

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Thursday, November 10, 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, Jason King, and Dick Swanson.

ABSENT: Councilmembers Mike Bourke, Russ Herbst, and Wes Hovland.

ALSO PRESENT: Councilmember-Elect Andy Garvais

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; City Attorney Patrick Sweeney; Public Services Manager Bob Therres; Finance Director Joe Huss; Budget/Fiscal Analyst Ward Brown; Safety Services Manager/Police Chief Chris Olson; City Engineer Jean Keely; Communications Technician Roark Haver; City Clerk Catherine Sorensen; and Recording Secretary Linda Dahlquist.

NEW BUSINESS

3.1 SLP School/NSC/Davenport Assessment Discussion.

City Manager Arneson stated Davenport Street was reconstructed and the NSC was assessed, but has not paid. He stated Spring Lake Park School District is interested in the land on the corner, but has an issue with the NSC lien on the property. He asked if Council would consider reassessing the portion of the lien from the 10-acre partial to the rest of NSC. He stated NSC is working on an agreement with MAC to pay the City's lease payment of the softball wheel. He stated the lease payment would go against the assessment.

Councilmember Clark asked about the assessments for 105th. City Manager Arneson replied there are no assessments on 105th.

City Manager Arneson stated the NSC is willing to lease the softball wheel on the City's behalf and pay MAC.

Councilmember Clark asked if the land zoning would need to be changed for the school. City Manager Arneson replied it would be a land use zone change.

Councilmember Swanson commented he thinks this is the best place for the school. He stated residents do not want the school on the south side of the City. He noted he cannot see the school going anywhere else.

Councilmember King commented he thinks it is a good site. He noted there may be traffic issues.

Council discussion about traffic on Davenport, 105th and County Road J.

City Manager Arneson commented MAC will attend the December 1, 2016 Workshop.

Finance Director Huss commented the assessment has been filed with Anoka County.

City Attorney Sweeney commented when you reassess, part of the process is they waive their right to appeal and agree to pay which they have not done to date.

Todd Johnson, NSC, stated the school has requested the lien be removed from the corner property. He stated the Attorney General will not let NSC pay the assessment. He stated he has had discussions with City staff about reassessing the assessments. He noted he has rekindled the relationship with the Blaine Soccer Club. He noted the school cannot move ahead with the current lien on the property.

City Manager Arneson stated the NSC will lease the softball wheel in order to pay the street assessment for Davenport. Mr. Johnson stated NSC is in the 15th year of a 30-year lease for the golf course and are working on a 30-year lease on the 49 acres with the softball wheel.

City Manager Arneson stated the next steps would be to enter into an agreement with NSC to pay off the assessment.

Mayor Ryan asked if the City programs the softball wheel. Public Services Manager Therres replied yes.

Council discussion on the reconstruction of 105th.

3.2 16-70, Barr Engineering Presentation on DNR Water Supply Plan and Well Interference Policy.

City Engineer Keely stated Brian LeMon from Barr Engineering will give an update on the DNR Water Supply Plan that is required every ten years of all public water suppliers in the Twin Cities metropolitan area and is due by December 31, 2016. She noted that the DNR has to approve the plan and then the City will be asked to complete a Certification of Adoption form in 2017. She stated an update on the Well Interference Policy is also being prepared for the City to be proactive with a plan on how to deal with private well interference which could happen when the City initiates operation of Wells 18, 19, 20 and 21.

Brian LeMon, Barr Engineering, gave an overview of the City's construction on new wells 18-21. He stated the well field is on target. He gave an overview of what is next which included the bidding and construction of the raw watermain and the WTP4 pilot and feasibility study. He gave an overview of the DNR Water Supply Plan which is due December 31, 2016. He noted the plan outlines historical water use, emergency plans, and water conservation efforts. He gave an overview of key points of population served, water use, and residential per capita use. He stated water levels in 75% of the City's wells are stable or rising. He gave an overview of the well interference policy. He stated the northeast well field may interfere with existing private wells. He stated the DNR requires existing well owners to be made whole and proactively address for well interference complaints. He stated a well interference policy includes State rules and policy for reference; flow chart of actions when a complaint is received; maps of nearby wells and likely impact due to future pumping; and actions to make those impacted whole. He commented if a well interference complaint

comes to the City, the City will be proactive and work with the residents within the City and for complaints outside the City will be directed to the DNR. He noted it is usually not to the City's benefit to fight the DNR.

