

**UNAPPROVED**

CITY OF BLAINE  
ANOKA COUNTY, MINNESOTA  
CITY COUNCIL MEETING  
Thursday, July 13, 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, Julie Jeppson, Jason King, and Dick Swanson.

**ABSENT:** None.

Quorum Present.

**ALSO PRESENT:** City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Finance Director Joe Huss; Acting Interim Police Chief/Safety Services Manager Dan Szykulski; 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**

Workshop Meeting – June 8, 2017

Workshop Meeting – June 15, 2017

Regular Meeting – June 15, 2017

Moved by Councilmember Hovland, seconded by Councilmember King, that the Minutes of the Workshop Meeting of June 8, 2017, the Minutes of the Workshop Meeting of June 15, 2017 and the Minutes of the Regular Meeting of June 15, 2017 be approved.

Motion adopted. Councilmember King and Councilmember Swanson abstained on the June 15, 2017 Workshop and Regular meeting minutes due to their absence.

**AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS**

5.1 Swearing In Ceremony

Acting Interim Police Chief/Safety Services Manager Szykulski introduced Joshua Sundgaard, Badge #197 and Ryan Bigalk, Badge #199 to the City Council and welcomed them both to the Blaine Police Department.

City Clerk Sorenson administered the Oath of Office to Police Officers Sundgaard and Bigalk and badges were pinned on. A round of applause was offered by all in attendance.

Mayor Ryan welcomed Officer Sundgaard and Officer Bigalk to the City of Blaine's Police Department.

## **COMMUNICATIONS**

Mayor Ryan welcomed Designers Signs to the City of Blaine.

Mayor Ryan thanked the Public Works Department for all of their assistance with the storm cleanup.

Mayor Ryan explained there were over 150 children that attended Safety Camp. He thanked the representatives from the Fire and Police Department for their attendance at this event.

Councilmember Jeppson stated her son attended safety camp. She thanked the Parks Department and all of the Police, Fire and EMTs that made this event possible.

## **OPEN FORUM FOR CITIZEN INPUT**

Mayor Ryan opened the Open Forum at 7:48 p.m.

There being no input, Mayor Ryan closed the Open Forum at 7:49 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 17-081, Order Improvements and Order Preparation of Plans and Specifications for the Lever Street Improvements from 125<sup>th</sup> Avenue North to 132<sup>nd</sup> Avenue Alignment, including the Intersection of 125<sup>th</sup> Avenue and Lever Street, Improvement Project No. 17-07.

Mayor Ryan opened the public hearing at 7:49 p.m.

City Engineer Keely stated the proposed project will introduce Sanitary Sewer and Water Main to the Lever Street area north of 125<sup>th</sup> Avenue. The project also proposes to improve Lever Street from 125<sup>th</sup> Avenue to the 132<sup>nd</sup> Avenue alignment, including intersection improvements at 125<sup>th</sup> Avenue and Lever Street. Proposed improvements include trunk sanitary sewer, trunk water main, sanitary sewer lift station, storm drainage improvements, storm water quality management, class 5 aggregate base, concrete curb and gutter, concrete sidewalk, bituminous trail, asphalt pavement, intersection improvements, traffic control signage, striping, and appurtenant construction.

City Engineer Keely reported the estimated cost of improvements is \$3,947,400 with \$2,119,150 proposed to be assessed over a ten-year period. Sanitary sewer trunk oversizing estimated cost of \$1,107,917 is proposed to be paid for by the City Public Utility Fund. Water main trunk oversizing estimated cost of \$463,173 is

also proposed to be paid for by the City Public Utility Fund. The estimated cost of the south half of improvements to the intersection of 125<sup>th</sup> Avenue and Lever Street is \$257,160 is proposed to be paid from the intersection improvement fee from the developments on the south side of 125<sup>th</sup> Avenue.

City Engineer Keely explained a neighborhood information hearing was held on June 28, 2017 and was well attended by the property owners. Written comments received at the information meeting were attached to the Council item. Verbal comments included concern of reduced nursery sales with a temporary road, drainage issues with development, request to delay the project, opposition to proposed street assessments to non-petitioning properties, and concern over dewatering impact to shallow wells.

Mayor Ryan thanked staff for the presentation and asked for comments from the public at this time.

Michael Klass, 12511 Lever Street, stated he was against the proposed road improvements and assessments. He explained he could not afford to pay the proposed assessment as he would be trying to put his son through college and noted his home was damaged during the recent storm.

Molly Klass, 12511 Lever Street, stated she objected to the homeowners being assessed for the roadway improvements and recommended the proposed costs be the developer's responsibility.

Irene Tamblyn, 12730 Lever Street, stated she was against the proposed road improvements and assessments. She commented she loved her neighborhood the way it was and explained the assessment would force her to sell. She suggested the costs for the project be forwarded to the developer.

Ron Tamblyn, 4601 125<sup>th</sup> Avenue, explained he did not support the proposed road improvements or the assessments. He expressed frustration that he could not get water or sewer even though he would be assessed over \$40,000 in assessments. He recommended that the Council further investigate this project prior to moving forward.

John Peterson, 2281 County Road B West in Roseville, commented on the process of developing property from rural to developed. He encouraged the Council to keep in mind the element of fairness through the proposed project. He reiterated that this property was brought into the MUSA in 2000 and noted the development of this project was delayed due to the housing recession. He believed this project was way overdue. He reported that 63% of the property owners within the project area would like to see this project move forward.

Gerald Clarey, 12901 Lever Street, shared his concerns with the Council on how his property would be impacted by the proposed project and feared his quality of life would be decreased and anticipated the noise in his neighborhood would increase.

Dan and Myia Fish, 12860 Lever Street, thanked each of the Councilmembers and Mayor Ryan for their time and commitment to the City. He stated he would have an assessment of \$61,000 if this project were approved. He commented on the Northeast Area Assessment Policy and recommended the assessments be deferred and charged to the developer as development occurs.

Travis Petchel, grandson of Irene Tamblyn, shared his concerns with the Northeast Area Assessment Policy and believed the policy only benefited property owners once the property was sold. He explained his grandmother did not want to sell her property and therefore she would see no benefit from the proposed project.

There being no additional public input, Mayor Ryan closed the public hearing at 8:12 p.m.

