



City of Blaine
Anoka County, Minnesota
Minutes - Final
City Council

10801 Town Square Dr.
Blaine MN 55449

Thursday, December 19, 2013

7:30 PM

Council Chambers

Meeting Number 13-66

1. CALL TO ORDER BY THE MAYOR

The meeting was called to order at 7:32 p.m. by Mayor Ryan followed by the Pledge of Allegiance and the Roll Call.

Quorum present.

ALSO PRESENT: Bryan Schafer, Planning Director; Bob Therres, Public Services Manager; Joe Huss, Finance Director; Chris Olson, Police Chief/Safety Services Manager; Jean Keely, City Engineer; Nate Monahan, Parks and Recreation Program Supervisor; Roark Haver, Communications Technician; Al Thorp, Senior Engineering Technician; Jane Cross, City Clerk; and Recording Secretary Linda Dahlquist.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Present: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

4. APPROVAL OF MINUTES

4.-1 [MIN 13-29](#)

WORKSHOP MEETING - 11/21/2013
REGULAR MEETING - 11/21/2013
WORKSHOP MEETING - 12/05/2013
REGULAR MEETING - 12/05/2013

Sponsors: Cross

Attachments: [Regular Minutes 11/21/13](#)
 [Workshop Minutes 12/5/13](#)
 [Regular Minutes 12/5/13](#)
 [Workshop Minutes 11/21/13](#)

Action 13-358 (AI 4.1)

Moved by Councilmember Bourke, seconded by Councilmembers Swanson, that the Workshop Meeting Minutes of November 21, 2013; Regular Meeting Minutes of November 21, 2013; Workshop Meeting Minutes of December 5, 2013; and Regular Meeting Minutes of December 5, 2013; be approved.

Motion adopted 6-0-1.

Councilmember Hovland abstained from the Workshop Meeting Minutes of December 5, 2013 and the Regular Meeting Minutes of December 5, 2013 due to his absence.

Aye: 6 - Mayor Ryan, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

Abstain: 1 - Councilmember Hovland

5. AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

6. COMMUNICATIONS

Mayor Ryan welcomed the reopening of the U-Haul in the City of Blaine.

Mayor Ryan thanked the residents for their generosity to the Yellow Ribbon gift program this holiday season.

7. OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:36 p.m.

Doug Salsberg, 1947 129th Lane Street NE, stated his house is next to a group home that is located at 12949 Kenyon Street. He has several issues with the group home with noise from early morning snow plowing, buses; staff parking in front of his house; the noise and pollution of waste trucks picking up their 8 trash cans; and poor maintenance of the yard. He stated he has called the police department and the City and he was told to document the incidents.

Councilmember Herbst stated the City needs to talk to the group home management about not being good neighbors.

Councilmember Kolb suggested modifying the parking on the street.

There being no further input, Mayor Ryan closed the Open Forum at 7:53 p.m.

8. ADOPTION OF AGENDA

APPROVAL OF CONSENT AGENDA:

Councilmember Hovland requested the removal of Consent Agenda items 10.3 and 10.5.

Approval of the Consent Agenda

Moved by Councilmember Herbst, seconded by Councilmember Hovland that the following items be Approved by Consent Vote. Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

10.-1 [MO 13-150](#)

SCHEDULE OF BILLS PAID

Sponsors: Huss

Attachments: [November 2013 Payroll Checks and Wire Transfers](#)
[11/27/13 Bills Paid](#)
[12/06/13 Bills Paid](#)

Action 13-359 (AI 10.1, 10.2, 10.4)

Motion adopted unanimously.

10.-2 [MO 13-151](#)

AWARD BID FOR 2014 WATER TREATMENT CHEMICALS

Sponsors: Public Works Director Ulrich

Approved unanimously by Consent Vote.

10.-4 [MO 13-153](#)

APPROVE THE 2014 PAWNBROKER/SECONDHAND GOODS DEALER LICENSE RENEWAL.

Sponsors: Cross

Approved unanimously by Consent Vote.

