

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, June 21, 2018

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

CALL TO ORDER BY MAYOR RYAN

The meeting was called to order at 8:04 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 (left meeting at 9:22 p.m.), Wes Hovland, Jason King, and Dick Swanson.

ABSENT: Councilmember Julie Jeppson.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; 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

None.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

COMMUNICATIONS

6.1 2017 Audit and CAFR Review

Finance Director Huss stated representatives from the City's external auditing firm, Redpath & Company, Ltd., will present information regarding the City's 2017 Comprehensive Annual Financial Report (CAFR) and other required communication to the Council.

Peggy Moeller, Redpath & Company, Ltd., presented the Council with the 2017 CAFR and Audit results. She congratulated the City for receiving a clean or unmodified opinion and commended the City for their

outstanding CAFR. She discussed the GASB changes that would occur in 2018 and thanked the Finance Department for all of their assistance.

Mayor Ryan thanked Finance Director Huss and the entire Finance Department for all of their great work on behalf of the City of Blaine.

Moved by Councilmember Garvais, seconded by Mayor Ryan, to accept the 2017 Audit and CAFR Review.

Motion adopted unanimously.

Mayor Ryan shared his thoughts regarding the passing of Police Officer Steve Nanney and his wife Susie. He explained the entire community was saddened by their tragic motorcycle accident. He thanked the Police Department for the great support they have showed to the Nanney family and thanked all who were able to attend the memorial service today at the Blaine High School.

Councilmember Clark thanked the Blaine Police Department for putting together a thoughtful memorial service.

Mayor Ryan invited all residents to attend the Blaine Festival.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 8:12 p.m.

Colin McGlone, 16038 Jarvis Street in Elk River, expressed concerns he had regarding a recent traffic stop that occurred in Blaine last October by a Blaine Police Officer. He discussed the traffic stop in detail with the Council and noted he was pulled over for allegedly crossing the double line which resulted in the report being turned over to the DOT for a Level 2 inspection. He stated he passed the inspection with no violations but was provided a form to sign to provide to his employer for his failure to maintain his lane. He shared his frustration about the long process and reported he was challenging the citation with the State Patrol as it would impact his commercial license score. Mr. McGlone explained the challenge process and asked what further action could be taken to remove this violation from his record as he had video proof that he never crossed the centerline.

Mayor Ryan encouraged Mr. McGlone to speak with the Chief of Police directly as the City Council had no legal authority to address citations or tickets.

Mr. McGlone discussed the Board Enforcement Grant that the State Patrol was operating under and commented the Federal Government had provided funds to the State of Minnesota for this operation. He asked if the City of Blaine had any authority or understanding of when these sting events occur.

Further discussion ensued regarding Mr. McGlone's concerns and the Council encouraged Mr. McGlone to get in touch with the Police Chief Podany.

Randy Monson, 10532 Sixth Street NE, explained he was the Junior Commander at the Sergeant John Rice VFW and requested the City Council consider allowing the VFW to construct a patio on their site.

Mayor Ryan encouraged Mr. Monson to speak with the City's Planning Department.

There being no further input, Mayor Ryan closed the Open Forum at 8:25 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 18-117, Vacation of Drainage and Utility Easement at Outlot A, Blaine Preserve Business Park Third Addition, and Lot 1, Block 1, Eagle Brook Church Blaine Campus, Vacation No. V18-05.

City Engineer Keely stated a petition received April 26, 2018, was submitted to the City by Gari Pisca, Executive Director of Operations representing Eagle Brook Church, requesting vacation of drainage and utility easements to allow for expansion of existing facilities. The applicant represents 100% of the affected property abutting this easement. The Engineering Department has reviewed this request and concurs with the vacation.

Mayor Ryan opened the public hearing at 8:26 p.m.

There being no public input, Mayor Ryan closed the public hearing at 8:26 p.m.