Moved by Councilmember King, seconded by Councilmember Hovland, that Resolution 17-081, "Ordering Improvements and Ordering Preparation of Plans and Specifications for the Lever Street Improvements from 125<sup>th</sup> Avenue North to 132<sup>nd</sup> Avenue Alignment, including the Intersection of 125<sup>th</sup> Avenue and Lever Street," be approved.

Mayor Ryan explained this project was unique and provided further comment on the development within this portion of the City. He understood that the assessments would change the lives of the current residents. He indicated elderly residents would have the right to defer their assessments. He understood that this was a no-win situation for the City Council. He stated this was an exciting area of the City and changes were coming.

Councilmember Garvais requested further information on the Northeast Area Assessment Policy. City Engineer Keely reviewed the assessment policy in detail with the Council. She explained staff was recommending the street portion of the project be assessed to all benefiting parcels.

Councilmember Garvais questioned if there were any other areas of the City that followed the city-wide policy versus the Northeast Area Assessment Policy. City Engineer Keely indicated the 1,000-acre Preliminary Plat for The Lakes development was developer installed.

Councilmember Garvais asked if this was the first petitioned project for the Northeast Area of the City. City Engineer Keely reported this was the case.

Councilmember Hovland indicated there was a significant difference between the assessment rates being charged to those that petitioned and those that did not. He requested further information on this matter and asked if any funds had been set aside for this project. City Engineer Keely discussed the financing for this project and reported the City did not have any funds set aside within the Pavement Management Program or MSA funds for this project.

Councilmember Hovland questioned if the assessments could be deferred for seniors. City Engineer Keely reported this was allowed if the senior property owner met the City's criteria.

Councilmember Hovland inquired when the project would begin after receiving approval from the Council. City Engineer Keely anticipated the project would begin late this fall and would continue into 2018. She noted assessment payments for this project would begin in January of 2019 and would be spread over 10 years.

Councilmember Swanson asked when the City would be considering the benefit of the project. City Engineer Keely reported the City would be hiring an appraiser to complete a benefit analysis prior to the assessment hearing.

Councilmember Swanson questioned if the City could find a funding source to assist with this project, in order to defer the assessments until point of sale. City Engineer Keely explained the City had not taken this action before. City Manager Arneson stated this was a legal question and he could meet with the City Attorney further.

Councilmember King stated he believed the road project seemed to be quite expensive. He inquired if other gravel roads would cost as much to complete. City Engineer Keely indicated 131<sup>st</sup> was another MSA road that would cost approximately the same amount to complete.

Councilmember King understood that the proposed assessment amounts were quite high and even when divided over 10 years; many would be paying more than a car payment per month for the street assessment. He explained the project had to be done, but stated he would like to further investigate what funding sources the City had available to assist with this project. City Manager Arneson reported staff could investigate further funding sources. He noted if the Council orders this project tonight debt would be required.

Councilmember Jeppson stated she agreed with Councilmember King. She commented on how her family would be impacted if she had to pay a \$50,000 to \$60,000 assessment. She understood the project had to move forward but wanted to see the City find a way to be creative and help in order to lower the current assessment amounts.

Mayor Ryan stated one of the only financial options available to the City Council was MSA funding and this would mean that future projects would not be funded.

Councilmember Garvais discussed how the residents would be impacted if the assessments were divided into 15 or 20 years, noting this would still lead to a very high monthly payment. He understood that individuals were interested in moving to the City of Blaine, but he did not believe the proposed assessments were in proper alignment with historical projects. He said for this reason he did not want to vote on this project this evening.

Councilmember King recommended the Council delay action on the vote in order to allow staff time to further investigate financing options for the Lever Street improvement project.

Mayor Ryan stated one option available to the City would be to remove the trail and sidewalks in order to reduce the overall expense of the project.

Councilmember Clark understood the issue at hand was the City's ability to recoup street construction costs at the time the non-petitioners develop and if this item were approved, could the City change the assessment policy before the project was completed. He questioned if the Council would have time to review the policy and make changes prior to the assessments being finalized. City Engineer Keely reported the assessments would be revised based on the actual project costs. He stated if the Council were to order improvements, the City would have to sell bonds for this project in order to have a temporary funding source. City Attorney Sweeney advised the City could assess the properties a different rate at a future date if the Council could find another funding source.

Councilmember Clark reported the Northeast Area Assessment Policy was written for projects such as these to respect property rights. He stated homeowners were not supposed to be forced from their homes if a neighboring parcel wished to develop. He explained he was struggling with the decision to stray from this policy.

Councilmember Garvais asked how long the City had to repay the bonds for this project. City Manager Arneson reported the City would be securing a 10-year bond.

Councilmember Swanson questioned if the City had time to revise the assessment policy if the item were approved tonight, prior to the assessments being finalized. City Engineer Keely reviewed the project timeline for Lever Street and noted the Assessment Hearing would not be held until September of 2018.

Councilmember Swanson inquired if the Council were to find a way to fund \$650,000 of this project, if the property assessments could be deferred until the properties were to sell. City Attorney Sweeney reported the

City would have to assess for the street improvement project, but the Council could elect to lower the assessment amount.

Councilmember Hovland asked if the City could amend the 2018 budget in order to increase the amount of bonding within the PMP to include the Lever Street project. City Manager Arneson stated all of the taxpayers in Blaine would then be paying for this project and would not be benefiting from the improvements.

Councilmember Clark said he supported the City investigating other financial options however; he did not want to see other taxpayers funding this project.

Mayor Ryan commented on the fact that this project was an MSA road and questioned if there was a way to get additional funding to assist with the cost of the project. City Engineer Keely reviewed the location of the State Aid roadway along Lever Street.

Councilmember Swanson inquired if the City has accepted State MSA for 2018 and 2019. City Engineer Keely reported the City would be working on Jefferson Street in 2018 and Aberdeen Street and Clover Leaf Parkway in 2019/2020.

Amendment Moved by Councilmember King, seconded by Councilmember Swanson, that the non-signers for the Petition be charged a reduced assessment rate of \$91.70 for the Lever Street Improvements from 125<sup>th</sup> Avenue North to 132<sup>nd</sup> Avenue Alignment, including the Intersection of 125<sup>th</sup> Avenue and Lever Street.

Councilmember Clark questioned the cost of delaying a vote on this item. City Engineer Keely anticipated that a delay in the vote would shift the start of the project to 2018.

