



City of Blaine
Anoka County, Minnesota
Minutes
City Council

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

The council chambers will have limited seating, with audience chairs being set up at least six feet apart. There will be an overflow area where the meeting can be watched in the Cloverleaf Farms Room, also with chairs set up at least six feet apart.

Monday, December 6, 2021

7:30 PM

Council Chambers

1. CALL TO ORDER BY THE MAYOR

The meeting was called to order at 7:30PM by Mayor Sanders followed by the Pledge of Allegiance and the Roll Call.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

PRESENT: Mayor Tim Sanders, Councilmembers Wes Hovland, Julie Jeppson, Chris Massoglia, Richard Paul, and Jess Robertson.

ABSENT: Councilmember Jason Smith.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Specialist Elizabeth Showalter; Senior Parks and Recreation Manager Jerome Krieger; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Deputy Finance Director Ali Bong; City Engineer Dan Schluender; City Attorney Chris Nelson; Communications Manager Ben Hayle; Deputy Police Chief Dan Szykalski; Police Captain Matt Carlson; Police Officer Joe Matzke; City Planner Sheila Sellman; Fire Chief Charlie Smith; and City Clerk Catherine Sorensen.

Present: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

Absent: 1 - Councilmember Smith

4. AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

4.-1 40-Year Police Reserve Officer Recognition

Police Chief/Safety Services Manager Podany stated the Blaine Police

Department would like to recognize Reserve Officer Tim Cyson. He said Officer Cyson reached a significant milestone this month having served the City of Blaine and its residents for 40 years and that he has served the city with dignity, integrity, professionalism and most of all enthusiasm. He shared that Officer Cyson contributes the most volunteer hours year after year, amassing a career with thousands of hours donated to our community, and has become a mentor for the next generation of Reserve Officers. He honored Reserve Officer Cyson by presenting him with plaques of appreciation.

Reserve Officer Cyson thanked the mayor and city council for the support they offer to the police department. He stated this meant a great deal to everyone. He thanked the city manager and the police chief for their strong leadership and the past mayor and past councilmembers for supporting the police department over the years. He thanked the department for their tremendous professionalism and thanked the people of Blaine for being wonderful to him.

Mayor Sanders stated it was an honor to recognize those that deserve honor. He thanked Reserve Officer Cyson for his 40 years of service to the community. A standing ovation and round of applause was offered by all in attendance.

5. COMMUNICATIONS

Councilmember Robertson thanked the Parks and Recreation Department for hosting a winter celebration last Saturday at city hall. She reported there was a great turnout from the community and stated this was a great community event.

6. OPEN FORUM

Mayor Sanders opened the Open Forum at 7:42PM.

Rosemary Bonnet, 1873 86th Lane NE, discussed the Groveland Village project. She expressed frustration with the fact the developer for this project did not communicate with the neighbors. She understood this developer began working with the city on this project in May of 2020 and she had not heard about this project until October 31, 2020. She noted the planning commission reviewed this project in January of 2021 via Zoom. She heard from the city the airport supported the project but learned later that the airport had suggested another use for the land. However, this didn't matter because the council had already voted to support the project on March 13. She discussed how the wetland on her property has been impacted by the stormwater pond from this project and questioned why the fence had not been installed along the property line. She asked who the developer was for this project noting there were

Adopted

8.-2

Approval of Minutes

Attachments: [11-08-21 Workshop Minutes](#)
[11-15-21 Closed Session - Labor Negotiations](#)
[11-15-21 Workshop Minutes](#)
[11-15-21 Council Minutes](#)

Councilmember Hovland stated he needed to abstain from voting to approve all of the minutes, except the set from November 8, 2021.

Moved by Councilmember Jeppson, seconded by Councilmember Paul, that Motion 21-173, "Approval of Minutes," be approved.

Motion adopted 5-0-1 (Councilmember Hovland abstained).

Aye: 5 - Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

Abstain: 1 - Councilmember Hovland

8.-5

Granting Final Plat Approval to Subdivide Approximately 4.69 Acres into 58 Townhome Lots and 1 Common Lot to be Known as Groveland Village Second Addition at 8585 Groveland Court NE. M/I Homes (Case File No. 21-0082/EES)

Attachments: [Attachments](#)

Councilmember Robertson stated she was unaware there were any issues on the site of this project. She asked if this matter were not approved, if this would create a timeline concern. Community Development Specialist Showalter reported this item was under the 60 day timeline.

