

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, December 15, 2016

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, Russ Herbst, Wes Hovland (arrived at 8:00 p.m.), Jason King, and Dick Swanson.

ABSENT: Councilmember Mike Bourke.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; City Attorney Patrick Sweeney; Planning and Community Development Director Bryan Schafer; Public Services Manager Bob Therres; Finance Director Joe Huss; Budget/Fiscal Analyst Ward Brown; Police Chief/Safety Services Manager Chris Olson; City Engineer Jean Keely; Economic Development Coordinator Erik Thorvig; Communications Technician Roark Haver; Senior Engineering Technician Jason Sundeen; and City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – November 17, 2016

Workshop Meeting – December 1, 2016

Regular Meeting – December 1, 2016

Workshop Meeting (Closed Session) – December 8, 2016

Moved by Councilmember Clark, seconded by Councilmember Herbst, that the Minutes of the Workshop Meetings of November 17, 2016, December 1, 2016, and December 8, 2016 (Closed Session), and the Minutes of the Regular Meeting of December 1, 2016 be approved.

Motion adopted unanimously.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

COMMUNICATIONS

Mayor Ryan welcomed Cub Foods to the City of Blaine and thanked them for their contribution to the community.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:37 p.m.

There being no input, Mayor Ryan closed the Open Forum at 7:37 p.m.

ADOPTION OF AGENDA

The agenda was adopted as presented.

8:00 P.M. - PUBLIC HEARINGS AND ITEMS SET FOR A CERTAIN TIME

ACTED UPON AFTER ITEM 12.1

9.1 Resolution 16-178, Adopt 2017 Tax Levy.

Moved by Councilmember Herbst, seconded by Councilmember King, that Resolution 16-178, "Adoption of the 2017 Tax Levy," be approved.

Finance Director Huss explained the City Council conducted a public hearing for the proposed 2017 General Fund budget and proposed property tax levy on December 8. Pursuant to statutory requirements, a public hearing is again scheduled for tonight at which the City Council will consider public input and adopt a final levy and budget. The first item of action will be to adopt the 2017 tax levy. The proposed resolution reflects the tax levy that Council directed be brought forth for consideration at the December 8, 2016 public hearing.

Mayor Ryan opened the public hearing at 8:28 p.m.

There being no public input, Mayor Ryan closed the public hearing at 8:28 p.m.

Motion adopted unanimously.

9.2 Resolution 16-179, Adopt the 2017 General Fund Budget.

Moved by Councilmember Herbst, seconded by Mayor Ryan, that Resolution 16-179, "Adoption of the 2017 General Fund Budget," be approved.

Finance Director Huss stated Council conducted a public hearing for the proposed 2017 General Fund budget and proposed property tax levy on December 8. He noted the resolution reflects adjustments made since the December 8 public hearing and is recommended for adoption.

Mayor Ryan opened the public hearing at 8:30 p.m.

There being no public input, Mayor Ryan closed the public hearing at 8:30 p.m.

Councilmember Herbst thanked staff for their work on the budget. He requested information on how the City was paying for its capital expenditures. Finance Director Huss reported the City was using unrestricted general fund reserves for capital equipment expenditures and that this assisted by not having to borrow and pay interest for equipment purchases.

Councilmember Hovland thanked Finance Director Huss and his staff for reviewing the possibility of an additional one-half percent decrease on the tax rate. He said he understood this cut would not be made but appreciated staff's time and stated he was pleased with the financial position of the City.

Mayor Ryan said he was proud of the services the City of Blaine provided to its residents given the City's low tax rate.

Councilmember Swanson said he was pleased the City was able to provide the Public Safety Department with proper funding for equipment and an increased number of officers.

Councilmember Clark - Aye
Councilmember Herbst - Aye
Councilmember Hovland - Aye
Councilmember King - Aye
Councilmember Swanson - Aye
Mayor Ryan - Aye

Motion adopted unanimously.

APPROVAL OF CONSENT AGENDA:

Councilmember King requested the removal of Consent Agenda Item 10.3.