Moved by Councilmember Hovland, seconded by Councilmember Garvais, that Resolution 18-117, "Vacation of Drainage and Utility Easement at Outlot A, Blaine Preserve Business Park Third Addition, and Lot 1, Block 1, Eagle Brook Church Blaine Campus," be approved.

Motion adopted unanimously.

Councilmember Swanson left the dais at 8:27 p.m.

9.2 Resolution 18-118, Adopting Assessment for Reconstruction of Hastings Street from 85th Avenue to Cul-De-Sac, Improvement Project No. 15-22.

City Engineer Keely stated Project No. 15-22 included concrete curb and gutter, storm sewer improvements, asphalt surface, traffic control signage, replacement of existing water main and appurtenant construction. The total project costs were reviewed with the Council and staff recommended approval of the assessments for the reconstruction of Hastings Street from 85th Avenue to the cul-de-sac.

Mayor Ryan opened the public hearing at 8:27 p.m.

Donna Lee Borovansky, 8504 Hastings Street, stated her home was damaged by \$50,000 by a previous City project and explained she objected to the proposed assessment. She noted she sent a letter to the City regarding her concerns. She requested the Council waive the assessment for the properties that were damaged.

City Attorney Sweeney reported he was creating a list of property owners that objected to their assessment.

Ms. Borovansky provided the City Attorney with a letter noting her objection to the proposed assessment. Dan Sanders, 8685 Hastings Street NE, stated he objected to the proposed assessment and discussed the loss in property value he had incurred due to the backup on his street. He believed now was not the time to assess

the property owners on Hastings Street given the fact the City was in litigation regarding the backup matter. He encouraged the City Council to not proceed with this improvement project until the litigation matter was settled. He provided the City Attorney with a written objection.

Michael Morehouse, 8614 Hastings Street NE, explained he objected to the proposed assessment and provided the City Attorney with a written statement.

Peter Moberg, 8695 Hastings Street NE, indicated he objected to the proposed assessment and provided the City Attorney with a written statement. He commented now was not the time to be assessing the residents on Hastings Street.

Lisa Dorn, 8666 Hastings Street NE, stated she objected to her assessment and expressed concerns with the lack of completion of the previous projects landscaping. She noted she had chunks of asphalt in her yard and had not heard when the landscaping and blacktop work would be completed. She explained four inches of black dirt was not put in place prior to the sod being rolled out in her yard. She stated she feared the residents along Hastings Street were being assessed for a job that was already incomplete.

Ms. Keely reported there were still some punch list items the contractor would be addressing in 2018.

Mayor Ryan commented this was a sad state of affairs but noted the City was only assessing for the work that would be completed that would benefit the property owners.

Councilmember Garvais stated it was his hope the City would begin seeing action on this street from the contractor. He reported the City was committed to seeing this through to the end. He explained the work had been done and for this reason supported the residents being assessed.

Mayor Ryan asked what action the City could take if the contractor refused to come back and finish the punch list items. Ms. Keely indicated the City had retained funds that could be used to finish the landscaping.

Councilmember Hovland questioned if there was a timeline for the assessments. Ms. Keely stated there were properties that have sold on Hastings Street and escrows were in place for the assessments. These property owners want to know when they could receive their money back.

Councilmember Hovland stated he believed it was strange the assessments were being approved prior to the project being completed.

Sue Lahti, 8826 Hastings Street NE, explained she objected to her assessment and shared concerns with the lack of completion of work around the pond. She stated this area was a real eyesore and should be addressed by the City and the contractor. Ms. Keely reported the pond area was on the contractor's punch list.

An unidentified Blaine resident encouraged the Council to consider his property value had been negatively impacted by the backup that occurred.

