

UNAPPROVED

**CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, November 16, 2017**

**7:30 P.M.
Council Chambers
10801 Town Square Drive**

CALL TO ORDER BY MAYOR RYAN

The meeting was called to order at 7:30 p.m. by Mayor Ryan followed by the Pledge of Allegiance and the Roll Call.

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL

PRESENT: Mayor Tom Ryan, Councilmembers Dave Clark, Andy Garvais, Wes Hovland (arrived at 7:34 p.m.), Julie Jeppson, Jason King, and Dick Swanson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Interim Police Chief/Safety Services Manager Dan Szykulski; Finance Director Joe Huss; Public Services Manager/Assistant City Manager Bob Therres; City Attorney Patrick Sweeney; City Engineer Jean Keely; Communications Technician Roark Haver; Senior Engineering Technician Al Thorp; and City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – October 19, 2017

Workshop Meeting – November 2, 2017

Regular Meeting – November 2, 2017

Moved by Councilmember Garvais, seconded by Councilmember King, that the Minutes of the Workshop Meeting of October 19, 2017, the Minutes of the Workshop Meeting of November 2, 2017 and the Minutes of the Regular Meeting of November 2, 2017 be approved.

Motion adopted. Councilmember Clark and Mayor Ryan abstained on the November 2, 2017 Workshop and Regular meeting minutes due to their absence.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

COMMUNICATIONS

Mayor Ryan congratulated Blaine High School and the organizers for the wonderful Veterans Day memorial event.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:34 p.m.

There being no input, Mayor Ryan closed the Open Forum at 7:34 p.m.

ADOPTION OF AGENDA

The agenda was adopted as presented.

7:30 P.M. - PUBLIC HEARINGS AND ITEMS SET FOR A CERTAIN TIME

9.1 Resolution 17-160, Resolution Authorizing the Issuance, Sale and Delivery of a Multifamily Housing Revenue Note under Minnesota Statutes, Chapter 462C; Authorizing the Loan of the Proceeds of the Revenue Note to Blaine Leased Housing Associates III, LLP (Legends of Blaine Project); and Approving the Form of and Authorizing the Execution and Delivery of the Note and Related Documents.

Moved by Councilmember Garvais, seconded by Councilmember Clark, that Resolution 17-160, “Resolution Authorizing the Issuance, Sale and Delivery of a Multifamily Housing Revenue Note under Minnesota Statutes, Chapter 462C; Authorizing the Loan of the Proceeds of the Revenue Note to Blaine Leased Housing Associates III, LLP (Legends of Blaine Project); and Approving the Form of and Authorizing the Execution and Delivery of the Note and Related Documents,” be approved.

Mayor Ryan opened the public hearing at 7:36 p.m.

Finance Director Huss stated at two previous Council Workshops (April 13 and May 4), Wellington Management, Inc. presented a concept plan to develop 45 acres at the southwest corner of 109th Avenue and Lexington Avenue. Included in the plan was a 192-unit multi-family rental housing project designed and marketed for senior living to be built by Dominion, Wellington’s partner. Dominion is intending to finance a portion of the costs through the issuance of conduit revenue bonds. This financing tool has been used a number of times to assist in financing other projects in Blaine. Staff recommended the Council authorize the issuance of up to \$40 million in conduit bonds to finance the project. It was noted this debt is payable solely from the revenues pledged under the Loan Agreement, and does not represent a debt of the City.

There being no public input, Mayor Ryan closed the public hearing at 7:38 p.m.

Motion adopted unanimously.

9.2 Resolution 17-161, Vacation of Drainage and Utility Easement at Lot 17, Block 11, TPC Second Addition, Vacation No. V17-05.

Moved by Councilmember Clark, seconded by Councilmember Garvais, that Resolution 17-161, "Vacation of Drainage and Utility Easement at Lot 17, Block 11, TPC Second Addition," be approved.

Mayor Ryan opened the public hearing at 7:38 p.m.

City Engineer Keely stated a petition dated September 15, 2017, was submitted to the City by Susie Johnsen requesting vacation of drainage and utility easement. The property owner wishes to install a rear yard pool and pool deck and the entire easement is not needed for drainage or utility purposes. The applicant represents 100% of the affected property abutting this easement. The Engineering Department has reviewed this request and supports the vacation.