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

10.1 Motion 16-105, Schedule of Bills Paid.

10.2 Motion 16-106, Grant a Permanent Utility Easement at 12260 Lexington Avenue to Connexus Energy for Electrical Service to Municipal Well No. 19.

Motion adopted unanimously.

10.3 Motion 16-107, Approve 2017 Annual License Renewals.

Councilmember King requested an update from staff on the Enterprise Massage Renewals and asked if there were any issues or concerns. Police Chief Olson stated at this point there was nothing to report on. He explained all necessary background checks had been completed for the massage license holders without incident.

Moved by Councilmember King, seconded by Councilmember Swanson, that Motion 16-107, "Approval of the 2017 Annual License Renewals," be approved.

Motion adopted unanimously.

DEVELOPMENT BUSINESS

11.1 Resolution No. 16-180, Granting Final Plat Approval to Subdivide 27.5 Acres into 71 Lots and Five Outlots to be known as Parkside North 7th Addition, located at 124th Lane NE/Isetta Court. Praxmar, LLC (Case File No. 16-0051/SLK).

Moved by Mayor Ryan, Seconded by Councilmember King, that Resolution No. 16-180, "Granting Final Plat Approval to Subdivide 27.5 Acres into 71 Lots and Five Outlots to be known as Parkside North 7th Addition, located at 124th Lane NE/Isetta Court. Praxmar, LLC," be approved.

Planning and Community Development Director Schafer explained the final plat will consist of 42 single family lots on 124th Lane NE and Isetta Court NE. The final plat will also include 29 single family detached units on 124th Lane NE and Fraizer Street NE. The proposed lots are consistent with the approved pre-plats as well as the Conditional Use Permits that were issued by the City Council earlier this year. The proposed outlots will be used for private streets, drainage areas, and future development.

Planning and Community Development Director Schafer reported park dedication will be required with the platting of each new lot. The Lexington Athletic Complex (LAC) just to the southwest of this Plat is located on 40 acres that were purchased from the applicant. An element of that purchase relied on future park dedication as a credit for what the City owes on the balance of the purchase (originally \$1.4 Million). The Park Dedication that will then be due from the platting of the seventy one (71) lots will be established as a credit against the balance that is owed by the City. Also, consistent with the park purchase agreement the 2011 park rate of \$2,435 per residential lot/unit will be used to calculate the credit. Future lots that are final platted will also be calculated as a park credit in the same manner. Staff reviewed the development details further and recommended approval of the Final Plat.

Councilmember Herbst stated he would be abstaining from this vote.

Motion adopted 4-0-1, Councilmember Herbst abstained.

11.2 Resolution No. 16-181, Granting Final Plat Approval to Subdivide 3.78 Acres into 21 Lots and Two Outlots to be known as Parkside North 8th Addition, located at 122nd Avenue NE/Fraizer Street. Praxmar, LLC (Case File No. 16-0052/SLK).

Moved by Mayor Ryan, seconded by Councilmember Clark, that Resolution No. 16-181, "Granting Final Plat Approval to Subdivide 3.78 Acres into 21 Lots and Two Outlots to be known as Parkside North 8th Addition, located at 122nd Avenue NE/Fraizer Street. Praxmar, LLC," be approved.

Planning and Community Development Director Schafer stated the applicant is proposing to subdivide one outlot into 21 single family detached units. Parkside North 8th Addition consists of subdividing approximately 3.78 acres into a subdivision with 21 dwelling units and two outlots. One outlot is for the private street and the other outlot is over a wetland and drainage area. This is the second and final phase for this development of small lot detached townhomes. City Council approval was granted for the construction of all 45 units in August of 2015.

Councilmember Herbst explained he would be abstaining from this vote.

Councilmember Herbst questioned how much of the park debt had been paid down for this neighborhood. Planning and Community Development Director Schafer estimated half of the park debt had been paid down through WAC and park dedication fees.

Councilmember Swanson asked when the developer would begin construction on Lever Street. Planning and Community Development Director Schafer reported this work would be completed by the City and that he anticipated work would begin next spring.

Motion adopted 4-0-1, Councilmember Herbst abstained.