Councilmember Swanson asked if the City already had applications to consider for Lever Street. Planning and Community Development Director Schafer explained the City had received one request but noted the developer was not anticipating beginning construction until the spring of 2018.

Councilmember Garvais stated he supported Councilmember King's motion to reduce the assessment rate but suggested the assessment term be lengthened to 20 years.

Councilmember Swanson understood the Council was in favor of helping the residents but noted much of the financial information was not available at this time.

Councilmember Clark recommended the Council hold a future workshop meeting to discuss if assessments could be deferred until a further time when the property was sold. He stated he wanted this addressed prior to the City receiving additional project petition requests.

Councilmember Swanson stated he would like to see the full assessment amount paid to the City if a property were to sell within five (5) years. City Attorney Sweeney advised that assessment rates could not be changed once assessed by the City.

Councilmember King withdrew his motion.

Moved by Councilmember Clark, seconded by Councilmember King, that Resolution 17-081, "Ordering Improvements and Ordering Preparation of Plans and Specifications for the Lever Street Improvements from 125<sup>th</sup> Avenue North to 132<sup>nd</sup> Avenue Alignment, including the Intersection of 125<sup>th</sup> Avenue and Lever

Street,” be approved with the assumption that non-signers of the petition be assessed at 50% of payment schedule for the street rate with staff to propose plans to close the funding gap by August 17, 2017 with no impact to the connection charges.

**ROLL CALL:**

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

Motion adopted unanimously.

Councilmember Clark clarified for the record that his approval of this project was due to the fact it was a gravel road.

Moved by Councilmember Garvais, seconded by Councilmember Clark, to consider extending the assessment repayments to twenty (20) years.

**ROLL CALL:**

Councilmember Clark – aye  
Councilmember Garvais – aye  
Councilmember Hovland – no  
Councilmember Jeppson – aye  
Councilmember King – no  
Councilmember Swanson – no  
Mayor Ryan - no

Motion failed 3-4.

Mayor Ryan recessed the City Council meeting at 9:29 p.m.

Mayor Ryan reconvened the City Council meeting at 9:39 p.m.

**APPROVAL OF CONSENT AGENDA:**

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

10.1 Motion 17-84, Schedule of Bills Paid.

10.2 Motion 17-85, Adopt Updated General Records Retention Schedule.

10.3 Resolution 17-082, Authorize 2017 Budget Amendment for Additional Street Light Funds.

10.4 Motion 17-86, Authorization to Enter into Fuel Contract with State of Minnesota Fuel Consortium Purchase Program.

10.5 Motion 17-87, Authorize the Mayor and City Manager to Enter into a Contract with Julian M. Johnson Construction in the Amount of \$31,910 for Emergency Culvert Repair on Rendova Street South of 99<sup>th</sup> Avenue, Improvement Project No. 17-12.

10.6 Motion 17-88, Authorize Changer Order No. 2 in the Amount of \$37,332 for Blaine Wetland Sanctuary Parking Lot, Improvement Project No. 14-09.

10.7 Resolution 17-083, Approve Parking Restrictions on the South Side of 126<sup>th</sup> Avenue from Legacy Creek Parkway to 150 Feet East of Legacy Creek Parkway.

10.8 Motion 17-89, Authorize Temporary Removal of Parking Restrictions on 103<sup>rd</sup> Lane and National Street for a Centennial Elementary School Event on October 4, 2017 (Rain Date: October 5, 2017).

10.9 Resolution 17-084, Authorize Removal of Parking Restrictions on Quincy Street and Monroe Street from 88<sup>th</sup> Avenue to 89<sup>th</sup> Avenue and 87<sup>th</sup> Lane from Jackson Street to the West Cul-De-Sac.

10.10 Resolution 17-085, Authorize Removal of a Portion of Regulatory Signs for Parking Restrictions on Both Sides of Dunkirk Street East of Lakes Parkway and Authorize Full Time Parking Restrictions at the South End of Dunkirk Street.

Motion adopted 6-0-1 (Councilmember Hovland absent for vote).

## **DEVELOPMENT BUSINESS**

11.1 Resolution No. 17-086, Granting a Conditional Use Permit to Operate a Ninja Warrior Gym and Training Facility in a B-3 (Regional Commercial) Zoning District, located at 1467 101<sup>st</sup> Avenue NE. Conquer Ninja Warrior Blaine LLC. (Case File No. 17-0021/SLK)

Moved by Councilmember Swanson, seconded by Councilmember Jeppson, that Resolution No. 17-086, “Granting a Conditional Use Permit to Operate a Ninja Warrior Gym and Training Facility in a B-3 (Regional Commercial) Zoning District, located at 1467 101<sup>st</sup> Avenue NE,” be approved.

Planning and Community Development Director Schafer stated Conquer Ninja Warrior is proposing to open a ninja warrior gym made for training and fitness for anyone 5 years and older in the building at 1467 101st Avenue. Other tenants in the building include retail and office uses. The site is zoned B-3 (Regional Commercial) and a conditional use permit is required for this use. It was noted the applicant intends to use the facility to operate a training and fitness facility in a class-style format. The hours of operation will vary between the hours of 12 p.m. and 9 p.m. Monday through Friday and 9:00 a.m. to 9:30 p.m. Saturday and Sunday. Each class size could include up to 50 students. Kids and adults could be in the classes. The applicant is proposing to occupy 6,078 square feet, but this will occur in two phases. The first phase will consist of 3,866 square feet; the second phase (2,212 square feet) will be occupied no later than November 2018 after the current occupant's lease has expired.

Motion adopted 6-0-1 (Councilmember Hovland absent for vote).



11.2 Resolution No. 17-087, Granting a Conditional Use Permit to Construct an 11,200 Square Foot Office/Warehouse Building with One (1) Acre of Outside Storage of Vehicles and Equipment Related to the Business in an I-2 (Heavy Industrial) Zoning District at 10351 Naples Street NE. ACS Asphalt Concrete Solutions. (Case File No. 17-0017/LSJ)

Moved by Mayor Ryan, seconded by Councilmember King, that Resolution No. 17-087, “Granting a Conditional Use Permit to Construct an 11,200 Square Foot Office/Warehouse Building with One (1) Acre of Outside Storage of Vehicles and Equipment Related to the Business in an I-2 (Heavy Industrial) Zoning District at 10351 Naples Street NE,” be approved.

