

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Thursday, September 1, 2016

6:30 P.M.
Council Chambers
10801 Town Square Drive

CALL TO ORDER

The meeting was called to order by Mayor Ryan at 6:30 p.m.

ROLL CALL

PRESENT: Mayor Tom Ryan; Councilmembers Dave Clark, Russ Herbst, Wes Hovland, and Jason King.

ABSENT: Councilmembers Mike Bourke and Dick Swanson.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; City Attorney Patrick Sweeney; Planning and Community Development Director Bryan Schafer; Public Services Manager Bob Therres; Finance Director Joe Huss; Safety Services Manager/Police Chief Chris Olson; Financial Analyst Ward Brown; Spring Lake Park/Blaine/Mounds View Fire Chief Charlie Smith; Communications Technician Roark Haver; Senior Engineering Technician Al Thorp; City Clerk Catherine Sorensen; and Recording Secretary Linda Dahlquist.

NEW BUSINESS

3.1 16-52, ACCAP Request for Conduit Debt.

Finance Director Huss stated ACCAP is requesting the use of the EDA's bonding authority to issue conduit housing bonds to fund their project. He noted issuing through the EDA would allow the bonds to be issued as bank qualified debt which would provide a lower interest rate on the bonds and allow for lower issuance costs. He stated before the EDA can issue housing bonds, the City must adopt an ordinance that provides the authority to the EDA. He stated the bonds would not constitute a charge, lien, or encumbrance upon the City and would be repaid by the revenues derived from the project, are not considered an obligation of the City, and would not be a charge against the City's general credit or taxing powers.

Mayor Ryan asked if the County could issue bonds. Finance Director Huss replied yes, but the County does not have the capacity to issue bank qualified debt. He noted the City charges a fee to issue debt through the City.

Councilmember Clark asked about conduit debt limit. Finance Director Huss replied the City has issued general obligation debt for pavement management and refinancing debt, and the EDA has a separate debt limit. City Manager Arneson commented the City has reached its limit for bank qualified debt. Finance Director Huss replied any debt issued with the City's name on it goes against the City's limit. He stated the EDA and the City are considered separate entities. He stated the EDA has the ability to issue the debt.

Councilmember Clark asked if this debt will impact the bond referendum for the community center. Finance Director Huss replied there will be no impact because the referendum debt would be issued next year. He stated the debt for the community center would not be bank qualified because of the dollar amount.

Councilmember Clark asked if the City would pay a higher interest rate for being over limit. Finance Director Huss replied only for debt issued over the limit in the same year.

Councilmember King asked if the EDA has used conduit debt in the past. Finance Director Huss replied none has been issued through the EDA.

Councilmember Clark asked about debt for the water utilities, well field, and purchasing a new Quint truck. Finance Director Huss replied the debt would be issued through the City and not bank qualified. He recommended one of the other member city issue the debt for the Quint truck.

3.2 16-53, Budget Discussion.

Finance Director Huss stated the general fund tax levy will be set at the Council meeting tonight.

OTHER BUSINESS

Ballot Question

City Manager Arneson distributed the proposed ballot question on the community center. He noted the County suggested changing the figure from \$60.00 to \$60.

Council consensus to list the figure as \$60.

Community Center Educational Materials

Councilmember King asked for the timeline for the community center educational materials. Public Services Manager Therres replied the committee will meet after Labor Day and he expects the materials to be published within the next three weeks. He noted the committee has funds to do a city wide mailing.

Councilmember Clark suggested using the City newsletter to publish community center educational information. Communications Technician Haver replied the next newsletter will go out November 1.

Councilmember Clark requested Council review the educational materials prior to publishing.

Finance Director Huss commented anything that urges the residents to vote one way cannot be funded by the City.

Public Services Manager Therres stated a web page will be created that will mirror the educational materials.

Mayor Ryan stated the residents can promote the community center in the newspaper or on social media.

Spring Lake Park-Blaine-Mounds View Fire Department Board Appointments

City Manager Arneson stated two members' terms are up for the Spring Lake Park-Blaine-Mounds View Fire Department Board. He asked if the Council wants to participate in the interviewing process.

Councilmember Clark commented communication needs to be improved with the three cities and the board.

Spring Lake Park/Blaine/Mounds View Fire Chief Smith commented the appointments are up in October.

City Manager Arneson stated the two members will continue to serve until the end of the year and the Council will make appointments in January.

Kmart/Rainbow Site

Councilmember Hovland asked about the status of the Kmart and Rainbow site. Planning and Community Development Director Schafer replied Kmart is involved in a lawsuit and have appealed the ruling.

The Workshop adjourned at 7:05 p.m.

Tom Ryan, Mayor

ATTEST:

Catherine Sorensen, City Clerk

Submitted by TimeSaver Off Site Secretarial, Inc.