There being no public input, Mayor Ryan closed the public hearing at 7:40 p.m.

Motion adopted unanimously.

APPROVAL OF CONSENT AGENDA:

Councilmember Clark requested the removal of agenda item 10.3.

Councilmember Jeppson requested the removal of agenda item 10.4.

Moved by Councilmember Clark, seconded by Councilmember Hovland, that the following be approved:

10.1 Motion 17-125, Schedule of Bills Paid.

10.2 Motion 17-126, Grant a Permanent Buffer Easement on 11980 Lexington Avenue to Rice Creek Watershed District.

~~10.3 Second Reading Ordinance 17-2385, Chapter 4. Nominations and Elections; Chapter 5. Initiative and Referendum; Chapter 7. Taxation and Finance; Chapter 10. Franchises; and Chapter 11. Public Ownership and Operation of Utilities of the Blaine City Charter.~~

~~10.4 Resolution 17-162, Publication of Title and Summary of Ordinance 17-2385 Amending Chapter 4. Nominations and Elections; Chapter 5. Initiative and Referendum; Chapter 7. Taxation and Finance; Chapter 10. Franchises; and Chapter 11. Public Ownership and Operation of Utilities of the Blaine City Charter.~~

10.5 Motion 17-127, Approve a Tobacco and Tobacco Products License for E-Cig Smoke, 11724 Ulysses Lane NE, Suite 100.

Motion adopted unanimously.

10.3 Second Reading - Ordinance 17-2385, Chapter 4.-Nominations and Elections; Chapter 5.-Initiative and Referendum; Chapter 7.-Taxation and Finance; Chapter 10.-Franchises; and Chapter 11.-Public Ownership and Operation of Utilities of the Blaine City Charter.

Moved by Councilmember Clark, seconded by Mayor Ryan, that Ordinance 17-2385, "Chapter 4.-Nominations and Elections; Chapter 5.-Initiative and Referendum; Chapter 7.-Taxation and Finance; Chapter 10.-Franchises; and Chapter 11.-Public Ownership and Operation of Utilities of the Blaine City Charter," be approved.

Councilmember Clark commented on the proposed Ordinance text amendment and recommended Section 4.05 be changed to read: as required by Minnesota State law.

Councilmember Clark and Mayor Ryan accepted a friendly amendment to amend the Ordinance in Section 4.05 to read: as required by Minnesota State Law.

Amended motion adopted unanimously.

10.4 Resolution 17-162, Publication of Title and Summary of Ordinance 17-2385 Amending Chapter 4.-Nominations and Elections; Chapter 5.-Initiative and Referendum; Chapter 7.-Taxation and Finance; Chapter 10.-Franchises; and Chapter 11.-Public Ownership and Operation of Utilities of the Blaine City Charter.

Moved by Councilmember Clark, seconded by Councilmember Swanson, that Resolution 17-162, "Publication of Title and Summary of Ordinance 17-2385 Amending Chapter 4.-Nominations and Elections; Chapter 5.-Initiative and Referendum; Chapter 7.-Taxation and Finance; Chapter 10.-Franchises; and Chapter 11.-Public Ownership and Operation of Utilities of the Blaine City Charter," be approved.

City Clerk Sorensen requested the Council approve publication of a title and summary Ordinance for cost savings.

Motion adopted unanimously.

DEVELOPMENT BUSINESS

11.1 Resolution No. 17-163, Granting a Conditional Use Permit to Allow the Operation of a Sky Zone Trampoline Park at 198 Northtown Drive NE. Sky Zone/Glimcher Realty Trust. (Case File No. 17-045/SLK).

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution No. 17-163, "Granting a Conditional Use Permit to Allow the Operation of a Sky Zone Trampoline Park at 198 Northtown Drive NE. Sky Zone/Glimcher Realty Trust," be approved.

