

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Thursday, December 21, 2017

6:30 p.m.
Cloverleaf Farm Room
10801 Town Square Drive

CALL TO ORDER

The meeting was called to order by Mayor Ryan at 6:30 p.m.

ROLL CALL

PRESENT: Mayor Tom Ryan, Councilmembers Andy Garvais, Wes Hovland, Julie Jeppson, Jason King, and Dick Swanson.

ABSENT: Councilmember Dave Clark.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Jean Keely; City Attorney Patrick Sweeney; Budget/Fiscal Analyst Ward Brown; Communications Technician Roark Haver; Water Resources Manager Rebecca Haug; Fire Chief Charlie Smith; and City Clerk Catherine Sorensen.

City Manager Arneson reported Councilmember Clark would not be able to attend tonight's meetings and requested the Council delay action on the Solar Panel Ordinance to January 4th. He recommended the Council announce this change at the beginning of the Council meeting.

3.1 City Sale of Wetland Credits to BWSR.

Planning and Community Development Director Schafer stated Board of Water and Soils Resources (BWSR) acting as the agent for MnDOT has asked the City to sell fourteen (14) acres of wetland credits for mitigation at various state roadway projects in our region. The proposal made by BWSR would be to pay the City at \$1.25 per square foot (\$54,450 per acre) for a total purchase price of \$762,300. The credits would be purchased in the 1st quarter of 2018. The \$1.25 per square foot is quite a bit lower than the \$1.80-\$2.00 per square foot price of the EDA wetland credits that have been sold previously. The lower price proposed is based on the very large volume of credits (14 acres). Generally larger volume purchases have a lower per square foot sales price. In order for the City to sell any credits in the 1st quarter of 2018 the credits would need to be borrowed from the EDA's Branch 3 Wetland Bank. The EDA currently has just under 40 acres available. The City would replace the credits later in 2018 or early 2019 when the City's Site 7 (Open Space) credits are available. Eventually up to 80 acres of credits will be generated by the Site 7 Bank. Staff requested feedback from the Council on how to proceed.

Councilmember Swanson stated he was torn on this item. He explained the price was low, but the revenues from this sale would assist with open space improvements. Public Services Manager/Assistant City Manager Therres reported it would be good for the City to have these funds for open space improvements.

Councilmember King questioned if these funds would be locked into open space improvements. Public Services Manager/Assistant City Manager Therres stated this would be the City's intent.

Councilmember King asked why BWSR was requesting such a large discount on the price. Planning and Community Development Director Schafer explained discounted rates were given for large sales. He reported if the rate were to be increased, BWSR would simply purchase less wetland credits. He noted that wetland credits outside the metro area were selling for less than \$1 per square foot. However, BWSR and MnDOT required credits within the metro area for a number of upcoming projects.

Councilmember Hovland stated he feared the City would be setting a precedent if selling the credits for a reduced rate. Planning and Community Development Director Schafer stated he did not believe this would be the case and noted all future sales would have the price negotiated.

Councilmember Hovland questioned if BWSR and MnDOT had other options. Water Resources Manager Rebecca Haug stated these organizations could pursue wetland credits from smaller wetland banks but would then have to make a number of purchases at varying rates in order to get the required 14 acres. She reported that MnDOT and BWSR would prefer to purchase all of the credits from one municipality for a single purchase price.

Councilmember King stated he could support the proposed purchase so long as it does not lock the City into future pricing with BWSR or MnDOT.

Councilmember Swanson agreed stating that all future sales should be at a rate of \$1.40.

Councilmember Jeppson inquired if the City would be using the funds from the wetland credit sale to replant trees along the wetland sanctuary. Finance Director Huss indicated it was the City's plan to use wetland credit funds for this project.

Council consensus was to approve wetland credit sale to BWSR for \$1.25 per square foot with the understanding the price will be \$1.40 or more going forward.

Council requested staff provide the Council with an update on the Wetland Sanctuary at a future workshop meeting.

OTHER BUSINESS

Public Services Manager/Assistant City Manager Therres stated there was concerns regarding ice skating/recreation taking place on City and private stormwater ponds. It was noted this activity went against City ordinance and was a potential liability.

Water Resources Manager Rebecca Haug provided further comment on the reports the City has received regarding large ice skating rinks located on stormwater ponds. She reported the City had an Ordinance in place that stated residents were not allowed to recreate on the ponds and that an article will be in the upcoming newsletter about the dangers of skating on stormwater ponds. She reviewed how other cities in the State addressed this concern.

Councilmember Jeppson asked how old the Ordinance was. Water Resources Manager Rebecca Haug noted the Ordinance was originally adopted in 2010.

Councilmember Swanson stated his biggest concern was with enforcement.

Councilmember King agreed enforcement would be a difficult issue for the City.

Councilmember Hovland commented he agreed enforcement would be difficult but recommended recreational activities not be allowed on stormwater ponds. He noted he lost a friend many years ago who was snowmobiling and fell through a pond and died. He recommended the City draft a newsletter article regarding the dangers of being on stormwater pond ice.

Councilmember King questioned what the City could do to lessen its liability.

Councilmember Hovland suggested signage be posted at the stormwater ponds. City Manager Arneson reported the City had 275 stormwater ponds, which would make this a very large expense.

Public Services Manager/Assistant City Manager Therres asked if the City were to not have an Ordinance in place if this would lessen the City's liability. City Attorney Sweeney stated it would benefit the City in any case to educate the public on the dangers of recreating on stormwater pond ice.

Councilmember Hovland recommended the City fine individuals placing boards and ice fishing houses on stormwater ponds.

Councilmember Swanson supported the City posting signage at the 25 to 30 most dangerous stormwater ponds.

Councilmember Garvais supported the current Ordinance being repealed and that the City commit to educating the public on the dangers of recreating on stormwater pond ice.

Council consensus was for staff to bring forward an amendment repealing the Ordinance and to increase education about the dangers of ice in stormwater ponds because it is unstable and to recommend signage be installed near high usage ponds.

Councilmember Swanson requested the Council receive an update on rental licensing at a future workshop meeting.

Planning and Community Development Director Schafer provided the Council with an update on the Gabrelcik property, noting it was now owned by Kwik Trip. He noted the former Gasoline Alley property would be demolished soon as well as the vacant single family home on County Road 14 near Jefferson Street.

Councilmember Jeppson asked if staff had received any plans from a grocer. Planning and Community Development Director Schafer reported the City does have plans from a grocer that were being reviewed and would come before the Council in early 2018.

Public Services Manager/Assistant City Manager Therres indicated the warming houses would be open on Saturday, December 23rd.

City Manager Arneson provided the Council with an update on the National Sports Center Comprehensive Plan.

The Workshop was adjourned at 7:10 p.m.

ATTEST:

Tom Ryan, Mayor

Catherine Sorensen, CMC, City Clerk
Submitted by TimeSaver Off Site Secretarial, Inc.