ADMINISTRATION

12.1 Resolution 16-182, A Petition for Dissolution of the North Suburban Hospital District.

Moved by Councilmember King, seconded by Councilmember Herbst, that Resolution 16-182, "Granting a Petition for Dissolution of the North Suburban Hospital District," be approved.

City Manager Arneson reported at the December 8, 2016, workshop, Scott Lepak, General Counsel for the North Suburban Hospital District shared an update on the Hospital District's Petition for Dissolution approved September 14, 2016. The Hospital District is seeking dissolution as Unity Hospital is no longer a full-service community hospital and no longer has a public purpose to spend ad valorem tax dollars to fund capital improvement projects for the building. With the stated intention of the Hospital District, the matter is now before the five member cities: Blaine, Fridley, Hilltop, Mounds View, and Spring Lake Park. Pursuant to state law, one member City may petition for dissolution to present to the Hospital District for acceptance. After discussion, Council directed Mr. Lepak to bring forward a proposed resolution clearly outlining that the City supports the Hospital District's intent to dissolve but is not requesting the dissolution.

Renee Gast, 12705 Lincoln Street NE, thanked the Council for their time. She stated she was proud to be a Unity Hospital nurse and noted she has worked at this hospital for the past 13 years. She expressed concern with the proposed dissolution of the North Suburban Hospital District and said she did not believe this was the correct action for the City of Blaine. She discussed the growing need for improved security at Unity along with an increased number of mental health beds. She asked if staff knew the number of calls the hospital had to make to the police department for assistance. Police Chief Olson reported the Fridley Police Department would have this information.

Bridgette Lundquist, Mounds View Hospital District Board Member, encouraged the Council to hold off on their vote to dissolve the North Suburban Hospital District. She explained she was an Allina employee and believed more time was needed to fully understand the situation.

Michelle Knight, resident of Fridley, discussed how the dissolution of the Hospital Board would adversely impact residents of the five neighboring communities. She explained Unity was originally built as a community hospital to treat its neighbors. She reported the hospital was shifting its service model and individuals would now be forced to drive an additional 15 miles to Mercy instead of being treated at Unity for certain conditions or emergencies. She believed the public needed to be further educated on this situation.

Linda Hamilton, 7856 Monroe Street NE, reported she was the newly elected At Large Hospital District Board Member. She stated she has lived in this community since she was two years old and understood why her parents were very proud to have a local hospital. She recommended the Council not take action on this

item until further information can be provided to the public. She suggested another public meeting be held to allow Allina to make their presentations to Blaine residents. She questioned what would be done with the tax money that had been collected to date.

Councilmember Swanson stated he would not be supporting this Resolution. He explained he would like to see the City of Blaine hold a meeting with the other four cities to discuss the Hospital Board prior to making a unilateral decision.

Councilmember Hovland arrived at the meeting at 8:00 p.m.

Mayor Ryan stated he supported the dissolution of the Hospital Board. He reported he has heard the explanations of how hospitals were evolving and recommended the Board be dissolved. Mayor Ryan said it was his hope that Allina would begin to understand the growing mental health needs in the north metro then explained that all funds paid to the Hospital Board would be coming back into the community.

Councilmember King indicated the dissolution was being requested by Allina and whether or not the City supported the Resolution, the business model for the hospitals would still be changing. City Manager Arneson reported this was the case, noting Allina would be applying for a single hospital license.

Councilmember Herbst said he understood the Hospital Board would not have any authority in making hospital operation decisions.

Scott Lepak, General Counsel for Allina, reported this was the case. He explained the Hospital Board was formed 50+ years ago and does not dictate what services are provided at either hospital facility. He said he understood the Hospital District's initial reaction to one hospital with two campuses was less than enthusiastic but noted this group was not an operational mechanism.

Councilmember Swanson questioned if the district would dissolve if the other four cities opposed. Mr. Lepak stated there were five member cities and the Hospital District would have to take any opposition of the dissolution into consideration. He explained the dissolution of the Hospital District has been discussed over the course of the last year.

Councilmember Swanson recommended the Blaine City Council speak with the other four cities prior to taking action on this Resolution.

Mayor Ryan commented that with or without Council action, changes were coming to the hospital. He stated at this time he no longer saw the need for the Hospital District.