Planning and Community Development Director Schafer stated Sky Zone is proposing to occupy the building previously occupied by Old Chicago (near Northtown Mall) and several other tenants over the years. Sky Zone would occupy the entire building which would include approximately 37,000 square feet. Recreation type uses require a conditional use permit in the B-3 zoning district. One of the most obvious concerns that prompts the conditional use permit review process is that of parking. The total square footage of the proposed Sky Zone would be 36,844 square feet. A total number of 122 parking spaces are required on site. The site plan indicates that 89 parking stalls will be provided on their site. The applicant is able to use 33 or more stalls on the adjacent Northtown Mall site through a shared parking agreement. Given this information staff believes that the parking on site is adequate for the proposed use on site.

Erik Dahlgren, Sky Zone representative, discussed his plans for the Old Chicago space and stated he looked forward to having a brand new trampoline park opening in the City of Blaine. He explained this was an amazing business that supported families and the community. He noted this would be his third location in Minnesota. He commented on the amenities that would be created within the trampoline park and stated this facility would be open to people of all ages.

Councilmember Jeppson questioned when Sky Zone would be open to the public. Mr. Dahlgren stated he was hoping to be open in January of 2018.

Councilmember Clark asked how this trampoline park would be different from Zero Gravity in Mounds View. Mr. Dahlgren reported the facilities would be very similar but noted Sky Zone would offer more attractions for family fun.

Motion adopted unanimously.

11.2 Resolution No. 17-164, Granting a Comprehensive Plan Amendment for the Property East of 3rd Street from CC (Community Commercial) to MDR (Medium Density Residential) at 3rd Street NE and 101st Avenue NE. Timber Valley Development, Inc. (Case File No. 17-0039/LSJ).

Moved by Councilmember Garvais, seconded by Mayor Ryan, that Resolution No. 17-164, "Granting a Comprehensive Plan Amendment for the Property East of 3rd Street from CC (Community Commercial) to MDR (Medium Density Residential) at 3rd Street NE and 101st Avenue NE," be approved.

Planning and Community Development Director Schafer stated King of Glory Lutheran Church is located on the northeast corner of University Avenue and 101st Avenue. The church is located on a parcel that is intersected by 3rd Street which runs north and south. The portion of the church parcel that is on the east side of 3rd Street is being sold and the buyer of the property is the developer that constructed the townhomes to the north of this site on 3rd Street, Timber Valley Development, LLC. This developer is proposing to construct 8 twinhome units on the portion of the parcel east of 3rd Street. Staff explained in order to have a residential use on this site the land use designation on the property must be changed to MDR (Medium Density Residential) to match the density (between 6 and 10 units per acre) of the proposed development.

Councilmember Swanson stated he would be opposing each of the Timber Valley Development requests. He stated while he had nothing against the proposed twinhome product he explained he could not support the creation of an eight-unit townhome development on a private street because he feared this small development would not have enough support in the future in order to maintain the private street.

Councilmember Hovland agreed with Councilmember Swanson's statements. He explained small townhome associations have difficulty surviving which leads to problems in the future and for this reason he too would not be able to support the requests from Timber Valley Development.

Councilmember Clark asked what else could be placed on this parcel if the twinhomes were not approved. Planning and Community Development Director Schafer reported the parcel was currently zoned Commercial but staff did not see this was a viable commercial corner. He stated an alternative residential use would be small apartment complex or residential development. He explained the proposed twinhomes would fit with the adjacent twinhomes.

Councilmember Garvais questioned if the new twinhomes could be added to the existing townhome association. Planning and Community Development Director Schafer stated this may be difficult given the differing ages in the twinhome structures. He indicated the existing twinhomes were 12 or 13 years old.

Tim Lang, Timber Valley Development, commented he built the existing twinhomes years ago. He stated he was unaware of the City's concerns regarding smaller townhome associations. He reported he was proposing to build similar slab on grade twinhome units, or units with full basements and believed this was the best fit for this property.

Councilmember Swanson stated he had nothing against the developer but noted he would not be able to support the proposed request as he did not want to see the City create another townhome association with only eight units.

Councilmember King said he supported the proposed request as he believed this was the best use for this corner. He explained he would be supporting the proposed development.