10.-3 [MO 13-152](#)

APPROVE 2014 ANNUAL BUSINESS LICENSE RENEWALS

Sponsors: Cross

Attachments: [Business Renewal List](#)

Councilmember Hovland asked if he should abstain from voting on this item due to a potential conflict of interest. City Attorney Sweeney responded it would not be a conflict of interest and Councilmember Hovland may participate in the vote.

Action 13-360 (AI 10.3)

Moved by Councilmember Bourke, seconded by Councilmember Herbst, that Motion 13-152, "Approve 2014 Annual Business License Renewals," be approved.

Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

10.-5 [MO 13-154](#)

APPROVE 2014 TOBACCO AND TOBACCO PRODUCTS LICENSE RENEWALS

Sponsors: Cross

Attachments: [Tobacco Business List](#)

Action 13-361 (AI 10.5)

Moved by Councilmember Clark, seconded by Councilmember Swanson, that Motion 13-154, "Approve 2014 Tobacco and Tobacco Products License Renewals," be approved.

Motion adopted 6-0-1.

Councilmember Hovland abstained from voting on this item due to a conflict of interest as his son is employed by one of the tobacco license holders.

Aye: 6 - Mayor Ryan, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

Abstain: 1 - Councilmember Hovland

9. 8:00 P.M. - PUBLIC HEARING AND ITEMS SET FOR A CERTAIN TIME

Moved on the agenda to follow agenda item 11.1.

11. DEVELOPMENT BUSINESS

11.-1 [RES 13-198](#)

GRANTING FINAL PLAT APPROVAL TO SUBDIVIDE 13 ACRES INTO 27 SINGLE FAMILY LOTS AND ONE

**OUTLOT TO BE KNOWN AS HARPERS STREET WOOD
4th ADDITION AT 129th AVENUE/HARPERS STREET NE.
CAPSTONE HOMES. (CASE FILE NO. 13-0068/SLK)**

Sponsors: Schafer

Attachments: [Harpers St Woods 4th - Attachments](#)

Planning Director Schafer stated the applicant is proposing to subdivide approximately 13 acres into 27 single-family lots. He noted this is the third phase of the Harpers Street Woods 2nd Addition. He noted the submitted plat is two lots less than the approved preliminary plat. He also noted that Outlot A will remain a storm water pond/drainage area.

Action 13-362 (AI 11.1)

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution 13-198, "Granting Final Plat Approval to Subdivide 13 Acres into 27 Single Family Lots and One Outlot to be Known as Harpers Street Wood 4th Addition at 129th Avenue/Harpers Street NE. Capstone Homes," be approved.

Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

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

9.-1 [RES 13-196](#)

ADOPTING 2014 TAX LEVY

Sponsors: Huss

Mayor Ryan opened the Public Hearing at 8:01 p.m.

Finance Director Huss provided a presentation on the 2014 Proposed Tax Levy. He stated that the State's Market Value Homestead Credit program was changed to a Market Value Homestead Exclusion Program. The change reduces the tax base by increasing the tax rate and shifting the tax burden from lower valued residential properties to higher valued residential and commercial/industrial properties.

Finance Director Huss stated the Council's direction is for no increase in tax levy for 2014. He stated the proposed 2014 Tax Levy is 36.302%. He noted Blaine has one of the lowest tax rates in Anoka County and the City has not had a levy increase since 2009. He stated the tax levy is 68% of the total revenue budget. He stated the majority of the general fund expenditures are for public services and safety services. He noted Blaine continues to grow in population and the expenditures per capita and per household will increase slightly. He noted administrative staffing is equal to 1/3 staff member per

1000 residents. He also noted that the City continues to maintain an Aa1 Bond rating from Moody's.

Councilmember Hovland recognized the City's staff for their hard work with fewer staff.

Mayor Ryan commented he is not in favor of the proposed budget and levy. He commented the City needs to stop using reserve funds. He is concerned the City will lose its Aa1 bond rating.

Councilmember Kolb commented she is not in favor of the proposed budget and levy.

Councilmember Herbst gave a history of the capital improvement fund. He commented he is in favor of the proposed budget and levy.