Councilmember Herbst said he saw the Hospital District as a levying agent and explained the hospital was no longer in need of the funds levied. Mr. Lepak reported this was the case stating it was becoming increasingly difficult to use levied taxpayer funds.

Councilmember Herbst asked if the Hospital District would have a levy in 2017. Mr. Lepak explained there would be no levy from the Hospital District in 2017.

Mayor Ryan noted for the record the Council received emails from Chris Weilert, Matthew Keller and Steve Janusz sharing concerns on the dissolution of the Hospital District and requesting the Council delay action to allow for more public involvement and education.

Councilmember Hovland expressed concern with placing a mental health facility at Unity and how these patients would impact the community. He understood that even if the Board was dissolved this would have no bearing on the decision to change this facility. He said he believed the State needs to better address the impacts increased mental health concerns are having and that the Hospital District should be dissolved.

Councilmember Clark asked if one City could petition the Board for dissolution. Mr. Lepak stated this was the case. He reported Allina would also be speaking to the other member cities.

Councilmember Clark questioned why Blaine was selected first for the presentations. Mr. Lepak explained the Allina presentation was given at the Metro Mayor's Association and that Blaine was chosen first by Allina.

Councilmember Clark inquired why there was a sense of urgency on the dissolution. Mr. Lepak commented Allina has been discussing this item for the last year and the Board had no other use for its funds. He said if the Board were to dissolve at this time, the funds that have been maximized could be returned to the member cities, adding the hospital parcels would take some time to sell.

Councilmember Clark expressed concern that this issue came to the Blaine City Council out of the blue. He stated he was struggling with the fact that Blaine was being asked to set in motion the dissolution of the Hospital Board without comment or discussion from the other member cities. He said while he appreciated the fact the hospital was working to reduce the duplication of services and taxes would be reduced to Blaine residents, he wanted to better understand the Hospital Board's charter and have further discussion with the other four member cities prior to making a decision on this matter.

Mayor Ryan commented the changes being made at Allina would be made in two weeks. He stated there was no purpose of the Board and Allina has made it clear they did not need any further funds to be levied.

Substitute motion by Councilmember Clark, seconded by Councilmember Swanson, to postpone action on the Petition for Dissolution of the North Suburban Hospital District to the second City Council meeting January.

Councilmember Clark - Aye
Councilmember Herbst - Nay
Councilmember Hovland - Nay
Councilmember King - Nay
Councilmember Swanson - Aye
Mayor Ryan - Nay

Substitute motion failed 2-4, Councilmembers Herbst, Hovland, King and Mayor Ryan opposed.

Councilmember Herbst stated this issue has been discussed for the past year and he believed the Board no longer had a purpose.

Councilmember Swanson said he did not believe this Council should be making a decision on behalf of the other member cities without first holding a discussion.

Councilmember King said he appreciated this concern but explained he was charged with representing the City of Blaine. He stated if a taxing district was no longer needed he was all for its dissolution and supported the Resolution as presented.

Councilmember Hovland commented he would be supporting the Resolution and was willing to hold conversations with Allina regarding hospital issues such as mental health and security.

Councilmember Clark stated while he was disappointed he would not be receiving any additional information prior to having to vote on this matter, he stated he would vote in favor of this petition.

Councilmember Clark - Aye
Councilmember Herbst - Aye
Councilmember Hovland - Aye
Councilmember King - Aye
Councilmember Swanson - Nay
Mayor Ryan - Aye

Motion adopted 5-1, Councilmember Swanson opposed.

ACTED UPON AFTER ITEM 9.2

12.2 Motion 16-108, Consider Special Events License for New Year's Eve/Grand Opening Event at Infinite Campus, 4321 108th Avenue NE.

Moved by Councilmember King, seconded by Councilmember Herbst, that Motion 16-108, "Grant a Special Events License for New Year's Eve/Grand Opening Event at Infinite Campus, 4321 108th Avenue NE," be approved.