Councilmember Clark commented this was the smallest townhome association he recalled coming before the City. He questioned if a similar single-family product could be created for this parcel. Mr. Lang indicated he was uncertain if the City would allow this to happen. Planning and Community Development Director Schafer explained the only options for this parcel was to construct twinhomes or rental units. He stated as the Community Development Director in Blaine he was not aware of any problems with the City's townhome associations.

Planning and Community Development Director Schafer questioned what the going rate would be for the proposed townhome units. Mr. Lang stated the units would sell for \$300,000+.

Mayor Ryan indicated this proposal was similar to the other units within Club West.

Mayor Ryan called for a roll call vote.

ROLL CALL:

Councilmember Clark – aye
Councilmember Garvais – aye
Councilmember Hovland – nay
Councilmember Jeppson – aye
Councilmember King – aye
Councilmember Swanson – nay
Mayor Ryan – aye

Motion adopted 5-2 (Councilmembers Hovland and Swanson opposed).

11.3 Second Reading – Ordinance No. 17-2389, Rezoning for the Property East of 3rd Street from B-2 (Community Commercial) to DF (Development Flex) at 3rd Street and 101st Avenue NE. Timber Valley Development, Inc. (Case File 17-0039/LSJ).

Moved by Councilmember King, seconded by Councilmember Jeppson, that Ordinance No. 17-2389, “Rezoning for the Property East of 3rd Street from B-2 (Community Commercial) to DF (Development Flex) at 3rd Street and 101st Avenue NE,” be approved.

Planning and Community Development Director Schafer explained the portion of the site that is being sold from the King of Glory Lutheran Church to Timber Valley Development currently has a zoning of B-2 (Community Commercial) and a land use of CC (Community Commercial), neither of which support residential development. In order to have a residential use on this site a rezoning will be required to match the residential development. The City has long used the DF (Development Flex) zoning designation for multi-family residential projects and that is what is proposed for this parcel. The parcel on which the Church is located will keep its current land use and zoning designations of CC and B-2.

ROLL CALL:

Councilmember Clark – aye
Councilmember Garvais – aye
Councilmember Hovland – nay
Councilmember Jeppson – aye
Councilmember King – aye
Councilmember Swanson – nay
Mayor Ryan – aye

Motion adopted 5-2 (Councilmembers Hovland and Swanson opposed).

11.4 Resolution No. 17-165, Granting Preliminary Plat Approval to Subdivide 3.47 Acres into 10 Lots to be known as Cardinal Court at 3rd Street NE and 101st Avenue NE. Timber Valley Development, Inc. (Case File No. 17-0039/LSJ).

Moved by Mayor Ryan, seconded by Councilmember Garvais, that Resolution No. 17-165, “Granting Preliminary Plat Approval to Subdivide 3.47 Acres into 10 Lots to be known as Cardinal Court at 3rd Street NE and 101st Avenue NE,” be approved.

Planning and Community Development Director Schafer explained the Timber Valley Development parcel is 3.47 acres in size and will be subdivided into a total of 10 lots. The church will remain on the portion of the parcel that is west of 3rd Street (Lot 1, Block 2). The twinhomes will be constructed on the portion of the parcel that is east of 3rd Street, and each twinhome will be located on its own lot (Lots 1-8, Block 1). There is also one lot being platted east of 3rd Street that will act as the common lot for the twinhome development and it will contain the private street and landscaped areas (Lot 9, Block 1).

Motion adopted 5-2 (Councilmembers Hovland and Swanson opposed).

11.5 Resolution No. 17-166, Granting a Conditional Use Permit to Allow for the Construction of Eight (8) Twinhome Units and a Private Street in a DF (Development Flex) Zoning District at 3rd Street NE and 101st Avenue NE for Cardinal Court. Timber Valley Development, Inc. (Case File No. 17-0039/LSJ).

Moved by Mayor Ryan, seconded by Councilmember Clark, that Resolution No. 17-166, “Granting a Conditional Use Permit to Allow for the Construction of Eight (8) Twinhome Units and a Private Street in a DF (Development Flex) Zoning District at 3rd Street NE and 101st Avenue NE for Cardinal Court,” be approved.