Tom Sands, 8808 Hastings Street NE, commented on the need for repairs to the retaining wall near his driveway and noted he had cracks in his garage apron due to vibration that had occurred on the street. He discussed the street flooding that continues due to the small rock areas/rain gardens along the street. He feared the street was a foot lower than it should be. He expressed concern with how much dirt had run off to Laddie Lake. He encouraged the City to require the contractor to comply with all water drainage and

watershed permits. He expressed frustration with the lack of communication the City has had with the homeowners along Hastings Street due to the pending litigation. He requested the Council consider lowering the assessment amounts considering all of the trials the residents along Hastings Street have had to endure.

Councilmember Hovland requested further information regarding the rain gardens. Ms. Keely discussed the back of curb infiltration basins along Hastings Street.

Councilmember Hovland expressed concern with who was responsible for maintaining the ditch and drainage area. Ms. Keely explained the block in this area was on school district property and noted the City received approval from the school district to clear the block. She provided further comment on the jurisdictions involved in the ditch system.

There being no additional public input, Mayor Ryan closed the public hearing at 9:02 p.m.

Councilmember Clark stated he wanted to better understand where the City was on the punch list. City Manager Arneson reported for the past two years the City has been withholding money from the contractor. The contractor has chosen not to come back to work because they were not being paid. However, in the past 10 days they have asked to come back into the City to complete the project.

Councilmember Clark asked if the Council could delay action on the assessments until work on the punch list was completed. Mr. Arneson explained the City Council could delay action on this matter but noted the contractor has said they were coming in to complete the work.

Moved by Councilmember Hovland to Delay Action on the Hastings Street Assessments until the Improvement Project Punch List was complete.

Mayor Ryan discussed the cost this project was to the City and noted it could not be delayed further given the fact there were bills that had to be paid.

Further discussion ensued regarding how long this matter could be delayed and still be assessed by the County at year end.

Ms. Keely reiterated that staff was recommending this item move forward in order to allow the homeowners that were trying to sell their home to have a final assessment amount approved for their property. City Attorney Sweeney explained another hearing could be held for the homeowners with objections to their assessments to allow for additional testimony and evidence to be presented. The Council could then take separate action on those objections.

Councilmember Clark questioned how much time the contractor should be given to do the work. Mr. Arneson stated the City has not heard from the contractor in two years until recently and he would like the contractor to be allowed to have some time to complete the work.

Councilmember Clark commented he was skeptical the contractor would complete the work.

Councilmember Garvais explained he would like the City Council to move forward with the assessments in order to assist the homeowners that have escrows in and are trying to sell their homes.

Councilmember King agreed with Councilmember Garvais and stated he would like the assessments to move forward.

Motion failed for lack of a second.

Moved by Councilmember Garvais, seconded by Councilmember King, that Resolution 18-118, "Adopting Assessment for Reconstruction of Hastings Street from 85th Avenue to Cul-De-Sac subject to the six filed objections," be approved.

Motion adopted 4-1-1 (Councilmember Hovland opposed and Councilmember Swanson abstained).

Motion by Councilmember Clark, seconded by Councilmember King, to direct staff to give Weidema 30 days to complete the punch list or the City will complete the necessary work.

Motion adopted 5-0-1 (Councilmember Swanson abstained).

Councilmember Swanson returned to the dais at 9:15 p.m.

APPROVAL OF CONSENT AGENDA:

Moved by Councilmember King, seconded by Councilmember Swanson, that the following be approved:

10.1 Motion 18-92, Schedule of Bills Paid.

10.2 Motion 18-93, Notifying the League of Minnesota Cities Insurance Trust that Monetary Limits on Tort Liability is not Waived.

10.3 Motion 18-94, Authorize Payment to Pro-Tec Design in the Amount not to Exceed \$63,500 for Door Access Control System at City Hall.

10.4 Resolution 18-119, Approve Plans and Specifications and Order Advertisement for Bids for 113th Avenue Trunk Sanitary Sewer Improvements, Improvement Project No. 17-09.

10.5 Motion 18-95, Approve 2018 Residential Recycling Agreement with Anoka County.

Motion adopted 5-0-1 (Councilmember Hovland was absent for the vote).

