

## CITY OF ISLE COUNCIL MEETING

Regular Meeting Minutes February 14<sup>th</sup>, 2023

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, and Donald Dahlen present. David Keding and Monica Keding present via Zoom. (Holiday Inn Express lobby in Rockport, TX at 925 Lady Claire St.)

Other staff present were: Jamie Hubbell, Mark Reichel, Nikki Johann, and David Miller.

A **Motion** to approve the February Agenda by Dahlen; second by Houle. All in favor, none opposed. Motion carried. **Motion** to approve the January Regular meeting minutes by Dahlen and seconded by D Keding. All in favor, none opposed. Motion carried. **Motion** to approve the January final claims totaling \$387,932.68 by Frie with a second by D Keding. All in favor, none opposed. Motion carried. February claims to date followed with a **motion** to approve \$252,432.04 in claims to date by Houle with the second by Dahlen. All in favor, none opposed. Motion carried.

**Open Forum:** None

### **Presentations, Announcements, Complaints and Requests:**

- a. **Resolution 2023-02A** Declaring Juneteenth June 19<sup>th</sup> as an official Federal and State holiday. Effective for the 2024 holiday schedule adding the additional day of city hall being closed. Approved by **motion** by Frie with the second coming from Houle. All in favor, none opposed. Motion carried.

**Public Hearings:** The public hearing was opened to the floor at 6:05PM for discussion of the following;

- a. Short Term Rental Property Special Use Permit approvals. Application renewals received from:
  1. Bea Gone Fishing – 1140 Malone Park Rd
  2. Chris Bering – 1865 White Cloud Dr.
  3. Martha Brennan – 455 Lake St. W.
  4. Martha Brennan – 435 Lake St. W.
  5. Aaron & Jessica Christianson – 1465 White Cloud Dr.
  6. Timothy Cornelius – 850 Main St.
  7. Sarah Curtis – 570 5<sup>th</sup> Ave S.
  8. D&N Vacation Rentals – 555 Lake St. W
  9. Isle Harbor Lodge – 380 Main St. W
  10. Penny & Kurt Klipstein – 630 Meadow Ln.
  11. Winberg North Properties – 405 4<sup>th</sup> Ave N.

Discussion started with resident **John Gilbert – 890 W Main. St.** asking if these properties must follow city ordinances regarding noise and fireworks. Complaints of numerous weekends of dealing with drunken parties and loud music at all hours.

**Ernie Frie** –Mayor- stated he has had complaints of people burning trash at some rental locations.

**Aaron Christianson** – 1465 White Cloud Dr. – wanted to get some numbers on the revenue that these rental properties are bringing into town. He has been in business of renting his property since 2015 and he provides a book of local businesses and attractions.

**Carol Jacobs** – 890 W Main. – Would like signs and regulations to be placed in each rental home so that renters know the rules. Signs that they “cant party” at this home in this residential area. VRBO – allows events, but AirBnB restricts people from renting properties for parties.

**David Keding** –Councilmember- would like to see an age restriction implemented to 21-25.

**Miranda Woodrich** – 380 Main St. W. – They do not discriminate guests under 21. They allow 18-21 year old guests stay and have had no issues. Their business provides tourism to the local economy and feels that if there will be restrictions then it should be the number of rental properties allowed to be permitted per year. Could develop a waiting list if we max out.

**Tim Cornelius** – 850 Main St. – His options were to sell the property or turn it into VRBO. He was not ready to part with the property and decided to Short term rent it instead and has done very well. Other cities require rentals to have noise limiters with alarms on them and anyone who violates is fined. He has put a lot of money into the property and has increased the value of the homes around him. He manages it himself and talks to each guest personally and goes over the rules. He provides gift cards to other businesses in town to promote businesses.

**Mark Reichel** – Chief of Police- Every once in awhile the Police get a disturbance call and they respond. Never do they have to go back twice. People are very respectful and acknowledge they are in a small town. Only one instance of fireworks and property damage in over five years.

Mayor Frie made the **motion** to approve all of the renewal permits as presented, Houle with the second. All in favor, none opposed. Motion carried.

- b. John and Karen Pojanowski – 2000 Torchlight Road - Aggregate Excavation Interim Use Permit was reviewed for renewal for 2023. **Motion** by Houle to approve with D Keding for the second. All in favor, none opposed. Motion carried.

Public hearing was closed at 6:34 by **motion** from Houle and seconded by Dahlen. All in favor, none opposed. Motion carried.