Planning and Community Development Director Schafer stated Timber Valley Development is proposing to construct twinhome units that are each 1,529 square feet. The exteriors of the units include stone accents, vinyl siding and architectural roof shingles. The applicant has indicated that preliminarily the units could be approximately valued at \$300,000 per unit. The City’s Community Standards Department has requested that the developer provide an adequately sized turn-around on the east end of the private street for fire truck maneuvering. The other option that the Community Standards Department gave the applicant is to provide fire suppression for each unit to avoid installing the turn around. The applicant has opted to provide fire suppression in each unit.

Councilmember Swanson suggested the sellers of these twinhomes be required to provide documentation at closing regarding the homeowner’s association maintenance responsibilities for the development. Planning and Community Development Director Schafer stated this could be added as a condition in the resolution.

Substitute motion by Councilmember Swanson, seconded by Councilmember Garvais to add a condition that the seller provide documentation as part of closing documents to all buyers that outlines the perpetual maintenance responsibilities of homeowners association for all private utilities (sanitary sewer, water and storm water) and private street within the development.

Substitute motion passed 6-1 (King opposed).

Councilmember Hovland recommended a professional management company be required for this townhome association. Mr. Lang stated a professional company was being planned to assist with the townhome association.

Substitute motion by Councilmember Hovland, seconded by Councilmember Swanson to require the townhome association to contract with a professional management company.

Councilmember Garvais stated he believed this requirement would be the overstepping.

Councilmember Clark said he appreciated the thought behind the motion but noted it was not the City's place to oversee the management of this townhome association.

Substitute motion failed 2-5 (Clark, Garvais, Jeppson, King, and Mayor Ryan opposed).

Amended motion adopted unanimously.

ADMINISTRATION

12.1 Motion 17-128, Approve a Special Events License for a 5K Fun Run/Walk located at the National Sports Center, 1700 105th Avenue NE.

Moved by Councilmember Garvais, seconded by Councilmember King, that Motion 17-128, "Approve a Special Events License for a 5K Fun Run/Walk located at the National Sports Center, 1700 105th Avenue NE," be approved.

City Clerk Sorensen stated Lauren Bennett, applicant for Cool Events LLC/Bubble Run, has filed an application for a 5K Fun Run/Walk located at the National Sports Center, 1700 105th Avenue NE on Saturday June 30, 2018 from 8:00 a.m. to 1:00 p.m. This event will have amplified music from 7:30 a.m. to 1:00 p.m. Ms. Bennett has deposited with the City a \$100 license fee and a \$250 deposit fee for this event. The certificate of insurance naming Blaine as an additional insured will be sent when it renews in 2018 before the date of the event. She explained that due to the progress of 105th Avenue the Police Department would be approving the application tentatively in order to review the matter more closely as the date approaches. She explained when the event was held in 2017 advertising and sign up occurred before the Special Event license had been received in the City Clerk's office.

Motion adopted unanimously.

12.2 Resolution 17-140, Authorize Implementation of Traffic Commission Recommendations for 121st Avenue West of Sunset Avenue.

Moved by Mayor Ryan, seconded by Councilmember King, that Resolution 17-130, “Authorize Implementation of Traffic Commission Recommendations for 121st Avenue West of Sunset Avenue,” be approved.

City Engineer Keely stated the City Council reviewed the following data and recommendations from the Traffic Commission for 121st Avenue west of Sunset Avenue at their September 21, 2017 Council meeting. The Council voted to postpone action on this item to their November 16, 2017 Council meeting to allow more time for Ward 3 Councilmembers to discuss this with the residents. Staff reviewed the six recommendations from the Traffic Commission in detail with the Council and recommended approval.

Councilmember Hovland requested further information regarding the crosswalk. City Engineer Keely reviewed the location of the crosswalk with the Council.

Councilmember King explained he has been talking with the public and staff regarding this item. He stated he would be supporting the recommendations from the Traffic Commission. He encouraged staff to continue to monitor warrants to see when a stop sign could be installed.

Mayor Ryan thanked the Traffic Commission for their assistance with this item.

Motion adopted unanimously.