Councilmember Garvais left the meeting at 9:22 p.m.

DEVELOPMENT BUSINESS

11.1 Resolution No. 18-120, Granting a Conditional Use Permit to Allow for a 7.5 Foot Side Yard Setback rather than a 10-Foot Setback for a 600 Square Foot Enclosed Sport Court Addition to the House behind the Garage at 11546 Edison Street NE. Ryan and Julie Comer. (Case File No. 18-0035/LSJ).

Moved by Mayor Ryan, seconded by Councilmember Clark, that Resolution No. 18-120, "Granting a Conditional Use Permit to Allow for a 7.5 Foot Side Yard Setback rather than a 10-Foot Setback for a 600 Square Foot Enclosed Sport Court Addition to the House behind the Garage at 11546 Edison Street NE," be approved.

Planning and Community Development Director Schafer stated the applicant is requesting a conditional use permit (CUP) amendment to allow a 7.5-foot side yard setback for the construction of 600 square foot sport

court addition to the house. The current side yard setback that was established with the Lakes Development in 2003 for a home/living space is 10 feet. The applicant would like to extend the wall for the home on the same side as the existing garage to include a sport court. However, living space (interpreted as any part of the house that is not garage) must meet the current setback of 10 feet and the garage wall is at a 5-foot setback. The construction of the sport court would meet a minimum 7.5-foot side yard setback where it meets the garage. The proposed addition must match architecturally with the existing house and attached garage. The plans that have been provided indicate that the structure will match the exterior materials and architecture of the existing home.

Motion adopted 4-0-1 (Councilmember Hovland was absent for the vote).

11.2 Resolution No. 18-121, Granting a Conditional Use Permit to Allow for a New Xperience Fitness, with a Tenant Space of Approximately 43,000 Square Feet, in a B-2 (Community Commercial) Zoning District located at 8943 University Avenue NE, Suite 200. Xperience Fitness. (Case File No. 18-0036/NBL).

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution No. 18-121, "Granting a Conditional Use Permit to Allow for a New Xperience Fitness, with a Tenant Space of Approximately 43,000 Square Feet, in a B-2 (Community Commercial) Zoning District located at 8943 University Avenue NE, Suite 200," be approved.

Planning and Community Development Director Schafer stated according to the Zoning Ordinance, recreational facilities and uses such as gyms require a conditional use permit in the B-2 (Community Commercial) zoning district. Xperience Fitness is proposing to occupy approximately 43,000 square feet of the former K-Mart site. The former K-Mart site has been vacant for approximately four (4) years. The site is currently being redeveloped into a multi-tenant building. Chuck E Cheese's has operated on the site for approximately 20 years and will remain as one of the tenants. The Xperience Fitness would be located adjacent to Chuck E Cheese's as shown on the Site Plan. AutoZone is another proposed tenant for the site and falls under the permitted uses for the B-2 (Community Commercial) zoning district. The final tenant for the redeveloped multi-tenant space has not yet been determined.

Lisa Watson, VP of Real Estate for Xperience Fitness, discussed the gym that would be located in the old K-Mart building. She explained this site would have a group fitness studio, lap pool, locker rooms, massage chair, and gym area. She indicated she was excited to be opening another gym in this community.

Mayor Ryan asked what the construction timeline was for this site. Ms. Watson stated she would like to begin renovation work in July in hopes of being open by October.

Motion adopted 4-0-1 (Councilmember Hovland was absent for the vote).

11.3 Resolution No. 18-122, Granting a Conditional Use Permit to Allow for an 18,026 Square Foot Abra Auto Body Business in a B-2 (Community Commercial) Zoning District at 8620 Central Avenue NE. Abra Auto Body Repair (Case File No. 18-0038/LSJ).

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution No. 18-122, "Granting a Conditional Use Permit to Allow for an 18,026 Square Foot Abra Auto Body Business in a B-2 (Community Commercial) Zoning District at 8620 Central Avenue NE," be approved.