City Clerk Sorensen explained on Wednesday, December 7, 2016, staff learned of a New Year's Eve/grand opening event being planned at Infinite Campus at 4321 109th Avenue NE. The event is to include food, alcoholic beverages, and a fireworks display at midnight. Approximately 500 to 600 people are expected to attend. Because of the proposed time of the fireworks display and the fact that the event is outside the customary use of a property, staff contacted Infinite Campus stating a special events license with Council approval would be required.

City Clerk Sorensen reported RES Specialty Pyrotechnics, Inc. has applied for the fireworks display permit on Infinite Campus' behalf and is working with Community Standards to meet those requirements. She stated Infinite Campus is still determining the need for tents, canopies or portable heaters for shelter outdoors prior to the fireworks display; if they choose to have any of these elements they will be required to complete the appropriate permit applications. Staff discussed the special event license in further detail and recommended approval.

Charlie Kratsch, Infinite Campus, presented the Council with a framed photograph of an aerial view of the Infinite Campus corporate campus. He then discussed his plans for the New Year's Eve/Grand Opening event. He requested the fireworks display be allowed to go off at midnight. He stated this was a New Year's Eve event and he believed he could get media coverage of the display at midnight. He anticipated the fireworks display would last for 12 to 15 minutes. He requested the event not be displayed on the City's website as he would not have enough parking onsite.

Councilmember Clark asked if this was a one-time event. Mr. Kratsch reported this was the case.

Councilmember Clark commented that no precedent would be set if the display was allowed to be shot off at midnight.

Mayor Ryan said he did not believe the surrounding properties would be offended by a display at midnight. He discussed the grand opening ceremony that was held at Infinite Campus eight years ago and did not want to see this grand opening second rate. He said he supported the fireworks display at midnight.

City Manager Arneson requested direction from the Council on the inspection rates for the New Year's Eve event. The Council recommended inspection rates be double time because of the holiday and overtime required.

Councilmember Clark and Mayor Ryan accepted a friendly amendment to allow Infinite Campus to hold their fireworks display at midnight and that inspection rates for the event be charged at double time.

Councilmember Herbst questioned how construction of the new building was coming along. Mr. Kratsch discussed the progress being made on the new building. He stated the views from the 8th floor were impressive. He thanked the City inspectors and Fire Department for all of their assistance. He then commented on his involvement with the Allina Mental Health Foundation and further discussion ensued regarding the mental health needs in Anoka County.

Councilmember Swanson clarified that this approval was for a one-time event due to the applicant's grand opening.

Amended motion adopted unanimously.

12.3 Resolution 16-183, Accept Loan from Blaine EDA for Open Space Fund.

Moved by Councilmember Hovland, seconded by Mayor Ryan, that Resolution 16-183, "Accepting a Loan from the Blaine EDA for Open Space Fund," be approved.

Finance Director Huss stated in 2012, the Blaine EDA began to bank wetland credits as a tool to enhance and assist economic development in the City. In 2014 the City, through its Open Space Fund, began developing a wetland credit account of its own. The purpose identified for the City's wetland credit account was to help fund the development of the Blaine Wetland Sanctuary (BWS). While the EDA has approximately 50 acres of wetland credits in its account, there are not yet any credits in the City's account and none are expected until the early part of 2018. In the meantime, there is some desire to begin development of the BWS, and staff has solicited bids for two contracts totaling roughly \$1.5 million for work to be performed in 2017. Currently, there are not sufficient funds in the City's Open Space Fund to complete these contracts, and with the prospect of not having wetland credits to sell to provide funding for Open Space projects until 2018, staff is requesting Council approval of a loan of EDA general funds to the City to provide the funding necessary to get the BWS project off the ground.

Motion adopted unanimously.

12.4 Resolution 16-170, Accept Bid from Peterson Companies in the Amount of \$1,052,395.97 for the Blaine Wetland Sanctuary, Phase I Trail, Improvement Project No. 14-09.

Moved by Councilmember King, seconded by Mayor Ryan, that Resolution 16-170, "Accepting a Bid from Peterson Companies in the Amount of \$1,052,395.97 for the Blaine Wetland Sanctuary, Phase I Trail," be approved.

Public Services Manager Therres stated bids were received at 10:00 AM, November 8, 2016, for Project No. 14-09. A total of 4 bids were received ranging from \$1,052,395.97 to \$1,276,929.60.