Councilmember Robertson supported this item being tabled because of the concerns, confusion and frustration surrounding the project. She explained she wanted to be sure the issues that have been expressed were addressed prior to creating any new issues by moving this forward.

Councilmember Jeppson questioned what was previously approved by the Council. Ms. Showalter reviewed the portion of the project that was final platted in April 2021. She indicated the applicant was now seeking final plat approval on the remaining portion of the project.

Mayor Sanders asked if tabling the item would affect the approval timeline. City Attorney Nelson reported the council could table the matter to a date uncertain and if staff addresses the concerns by December 20, the council could take action at that meeting, or the item could be

delayed until January.

Councilmember Hovland requested staff review the watershed district permit requirements for this project.

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to table action on the Final Plat for the Groveland Village Second Addition directing staff to address the concerns that were expressed," be approved.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

9. 7:30 P.M. - PUBLIC HEARING AND ITEMS PUBLISHED FOR A CERTAIN TIME

9.-1

First Reading

Amending Appendix D - Fee Schedule of the Municipal Code of the City of Blaine

Attachments: [Proposed 2022 Fee Schedule](#)

City Clerk Sorensen stated annually the city council is asked to review and adopt a fee schedule for the upcoming year. The proposed changes were reviewed with the council and staff recommended approval.

Mayor Sanders opened the public hearing at 8:01PM.

There being no public input, Mayor Sanders closed the public hearing at 8:01PM.

Declared by Mayor Sanders that Ordinance No. 21-2487, "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 20, 2021 Council meeting.

9.-2

Granting a Conditional Use Permit to Allow 16 Seats of Outdoor Dining in a B-2 (Community Commercial) Zoning District at 3445 Lake Drive NE. Caribou Coffee (Java Companies) (Case File No. 21-0079/SLK)

Attachments: [Attachments](#)

Ms. Showalter stated Java Companies is proposing to construct a freestanding Caribou Coffee at 3445 Lake Drive. The coffee shop would like to offer outdoor dining on the premises and has made an application for a conditional use permit according to ordinance requirements. The proposed outdoor dining area has space for 16 outdoor dining seats on the northeast side of the proposed building. The outdoor dining area will

be subject to SAC (Sewer Access Charges). The applicant must work with the City's Chief Building Official and Metropolitan Council to determine the amount required for this use. All other requirements listed in the conditions are the standard conditions that the City applies to other outdoor dining conditional use permits.

Mayor Sanders opened the public hearing at 8:03PM.

There being no public input, Mayor Sanders closed the public hearing at 8:04PM.

Councilmember Hovland stated outdoor dining has been discussed by the council in the past and he understood there were standards in place regarding barriers and fencing. Ms. Showalter discussed the outdoor dining requirements in further detail with the council.

Moved by Councilmember Robertson, seconded by Councilmember Jeppson, that Resolution No. 21-224, "Granting a Conditional Use Permit to Allow 16 Seats of Outdoor Dining in a B-2 (Community Commercial) Zoning District at 3445 Lake Drive NE," be approved.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

10. DEVELOPMENT BUSINESS

10.-1

First Reading

Granting a Rezoning from FR (Farm Residential) to DF (Development Flex) for 14.24 acres at 12551 Lever Street NE. Summerville Meadows. (Capital Trust LLC) (Case File No. 21-0059/SLK)

Attachments: [Attachments](#)
[Unapproved PC Minutes](#)

Ms. Showalter stated Capital Trust LLC is proposing to develop approximately 14.24 acres on the east side of Lever Street and north of 125th Avenue NE to construct 29 single-family homes on two existing properties. The applicant is requesting a rezoning, preliminary plat and conditional use permit. Currently, the property has an existing zoning designation of FR (Farm Residential) and is guided in the Comprehensive Plan as LDR (Low Density Residential). The property is within the MUSA (Metropolitan Urban Service Area) which indicates it is intended to be served with city sewer and water. The project zoning is proposed to be DF (Development Flex) to cover the residential uses.