Councilmember Swanson commented he is disappointed with the proposed budget and levy.

Councilmember Clark commented property taxes are two years behind and the City had to tighten its belt.

Councilmember Bourke commented the reserve fund is excess funds that should be used. He is in favor of the proposed budget and levy.

Mayor Ryan closed the Public Hearing at 8:40 p.m.

Action 13-363 (AI 9.1)

Moved by Councilmember Swanson, seconded by Councilmember Herbst, that Resolution 13-196, "Adopting 2014 Tax Levy," be approved.

Motion adopted 5-2-0 (Councilmember Kolb and Mayor Ryan).

Aye: 5 - Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke and Councilmember Herbst

Nay: 2 - Mayor Ryan and Councilmember Kolb

9.-2 [RES 13-197](#)

ADOPTING THE 2014 GENERAL FUND BUDGET

Sponsors: Huss

Finance Director Huss provided a presentation on the 2014 Proposed Budget. He stated the budget previously approved in September has been adjusted due to lower expenses; although a funding gap remains to be addressed which may come from an additional reduction in expenditures or reserve draw. He noted that the projected fund balance for 2013 subtracting the committed reserve draw, EDA support, 30% cash flow and contingency funding. He noted the remaining balance in the reserve could be used to close the funding gap. He

gave an overview of the general fund expenses and the projected five-year model. He gave an overview of the City's Aa1 Bond rating from Moody's.

City Manager Arneson noted the budget is out of balance.

Action 13-365

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution 13-197, "Adopting the 2014 General Fund Budget" be amended to fill the funding gap of the 2014 budget by using unrestricted reserves from 2013.

Amendment adopted 5-2-0 (Councilmember Kolb and Mayor Ryan).

Aye: 5 - Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke and Councilmember Herbst

Nay: 2 - Mayor Ryan and Councilmember Kolb

Action 13-364 (AI 9.2)

Moved by Councilmember Hovland, seconded by Councilmember Bourke, that Resolution 13-197, "Adopting the 2014 General Fund Budget," be approved.

Amended motion adopted 5-2-0 (Councilmember Kolb and Mayor Ryan).

Aye: 5 - Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke and Councilmember Herbst

Nay: 2 - Mayor Ryan and Councilmember Kolb

10. APPROVAL OF CONSENT AGENDA:

This item was moved to follow the Adoption of Agenda.

DEVELOPMENT BUSINESS

[RES 13-198](#)

GRANTING FINAL PLAT APPROVAL TO SUBDIVIDE 13 ACRES INTO 27 SINGLE FAMILY LOTS AND ONE OUTLOT TO BE KNOWN AS HARPERS STREET WOOD 4th ADDITION AT 129th AVENUE/HARPERS STREET NE. CAPSTONE HOMES. (CASE FILE NO. 13-0068/SLK)

Sponsors: Schafer

Attachments: [Harpers St Woods 4th - Attachments](#)

This item was moved to follow the Consent Agenda

12. ADMINISTRATION

12.-1 [MO 13-155](#)**RECORDING SECRETARY SERVICE ADDENDUM TO
THE AGREEMENT FOR 2014**

Sponsors: Cross

Attachments: [TimeSaver Cover Letter.pdf](#)
[TimeSaver Recording Secretary Addendum 2014.pdf](#)

City Clerk Cross stated TimeSaver Off Site Secretarial Service (TOSS) has submitted an addendum to the contract. She noted the addendum includes a small increase of 1.6% on their base rate, no increase on the page rate, and will start to add minutes to the Legistar system.

Councilmember Herbst left the meeting at 8:42 p.m. and returned at 8:44 p.m.

Councilmember Bourke left the meeting at 8:44 p.m. and returned at 8:46 p.m.

Action 13-366 (AI 12.1)

Moved by Mayor Ryan, seconded by Councilmembers Herbst, that Motion 13-155, "Recording Secretary Service Addendum to the Agreement for 2014," be approved.