12.3 First Reading – Ordinance No. 17-2390, Chapter 70, Article III.-Public Right-of-Way Management.

City Engineer Keely stated during the 2017 legislative session, after months of negotiations, a provision that allows small cell wireless equipment to be placed on city-owned infrastructure was passed. “Small cell facilities” is a broad term for the types of cell sites that support antennas plus other equipment in a network to add data capacity. Small cell equipment transmits wireless signals to and from a defined area and needs to be powered continuously and requires fiber backhaul. With cities needing to comply with the new provisions the language being proposed is based on the League of Minnesota Cities’ model. The majority of small cell facilities are installed on existing street lights. Lights in the City are Connexus or Xcel owned and controlled so there is not as much impact for the City.

Declared by Mayor Ryan that Ordinance No. 17-2390, “Chapter 70, Article III.-Public Right-of-Way Management,” be introduced and placed on file for second reading at the December 7, 2017 Council meeting.

12.4 Motion 17-129, Authorize the Mayor and City Manager to Enter into a Contract with BRKW Appraisals, Inc. in the Amount of \$30,000 for Appraisal Services for Lever Street Improvements, Improvement Project No. 17-07.

Moved by Councilmember King, seconded by Councilmember Garvais, that Motion 17-129, “Authorize the Mayor and City Manager to Enter into a Contract with BRKW Appraisals, Inc. in the Amount of \$30,000 for Appraisal Services for Lever Street Improvements,” be approved.

City Engineer Keely stated that on June 6, 2017, the Engineering Department requested proposals for appraisal services for the Lever Street Improvements from 125th North to 132nd Alignment. A single proposal was received and after review of the proposal, staff recommends acceptance of the proposal from BRKW Appraisals, Inc. in the not-to-exceed amount of \$30,000.

Councilmember Clark asked how many firms were sent requests for proposal. City Engineer Keely commented three firms were solicited and only one bid was received for this contract. She explained this was a very specialized contract.

Councilmember Garvais questioned when the work would be completed. City Engineer Keely reported the work would be completed by March of 2018.

Councilmember Garvais requested this information be forwarded to the residents impacted by the project.

Motion adopted unanimously.

12.5 Motion 17-130, Authorize the Mayor and City Manager to Enter into a Contract with Coon Creek Watershed District in the not to Exceed Amount of \$14,200 for Laddie Lake Outlet and Flood Mitigation Study.

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Motion 17-130, "Authorize the Mayor and City Manager to Enter into a Contract with Coon Creek Watershed District in the not-to-exceed amount of \$14,200 for Laddie Lake Outlet and Flood Mitigation Study," be approved.

City Engineer Keely stated that on September 28, 2017, the Engineering Department requested assistance from the Coon Creek Watershed District to conduct a flood mitigation study for the area that drains to Laddie Lake as well as alternative designs for the outlet control structure at Laddie Lake. Coon Creek Watershed District has provided a proposal to do the work in the not-to-exceed amount of \$14,200. The goals of the study will be to verify the location, depth, size and duration of flooding in the minor subwatershed draining to Laddie Lake; identify the pipe sizes and alternative practices needed to remedy the flooding situations; identify the preferred construction sequence for use in the City's Capital Improvement Plan (CIP) and present five different design options to treat stormwater and alternative designs for the outlet control structure on Laddie Lake.

Councilmember Clark questioned how this study would be funded. City Engineer Keely commented this study would be funded by the Stormwater Utility Fund. She reported this fund had remaining funds to cover this expense and noted the expense would be spread over 2017 and 2018.

Motion adopted unanimously.

City Manager Arneson requested the Council call for a closed session meeting on December 7, 2017 at 6:30 p.m. to discuss the Hastings Street pending litigation.

Moved by Councilmember Clark, seconded by Councilmember Garvais, to call for a closed session City Council meeting on December 7, 2017 at 6:30 p.m. to discuss the Hastings Street pending litigation.

Motion adopted unanimously.

12.6 Resolution 17-167, Certify 2017 Delinquent Utility Accounts and Invoices to Anoka County.

Moved by Councilmember Garvais, seconded by Mayor Ryan, that Resolution 17-167, "Certify 2017 Delinquent Utility Accounts and Invoices to Anoka County," be approved.