### **Department Reports:**

**Public Works** – Supervisor Minenko provided his department activities report for January, presented by Hubbell. The loader/backhoe repairs were completed and the invoice came to \$23838.65.(plus delivery charges from Habeck). Request to purchase the used pickup truck from Widseth through Enterprise Leasing approved. Minenko was able to secure financing through First National Bank with a five year loan at 5.50% for both the loader repairs and truck purchase combined. **Motion** by Mayor Frie with Houle making the second to approve this loan. All in favor, none opposed. Motion carried. Teals had a water line break and it was determined that it was one of their private lines that accidentally got left on by a store employee. Nineteen work orders completed. \$55,467.47 in total receipts for January water and sewer bills received. PW Expense budget at 8.3% YTD. Water Department 3.1% YTD and Sewer Department at 1.0% YTD.

**Police Department-** Chief Reichel presented his January report with 281 calls for service. See packet full summary report. Police Department expense budget was at 6% YTD. 809 Impound budget was at 0% YTD.

**Liquor Store Operations-** January sales report presented by Manager Johann. January revenues were up \$16,247.37 from 2022 with \$74,174.92 in total sales revenue; Onsale was \$9723.28 of that total; expenses were down by \$10,844.95 with \$37,652.93 in total expenses for the month. Total profit for January was \$36,521.99 with a year to date net effect of profit of \$36,521.99. Johann reported that she is still getting demos scheduled for purchasing a new POS system. Sundays are still causing staffing issues and she may close the bar on Sundays until fishing opener or until a bartender gets hired. Looking to do a street dance event in May for Memorial Day weekend, and for fishing opener with food trucks. D Keding stated that the sewer must be repaired before doing any further events. Budgeted transfer of \$1500.00 requested by Johann with approval by Frie and D Keding. **Resolution 2023-02B** to hire three new part time employees; Jaimen Astrup, Myron Yost and Douglas McDonald; approved by **motion** from Houle with the second by Frie. All at the starting rate of \$12.60 per hour. Expense budget year to date is at 3.4%

**Fire Department-** Chief Miller presented his January report. A request to purchase a government issued generator from the MN DNR at \$1750.00 was approved by **motion** by Frie with the second by Houle. All in favor, none opposed, motion carried. Training on the new air packs next Wednesday, Pancake breakfast at the Vintage Ride this Saturday and a reminder that we have raffle tickets for sale for the July fundraiser. Miller announced that Co-Chief Schug was successful in receiving another \$10,000 donation from Milaca as well. Fire expense budget at 6.8% YTD.

**Planning Commission** – Commissioner Houle reported on the meeting, stating that short term rental regulations were discussed with Scott Saehr and zoning map amendments approved for annexations in 2022. Park pavilion project with the Lions discussed. Permits reviewed and approved and blight issues to return to the agenda for Spring. Toven will address the complaints at Manning property with council next month. Georgia Bearheart was appointed as secretary.

**Airport Committee** – Tabled lease agreement for Airport and Hangars by Frie.

**City Engineer** – Nothing to report at this time. Between winter wrap up and spring bids.

**Unfinished Business:**

- a. Saehr Consulting presented a draft ordinance amendment to the Zoning codes for Short Term Rentals. With the repealing of the previous Lodging Tax ordinance, this amendment is needed for the regulation of the “in home business” option of vacation rentals by property owners. Council agreed with the first draft and recommended continued review prior to the public hearing process.

**New Business:**

- a. 2023 Liquor License renewal for consumption and display only for McQuoids Inn Inc. approved by **motion** from Frie, seconded by Houle. All in favor. Motion carried.
- b. Donations approved by **Resolution 2023-02C** in the amount of \$17,030.43. \$15530.43 for the fire department and \$1500 from the food shelf. **Motion** by Frie with the second by D Keding. All in favor, none opposed. Motion carried.

**Clerk's Report:** Hubbell presented the auditors agreement for the 2022 audit process with a quote of \$13,595 for audit services and \$1,000 for state fillings. Council approved and accepted.

**Financials:**

- a. January 31st General bank statement balance: \$1,154,483.43 Liquor Fund bank statement balance: \$99,063.70 (see bank balance statement sheet for Savings, Investments and Fund balances) unreconciled.

**Adjourn Regular Meeting** to sign claims at 7:12 PM **Motion** to adjourn D Keding, seconded by Frie. All in favor, none opposed. Motion carried. Next regular meeting, March 14<sup>th</sup>, 2023.

Dated on this 14<sup>th</sup>, day of February, 2023  
APPROVED on this 14th, day of March, 2023

\_\_\_\_\_  
Ernie Frie - 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"/>	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"/>