



# City of Blaine Anoka County, Minnesota Minutes - Final

10801 Town Square Dr.  
Blaine MN 55449

## City Council Workshop

*\*While this is a public meeting where interested persons are welcome to attend, it is a work session for Council and staff to discuss issues before them. It is not for the purpose of receiving public input.*

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Thursday, November 29, 2012

6:30 PM

Cloverleaf Farm Room A

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### Meeting Number 12-67

#### NOTICE OF WORKSHOP MEETING

The meeting was called to order by Mayor Ryan at 7:00 p.m.  
Quorum Present.

**ALSO PRESENT:** Bob Therres, Acting City Manager; Patrick Sweeney, City Attorney; Bryan Schafer, Community Development Director; Bob Fiske, Community Standards Director; Chris Olson, Public Safety Manager/Police Chief; Joe Huss, Finance Director; Jim Hafner, Storm Water Manager; Ward Brown, Budget/Fiscal Analyst; Roark Haver, Communications Technician; Jane Cross, City Clerk; and Recording Secretary Linda Dahlquist.

**Present:** 6 - Councilmember Clark, Councilmember Kolb, Councilmember Bourke, Councilmember Herbst, Mayor Ryan, and Councilmember Swanson

**Absent:** 1 - Councilmember Hovland

### 3.0 [WS 12-51](#)

#### **SENIOR BUILDING MANAGEMENT RFP REVIEW**

**Sponsors:** Fiske

Community Standard Director Fiske stated a Request for Proposals (RFP) was published in the Blaine/Spring Lake Park Life newspaper in September and October and sent to nine management firms in the metro area. The City received four proposals. Staff reviewed the proposals and gathered additional information to make reliable comparison of the costs and services.

Community Standards Director Fiske gave an overview of the senior housing operations budget comparing two companies - Avinity and Shelter - over a five-year contract period of 2013 to 2017. He noted that Avinity was the less expensive alternative on the combined cost of staffing administration and building maintenance. He also noted that Twin City Christian Home, which is the current contractor, has changed their brand name to Avinity. He stated Avinity's cost is lower than Shelter.

Councilmember Herbst asked if Shelter's cost included the van driver. Community Standard Director Fiske replied no, the staffing costs did not include the van driver. Finance Director Huss believed the cost included a van driver, will check with Fiske.

Councilmember Bourke questioned the Twin City Christian Homes' name change. Community Standards Director Fiske replied they rebranded. Councilmember Bourke commented Avinity's management fee is higher. Finance Director Huss replied Avinity's management fee is based on a percentage of rents collected and Shelter's is based on a flat per room fee.

Councilmember Bourke questioned the maintenance program fees. Community Standards Director Fiske replied both companies have on-site maintenance, but will contract out major work.

Councilmember Kolb questioned if originally Shelter was the lowest bidder. Community Standards Director Fiske replied Shelter had separated administrative fees from their staffing cost. Finance Director Huss noted that the administrative fees were not included in the original analysis.

Councilmember Swanson stated the residents should be surveyed to provide input on the services they want and what they do not need.

Community Standard Director Fiske stated a resolution will be brought to the Council at December 6, 2012 Council meeting.

#### **Discussed**

### **1.0**     [WS 12-61](#)

## **2013 GENERAL FUND BUDGET UPDATE**

**Sponsors:**     Huss

Finance Director Huss stated the Council adopted a preliminary General Fund Budget and Tax Levy for certification to Anoka County on September 6, 2012. It was noted that the preliminary budget did not balance and that balancing provisions to be provided could come from non-tax levy revenue; expenditure reductions; and use of unrestricted reserves. He stated that additional revenue from building permit fees, plan review fees, and expenditure reductions resulting from staffing reductions, and the removal of funding for North Metro Mayors and Blaine's Blazin 4th fireworks has resulted in a balanced budget with a safe margin total of \$1,401.

Council discussion on the cost of TimeSavers contract and the minute taking detail versus using the Legistar Agenda Management System for minute taking. Finance Director Huss noted the Legistar minutes would not be as detailed as TimeSavers' minutes. Council consensus was they preferred the quality and quantity of the minutes they have been receiving from

TimeSaver's.