Planning and Community Development Director Schafer stated Abra Auto Body and Glass is proposing to buy the EDA owned site on the Ulysses Street/Central Avenue frontage road just north of the Kwik Trip on

85th Avenue. The purchase of the property would take place after the approval of a conditional use permit by the City Council. The conditional use permit is required because the site is zoned B-2 (Community Commercial) and major auto repair is listed as a conditional use in that Zoning District. Abra Auto Body is proposing to construct an 18,026 square foot building on the 2.46-acre parcel. Abra provides auto body and glass work only, with no other engine repair or service work being performed on site. The operating times for this use would generally be 7 a.m. to 7 p.m. Monday through Friday and 9:00 a.m. to Noon on Saturdays. The typical store would have between 12 and 20 employees depending on the volume of the business. He reported the Planning Commission reviewed this at their June meeting and voted unanimously to recommend approval noting all vehicles are required to be dropped off during normal business hours.

Councilmember Clark asked if staff had a definition for a “totaled” vehicle or a “substantially damaged” vehicle. Mr. Schafer reviewed the wording in the Resolution and explained all vehicles dropped off had to be drivable with no missing critical auto body parts.

Councilmember Clark requested the word critical be removed from this sentence and be replaced with major auto body part. He questioned if any variances were being approved through this request. Mr. Schafer stated no variances were being requested or approved.

Motion failed 3-2 (Councilmember Hovland and Councilmember King opposed).

City Attorney Sweeney discussed the Council’s next course of action and said the Council could direct staff to bring this item back to the July 12, 2018 City Council meeting for reconsideration.

Paul Tucci, Oppidan, discussed the work he has completed in order to move this project forward. He noted soil and environmental tests were completed, and a project was presented without variances.

The Council indicated that they would make a motion at the next regular meeting to bring this item back for reconsideration.

11.4 Second Reading – Ordinance No. 18-2407, Amending Sections 30.14 and 30.24 of the Zoning Ordinance of the City of Blaine to Amend Restrictions for Car Rental Agency as a Conditional Use in the B-2 and B-3 Zoning Districts. City of Blaine. (Case File No. 18-0033/BKS).

Moved by Mayor Ryan, seconded by Councilmember Clark, that Ordinance No. 18-2407, “Amending Sections 30.14 and 30.24 of the Zoning Ordinance of the City of Blaine to Amend Restrictions for Car Rental Agency as a Conditional Use in the B-2 and B-3 Zoning Districts,” be approved.

Planning and Community Development Director Schafer stated the B-2 and B-3 zoning chapters both allow smaller scale Vehicle Rental Agencies to be located in those districts but limits their location by requiring them to be part of or on the same parcel as an automotive repair or vehicle sales lot. Recently the City Council discussed this issue and suggested that the B-2 and B-3 code could allow this use throughout the district and not require car rental to be part of another automotive repair or vehicle sales use. The proposed code amendment addresses this issue by simply removing the language requiring the connection or association with an auto repair or vehicle sales use. The amendment also cleans up language regarding the number of vehicles allowed on site.

Motion adopted unanimously.

11.5 Resolution No. 18-123, Approving a Conditional Use Permit to Allow for an Automobile Rental Facility and Office with up to 15 Vehicles Parked On Site at 13091 Central Avenue NE. Avis Budget Car Rental. (Case File No. 18-0029/BKS).

Moved by Councilmember King, seconded by Councilmember Hovland, that Resolution No. 18-123, “Approving a Conditional Use Permit to Allow for an Automobile Rental Facility and Office with up to 15 Vehicles Parked On Site at 13091 Central Avenue NE,” be approved.