Finance Director Huss stated the Council annually certifies delinquent utilities and unpaid invoices for mowing, false alarms, and meter repairs to Anoka County for collection with the following year's property taxes. Notice has been sent to all affected property owners regarding their respective delinquent bills. If payment is not received before the deadline for remittance to the county, the attached resolution authorizes staff to certify the amount due to the Anoka County Auditor for collection with 2018 property taxes. The amount to be certified was reviewed with the Council.

Motion adopted unanimously.

12.7 Resolution 17-168, Certify 2017 Delinquent Utility Accounts Served by Circle Pines to Anoka County.

Moved by Councilmember Garvais, seconded by Councilmember Clark, that Resolution 17-168, "Certify 2017 Delinquent Utility Accounts Served by Circle Pines to Anoka County," be approved.

Finance Director Huss stated the Council annually certifies delinquent utilities to the County Auditor for collection with the following year's property taxes. Certain households located within the corporate boundaries of Blaine are serviced for water and sanitary sewer by the City of Circle Pines. Two such properties are delinquent in their payments and, because Circle Pines does not have jurisdiction to assess properties located outside of their boundaries, Circle Pines is requesting that Blaine certify the delinquent bills for collection with 2018 property tax bills. Notice has been sent by Circle Pines to the affected property owners regarding their respective delinquent bills. If payment is not received before the deadline for remittance to the county, the attached resolution authorizes Blaine staff to certify the amount due to Anoka County for collection with the 2018 property taxes. The amount to be certified for collection is \$1,078.12 for delinquent utilities.

Motion adopted unanimously.

12.8 Resolution 17-169, Adopt 2018 Storm Drainage Utility Fund Budget.

Moved by Councilmember Swanson, seconded by Councilmember Jeppson, that Resolution 17-169, "Adopt 2018 Storm Drainage Utility Fund Budget," be approved.

Finance Director Huss stated the proposed 2018 Storm Drainage Utility Fund Budget was reviewed by Council at the November 2 Workshop. At that workshop, staff presented Council with a proposed budget that included no fee increase and no additional staffing requests. Based upon the discussion that took place at that workshop, staff has brought forward for Council consideration the same budget that Council discussed on November 2. The proposed budget includes \$1,308,000 in operating revenue and \$1,486,580 in operating expenses. Five-year projections for the Storm Drainage Fund indicate operating deficits over the next five years, with potential rate increases possibly implemented in 2019. The proposed budget also includes \$430,000 in capital projects and equipment for 2018, and another \$1.8 million in capital projects budgeted for 2019 through 2022. Fund reserves would see declining balances to below \$200,000 by 2022, indicating a need for a fee increase. Depending on the accuracy of capital spending projections, a rate increase could be necessary as early as 2019 to maintain an adequate working capital balance in the fund.

Motion adopted unanimously.

12.9 Resolution 17-170, Adopt 2018 Sanitation Utility Fund Budget.

Moved by Councilmember Jeppson, seconded by Councilmember Garvais, that Resolution 17-170, "Adopt 2018 Sanitation Utility Fund Budget," be approved.

Finance Director Huss stated Council reviewed the proposed 2018 Sanitation Utility Fund Budget at the November 2, 2017 Workshop. At the workshop, Council provided direction to bring forward for adoption the budget as presented on November 2. There are no major changes to the City's sanitation program. Staff reviewed the proposed fee schedule for January 1, 2018 and recommended approval.

Mayor Ryan noted only 10 bags of leaves could be picked up weekly. He requested staff draft a newsletter article in order to make the public aware of this restriction.

Councilmember King asked if the rate increase was part of the initial contract language. Finance Director Huss reported this was the case.

Motion adopted unanimously.

OTHER BUSINESS

Mayor Ryan requested a neighborhood meeting be held for the solar farm proposal that includes neighbors within one mile of the proposed site which would be the entire Sanctuary neighborhood. He recommended Connexus Energy representatives also attend this meeting.

Councilmember Clark and Councilmember Jeppson supported this recommendation.

Councilmember Hovland requested the Council discuss the notification process for development proposals at a future worksession meeting.

ADJOURNMENT

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, to adjourn the meeting at 8:53 p.m.

Tom Ryan, Mayor

ATTEST:

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