With the DF zoning, housing products and neighborhood design issues will require and be regulated by a Conditional Use Permit (CUP).

Declared by Mayor Sanders that Ordinance No. 21-2488, "Granting a Rezoning from FR (Farm Residential) to DF (Development Flex) for 14.24 Acres at 12551 Lever Street NE," be introduced and placed on file for second reading at the December 20, 2021 Council meeting.

10.-2

Granting a Conditional Use Permit to Allow for the Construction of a 4,336 Square Foot Building with an Attached 875 Square Foot Canopy in a PBD (Planned Business District) Zoning District at 370 125th Avenue NE. Wings Financial Credit Union (Case File No. 21-0073)

Attachments: [Attachments](#)
[Unapproved PC Minutes](#)

Ms. Showalter stated Wings Financial Credit Union is proposing to locate near the proposed Hy-Vee Development site, just south of 125th Avenue NE. The site is zoned PBD (Planned Business District) and will require a conditional use permit to allow bank/credit union in this zoning district. The site is guided in the comprehensive plan as HDR/PC (High Density Residential/ Planned Commercial). The proposed credit union is a 4,336 square foot building. The building includes an attached canopy of 875 square feet on the west side of the building. The total size of the building with the attached canopy is 5,211 square feet. All setbacks have been met for this site. Site access will be located on the south side of the site through a private and shared access drive. The site will share an access with Risor of Blaine, the senior apartment development to the south of this site.

Councilmember Massoglia stated it looked like Main Street would not be connected to this lot and questioned how people would be able to get to this property. Ms. Showalter explained an access drive would have to be built and the access would be shared with Risor of Blaine.

Councilmember Robertson questioned if Hy-Vee would actually be participating in this project. She commented she did not want a patchwork development taking place. Ms. Showalter stated she was uncertain when Hy-Vee would begin construction but understood they were working through their final plat recorded for the Risor of Blaine and grocery store portion of the project.

Councilmember Jeppson discussed the landscaping on the property and stated she was concerned there would be headlight wash going into the adjacent homes from the drive-thru. She recommended some sort of barrier be put in place to keep this from happening.

Steven Sabraski, representative for the applicant, stated Wings Financial

supported installing landscaping as well. He noted the headlights would be shining down within the drive-thru and would illuminate the residences when cars were rounding the corner. He did not anticipate there would be a lot of traffic in the credit union during the evening hours.

Ms. Showalter explained a condition could be added to require the applicant to install a fence as a barrier. She reported landscaping could only be installed in this area if the building were shifted.

Councilmember Massoglia stated this was a huge open field and he would like to see something done to provide for landscaping. He believed it made more sense to connect this corner to Main Street versus tying it to an empty field. He supported making this a larger lot, shifting the building and putting in a barrier because the adjacent homes were very close.

Councilmember Robertson stated she supported a buffer being put in place between the two uses. She discussed how difficult it was to remain consistent. She believed new development should not impede existing homes without an attempt to meet in the middle. She stated at this time she would be voting no on this project.

Steve Sobraski, Landform Professional Services, stated he was the civil engineer for Wings Financial. He stated he had a brief conversation with Tom from Wings and noted he had asked to landscape the easement. He was told the easement could not have landscaping because there was a concrete pipe underneath that runs from the north to the south. He stated the likelihood of there being a problem with the pipe was minimal, but still the landscaping could not be put in place. He reported he would be interested in working with the neighbors on the other side of the easement to install landscaping on their property. He commented this would offset the concerns of headlight wash.

Craig Kippler, civil engineer, explained Wings was constrained because they were purchasing a portion of land from Hy-Vee and did not have a seller that would allow them to purchase another segment of land.

Mr. Nelson commented if the desire of the council was to include a condition that addressed additional landscaping, he suggested condition 3 be amended to read: The final site plan to include a detailed lighting plan which shall include a plan to mitigate lights and headlights on the neighboring residential parcels.

Mr. Sobraski supported this recommendation noting he would work to screen the headlights from vehicles for the neighbors.

Mayor Sanders stated he appreciated this. He explained this was exactly the type of partner the community needed in order for the city to continue to grow responsibly.

Councilmember Jeppson thanked the developer for being willing to address this concern.