Planning and Community Development Director Schafer stated ACS Asphalt Concrete Solutions has purchased a site on Naples Street NE with the intention of operating their business, a commercial paving contractor, on site. This company has also proposed outdoor storage of equipment totaling one acre. The site is zoned I-2(Heavy Industrial) and the outdoor storage requires a conditional use permit in this zoning district. He reported the building being proposed on site is an 11,200-square foot office/warehouse building.

Planning and Community Development Director Schafer reported the storage yard will be paved with a 7-foot high security fence. This will be a chain link fence with barbed wire around the top of the fence. It should be noted that the total height of the fence must be no greater than 7 feet, and the barbed wire portion of the fence should be included in the overall 7-foot height requirement. Parking for employees will also be provided in the rear storage yard. Also included in the proposal is service and repair of the vehicles and equipment inside the building. The outside storage area is limited to not more than an acre in order to allow the smaller building size of 11,200 square feet. A 20,000 building would be required if the storage area was greater than an acre. Given however the ample paved area in the rear of the site, parking is not an issue in this situation. There is also proof of parking stalls provided in the front of the building.

Motion adopted 6-0-1 (Councilmember Hovland absent for vote).

11.3 Resolution No. 17-088, Granting Final Plat Approval to Subdivide 4.51 Acres into 12 Single Family Lots to be Known as Brians Meadows. Waters Edge Investments, LLC. (Case File No. 17-0015/SLK)

Moved by Councilmember King, seconded by Councilmember Jeppson, that Resolution No. 17-088, “Granting Final Plat Approval to Subdivide 4.51 Acres into 12 Single Family Lots to be Known as Brians Meadows. Waters Edge Investments, LLC,” be approved.

Planning and Community Development Director Schafer stated the final plat proposal consists of subdividing approximately 4.5 acres into a subdivision with a total of 12 dwelling units. This application proposes single-family homes consistent with the DF zoning and LDR land use designation. Because the developer is proposing different housing styles with different design issues, platting requirements, lot sizes, markets and price ranges, the existing DF (Development Flex) zoning is proposed to establish the minimum standards for each of these areas. The flexibility provided by the DF zoning forms the basis of the Harpers Street Development Guide Plan. The proposed plat is located along the 128th Lane alignment, east of Harpers Street NE. As part of the platting Park Dedication will be required for the 12 lots that are created.

Motion adopted 6-0-1 (Councilmember Hovland absent for vote).

11.4 Resolution No. 17-089, Granting a Comprehensive Land Use Amendment to Change the Existing Land Use of the Property from HDR (High Density Residential) to CC (Community Commercial) at 126<sup>th</sup> Avenue NE & Central Avenue NE. Emberwood LLC. (Case File No. 14-0002/LSJ)

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution No. 17-089, "Granting a Comprehensive Land Use Amendment to Change the Existing Land Use of the Property from HDR (High Density Residential) to CC (Community Commercial) at 126<sup>th</sup> Avenue NE & Central Avenue NE," be approved.

Councilmember Hovland returned at 9:42 p.m.

Planning and Community Development Director Schafer stated in 2015, the City Council approved the conditional use permit that allowed construction to start on the Emberwood Apartment project at 126<sup>th</sup> Avenue and Highway 65. Many years ago, a different developer had approached the City with a senior housing project for the Emberwood site and the two parcels immediately on the corner of 126<sup>th</sup> Avenue and the frontage road. When that developer initiated that formal process of approval with the City, he proposed a land use for these parcels of HDR (High Density Residential) to accommodate the senior housing density he was proposing at the time. When the developer of the Emberwood Apartments bought the property, they proceeded with their project that was consistent with that same land use. The property also has a zoning of DF (Development Flex) which requires a conditional use permit for all development.

Planning and Community Development Director Schafer explained the developer of the Emberwood Apartments went through several variations of their site plan before receiving approval from the Council. Those variations, at times, consisted of a larger apartment project that also included the two vacant parcels (just under 2.5 acres) immediately on the corner of 126<sup>th</sup> Avenue and the frontage road. The final site plan for the project did not include these two parcels at the direction of the City Council. The Council determined they would rather see commercial development on these two parcels rather than a high density residential project.

Planning and Community Development Director Schafer commented given that the Council has stated their vision for these two parcels is commercial development, the City is now reviewing this comprehensive land use amendment that would change the land use from HDR (High Density Residential) to CC (Community Commercial). The zoning of the property will remain DF (Development Flex). This will give the City an opportunity to review any commercial or retail development that is proposed for this corner through the conditional use permit process. City Council action on this amendment to the land use plan is contingent upon review and approval by the Metropolitan Council.

Alisa Keeting, Emberwood LLC, thanked the Council for their consideration and stated she was happy to be moving this project forward.

Motion adopted unanimously.

11.5 First Reading - Ordinance No. 17-2379, Granting a Rezoning from FR (Farm Residential) to R-1AA (Single Family) at Quail Creek Parkway West Extension and 132<sup>nd</sup> Avenue West Extension for Quail Creek 10<sup>th</sup> Addition. Paul Gagnon. (Case File No. 16-0030/LSJ)

Planning and Community Development Director Schafer stated at this time the applicant is requesting the approval of a preliminary plat and a rezoning for the 10<sup>th</sup> Addition of Quail Creek, which contains 96 single

family lots and three outlots. It was noted a portion of the plat needs to be rezoned to R-1AA (Single Family) from FR (Farm Residential). Some of the plat was zoned R-1AA from the previous platting activities of the first 9 additions of Quail Creek. To complete this development, the other parcels that are zoned FR need to be rezoned to R-1AA to match the zoning of the remainder of the Quail Creek development.

Declared by Mayor Ryan that Ordinance No. 17-2379, "Granting a Rezoning from FR (Farm Residential) to R-1AA (Single Family) at Quail Creek Parkway West Extension and 132<sup>nd</sup> Avenue West Extension for Quail Creek 10<sup>th</sup> Addition," be introduced and placed on file for second reading at the August 3, 2017 Council meeting.