Public Services Manager Therres explained bids have been checked and tabulated, and it has been determined that Peterson Companies of Chisago City, Minnesota is the lowest bidder. The Engineering Department has worked with Peterson Companies on previous contracts. Staff recommends the low bid be accepted and a contract entered into with Peterson Companies. City Council is also asked to approve a 10% contingency to bring the total project budget to \$1,157,635.57. The funding source for this project is Open Space and Trails fund, and there are sufficient funds to cover these costs.

Mayor Ryan said he hoped there would be several Eagle Scouts in Blaine who would want to assist with this project.

Motion adopted unanimously.

12.5 Resolution 16-169, Accept Bid from Dunaway Construction in the Amount of \$247,414 for the Blaine Wetland Sanctuary Site Access and Parking Lot Improvements, Improvement Project No. 14-09.

Moved by Councilmember Clark, seconded by Councilmember Herbst, that Resolution 16-169, "Accepting a Bid from Dunaway Construction in the Amount of \$247,414 for the Blaine Wetland Sanctuary Site Access and Parking Lot Improvements," be approved.

Public Services Manager Therres stated bids were received at 11:00 AM, November 8, 2016, for Project No. 14-09. A total of 6 bids were received ranging from \$247,414.00 to \$366,631.00.

Public Services Manager Therres explained bids have been checked and tabulated, and it has been determined that Dunaway Construction of Columbus, Minnesota is the lowest bidder. The Engineering Department has worked with Dunaway Construction on previous contracts. Staff recommends the low bid be accepted and a contract entered into with Dunaway Construction. City Council is also asked to approve a 10% contingency to bring the total project budget to \$272,155.40. The funding source for this project is Open Space and Trails fund, and there are sufficient funds to cover these costs.

Councilmember Swanson said this project was important to the community and that he was pleased the City would begin work on the wetland sanctuary in 2017.

Motion adopted unanimously.

12.6 Resolution 16-184, Initiate Project and Order Preparation of Feasibility Report for Reconstruction of County Road 10 Service Drive from Able Street to Jefferson Street, Improvement Project 15-21.

Moved by Councilmember Clark, seconded by Councilmember Herbst, that Resolution 16-184, "Initiating Project and Order Preparation of Feasibility Report for Reconstruction of County Road 10 Service Drive from Able Street to Jefferson Street," be approved.

City Engineer Keely stated staff is proposing a project to reconstruct County Road 10 Service Drive from Able Street to Jefferson Street. The County Road 10 Service Drive has reached the end of its useful life and has been rated and identified as needing reconstruction. The two ends of the street were reconstructed in 1991 and curb and gutter and sidewalk were added to the north side of the street in 1993. No additional

maintenance work has been done since. It is anticipated that the project will fully reconstruct the County Road 10 Service Drive.

City Engineer Keely explained the proposed project would be funded by utilizing the Pavement Management Program funds and assessments to benefitting properties. Under the current assessment policy the benefitting industrial/commercial zoned properties would be assessed 50% of the actual costs of the street reconstruction project.

Motion adopted unanimously.

12.7 Resolution 16-185, Adopt 2017 Sanitation Utility Fund Budget.

Moved by Councilmember King, seconded by Councilmember Herbst, that Resolution 16-185, "Adopting the 2017 Sanitation Utility Fund Budget," be approved.

Finance Director Huss stated Council reviewed the proposed 2017 Sanitation Utility Fund Budget at the October 6, 2016 Workshop and again at the November 10, 2016 Workshop. At the October 6 Workshop, Council discussed revising the fee structure with a focus on limiting the amount of non-typical household waste that can be collected at no additional cost. Specifically, the Council directed the following:

- Rename the current unlimited tier to "Premium Service"
- Maintain the current three tier fee schedule
- Develop a plan that addresses the current abuse of the unlimited service level

Finance Director Huss explained staff developed such a plan and presented it at the November 10 Workshop. Per Council discussion and direction from that Workshop, the revised Hardship Assistance Policy was drafted. Consistent with direction provided by the Council, a restructured sanitation utility fee schedule was devised. Staff reviewed the new fee schedule in further detail with the Council and recommended approval.

