

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, December 1, 2016

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

CALL TO ORDER BY MAYOR RYAN

The meeting was called to order at 7:42 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, 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; Finance Director Joe Huss; Police Chief/Safety Services Manager Chris Olson; Community Standards Director Robert Fiske; Communications Technician Roark Haver; Senior Engineering Technician Al Thorp; City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – November 10, 2016

Closed City Manager Evaluation Workshop Meeting – November 17, 2016

Regular Meeting – November 17, 2016

Moved by Councilmember Swanson, seconded by Councilmember Herbst, that the Minutes of the Workshop Meeting of November 10, 2016, Minutes of the Closed City Manager Evaluation Workshop Meeting of November 17, 2016, and the Minutes of the Regular Meeting of November 17, 2016 be approved.

Motion adopted 4-0-2. Councilmember Herbst and Councilmember Hovland abstained on the November 10, 2016 Workshop meeting minutes due to their absence.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

COMMUNICATIONS

Mayor Ryan congratulated Tim Bezdek and Noni Nelson on their recent retirements and wished them both a long and healthy retirement.

Councilmember Clark congratulated the Spring Lake Park football team on their season.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:44 p.m.

There being no input, Mayor Ryan closed the Open Forum at 7:45 p.m.

ADOPTION OF AGENDA

The agenda was adopted as presented.

Councilmember Clark left at 7:59 p.m.

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

ACTED UPON AFTER ITEM 12.4

9.1 Motion 16-102, Approve Renewal of Currency Exchange Licenses

Mayor Ryan opened the public hearing at 8:00 p.m.

City Clerk Sorenson explained staff has received the correspondence regarding currency exchange license renewals from the Minnesota Department of Commerce for the following locations:

- 1) Al'S Check Cashing, 1434 - 93rd Lane NE
- 2) SJB Enterprises Inc., d/b/a Your Exchange, 10553 University Avenue NE

City Clerk Sorensen reported State statute requires that cities hold a public hearing to solicit testimony from interested persons regarding any currency exchange license renewal. Notice of the public hearing was published on November 11, 2016. The Police Department has also reviewed their files regarding both locations and has no concerns regarding the renewals. She requested the Council hold a public hearing and after testimony by motion, approve the renewals of the currency exchange licenses for Al'S Check Cashing, and SJB Enterprises Inc., dba Your Exchange.

There being no public input, Mayor Ryan closed the public hearing at 8:01 p.m.

Councilmember Clark returned at 8:01 p.m.

Moved by Councilmember Herbst, seconded by Councilmember King, that Motion 16-102, "Approve the Renewals of the Currency Exchange Licenses for Al'S Check Cashing, and SJB Enterprises Inc., dba Your Exchange," be approved.

Motion adopted unanimously.

9.2 Resolution 16-175, Proposal for Blaine EDA to Adopt an Amendment for Tax Increment Finance District 1-13

Moved by Councilmember Clark, seconded by Councilmember Hovland, that Resolution 16-175, “A Resolution Adopting an Amendment for Tax Increment Finance District 1-13,” be approved.

Mayor Ryan opened the public hearing at 8:01 p.m.

Finance Director Huss explained staff is proposing to amend the EDA’s Tax Increment Financing (TIF) Plan, specifically TIF District 1-13 (Donnay’s). The district was established for the redevelopment of the old Donnay community center and pool which occurred during the late 1990’s. The budget amendment is a step in the closeout of the district. The amendment reflects revenues which may be characterized as tax increments and increases the authorized expenditures to conform with budgeting and reporting requirements and authorize expenditures in connection with development and redevelopment anticipated to occur within Housing and Redevelopment Project No. 1 and Development District No. 1 (collectively, the “Project Area”). The modification being proposed is to amend the budget for the district per the attached modified plan. There will be no other changes to the tax increments financing plans for this TIF District. The Planning Commission reviewed the proposed amendment at their November 9 meeting and determined the amendment is consistent with the City’s Comprehensive Plan. Staff recommended the Council conduct a public hearing and by motion adopt the Resolution.

There being no public input, Mayor Ryan closed the public hearing at 8:02 p.m.

Motion adopted unanimously.

APPROVAL OF CONSENT AGENDA:

City Clerk Sorensen requested the removal of consent agenda item 10.1 for separate action as staff was recommending denial of the license based on the results of the background investigation.

10.1 Motion 16-103, Approval of a Therapeutic Massage Enterprise License for Japanese Massage LLC, 11724 Ulysses Street, Suite 120, Blaine, MN 55434.

Moved by Councilmember Clark, seconded by Councilmember Herbst, that Motion 16-103, “Approval of a Therapeutic Massage Enterprise License for Japanese Massage LLC, 11724 Ulysses Street, Suite 120, Blaine, MN 55434,” be denied based on the results of the background investigation deeming the applicant ineligible to obtain a Therapeutic Massage Enterprise License.

Motion adopted unanimously.

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

10.2 Ordinance 16-2367, Amending Section 74-81(g)(4)g of the Municipal Code of the City of Blaine Establishing 2017 Park Dedication Fees.