Councilmember Massoglia questioned how this landscaping would be incorporated into the site plan. Mr. Nelson stated the neighbors would have to agree to installation of landscaping on their property and would not be obligated to allow it. He advised if the neighbors did not agree with installing it on their property, Wings would have to come up with a fence or some other option to address the landscaping issue.

Tom Schanke, Wings Financial Credit Union, reported they have been in the Blaine community for the past 10 years. He explained this opportunity would allow them to expand operations with a drive-thru. He indicated he did not want the neighbors upset but rather was hoping for a win-win for all parties. He stated he did not support a fence being installed, but rather would like to see landscaping in place.

Councilmember Robertson thanked the applicant for stepping up and being willing to come into the community and to work with the neighboring residents.

Councilmember Massoglia thanked Wings Financial as well for being willing to work with the city to address the council's concerns.

Moved by Councilmember Jeppson, seconded by Councilmember Massoglia, that Resolution No. 21-225, "Granting a Conditional Use Permit to Allow for the Construction of a 4,336 Square Foot Building with an Attached 875 Square Foot Canopy in a PBD (Planned Business District) Zoning District at 370 125th Avenue NE," be approved.

Substitute motion by Mayor Sanders, seconded by Councilmember Hovland, to amend Condition 3 to read: The final site plan to include a detailed lighting plan which shall include a plan to mitigate lights and headlights on the neighboring residential parcels, to the extent practical given the site.

Substitute motion adopted unanimously.

Amended motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

Granting a Code Amendment to the FR (Farm Residential), RE (Residential Estate), R-1 (Single Family), R-1AA (Single Family), R-1A (Single Family), R-1B (Single Family) and DF (Development Flex) Zoning Districts, and Section 33 (Performance Standards) to Allow Accessory Dwelling Units in Single Family Districts. (Case File No. 21-0070/EES)

Attachments: [Public Comments](#)
 [Unapproved PC Minutes](#)

Ms. Showalter stated the proposed accessory dwelling unit (ADU) ordinance would allow for accessory apartments to be built in single family zoning districts. The procedure and standards have been discussed by the Council at previous workshop meetings.

Declared by Mayor Sanders that Ordinance No. 21-2489, “ Granting a Code Amendment to the FR (Farm Residential), RE (Residential Estate), R-1 (Single Family), R-1AA (Single Family), R-1A (Single Family), R-1B (Single Family) and DF (Development Flex) Zoning Districts, and Section 33 (Performance Standards) to Allow Accessory Dwelling Units in Single Family Districts,” be introduced and placed on file for second reading at the December 20, 2021 Council meeting.

11. ADMINISTRATION

11.-1

Second Reading

Article VI. - Boards and Commissions, Amending Sec. 2-241. - Special Board of Review

Ms. Sorensen stated council is asked to consider an ordinance that would transfer the city’s local board duties to Anoka County. City Charter directs that council establish a board of equalization to equalize assessments for property taxes, which historically has been accomplished through the City’s Special Board of Review outlined in Sec. 2-241 of city code. As you recall, in 2019 it was discovered that board members no longer met the training requirement per statute and therefore the city had to relinquish local board duties to the County Assessor for the years 2020 and 2021. At the fall retreat staff reviewed reasons for Council to consider continuing with Anoka County for local board duties. These reasons were discussed in detail with the council and staff recommended adoption of the Ordinance.

Moved by Councilmember Jeppson, seconded by Councilmember Robertson, that Ordinance No. 21-2486, “Article VI. – Boards and Commissions, Amending Sec. 2-241. – Special Board of Review,” be approved.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

11.-2

Adopt the 2022 - 2026 Park Development Capital Improvement Plan Budget

Attachments: [Park Board Presentation](#)

Senior Parks and Recreation Manager Krieger stated staff recommends that the city council adopt the proposed 2022-2026 Park Development Budget. It was noted finance presented the Parks Development CIP budget at a workshop on October 18 where the council had an opportunity to ask questions and discuss different projects within the budget. The projects proposed for 2022 through 2026 were reviewed in further detail with the council and staff explained the park board recommended approval of the Park Development CIP budget.

Councilmember Massoglia discussed the planned expenditures for 2026 and asked if there was an error in the report. Finance Director Huss stated it appears there was an error and that staff would review and address.