Planning and Community Development Director Schafer stated Avis Budget Car Rental has been operating from the former John's Auto site since 2006. They are losing their lease as part of a new business entity at that site. They would like to remain in Blaine and have found a site at 13091 Central Avenue. The site has until recently been a storage yard for a computer/tech recycler. Avis-Budget would require a Conditional Use Permit (CUP) for their use. They would be a tenant at this location (there are also other tenants in the building) and would have up to 15 vehicles on site. All vehicles would be stored behind the fenced area.

Motion adopted unanimously.

11.6 Second Reading – Ordinance No. 18-2408, Amending Section 18-421 and Section 18-424 of the Municipal Code of the City of Blaine relating to Location and Security of Swimming Pools. City of Blaine (Case File No. 18-0034/BKS).

Moved by Councilmember Clark, seconded by Councilmember Swanson, that Ordinance No. 18-2408, “Amending Section 18-421 and Section 18-424 of the Municipal Code of the City of Blaine relating to Location and Security of Swimming Pools,” be approved.

Planning and Community Development Director Schafer commented late last fall, a homeowner contacted the City Council and asked that the City once again look at the code to consider removing the covers as an option. Her concern was that a fence with gate was more likely to provide a secure barrier from a neighbor's pool. She lived next door to one of the pools installed with a powered cover versus a fence and was concerned about her own children's safety. While many in-ground pools have a powered cover, only two (2) of the 14 in-ground pools have made that choice their security requirement. The vast majority of homeowners still are choosing to have fences in place to meet the security requirement. It was the Council's consensus at the May 3, 2018 City Council workshop to discontinue allowing pool covers as a security/safety option.

Motion adopted unanimously.

11.7 Resolution No. 18-124, Granting Preliminary Plat Approval to Subdivide 18.64 Acres (2 Existing Parcels) into One (1) Lot at 9843 Naples Street NE, to be known as J.W. Blaine Yard Addition. Crown Iron Works. (Case File No. 18-0032/LSJ).

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution No. 18-124, “Granting Preliminary Plat Approval to Subdivide 18.64 Acres (2 Existing Parcels) into One (1) Lot at 9843 Naples Street NE, to be known as J.W. Blaine Yard Addition,” be approved.

Planning and Community Development Director Schafer stated Crown Iron Works is buying two properties from Mortensen in order to meet site requirements. These two sites are combined into one 18.6-acre lot on the proposed plat of J.W. Blaine Yard Addition. Because it is Torrens property, the Lot is shown as two lots still but the lots are shown as Lot 1 and Lot 1A. This is typical of Torrens property and the creation of the plat allows the City to issue permits over the lot line between the two properties. Park dedication has never

been paid for this property so it needs to be paid at this time. The current industrial park dedication rate is \$6,702 per upland acre and the fee is required prior to release of final plat mylars for recording at Anoka County.

Motion adopted 4-0-1 (Councilmember King was absent for the vote).

11.8 Resolution No. 18-125, Granting a Variance to Section 31.093 of the Zoning Ordinance regarding Architectural Control to Allow for a 5,000 Square Foot Building that does not meet Requirements for Exterior Surfacing at 9843 Naples Street NE. Crown Iron Works. (Case File NO. 18-0032/LSJ).

Moved by Councilmember Swanson, seconded by Councilmember Clark, that Resolution No. 18-125, “Granting a Variance to Section 31.093 of the Zoning Ordinance regarding Architectural Control to Allow for a 5,000 Square Foot Building that does not meet Requirements for Exterior Surfacing at 9843 Naples Street NE,” be approved.

Planning and Community Development Director Schafer stated the I-1 (Light Industrial) section of the Zoning Ordinance requires that buildings cannot have more than 35% metal on the exterior of the building. Crown is proposing to construct three building on this lot: a principal building, an extraction building and a tower. The principal building will meet this requirement. Because of the function of the extraction building and the tower, the buildings need to be constructed of all metal wall panels.