11.6 Resolution No. 17-097, Granting a Conditional Use Permit Amendment to Allow for the Construction of a 480 Square Foot Detached Garage in an RF (Residential Flex) Zoning District, located at 1097 98<sup>th</sup> Lane NE. Joseph Weber and Sussel Builders. (Case File No. 17-0020/NBL)

Moved by Councilmember Garvais, seconded by Councilmember Swanson, that Resolution No. 17-097, "Granting a Conditional Use Permit Amendment to Allow for the Construction of a 480 Square Foot Detached Garage in an RF (Residential Flex) Zoning District, located at 1097 98<sup>th</sup> Lane NE," be approved.

Planning and Community Development Director Schafer stated the applicant wishes to build a 480-square foot detached garage on this property in order to provide space to store a boat and a trailer. There is currently a 440-square foot attached garage on this property. With this construction, the property will have 920 square feet of garage space.

Planning and Community Development Director Schafer reported the original resolution for this development area does not specify requirements for detached garages. Therefore, a CUP amendment is required for the construction of a detached structure to ensure that the proposed overall area of garage and accessory building space aligns with the development goals of the RF zone. The City has approved several CUP amendments for similar type detached garages throughout the City. The garage will match the existing detached structure and house. No trees will be removed with this addition to the structure.

Motion adopted unanimously.

## **ADMINISTRATION**

12.1 Resolution 17-078, Approving a Letter of Intent for the Sale of 1.58 Acres of Property Generally Located at the Corner of 108<sup>th</sup> Lane and Town Square Drive.

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, that Resolution 17-078, "Approving a Letter of Intent for the Sale of 1.58 Acres of Property Generally Located at the Corner of 108<sup>th</sup> Lane and Town Square Drive," be approved.

Economic Development Coordinator Thorvig stated staff has been working with a dentist currently located in the office building at corner of Radisson Road and Town Square Drive about expanding his business to a new location. Ideally, he'd like to construct and own a new building in Blaine. Several sites were reviewed however he has strong interest in the City owned land next to his current building. The 7.39-acre site was identified as the preferred community center site however the referendum did not pass last fall. At the May 11<sup>th</sup> workshop, direction was given to staff to continue to work towards a sale of the 1.58 acres for the proposed development.

Economic Development Coordinator Thorvig explained a development proposal would create a 1.58-acre parcel next to the existing office building. Site development would include 16,500 square feet of office space with 89 parking stalls. The building is designed to have mezzanine space over main level offices giving the building a more vertical appearance. The exterior material would match that of other buildings in the area. The dentist would take a portion of the building and lease the remaining to other local businesses.

Economic Development Coordinator Thorvig reported the first step in the process is for the City Council to approve a letter of intent to sell property. The property is owned by the City of Blaine, not the Blaine EDA (the property was transferred from the EDA to the City in 2014). Approval of the letter of intent provides the developer assurance that there is interest by the city to move forward and allows him to prepare plans for Planning Commission and City Council approval sometime this fall/winter with construction beginning in the spring of 2018. The general terms of the real estate transaction are as follows:

- Purchase Price: \$6.50/sf. based on final property survey (approximately \$447,361).
- Closing Date: On or before May 31, 2018.
- Developer will construct a 16,500-sf. office building consistent with approved plans.
- The city will subdivide the property to create a lot to sell. Park dedication has already been addressed through the EDA's participation in developing Town Square Park.
- If approvals and an executed purchase agreement are not completed by December 31, 2017 the Letter of Intent is no longer valid.

Economic Development Coordinator Thorvig explained staff would propose proceeds from the sale going to the Blaine EDA general fund and be used for future redevelopment projects.

Councilmember King questioned if the property was being sold at market rate without City assistance. Economic Development Coordinator Thorvig reported this was the case.

Dr. Doug Green introduced himself to the City Council and stated he was looking forward to constructing a new dental facility in Blaine where he could grow his business.

Motion adopted 6-1 (Councilmember Clark opposed).

#### 12.2 First Reading – Ordinance No. 17-2378, Approving the Sale of 1.58 Acres of Property Generally Located at the Corner of 108<sup>th</sup> Lane and Town Square Drive.

Economic Development Coordinator Thorvig stated this is a companion item to Item 12.1 and reported the property is owned by the City of Blaine, not the Blaine EDA (the property was transferred from the EDA to the City in 2014). City Charter requires any sale of property by the City Council to be done by ordinance. The second reading of this ordinance would come before the City Council when other planning and zoning approvals are being reviewed. This likely will be sometime this fall.

Declared by Mayor Ryan that Ordinance No. 17-2378, "Ordinance No. 17-2378, Approving the Sale of 1.58 Acres of Property Generally Located at the Corner of 108<sup>th</sup> Lane and Town Square Drive," be introduced and placed on file for second reading.

#### 12.3 Resolution 17-090, Accept Bid from North Pine Aggregate, Inc. in the Amount of \$4,031,180.14 for the Reconstruction of 105<sup>th</sup> Avenue from TH 65 to Radisson Road (CSAH 52), Improvement Project No. 14-11.

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, that Resolution 17-090, "Accept Bid from North Pine Aggregate, Inc. in the Amount of \$4,031,180.14 for the Reconstruction of 105<sup>th</sup> Avenue from TH 65 to Radisson Road (CSAH 52), Improvement Project No. 14-11," be approved.

City Engineer Keely stated bids were received at 10:00 AM, July 6, 2017, for Project No. 14-11. A total of 9 bids were received ranging from \$4,031,180.14 to \$4,599,342.45. The engineer's estimate for construction cost and the three lowest bidders are as follows:

Engineer's Estimate for Construction Cost	\$5,646,487.30
North Pine Aggregate, Inc.	\$4,031,180.14
Landwehr Construction, Inc.	\$4,177,961.71
C. S. McCrossan Construction	\$4,263,209.64

City Engineer Keely reported bids have been checked and tabulated, and it has been determined that North Pine Aggregate, Inc. of Forest Lake, Minnesota is the lowest bidder. The Engineering Department has worked with North Pine Aggregate, Inc. on previous contracts. Staff recommends the low bid be accepted and a contract entered into with North Pine Aggregate, Inc. City Council is also asked to approve a 10% contingency to bring the total project budget to \$4,434,298.15. The funding source for this project is the City State Aid Fund, Existing EDA pooled TIF, State Bonding, and County Turnback Funds, and there are sufficient funds to cover these costs.

Mayor Ryan requested staff plan a groundbreaking ceremony for this project and that local legislators be invited.