Mayor Ryan asked if North Oaks West will be affected. Mr. LeMon replied they could potentially be affected. He stated the City may also receive complaints from outside of the City. He stated those callers can be directed to the DNR.

Councilmember King asked who makes the decision if an issue arises. Mr. LeMon suggested the City have a system in place to respond and also have well drillers on call.

Councilmember Clark asked if the Water Utility Fund has financial reserves. Finance Director Huss replied there are \$6 million in reserves in the Water Utility Fund.

Councilmember Clark asked if a complaint will require outside engineering. Mr. LeMon replied complaints may or may not require engineering.

Councilmember Clark asked if the City should be proactive with the residents closest to the well. Mr. LeMon replied yes, the City should be proactive with the residents closest to the new well.

Councilmember King asked if the City can make determinations or the DNR makes all determinations. Mr. LeMon suggested referring non-residents directly to the DNR and work with residents within the City directly.

Councilmember Clark commented he is concerned about being a bad neighbor if the City refers people outside the City to the DNR. Mr. LeMon commented the City wants to be proactive and a good neighbor.

3.3 16-71, 2017 Proposed Sanitation Utility Fee Structure.

Finance Director Huss stated the Council discussed restructuring the City's Sanitation Fee to deter abusers of the unlimited service. He stated options discussed were to rename the current unlimited tier to premium service; maintain the current three tier fee schedule; and develop a plan that addresses the current abuse of the unlimited service level. He stated Walters has requested limiting homeowners to three containers for premium service; no penalty/additional charges for overflow; four large/bulky items annually at no charge (Walters monitors), bulk items would be charged at a discounted rate for roll-off dumpster or items dropped off at Walter's transfer station.

Councilmember Swanson stated he has an issue with limiting service to four large/bulky item pickups. He stated there should be a way for the residents to prove the items are coming out of their house.

Councilmember Clark noted a remodel would need to pull a City permit.

Finance Director Huss stated the City has to pay for tonnage to Walters. He stated Walters is concerned about what is being picked up.

Councilmember Swanson commented Walters bid the contract that is in effect for five years.

Council consensus on six large/bulky items per year and limit to three 90 gallon containers and let the City Manager draft a hardship criteria.

3.4 16-72, 2017 General Fund Budget Update

Finance Director Huss stated Anoka County has updated its market value estimates and other tax-base related information, particularly fiscal disparities data and in order to reach the Council's goal for the 2017 tax rate matching the 2016 rate of 35.901% requires a levy reduction to four of the levies. He stated in addition, Council requested staff research a .5% reduction in the tax rate from 35.901% to 35.401%. He stated staff has put together a scenario for how these reductions would be applied to the four levies: General Fund \$100,000 reduction; EDA \$100,000 reduction; Pavement Management Program - \$139,500 reduction; \$39,500 tax base adjustments; and \$100,000 Council-directed .5% rate decrease. He stated to balance the levy reductions, staff has identified spending reductions from the General Fund from Revenue - reduce charges for services by \$20,000 as a result of Sprint/Clear Wireless removing a cell antenna from the Paul Parkway water tower; and expenditures of \$86,280 increase adjustment for cafeteria benefits and \$2,740 increase for net miscellaneous adjustments. He stated staff has identified certain potential adjustments for the additional .5% reduction in the 2017 tax rate from the General Fund which includes: center island conversion to concrete; half year HR Assistant; half year Records Tech; two CSOs and road salt reduction; and reduce levy allocation from the PMP, EDA and Economic Development programs.

Councilmember Swanson suggested removal of cement center-island and one CSO position. He stated the HR Assistant is important.

Finance Director Huss stated the Council has options with Unrestricted Funds.

Council discussion on reducing the levy by .25% instead of .5%.

Councilmember King commented funding will be needed for the Traffic Commission. He stated he is not in favor of .5% levy decrease.

Councilmember Swanson commented he does not have a problem with leaving the rate where it is.

Councilmember Clark commented he does not like the reduction, but he is not ready to change the rate.

Finance Director Huss stated \$39,500 can come from the General Fund and not from the Pavement Management Fund. He stated the City has a safe margin of revenues over expenditures.

Council discussion on road salt and snow.

Finance Director Huss noted no reserve funds will be used for the EDA for 2017.

OTHER BUSINESS

Council discussion on the City's Comp Plan.

The Workshop adjourned at 8:10 p.m.

Tom Ryan, Mayor

ATTEST:

Catherine Sorensen, City Clerk

Submitted by TimeSaver Off Site Secretarial, Inc.