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

Aye: 6 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke and Councilmember Kolb

Abstain: 1 - Councilmember Herbst

12.-2 [MO 13-156](#)**APPROVAL OF CLASSIFICATION AND SALE OF TAX
FORFEIT PROPERTY WITHIN THE CITY OF BLAINE**

Sponsors: Cross

Attachments: [Tax Forfeit PIN 31-31-23-22-0143.pdf](#)

City Clerk Cross stated PIN 31-31-23-22-0143 is a parcel that the City is interested in ownership for storm ponding.

Action 13-367 (AI 12.2)

Moved by Councilmember Kolb, seconded by Councilmembers Herbst, that Motion 13-156, "Approval of Classification and Sale of Tax Forfeit Property Within the City of Blaine," be approved.

Motion adopted 6-0-1 (Councilmember Bourke absent).

Aye: 6 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Councilmember Kolb and Councilmember Herbst

Abstain: 1 - Mayor Pro Tem Bourke

12.-3 [RES 13-199](#)**ADOPTING THE 2014 WATER AND SEWER UTILITY
ENTERPRISE FUND BUDGETS**

Sponsors: Huss

Attachments: [2014 Water Utility Fund Budget](#)
[2014 Sewer Utility Fund Budget](#)

Finance Director Huss stated the Council has reviewed the fund previously and no fee adjustments are recommended for 2014.

Action 13-368 (AI 12.3)

Moved by Councilmember Swanson, seconded by Councilmembers Herbst, that Resolution 13-199, "Adopting the 2014 Water and Sewer Utility Enterprise Fund Budgets," be approved.

Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

12.-4 [MO 13-157](#)**APPROVING 2014 COMPENSATION PLAN**

Sponsors: Human Resources Director Dussault

Human Resources Director Dussault gave an overview of the proposed 2014 compensation plan that includes IRS mileage reimbursement rate of .56 cents; 2.0% wage adjustments for non-union personnel; and insurance.

Action 13-369 (AI 12.4)

Moved by Councilmember Hovland, seconded by Mayor Ryan, that Motion 13-157, "Approving 2014 Compensation Plan," be approved.

Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

The Following Two Items are Scheduled for Second Reading

12.-5 [ORD 13-2274](#)**AMENDING APPENDIX D - FEE SCHEDULE OF THE
MUNICIPAL CODE OF THE CITY OF BLAINE****SECOND READING**

Sponsors: City Manager Arneson

Attachments: [2014 Proposed Fee Schedule](#)

City Manager Arneson stated the 2014 proposed fee schedule for City services. He noted the non-resident rate for rental fees has been adjusted per Council's direction.

Action 13-370 (AI 12.5)

Moved by Councilmember Clark, seconded by Councilmembers Herbst, that Ordinance 13-2274, "Amending Appendix D – Fee Schedule of the Municipal Code of the City of Blaine," be approved.

Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

12.-6 [ORD 13-2275](#)

**AMENDING RESOLUTION No. 03-248, ESTABLISHING
THE FEES FOR PARK DEDICATION FOR CITY OF
BLAINE.**

SECOND READING

Sponsors: Monahan

Attachments: [2013 Comparative Park Dedication Fees.pdf](#)

City Manager Arneson stated park dedication fees for 2014 include increases for residential of 10%; commercial of 7%; and industrial of 7% and a funding shift of residential of 80% to park dedication and 20% to open space.

Action 13-371 (AI 12.6)

Moved by Councilmember Bourke, seconded by Councilmembers Kolb, that Ordinance 13-2275, "Amending Resolution No. 03-248, Establishing the Fees for Park Dedication for the City of Blaine," be approved.

Motion adopted unanimously.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst

13. OTHER BUSINESS

City Council wished residents a very Merry Christmas and Happy New Year!

14. ADJOURNMENT

Moved by Councilmember Herbst, seconded by Councilmember Bourke, to adjourn the meeting at 9:00 p.m.

Aye: 7 - Mayor Ryan, Councilmember Hovland, Councilmember Swanson, Councilmember Clark, Mayor Pro Tem Bourke, Councilmember Kolb and Councilmember Herbst