Motion adopted unanimously.

#### 12.4 Resolution 17-091, Authorize Implementation of the Rice Creek Parkway Traffic Study.

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution 17-091, "Authorize Implementation of the Rice Creek Parkway Traffic Study," be approved.

City Engineer Keely stated in July of 2016, the City Council directed the City to hire a third-party consultant to study the operations of Rice Creek Parkway located southeast of the airport. The Council reviewed the traffic study at their January 19, 2017 Workshop and directed that the Traffic Commission review the report and make recommendations back to the City Council for implementation. Tom Sohrweide attended the June 6, 2017 Traffic Commission meeting to present the traffic report and answer questions. The Traffic Commission recommended that the City Council consider implementation of the recommendations from the study:

1. Consider the installation of an all-way stop at 93rd Avenue.
2. Change the dashed yellow centerline to double yellow centerline north of median.
3. Install a white edge line on "no parking" side with and without median.
4. Install a yellow edge/center line adjacent to both sides of median.
5. Increase enforcement at the critical time periods.

City Engineer Keely reported the Traffic Commission also asked that a letter be sent to adjacent property owners letting them know that the City Council will be considering implementation of the traffic study recommendations at their July 13, 2017 Council meeting. This letter was mailed on June 22, 2017.

Jason Babbert, 2830 Rice Creek Parkway, commended the City Council and the Mayor for their dedicated service to the community. He commented on the traffic study and recommended the stop sign at 90<sup>th</sup> remain in place. He requested the Council consider not placing a stop sign at 93<sup>rd</sup> but rather that another speed limit be considered in order to keep the speed of traffic in check.

Councilmember Swanson supported the Traffic Study and the recommendation of the Traffic Commission being followed.

Motion adopted unanimously.

Scott Kroll, 2873 Rice Creek Parkway, discussed his concerns with the speed of traffic along Rice Creek Parkway. He commented that traffic on Xylite Street from 85<sup>th</sup> Avenue and noted they should maintain their speed north instead of reducing to 30 miles per hour. City Engineer Keely reported the speed limit on this portion of the roadway was 45 miles per hour.

#### 12.5 Resolution 17-092, Authorize Implementation of the 129<sup>th</sup> Avenue Traffic Study.

Moved by Councilmember King, seconded by Councilmember Jeppson, that Resolution 17-092, "Authorize Implementation of the 129<sup>th</sup> Avenue Traffic Study," be approved.

City Engineer Keely stated at their February 2, 2017 Council Workshop, the City Council discussed resident concerns on 129th Avenue from TH 65 East Service Road to Radisson Road. Council directed the City to hire a third-party consultant to study the operations of 129th Avenue including the future extension of this Municipal State Aid route to Lexington Avenue. The City Council reviewed the traffic study at their June 1, 2017 Workshop and directed that the Traffic Commission review the report and make recommendations back to City Council for implementation. Tom Sohrweide attended the June 6, 2017 Traffic Commission meeting to present the traffic report and answer questions. The Traffic Commission recommended that the City Council consider implementation of the recommendations from the study:

1. Install a white edge line to create a shoulder in the median areas.
2. Install a yellow edge/center line adjacent to both sides of the medians to create an 11 foot traffic lane.
3. Prohibit parking in the median areas.
4. Increase enforcement at the critical time periods.
5. Install crosswalk pavement marking to legally establish the midblock crossing.

City Engineer Keely explained the Traffic Commission also asked that a letter be sent to adjacent property owners letting them know that the City Council will be considering implementation of the traffic study recommendations at their July 13, 2017 Council meeting. The letter was mailed on June 22, 2017.

Mayor Ryan asked if the Traffic Commission discussed a potential stop sign at Eldorado Street given the fact there was a downhill grade at this intersection. He explained this was a busy intersection with numerous children and a bus stop. City Engineer Keely stated the study did not recommend additional stop signs as the side street traffic is very low and warrants were not met for all way stops.

Councilmember King said he supported the recommendations of the Traffic Commission.

Mayor Ryan stated this would continue to be an intersection of concern for him.

Motion adopted unanimously.

12.6 Motion 17-90, Authorize the Mayor and City Manager to Enter into a Contract with Bolton & Menk in the Amount of \$172,229 for Design of the Trunk Sanitary Sewer, Trunk Water Main and Street Improvements on Lever Street from 125<sup>th</sup> Avenue to 132<sup>nd</sup> Avenue Alignment, Improvement Project No. 17-07.

Moved by Councilmember Swanson, seconded by Councilmember King, that Motion 17-90, “Authorize the Mayor and City Manager to Enter into a Contract with Bolton & Menk in the Amount of \$172,229 for Design of the Trunk Sanitary Sewer, Trunk Water Main and Street Improvements on Lever Street from 125<sup>th</sup> Avenue to 132<sup>nd</sup> Avenue Alignment,” be approved.

City Engineer Keely stated on May 19, 2017, the Engineering Department requested proposals for design of the trunk sanitary sewer, trunk water main, and street improvements on Lever Street from 125<sup>th</sup> Avenue to 132<sup>nd</sup> Avenue alignment. Two proposals were received on June 1, 2017 and after review of the proposals, staff recommends acceptance of the proposal from Bolton & Menk in the not-to-exceed amount of \$172,229. This contract is part of the administrative cost included in the Feasibility Report and is funded through proposed project assessments and Sanitary Sewer and Water Utility Funds.

Motion adopted unanimously.

12.7 Motion 17-91, Authorize the Mayor and City Manager to Enter Into a Contract with WSB & Associates in the Amount of \$122,930 for Professional Services for 105<sup>th</sup> Avenue Reconstruction Project, Improvement Project No. 14-11.

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, that Motion 17-91, “Authorize the Mayor and City Manager to Enter Into a Contract with WSB & Associates in the Amount of \$122,930 for Professional Services for 105<sup>th</sup> Avenue Reconstruction Project,” be approved.

City Engineer Keely stated on June 6, 2017, the Engineering Department requested proposals for surveying services for the 105<sup>th</sup> Avenue Reconstruction project from TH 65 to Radisson Road. Two proposals were received and after review of the proposals, staff recommends acceptance of the proposal from WSB & Associates in the not-to-exceed amount of \$122,930. Also included in this agreement is contract administration assistance and traffic signal inspection. This contract is part of the administrative costs included in the overall project budget and will be funded through the City’s Municipal State Aid funds, Pooled TIF, State Bonding, and City’s Water Utility Fund.