Mr. Schafer explained the extraction building and the tower need to be separate buildings because they have specific processes involved inside the building that trigger the need to be separated according to the National Fire Protection Association standards. The activity in these buildings also requires them to be constructed of light, non-combustible materials. Crown is proposing to include metal paneling on the majority of the exterior of these buildings to meet the NFPA standards. The metal paneling will match the color of the principal building and will include design elements to match that building as well. Creatively, the metal paneling will have a graphic texture that is a subtle reference to the forms of chemical compounds. The tower will also include elements of glass to provide more of a dynamic appearance. It was noted staff is amenable to approving a variance of this type because this is a very unique request because of the uniqueness of the processes taking place in these buildings. It is doubtful that these types of building would ever be constructed elsewhere within the City.

Motion adopted 4-0-1 (Councilmember King was absent for the vote).

11.9 Resolution No. 18-126, Granting a Conditional Use Permit to Allow for the Construction of Three (3) Buildings on One (1) Lot and to Allow for a Structure Over 50-Feet in Height in an I-1 (Light Industrial) Zoning District located at 9843 Naples Street NE. Crown Iron Works. (Case File No. 18-0032/LSJ).

Moved by Mayor Ryan, seconded by Councilmember Clark, that Resolution No. 18-126, “Granting a Conditional Use Permit to Allow for the Construction of Three (3) Buildings on One (1) Lot and to Allow for a Structure Over 50-Feet in Height in an I-1 (Light Industrial) Zoning District located at 9843 Naples Street NE,” be approved.

Mr. Schafer stated there are two elements of this request that require a conditional use permit. The first is related to the fact that there is more than one building being proposed on a lot. The other is related to the height of the tower, which is 100 feet. The Zoning Ordinance requires a conditional use permit for any structure over 50 feet.

Motion adopted unanimously.

Councilmember Swanson thanked Mr. Schafer and Mr. Thorvig for all of their hard work on this project.

ADMINISTRATION

12.1 Resolution 18-127, Election Judge Appointments for the 2018 Elections.

Moved by Councilmember Hovland, seconded by Mayor Ryan, that Resolution 18-127, "Election Judge Appointments for the 2018 Elections," be approved.

City Clerk Sorensen stated pursuant to Minnesota election law and City Charter, Council must appoint election judges, set their salary, and schedule a special meeting to canvass the August 14, 2018, Primary election results. Staff is also requesting authority to appoint election judges during the time preceding the election. To date staff has recruited 220 individuals to serve as election judges for both the 2018 Primary and General elections. While most election judges are scheduled to work full shifts, we are offering some partial shifts to help meet voter demand during peak times such as early morning and early evening. Election judges are required to attend training which is being presented in person and online. We have both returning and new judges this year and are still recruiting additional judges as we expect high voter turnout for both elections. Staff reported State Statute and City Charter require that election judges be appointed by the Council at least 25 days prior to the election. Staff is requesting that Council authorize the City Clerk to make appointments and substitutions as necessary should the need arise in the 25 days prior to the election. Election law allows for emergency appointments on Election Day.

Motion adopted 4-0-1 (Councilmember Clark was absent for the vote).

The Council directed staff to hold the canvass meeting at 8:00 a.m. on August 17, 2018.

12.2 Resolution 18-128, Receive Feasibility Report and Order Public Hearing for the Construction of Dunkirk Street from Approximately 160 Feet North of 91st Avenue to 270 Feet North of 91st Avenue, Improvement Project No. 16-15.

Moved by Councilmember Hovland, seconded by Councilmember Swanson, that Resolution 18-128, "Receive Feasibility Report and Order Public Hearing for the Construction of Dunkirk Street from Approximately 160 Feet North of 91st Avenue to 270 Feet North of 91st Avenue," be approved.

City Engineer Keely stated the proposed project will construct Dunkirk Street from approximately 160 feet north of 91st Avenue to 270 feet north of 91st Avenue. Proposed improvements include installing concrete curb and gutter, storm sewer improvements, aggregate base, asphalt surface, traffic control signage and appurtenant construction. The estimated cost of improvements is \$131,250 with \$56,250 proposed to be assessed over a ten-year period.