Mayor Ryan said he approved of the proposed changes to the unlimited tier Premium Service.

Motion adopted unanimously.

12.8 Motion 16-109, Approve 2017 Water Treatment Chemical Bids

Moved by Councilmember Hovland, seconded by Councilmember Herbst, that Motion 16-109, "Awarding the Water Treatment Chemical bid and authorization to enter into contracts for 2017 to low bidders for each chemical: D.P.C. Industries for fluoride and sulfur dioxide in the amount of \$33,600 and Hawkins, Inc. for Chlorine, polyphosphate, and Zinc Orthophosphate in the amount of \$68,170," be approved.

Public Services Manager Therres stated bids were advertised and received for water treatment chemicals for 2017. The City received four (4) bids for the various chemicals on November 23rd. The bid is based on the chemicals used for an average year of water usage (pumping). If more water is used (pumped) then the chemicals purchased will increase. As in the past several years, staff is recommending that the awards be made to the company with the lowest bid on each chemical.

Public Services Manager Therres explained the low bidder for both fluoride and sulfur dioxide is D.P.C. Industries. This amount totals \$33,600. Hawkins, Inc. is the low bidder for the remaining chemicals,

Chlorine, Polyphosphate, and zinc orthophosphate in the amount of \$68,170. It was noted bid prices are similar to 2016 bid prices, Chlorine is up a small amount and the other chemicals are down a small amount. The two low bidders, DPC Industries and Hawkins, Inc. have been the two low bidders for the chemical bids since we started splitting the bids up.

Motion adopted unanimously.

12.9 Motion 16-110, Authorize Replacement of Carpet in City Hall in the Amount of \$46,105.

Moved by Councilmember King, seconded by Councilmember Herbst, that Motion 16-110, "Authorizing and entering into a contract with St. Paul Linoleum & Carpet Co. to replace carpet at City Hall in the amount of \$44,990," be approved.

Public Services Manager Therres stated each year as part of the City Hall maintenance program a portion of the original carpet is being replaced. In 2017 the carpet replacement is taking place in Community Development, the Clover Leaf Conference Rooms, and the Police Department Roll Call Room. The City has received two quotes for this work:

The Schneider Company	\$44,745
St. Paul Linoleum & Carpet Co.	\$46,105(revised bid \$44,990)

Public Services Manager Therres explained the City has budgeted \$50,000 for carpet replacement in the 2017 Building Maintenance budget. Staff is recommending that the City accept the higher quote from St. Paul Linoleum & Carpet. The reason for this is that it will keep the same quality and style of carpet throughout the Police Department.

Motion adopted unanimously.

12.10 Motion 16-111, Approve 2017 Fleet Purchase.

Moved by Mayor Ryan, seconded by Councilmember Herbst, that Motion 16-111, "Approving the 2017 Capital Equipment Purchases from the State Cooperative Purchasing Program for the vehicles, equipment and related setup costs in the amount of \$526,061," be approved.

Police Chief Olson stated in the adoption of the 2017 Capital Budget, Council appropriated funding for certain pieces of equipment in the Capital Equipment Plan. Pursuant to the City Charter, Sec. 6.05, staff is now requesting Council approval for the actual purchase of the vehicles. These vehicles will be purchased from the State Cooperative Purchasing Program from various vendors. Due to the ordering process for these vehicles and to avoid delivery dates late into the year it is necessary to make specific purchases as close to the beginning of the year as possible.

Police Chief Olson reported the purchase of these vehicles is the first step in preparing them for use. The subsequent steps include the purchase and installation of the equipment. While the purchase of equipment and vehicle setup will occur at a later time, the entire cost of the vehicles is included in the 2017 budget appropriations. This request includes both the purchase of the vehicles and purchase of equipment and installation. He reviewed the vehicles that would be purchased in further detail with the Council and recommended approval.

Motion adopted unanimously.