Motion adopted unanimously.

12.8 Motion 17-92, Authorize the Mayor and City Manager to Enter into Contract with Connexus Energy in the Amount of \$339,541 to Bury Electrical Power Along 105<sup>th</sup> Avenue, Improvement Project No. 14-11.

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, that Motion 17-92, “Authorize the Mayor and City Manager to Enter into Contract with Connexus Energy in the Amount of \$339,541 to Bury Electrical Power Along 105<sup>th</sup> Avenue,” be approved.

City Engineer Keely stated as part of the 105<sup>th</sup> Avenue reconstruction project the Connexus transmission line will be removed from the overhead poles and buried along the north side of the corridor from TH 65 to Radisson Road. This will enable overstory trees and other landscaping features to be introduced into the

corridor. Staff received an invoice for this work from Connexus Energy to bury electrical power along 105<sup>th</sup> Avenue in the amount of \$339,541. The proposal includes total material, labor, and electrical line control cabinets for the lines to be buried. The cost of burying the electrical power is included in the overall project budget and will be funded through the City’s Municipal State Aid funds, Pooled TIF, and State Bonding.

Motion adopted unanimously.

12.9 Resolution 17-093, Concur with City of Lexington in Accepting a Bid from Hardrives Inc. in the Amount of \$727,768.26 for the Reconstruction of Restwood Road and Flowerfield Road from Naples Street to North Highway Drive, Improvement Project No. 16-12.

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution 17-093, “Concur with City of Lexington in Accepting a Bid from Hardrives Inc. in the Amount of \$727,768.26 for the Reconstruction of Restwood Road and Flowerfield Road from Naples Street to North Highway Drive,” be approved.

City Engineer Keely stated bids were received by the City of Lexington on June 27, 2017, for Project No. 16-12. A total of one bid was received from Hardrives Inc. in the amount of \$727,768.26. The Engineer's estimate was \$743,600. The bid has been checked and tabulated by the City of Lexington and it has been determined that Hardrives Inc. of Rogers, MN is the lowest bidder. The Engineering Department has worked with Hardrives Inc. on previous contracts. I recommend the City of Blaine concur with the City of Lexington to accept the low bid and enter into a contract with Hardrives Inc. City Council is also asked to approve a 10% contingency to bring the total project budget to \$800,545.00. The funding source for the City of Blaine portion of this project is a combination of assessments and City Pavement Management funds and there are sufficient funds to cover these costs.

Motion adopted unanimously.

12.10 Resolution 17-094, Accept Bid from Douglas Kerr Underground LLC in the Amount of \$597,732.95 for the Reconstruction of County Road 10 Service Drive from Jefferson Street to Able Street, Improvement Project No. 15-21.

Moved by Councilmember Hovland, seconded by Councilmember King, that Resolution 17-094, “Accept Bid from Douglas Kerr Underground LLC in the Amount of \$597,732.95 for the Reconstruction of County Road 10 Service Drive from Jefferson Street to Able Street,” be approved.

City Engineer Keely stated bids were received at 10:00 AM, June 29, 2017, for Project No. 15-21. A total of 4 bids were received ranging from \$597,732.95 to \$857,040.00. The Engineer's estimate for construction and the three lowest bidders are as follows:

Engineer's Estimate - Construction Cost	\$734,000.00
Douglas Kerr Underground LLC	\$597,732.95
Park Construction Company	\$677,044.10
Northdale Construction Co., Inc.	\$742,062.02

City Engineer Keely reported bids have been checked and tabulated, and it has been determined that Douglas Kerr Underground LLC of Mora, Minnesota is the lowest bidder. The Engineering Department has worked with Douglas Kerr Underground LLC on previous contracts. Staff recommends the low bid be accepted and a



contract entered into with Douglas Kerr Underground LLC. City Council is also asked to approve a 10% contingency to bring the total project budget to \$657,510.00. The funding source for this project is assessments, City Public Utility Funds and the City Pavement Management Program Fund, and there are sufficient funds to cover these costs.

Councilmember Swanson questioned if pumps would be onsite for this project. City Engineer Keely reported the watermain would be bored in place in order to reduce the need for dewatering.

Councilmember Hovland asked if the contractor would be addressing the drainage issues on the west side of Able Street. City Engineer Keely stated the City would be improving the runoff within the right-of-way.

Motion adopted unanimously.

12.11 Resolution 17-095, Approve Plans and Specifications and Order Advertisement for Bids for Reconstruction of 1700 Feet of Pheasant Ridge Drive and the Intersection with Lexington Avenue, Improvement Project No. 16-14.

Moved by Mayor Ryan, seconded by Councilmember Clark, that Resolution 17-095, "Approve Plans and Specifications and Order Advertisement for Bids for Reconstruction of 1700 Feet of Pheasant Ridge Drive and the Intersection with Lexington Avenue," be approved.

City Engineer Keely stated the Public Hearing for the proposed improvement project was held on May 18, 2017. There was no public comment heard and the Public Hearing was closed. The improvements were ordered at the June 1, 2017 Council meeting. The proposed improvements will reconstruct 1700 feet of Pheasant Ridge Drive and the intersection with Lexington Avenue. The proposed improvements include concrete curb and gutter replacement, concrete sidewalk replacement, storm sewer structure rehabilitation, asphalt surface replacement, turn lane construction, traffic signal modifications, traffic control signage, striping, and appurtenant construction. The project will also include lane modifications to the westbound private street in The Village.

City Engineer Keely explained the estimated total cost of the project is \$1,184,250 with \$456,105 proposed to be assessed over a ten-year period. Replacement of existing sanitary sewer castings/rings and gate valve replacement at an estimated cost of \$15,450 is proposed to be paid for by the City Public Utility Fund. The remaining portion of \$712,695 is proposed to be paid from a combination of the City's Municipal State Aid Street Fund, the City's Pavement Management Program Fund, and the existing EDA Tax Increment Fund. Plans and specifications have been prepared as directed and are available for Council review in the Engineer's office.

Motion adopted unanimously.

12.12 Motion 17-93, Authorize Addition of \$40,000 to Chemical Contracts with DPC, INC. and Hawkins Chemical in Utility Fund.