Acting City Manager Therres stated the Parks and Recreation Director position will be filled by the end of 2013. Council discussion on the remaining staff in the Parks and Recreation Department. Finance Director Huss noted there will be three staff members remaining in the department and the director position could be filled internally.

Council discussion on the market value homestead credit and property values. Finance Director Huss noted that the City will levy and collect the same dollar amount in property taxes even with property valuations dropping.

Council discussion on bonding and capital needs in the Park and Recreation Department.

Councilmember Clark stated he would like to cut the 2013 reserve draw in half, in preparation for 2014. Finance Director Huss noted the planned reserve draw for 2014 is \$500,000.

Mayor Ryan questioned the EDA budget. Finance Director Huss stated EDA is funded separately from the General Fund, and that the EDA's current source of operating revenue, the EDA Capital Fund, is running out of capital.

**Discussed**

**2.0**      [WS 12-62](#)

**2013 PROPOSED BUDGETS - REFUSE UTILITY FUND;  
AND STORM DRAINAGE UTILITY FUND**

**Sponsors:**      Huss

**Attachments:**      [Sanitation Fund Budget](#)  
                                 [2013 Storm Drainage Fund Budget Draft](#)

Finance Director Huss stated the Sanitation Fund accounts for the City's refuse and recycling program. The City has a seven-year contract with Veolia Environmental Services, which runs through the end of 2015. The growth of the City and low tipping fees has provided a sufficient fund reserve. This reserve is expected to decline for 2012 and continue declining through 2017. The Council's directive was to increase the customer fee by \$1.50 per quarter starting in 2013 through 2015, followed by \$2.00 per quarter in 2016 and 2017. This will allow a gradual drawdown of fund reserve to a level that provides operating cash flow and reserve to cover large expense increases due to fuel cost spikes and other unforeseen factors.

Councilmember Bourke asked when the increase will be effective. Finance Director Huss replied the fee increase would start January 1, 2013.

Councilmember Clark asked if the reserve funds could be used to fund other

items. Finance Director Huss replied no.

Finance Director Huss stated the City's Storm Sewer Utility Enterprise Fund accounts for the operations of the City's storm drainage system. The enterprise fund is designed to recover the cost of maintaining the City's storm drainage system, which includes storm sewer pipes, ditches, catch basins, outfalls, manholes, weirs, culverts and ponds. He stated the storm sewer operation functions as a division of the City's Public Services Department, which has 3.75 full time staff.

Storm Water Manager Hafner gave an overview of sump and catch basins. He noted the catch basins are cleaned in the spring.

Finance Director Huss gave an overview of the 2012 budget and the proposed 2013 budget noting increases in contractual services in each program (street sweeping, ditch maintenance, pond maintenance, catch basin maintenance, storm sewer system operations and maintenance, construction oversight, and education) and proposed a fee increase of \$2.00 to cover costs.

Storm Water Manager Hafner stated the Council's direction was no increase in fee for 2012. He gave an overview of the projects that are within the 5-year plan for 2013 through 2017 that will need to be contracted out. He noted the base fee is the same for commercial and residential and is estimated on the property's square footage.

Council consensus is to increase the fee by \$1.00 for 2013.

#### **Discussed**

### **OTHER BUSINESS**

Council discussion on an abandoned house within the City that has water damage and now has mold. It was noted that the taxes are being paid by the original owner who has been living in Florida since 2008.

Community Standard Director Fiske distributed copies of the Blaine's Fire Code and included existing buildings and when a building is reported to come up to code. He noted the requirements in the code are State requirements. He stated the State of Minnesota adopted a building code and the building code has an existing building section, which has been deleted by the State of Minnesota in order to adopt the Guidelines of the Rehabilitation of Existing Buildings. The code says that building repairs or rehabilitation the building has to be brought up to today's code. Council discussion on the fire code and fire damage to a building that burned recently.

Council discussion on conducting a survey with Blaine's business community.

**ADJOURN**

The Workshop adjourned at 9:00 p.m.

**Adjourned**