Councilmember Robertson stated she would not be voting to support this budget given the fact she did not support the skate park being included so quickly. She indicated the council only briefly discussed a new skate park and was surprised to see this project moving forward. She commented she was also surprised by the \$350,000 investment in ice rinks at the Lexington Complex because there were other parks in the community that needed investment. She stated she wanted to better understand what would happen when the growth stops and there were no more park dedication fees coming in.

Mayor Sanders recommended this budget be postponed to December 20 to allow for staff to correct the calculations.

Moved by Councilmember Jeppson, seconded by Councilmember Hovland, that Resolution No. 21-217, "Adopt the 2022-2026 Park Development Capital Improvement Plan Budget," be approved.

Moved by Councilmember Jeppson, seconded by Councilmember Massoglia, to postpone action on this item to the December 20, 2021 City Council meeting.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

11.-3 Adopt the 2022 - 2026 Park and Trail Capital Improvement Plan Budget

Attachments: [Proposed Budget](#)

Mr. Krieger stated staff recommends that the city council adopt the proposed 2022 - 2026 Park Development Budget. Finance presented the Parks Development CIP budget at a workshop on October 18. City Council had a chance to ask questions and talk about the different projects within the budget. The parks and trails projects from 2022 through 2026 were reviewed with the council and staff reported the park board recommended approval of the Park and Trail CIP budget.

Councilmember Paul thanked staff for the detailed presentation and encouraged staff to work over the winter to find contractors in order to allow the planned projects for 2022 to be completed in 2022. Mr. Krieger stated this would be his plan.

Moved by Councilmember Jeppson, seconded by Mayor Sanders, that Resolution No. 21-218, "Adopt the 2022-2026 Park and Trail Capital Improvement Plan Budget," be approved.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

11.-4 Adopt the 2022 - 2026 Open Space Capital Improvement Plan Budget

Attachments: [Proposed Budget](#)

This item was removed from the agenda.

Removed Prior to Meeting

11.-5 Adopt 2022 Water Utility Enterprise Fund Budget

Attachments: [Proposed Budget](#)

Ms. Bong stated pursuant to requirements to adopt annual budgets for all operating funds, staff is bringing forward the proposed 2022 Water Utility Fund for Council consideration and adoption. It was noted council reviewed the proposed 2022 Water Utility Fund Budget at the October 11, 2021 Workshop. At the Workshop, Council requested staff to amend the rate structure from the proposed \$0.20 increase. Staff reviewed the current rate structure and is proposing the creation of an additional tier by adding a break in tier 2 and implementing progressive rate increases.

Councilmember Jeppson thanked staff for coming up with the new tiered

rate system. She believed this was a fair and responsible system.

Moved by Councilmember Jeppson, seconded by Councilmember Robertson, that Resolution No. 21-220, "Adopt 2022 Water Utility Enterprise Fund Budget," be approved.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

11.-6

Adopt 2022 Sanitary Sewer Fund Budget

Attachments: [Proposed Budget](#)

Ms. Bong stated the city's Sewer Utility Enterprise Fund accounts for the operations of the city's sanitary sewer system. As an enterprise fund, the sewer utility is designed to recover the cost of collecting, treating and disposing of the wastewater of its customers through user fees. The system serves about 20,775 accounts, 95% of which are residential. Those properties that maintain a private septic system and those not in the Metropolitan Urban Service Area (MUSA) are not required to subscribe to the city's sewer service. Overall, Blaine provides sanitary sewer service to over 96% of city residents. The city's sewer operation functions as a division of the Public Works Department under the direction of the Public Works Director, with four (4) FTE staff currently allocated to the division.

