approve the July final claims totaling \$1,503,005.13 by D Keding with second by Creech. All in favor, none opposed. Motion carried. August claims to date followed with a **motion** to approve \$428,757.68 in claims to date by M Keding with a second by Houle. All in favor, none opposed. Motion carried.

### Open Forum:

- a. None

### Presentations, Announcements, Complaints and Requests:

- a. Reviewed the Local Transportation State grant funding options. Isle was not eligible.
- b. Reopened the tabled discussion on local short term rentals and the effects on the local housing market and the community morale. Mary Ward and Sharon Stover were both present and stated their concerns to council about the volume of properties becoming short term rentals. They also voiced their concerns for safety and who is regulating these rentals. Houle stated that she agreed that there are too many in Isle and that the council will have to determine how to approve a limited number in the future. M Keding stated that there is no affordable housing available for the people who work in Isle. Creech stated that she wants to do more research with VRBO, AirBnB and other communities to find out what they can do to offset the issues we are seeing. Tabled until further information is brought back for discussion.

**Public Hearings:** The public hearing was opened by **motion** by Houle at 6:20 P.M. with a second by D Keding. The public hearing was then closed by **motion** by Houle at 6:37 P.M. with a second by D Keding. Discussion had during open session:

- a. Special Use Permit for short term residential rental at Cornelius 850 Main St W.. Reviewed and approved by **motion** by Creech and seconded by M Keding. All in favor, none opposed. Motion carried.
- b. Petition for Annexation **Ordinance 196** Revak 40359 St Hwy 47. David Olson from Isle Harbor Township present. Olson agreed to the lump sum offer option for the annexation compensation which totals eight years worth of current tax revenue at \$1589.12. **Motion** by Houle with a second by D Keding to approve the annexation. All in favor, none opposed. motion carried.
- c. **Ordinance 197** Amend Sewer Ordinance 51 first reading. Amendment removing the property owner's ability to disconnect from the city main and requiring direct connection.
- d. **Ordinance 198** Amend Water Ordinance 52 first reading. Amendment removing the property owner's ability to disconnect service from the city main and discontinuing

- billing services for base fees. Both Ord. 197 and 198 approved by **motion** by Frie and seconded by Houle. All in favor, none opposed. Motion carried.
- e. **Resolution 2022-08A** Establishing Water and Sewer Rates. Established a \$5.00 water base rate and increased the meter rent by \$1.00 and increased the sewer usage rate \$1.00 for every 1000 gallons. D Keding proposed that the damaged meter rates should equal the actual cost of the meter per meter size plus the technician rate per hour. M Keding made the **motion** to approve the new rates and Creech seconded. All in favor, none opposed. motion carried.

## **Department Reports:**

**Public Works** – Supervisor Minenko provided his department activities report for July. His department has been working with the meter installation company to replace all meters with radio meters. The asphalt contractor came back to finish shouldering the new road at Scenic Drive N. Completed vehicle repairs and maintenance on the 2018 Charger after it hit a deer. Installed the new Lakeview Park sign. Place it on Bob Koelfgen’s lot on Main St. with his permission so that Main St. traffic can see it per Mayor Frie’s request 43 work orders for the month. \$43,907.91 in total receipts for July water and sewer bills received. PW Expense budget at 54% YTD. Water Department 72% YTD and Sewer Department at 45% YTD.

**Police Department-** Chief Reichel presented his July report with 317 calls for service. MN Board of Peace Officer Standards and Training (POST) completed the department audit and were found in compliance. **Resolution 2022-08B** approving state joint powers agreement for the department and attorney approved by **motion** by Houle and seconded by Creech. All in favor, none opposed. Motion carried. See packet full summary report. Police Department expense budget was at 67% YTD. 809 Impound fund was at 30% YTD.

**Liquor Store Operations-** July sales report presented by Manager Johann. July revenues were up \$17,393.13 from 2021 with \$150,890.42 in total sales revenue; expenses were down, by \$28,293.27 with \$105,662.06 in total expenses for the month. Total profit for July was \$45,228 with a year to date net effect of profit of \$79,619.24. Staffing issues still cause concerns for overall management. Meat raffles, horse racing and bingo will start next month. \$16,167 in total net on sale sales. Monthly budget transfer of \$2000.00 was passed by motion by M Keding and second by Creech. Expense budget year to date is at 50%.