12.11 Motion 16-112, Body Worn Cameras.

Moved by Councilmember Hovland, seconded by Councilmember King, that Motion 16-112, “Approving expenditure of \$97,000 for Axon body worn camera system from Taser International and for the City Manager to enter into a five-year agreement with Taser International for storage, software and support of the body worn camera system,” be approved.

Police Chief Olson stated in the adoption of the 2017 Capital and General Fund Budgets, Council appropriated the funding for certain pieces of equipment in the Capital Equipment Plan and General Fund Budget. Pursuant to the City Charter, Sec. 6.05, staff is now requesting City Council approval for the City Manager to enter into a five-year contract with Taser International as well as approval for the actual purchase of the Axon body worn cameras along with storage, software and support. Minnesota State Statute required a public comment period prior to purchase or implementation. The public comment period ran from the November 3, 2016 City Council Meeting until today. Except for one vendor inquiry, no comments were received via email, mail or public comment at the City Council Meetings. He discussed the five year contract that the City would be entering into with Taser and requested the Council approve the body worn camera purchase.

Mayor Ryan said he was pleased the Police Department would have a five-year contract with Taser as he anticipated this technology would continue to evolve over the coming years.

Councilmember King asked if the City would have access to its data even though it was being managed by another entity. Police Chief Olson reported this would be the case and discussed how the department would manage redacting. He provided further comment on how data practice requests would be managed by the Police Department. He indicated the department would be required to complete an audit on its data in two years.

Motion adopted unanimously.

12.12 Motion 16-113, Ratification of Local 392 (Police Lieutenants) April 12, 2016 to December 31, 2018 Union Contract.

Moved by Councilmember Hovland, seconded by Councilmember Clark, that Motion 16-113, “Ratifying the Police Lieutenants Contract between the Law Enforcement Labor Services Local 392 and the City of Blaine for the period of April 12, 2016 to December 31, 2018,” be approved.

City Manager Arneson stated the City of Blaine and the Police Lieutenants have reached an agreement on the following two-years, ten months and 19-day contract for April 12, 2016 to December 31, 2018:

- | | | | |
|---------------------|--------------------|--------------------|---------------------|
| 1. Wage Adjustments | <u>2016 (3.0%)</u> | <u>2017 (2.5%)</u> | <u>2018 (2.75%)</u> |
|---------------------|--------------------|--------------------|---------------------|

City Manager Arneson reported the starting pay for this contract varies and is reflective of the time served as a Lieutenant. He discussed the union contract further and recommended approval.

Motion adopted unanimously.

12.13 Resolution 16-186, Approving the 2017 Compensation Plan.

Moved by Councilmember King, seconded by Mayor Ryan, that Resolution 16-186, "Approving the 2017 Compensation Plan for all non-union employees," be approved.

City Manager Arneson stated authorizing the proposed resolution provides for a mileage rate of 54.0 cents per mile, or until a new rate is established by the IRS. In addition, the plan provides a 3.0% wage adjustment for non-union personnel. There is an amendment to this compensation plan which recognizes important additional duties performed by a small number of employees. In one case it has to do with providing adequate daytime certified fire response personnel and in the other it recognizes a leadership team that has an ongoing responsibility to make sure that our response to disasters is always contemplated and perfected and that the staff that is called upon to help is ready.

City Manager Arneson noted the number of holidays for non-union employees is consistent with the police and public works employees. Staff requested the Council approve the 2017 Compensation Plan.

Motion adopted unanimously.

OTHER BUSINESS

Mayor Ryan thanked Councilmember Bourke and Councilmember Herbst for their service to the City of Blaine on the City Council. He explained there would be a reception for these Councilmembers, along with the incoming Councilmembers, on January 5, 2017 at 6:30 p.m.

Councilmember Swanson wished everyone a Merry Christmas and Happy New Year.

Councilmember Herbst said he believed the new Councilmembers would do a fine job for the City of Blaine and stated he has had a wonderful time serving the City.

Councilmember Hovland offered his thanks to Councilmember Bourke and Councilmember Herbst for their dedicated service to the City.

ADJOURNMENT

Moved by Councilmember Herbst, seconded by Councilmember Hovland, to adjourn the meeting at 9:22 p.m.

Tom Ryan, Mayor

ATTEST:

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