Motion adopted unanimously.

DEVELOPMENT BUSINESS

None.

ADMINISTRATION

12.1 Resolution 16-176, Adopt 2017 Capital Equipment Budget.

Moved by Councilmember King, seconded by Councilmember Herbst, that Resolution 16-176, “A Resolution Adopting the 2017 Capital Equipment Budget,” be approved.

Finance Director Huss stated Council has reviewed the proposed list of capital purchases for 2017 at the City Council Workshops of September 15 and November 3, 2016. Based on discussions from those meetings, the 2017 proposed Capital Budget is being presented for Council’s consideration and adoption. Total planned capital expenditures for 2017 are just above \$2.1 million, about \$90,000 less than 2016 capital expenditures. It has become customary of the Council to fund capital purchases with the use of unrestricted General Fund reserves when those reserves are available. Current projections indicate there will be adequate unrestricted reserves at the end of fiscal year 2016 to fully fund all proposed capital purchases in 2017. Staff also reviewed the five-year outlook for the Capital Equipment Fund. Projections indicate consistent expenditures of roughly \$1.9 million annually over the next five years. Staff recommended approval of the 2017 Capital Equipment Budget.

Councilmember Herbst said he was pleased to see the economy was recovering and offered his support of the Capital Equipment Budget.

Councilmember Swanson requested further information on how the fire truck would be funded. Finance Director Huss explained the fire truck being purchased by SBM Fire was not included in the proposed Capital Equipment Budget. He indicated a joint note would be used to purchase the fire rig and associated equipment.

Motion adopted unanimously.

12.2 Resolution 16-177, Adopt 2017 Storm Drainage Utility Fund Budget

Moved by Councilmember Hovland, seconded by Councilmember King, that Resolution 16-177, “A Resolution Adopting the 2017 Storm Drainage Utility Fund Budget,” be approved.

Finance Director Huss stated the proposed 2017 Storm Drainage Utility Fund Budget was reviewed by Council at the October 20, Workshop. At that Workshop, staff presented Council with a proposed budget that included no fee increase and no additional staffing requests. The proposed budget includes \$1,273,600 in operating revenue and \$1,420,670 in operating expenses. Five-year projections for the Storm Drainage Fund indicate manageable operating deficits over the next five years. The proposed budget also includes \$574,500 in capital projects for 2016, and another \$1.6 million in capital projects budgeted for 2018 through 2021. Fund reserves would maintain a balance above \$400,000 throughout the first four years of the five-year plan. Depending on the accuracy of capital spending projections, it is likely a rate increase will be necessary in 2020 to maintain an adequate working capital balance in the fund. Staff recommended approval of the 2017 Storm Drainage Utility Fund Budget.

Councilmember Hovland questioned if the City had done any pond dredging recently. City Manager Arneson explained the City had not conducted any dredging but noted the City's ponds were monitored annually.

Motion adopted unanimously.

12.3 Ordinance 16-2368, Amending Appendix D – Fee Schedule of the Municipal Code of the City of Blaine.

City Manager Arneson explained annually, the City Council reviews and adopts a fee schedule. It was noted a public hearing will be held with the second reading of the ordinance on December 15. Staff reviewed the fee schedule with the proposed changes in detail with the Council.

Councilmember King questioned if solar permits were in the fee schedule previously. Planning and Community Development Director Schafer stated solar permits were not included prior to 2017. He reported staff was following the model of other communities.

Declared by Mayor Ryan that Ordinance 16-2368, "Amending Appendix D – Fee Schedule of the Municipal Code of the City of Blaine", be introduced and placed on file for second reading at the December 15, 2016, Council meeting.

12.4 Motion 16-104, 2017 800 MHZ Radio Purchase

Moved by Councilmember Swanson, seconded by Councilmember Herbst, that Motion 16-104, "Approval of the 2017 800 MHZ Radio Purchase," be approved.

Police Chief Olson stated in the adoption of the 2017 Capital Budget, Council appropriated the funding for certain pieces of equipment in the Capital Equipment Plan. Pursuant to the City Charter, Sec. 6.05, staff is now requesting City Council approval for the purchase of the 800 MHz Radios (both squad mounted and portable radios). These radios will be purchased through Anoka County Communications. He indicated the City would save \$400 by making the purchase prior to December 15, 2016. In addition, by ordering prior to December 15, 2016 the City will receive a rebate on old radios turned back over to the vendor. This allows the City to receive 23 radios for the same price for 22 radios. He requested the Council approve the expenditure of \$90,500 for 800 MHz radios from Anoka County Communications.

Mayor Ryan asked if this was a radio upgrade. Police Chief Olson explained the Blaine Police Department has been moving to 800 MHz radios for patrol vehicles, service trucks and all of its officers over the past six years.

Motion adopted unanimously.

OTHER BUSINESS

None.

ADJOURNMENT

Moved by Councilmember Herbst, seconded by Mayor Hovland, to adjourn the meeting at 8:00 p.m.

Tom Ryan, Mayor

ATTEST:

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