Moved by Councilmember Jeppson, seconded by Councilmember Hovland, that Resolution No. 21-226, "Adopt 2022 Sanitary Sewer Fund Budget," be approved.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders

11.-7

Adopt 2022 Storm Drainage Utility Fund Budget

Attachments: [Proposed Budget](#)

Ms. Bong stated the proposed 2022 Storm Drainage Utility Fund budget was reviewed by Council at the November 8 Workshop. At that Workshop, staff presented Council with a proposed budget that included a fee increase of \$.50 per quarter (\$2.00 per year). Based upon the discussion that took place, staff is bringing forward for Council consideration and approval the same budget as presented. As an enterprise fund, the utility is designed to recover the cost of maintaining the City's storm drainage system, which includes over 100 miles of storm sewer pipes, and almost 80 miles of ditches as well as numerous catch basins, outfalls, manholes, weirs, culverts, and ponds. The system serves

roughly 23,000 parcels throughout Blaine. The storm sewer operation functions as a division of the City's Public Works Department under the direction of the Deputy Public Works Director and input from the Storm Water Coordinator. The division has an authorized staffing level of 6.5 fulltime equivalent (FTE) positions, which in addition to the Storm Water Coordinator includes ½ FTE for supervision, ½ Working Foreman, and 4½ Public Service Workers. The proposed budget also includes requests to fund 1.5 new FTE positions in 2022 - one Public Services Worker and ½ of a proposed Project Manager.

Councilmember Robertson expressed frustration with the fact the project manager position was included in this fund. She understood the council discussed this at a recent retreat, but she did not believe the brief conversation warranted inclusion in the budget.

Moved by Councilmember Jeppson, seconded by Councilmember Hovland, that Resolution No. 21-227, "Adopt 2022 Storm Drainage Utility Fund Budget," be approved.

Motion adopted 4-2 (Councilmember Massoglia and Robertson opposed).

Aye: 4 - Councilmember Hovland, Councilmember Jeppson, Councilmember Paul and Mayor Sanders

Nay: 2 - Councilmember Robertson and Councilmember Massoglia

11.-8

Amend 2021 General Fund Budget & Authorize Transfer of Unrestricted Reserves to Capital Budgets

Mr. Huss stated as part of the 2021 budget process, appropriations were made that were consistent with the best information available at the time of budget adoption in December 2020. All amendments proposed herein require only a reallocation of appropriated funds within departments to accomplish the budget amendments. The resolution also authorizes the re-appropriation of unrestricted General Fund reserves to the Capital Equipment Fund. Annually, once the accounting books are closed for the prior year and the City's annual financial audit is complete, Council will authorize the transfer of available unrestricted reserves to certain programs. Upon adoption of the 2021 Capital Equipment Budget, Council authorized the transfer of unrestricted General Fund reserves to the Capital Equipment Fund for the purchase of equipment in 2021. Pursuant to the report provided to Council, staff is requesting \$2,000,000 be transferred from unrestricted General Fund reserves to the Capital Equipment Fund to fund the purchase of approved 2021 capital equipment. Additionally as reported to Council in March of this year, there remains \$4.2 million in unrestricted General Fund reserves. As discussed previously with Council, staff recommends transferring the remaining unrestricted reserves into the Strategic Priorities Fund where the funds would remain until their use is approved by a vote of the Council.

Councilmember Massoglia stated he would not be supporting the budget because he did not support the strategy behind the Strategic Priorities Fund. He wished the council had more time to discuss this fund.

Moved by Councilmember Jeppson, seconded by Councilmember Paul, that Resolution No. 21-228, "Amend 2021 General Fund Budget and Authorize Transfer of Unrestricted Reserves to Capital Budgets," be approved.

Motion adopted 5-1 (Councilmember Massoglia opposed).

Aye: 5 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul and Mayor Sanders

Nay: 1 - Councilmember Massoglia

12. OTHER BUSINESS

Mr. Huss stated earlier today staff reviewed the SBM Capital Budget and stated the tender that was part of the 2022 capital request has a firm 30-day quote and if the order was placed by December 17 this would secure the pricing. He noted there was risk that if the order was not placed, the city would see a 10% to 17% increase in costs and requested that council consider approving the purchase of the SBM tender.

Moved by Mayor Sanders, seconded by Councilmember Jeppson, to approve the purchase of the tender as proposed.

Motion adopted unanimously.

13. ADJOURNMENT

Moved by Councilmember Robertson, seconded by Councilmember Jeppson, to adjourn the meeting at 9:18PM.

Motion adopted unanimously.

Aye: 6 - Councilmember Hovland, Councilmember Jeppson, Councilmember Robertson, Councilmember Paul, Councilmember Massoglia and Mayor Sanders