Moved by Mayor Ryan, seconded by Councilmember King, that Motion 17-93, "Authorize Addition of \$40,000 to Chemical Contracts with DPC, INC. and Hawkins Chemical in Utility Fund," be approved.

Public Services Manager/Assistant City Manager Therres stated in December, the City Council authorized contracts with DPC, Inc. and Hawkins Chemical to provide the chemicals (chlorine, fluoride, etc.) needed for

water production. The 2017 budgeted amount for treatment chemicals in the Water Utility fund is \$153,000. The contract amount approved in December for 2017 was for \$101,700.

Public Services Manager/Assistant City Manager Therres reported this amount was in anticipation of using fewer chemicals because of the filter media change-out in the three Water Plants. The filter media change-outs were delayed and has required using more chemicals than anticipated during the phase out and implementation of the new filter media. It is apparent that we are going to exceed the original contract amount of \$101,700 and staff is requesting City Council authorization to add up to \$40,000 to the chemical contracts for DPC, Inc. and Hawkins Chemical. This additional amount is still under the budgeted amount and will be sufficient to cover the water plant needs. The filter media has been replaced in the Water Plants and is in operation and in the long run will require fewer chemicals for our water production.

Motion adopted unanimously.

12.13 Resolution 17-096, Providing for a Public Hearing Regarding a Multifamily Housing Development and Granting Preliminary Approval to the Issuance of Revenue Bonds to Finance the Costs Thereof (Legends of Blaine Project).

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution 17-096, "Providing for a Public Hearing Regarding a Multifamily Housing Development and Granting Preliminary Approval to the Issuance of Revenue Bonds to Finance the Costs Thereof (Legends of Blaine Project)," be approved.

Finance Director Huss stated at two previous Council Workshops (April 13 and May 4), Wellington Management, Inc. presented their concept plan to develop 45 acres at the southwest corner of 109<sup>th</sup> Avenue and Lexington Avenue. Included in the plan was a 189-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 their 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.

Finance Director Huss commented at this point, Dominion's financing package is in the process of being finalized. Thus, the resolution is not intended to provide Council authorization to issue conduit bonds at this time, nor does it set a specific public hearing date for Council to consider the issuance of conduit bonds. Rather, it is a preliminary resolution that authorizes staff to set a public hearing date if, and when, other elements of Dominion's financing plan are put together. This will assist in expediting approval of funding for Dominion and the project.

Finance Director Huss stated in addition to the issuance of conduit revenue bonds, Dominion is seeking to establish a pay-as-you-go (PAYGO) tax increment financing (TIF) district to assist in financing the acquisition and construction of the multi-family housing project. At previous Council Workshops, the City Council expressed support for the use of PAYGO TIF. It was noted this resolution does not commit the City/EDA to the use of TIF, but indicates that Council is supportive of the potential use of TIF. Per the resolution, Council retains sole discretion to authorize the use of TIF and will do so only if findings warrant the use of TIF and all required proceedings are conducted.

Mayor Ryan asked if rental rates could fluctuate throughout a one-year lease. Eric Omdahl, Dominion representative, stated this could occur and was made clear to potential renters prior to signing their lease.

Councilmember Clark requested Dominion also make future residents aware of the close proximity of the gun club in order to make their tenants aware of potential noise. He stated the gun club has been a long-time resident of Blaine and would not be moving out of this area of the City.

Motion adopted unanimously.

12.14 First Reading – Ordinance No. 17-2380, Amending Section 6.53 – Further Conditions for Brewer Taproom Licenses; Brew Pub Licenses.

City Clerk Sorensen stated one of the laws passed during the 2017 Legislative session increased the off-sale cap at brewpubs and small breweries from 500 to 750 barrels a year. Staff is proposing an amendment to City Code consistent with that change to include reference to State Statute rather than the specific number of barrels should changes occur in the future. Staff is also clarifying that taprooms are included in the further conditions for brewers as originally intended.

Declared by Mayor Ryan that Ordinance No. 17-2380, “Amending Section 6.53 – Further Conditions for Brewer Taproom Licenses; Brew Pub Licenses,” be introduced and placed on file for second reading at the August 3, 2017 Council meeting.

12.15 Resolution 17-098, Accept Proposal from Alpha Video for the City Council Chambers Audio-Visual System Upgrade and Amend the 2017 Cable Television Budget.

Moved by Councilmember Swanson, seconded by Councilmember King, that Resolution 17-098, “Accept Proposal from Alpha Video for the City Council Chambers Audio-Visual System Upgrade and Amend the 2017 Cable Television Budget,” be approved.

City Manager Arneson stated the City's current analog broadcast production system for City meetings was installed with the construction of City Hall in 2002. Quite a bit of the equipment is over 20 years old and the signal provided by this equipment to the North Metro Television head end is an analog signal of poor quality. North Metro Television is converting to High Definition platform for its and member Cities programming. With the North Metro Television changeover to High Definition, the City requested proposals for a new High Definition video production system with all new equipment for the City Council Chambers, Control Room, and the Cloverleaf Farms Room. This project will also integrate the Cloverleaf Farms Room into the production system. It was noted the City received two proposals for the project.

Alpha Video	\$168,310.89
Z Systems	\$187,693.01

City Manager Arneson reported City staff worked with Alpha Video on past projects and feel Alpha provides quality work and are qualified to do this project. City staff recommends accepting Alpha Video's proposal for \$168,310.89 along with a 10% contingency to bring the not-to-exceed project total to \$185,142. The project will be funded from the City's Cable Television Fund, which receives its funds from Cable Television Franchise fees paid to the City for this purpose. Funding for this project was appropriated in 2016 and went unspent. Because no appropriation was provided in the 2017 budget, staff is also requesting that Council approve a 2017 budget amendment of \$185,150 in the Cable TV Fund. The funds are on hand and available in the Cable TV Fund.

Motion adopted unanimously.

**OTHER BUSINESS**

Councilmember Hovland requested an update on the ice pigging and slip lining. Public Services Manager/Assistant City Manager Therres reported the ice pigging would begin next week in the southwest area of the community. He noted the residential slip lining work was finished up.

**ADJOURNMENT**

Moved by Councilmember Clark, seconded by Councilmember King, to adjourn the meeting at 10:31 p.m.

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Tom Ryan, Mayor

ATTEST:

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