**Fire Department-** No Report

**Planning Commission** – Commissioner Houle reported on the July/Aug meeting. Tree dedication for Gary Bell at Memory Lane Park was set for September 12th at 5PM. VOA Isle View Apartments submitted a request for vacation of the ROW alleys through their properties. Council did not approve the request and suggested that the commission determine other options for them. Possible change in winter parking ordinance for their property. .

**Airport Committee** – Tony Brumm presented the Flying Club agenda. Requested that council reconsider a 20 year lease agreement. Houle approved the short take off/landing event for September 30 - October 2 with underwing camping. Creech seconded. All in favor. Brumm purchased a weather station for the airport and will be installing it on site. The club was donated a new Kubota mower for the property. Some extensive discussion on the request to move the pilot shack and to install a new bathroom and shower house with septic; no approval was made until Brumm brings in better layout and design with noted setbacks and exact measurements. Brumm has hired Tad Winterfield to dig and install the tank. Brumm would like to have a disabled veteran deer hunt on the property. Damien requested that Brumm provide a “red-lined” lease agreement with their requested edits.

**City Engineer** –Tim Ramerth presented his report. Water and sewer main project is still going strong. MBI payment request #7 \$155,036.13 approved by **motion** by Houle and seconded by D Keding contingent on USDA RD approval. TNT Change order #2 \$6050 and payment request #3 \$334,369.77 approved by **motion** by Houle and seconded by M Keding approved contingent on USDA RD approval. Winwater payment request #2 \$25,941.50 approved by **motion** by Houle and seconded by M Keding. All motions were approved by all in favor, none opposed. All motions carried. Progress continues on approved amended schedule. The State Park sewer project will go out for a Spring bid. The BDPI/EDA grant results are still pending. Widseth invoice \$158,189.80 approved for payment by motion Creech and seconded by Houle. All in favor, none opposed. Motion carried.

**Unfinished Business:**

- a. USDA Subsequent loan **Resolution 2022-08C** for \$1,907,000 temporary project funding approved by motion by M Keding and seconded by Creech. All in favor, none opposed. Motion carried.
- b. USDA Water and Sewer Grant agreement for \$817,000 accepted and approved by motion by Creech and second by M Keding. All in favor, none opposed. Motion carried.

**New Business:**

- a. Meulners - 110 Hennepin Ave N. Abatement warning was dismissed due to property compliance prior to the meeting.
- b. **Resolution 2022-08E Minor Variance** for 795 Hwy 47 [Family Dollar] project. Approval to allow 6' setback for the north property line parking lot and to allow thirty seven total parking spaces versus the required fifty two spaces. All other setbacks and construction plans met the requirements of the C-2 zone regulations. **Motion** by M Keding, second by Houle to approve the minor variances. All in favor, none opposed. Motion carried.
- c. **Resolution 2022-08D** Accepting Donations from the ML Drift Skippers in the amount of \$250 for the Fire Relief Association for the Veteran's breakfast. \$1000 for the Fire Department and \$1000 for the Police Department from the Isle Flying Association. Approved by **motion** from Frie, seconded by Houle. All in favor, none opposed. Motion carried.

**Clerk's Report:**

- a. None

**Financials:**

- a. July 31st General bank balance: \$1,515,344.63 Liquor Fund bank balance: \$117,424.43
- b. (see bank balance statement sheet for Savings, Investments and Fund balances) unreconciled.

**Closed Session: Motion** by Houle to close the meeting to discuss the Police Department Union Labor Contract and review employee performance, with the second by M Keding.

**Motion** to reopen the public meeting by Houle and seconded by Creech. All in favor.

**Motion** by Houle to accept and approve the 2022 - 2024 Police Labor Union contract with D Keding with the second. All in favor, none opposed. Motion carried.

Public Works Supervisor Minenko wage increase of \$3.00 per hour and Deputy Clerk wage increase of \$2.00 per hour, effective as of August 16, 2022, approved by **motion** by Houle and seconded by D Keding. All in favor, none opposed. Motion carried.

**Adjourn Regular Meeting** to sign claims at 8:52 PM **Motion** to adjourn Houle, seconded by D Keding. All in favor, none opposed. Motion carried. Next regular meeting, September 13th, 2022.

Dated on this 16<sup>th</sup>, day of August, 2022  
APPROVED on this 13th, day of September, 2022

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Ernie Frie - Mayor

ATTEST:

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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"/>