Motion adopted unanimously.

12.3 Motion 18-96, Approve Proposal for Architectural Design Services for the New Senior Center from 292 Design Group in the Amount of \$175,000.

Moved by Mayor Ryan, seconded by Councilmember Hovland, that Motion 18-96, "Approve Proposal for Architectural Design Services for the New Senior Center from 292 Design Group in the Amount of \$175,000," be approved.

Public Services Manager/Assistant City Manager Therres stated in May of this year the City Council approved the Capital Improvement Fund (CIF) as a funding source for the construction of a new Senior Center/Activity Center. The City then sent out requests for architectural services to three different firms who either expressed interest in this project or has recently worked on other City projects. The 292 Design Group was the only firm to submit a proposal. Their proposal is in the amount of \$175,000 plus an estimated \$3,000 in reimbursable expenses. This fee is 5% of the estimated construction cost of \$3.5 million. This proposed fee is within “industry standards” for architectural design services for these types of projects, which is typically 8-10% of estimated construction costs. It was noted 292 Design Group is also the architectural firm that did the space needs study earlier this year for the senior center.

Councilmember King asked if the City had worked with the 292 Design Group in the past. Mr. Therres reported the 292 Design Group had completed the City’s space needs study and several of the partners had worked on the City Hall building.

Motion adopted unanimously.

12.4 Resolution 18-129, Adopting a Debt Management Policy.

Moved by Mayor Ryan, seconded by Councilmember Swanson, that Resolution 18-129, “Adopting a Debt Management Policy,” be approved.

Finance Director Huss stated Council reviewed various drafts of the proposed Debt Management Policy at Workshops in May and June and directed staff to bring the policy forward for official adoption. Staff discussed the key elements in the policy and recommended approval.

Councilmember King asked if the proposed policy would impact the City’s bond rating. Mr. Huss reported the proposed policy would assist in strengthening the City’s bond rating.

Motion adopted unanimously.

12.5 Resolution 18-130, Establishing a Tax Increment Financing and Tax Abatement Policy.

Moved by Councilmember Hovland, seconded by Mayor Ryan, that Resolution 18-130, “Establishing a Tax Increment Financing and Tax Abatement Policy,” be approved.

Mr. Huss stated Council reviewed various drafts of the proposed Tax Increment and Abatement Policy at Workshops in April and June and directed staff to bring the policy forward for official adoption. Staff discussed the key elements in the policy and recommended approval.

Motion adopted unanimously.

12.6 Resolution 18-131, Providing for the Competitive Negotiated Sale of General Obligation Water Revenue Bonds, Series 2018B, in the Amount of \$30,105,000.

Moved by Councilmember Clark, seconded by Councilmember Swanson, that Resolution 18-131, “Providing for the Competitive Negotiated Sale of General Obligation Water Revenue Bonds, Series 2018B, in the Amount of \$30,105,000,” be approved.

Mr. Huss stated the proposed Resolution calls for the sale of \$30,105,000 in General Obligation Water Revenue Bonds and sets the sale date of these bonds for July 12, 2018. The proceeds from this bond issue will finance the construction of a water treatment plant as well as to fund water utility fund technology upgrades including automated meter reading radio replacement and SCADA system improvements. Springsted, Inc., the City's Financial Consultant, has provided a recommendation to the City (attached) that outlines the sale date, amount, and structure of the proposed bond issue.

Motion adopted unanimously.

OTHER BUSINESS

Moved by Councilmember Clark, second by Councilmember Swanson, to authorize the Mayor and City Manager to execute a Settlement Agreement with Jason Knutson as discussed in the Closed Session meeting.

Motion adopted unanimously.

ADJOURNMENT

Moved by Councilmember Swanson, seconded by Councilmember King, to adjourn the meeting at 10:02 p.m.

Tom Ryan, Mayor

ATTEST:

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