



City of Blaine Anoka County, Minnesota Minutes - Final

10801 Town Square Dr.
Blaine MN 55449

City Council Workshop

**While this is a public meeting where interested persons are welcome to attend, it is a work session for Council and staff to discuss issues before them. It is not for the purpose of receiving public input.*

Thursday, January 5, 2012

6:30 PM

Cloverleaf Farm Room A

Meeting No. 12-01

NOTICE OF WORKSHOP MEETING

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

Quorum Present.

ALSO PRESENT: Clark Arneson, City Manager; Bryan Schafer, Community Development Director; Bob Therres, Public Services Manager; Joe Huss, Finance Director; Ward Brown, Budget/Fiscal Analyst, Tom Sweeney, City Attorney; Chris Olson, Safety Service Manager/Police Chief; Jim Hafner, Stormwater Manager; Mike Ulrich, Public Works Director; Jim Kappelhoff, Park and Recreation Director; Roark Haver, Communications Technician; Jane Cross, City Clerk; and Recording Secretary Linda Dahlquist.

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

1 [WS 12-01](#)

FOGERTY ARENA CURLING DISCUSSION

Attachments: [Fogerty curling club proposal](#)
[Fogerty staff report](#)

City Manager Arneson stated an addition of a Curling Center is proposed to Fogerty Arena which is presently a two sheet ice arena in Aquatore Park. A curling expansion could work if construction was completed to the south of the existing facility. He stated this expansion would eliminate one of the three lighted athletic fields in Aquatore Park. He stated the Park and Recreation department assembled data on field usage of Aquatore Park, Field #1 for the purpose of determining what the impact of removing the field would have on organized youth and adult athletics games.

Mark Clasen, Fogerty Board, showed a video on the sport of curling to the Council. Mr. Clasen stated the St. Paul Curling Club is currently the only club in Minnesota and their membership is 1,200. He stated curling is a sport for men and women of all ages. He continued, curling is an Olympic medal sport and is commercially supported. Mr. Clasen stated curling would be a natural fit for Fogerty Arena. He stated Fogerty's 30 year old refrigeration system used by the south rink would be replaced with a state-of-the-art system for both the south rink and the new curling facility. He continued, the south rink's existing floor is requiring continuous repairs and is due for replacement. He stated the curling facility would have six curling

sheets of ice which will enable the facility to host national and international competitions. He commented a minimum of five curling sheets is necessary to host competitions. Mr. Clasen stated an expansion of Fogerty's food and beverage service is also planned. He stated the plan includes facility construction, a new refrigeration system and equipment, landscaping and parking. Mr. Clasen stated Fogerty would invest \$500,000 to the project, roll the existing bond balance of the north rink into new bonding and finance the remaining cost.

Councilmember Clark asked about the process to grant approval. City Manager Arneson responded an application needs to be completed through the Planning Commission and then brought to the City Council for approval. He stated the Council needs to give direction on the replacement or no replacement of the ball field.

Councilmember Clark asked about the timeframe for the approval process. Public Services Manager Therres responded 90 days.

Mayor Ryan confirmed that the curling facility would be a park improvement so the approval process would need to go through both the Planning Commission and the Parks and Recreation department. City Manager Arneson responded yes.

Councilmember Bourke asked about Fogerty's lease. Public Services Manager Therres responded there is no monetary for the site. He stated Fogerty takes care of maintenance.

Parks and Recreation Director Kappelhoff stated the City currently has seven lighted athletic fields and losing field one would cause the remaining six to be near or over capacity for the months of May, June and July. He asked Mr. Clasen when ground breaking would be. Mr. Clasen responded ground breaking would be planned for May 2012.

Council discussion took place on soil correction of the land in Aquatore Park.

Councilmember Swanson asked how long it would take to build a new field. Parks and Recreation Director Kappelhoff responded one year.

Mayor Ryan asked if there is room for another field in the Baseball Complex. Parks and Recreation Director Kappelhoff stated a soccer field could be removed.

Councilmember Hovland asked how much it would cost if two fields were built and soil corrections were done. Parks and Recreation Director Kappelhoff responded approximately \$100,000.

Councilmember Herbst stated soil corrections for a new field would be minimal cost. He asked if the kids could go on other fields for the month of June. Parks and Recreation Director Kappelhoff responded some of the neighborhood park fields are good, but do not have lighting.

Councilmember Kolb asked if the City would pay to build the new field. She asked if future park plans would be jeopardized. She asked if the expanded food and beverage sales would go to Fogerty.

Councilmember Bourke asked about the property to the north of the parking lot and the soil condition at that location. Parks and Recreation Director Kappelhoff responded no soil borings were done in that location.

Councilmember Swanson stated curling would be a good economic addition for the

City. He is concerned that curling is a summer sport. Mr. Clensen responded curling is a winter sport. Councilmember Swanson stated he would support the curling facility if the funding includes support for one or possibly two new fields.

Councilmember Clark asked what will make the members of the St. Paul Curling Club want to join the Fogerty Club. He commented there may be an advantage with Fogerty as a year round facility.

Mr. Clensen stated jobs would be created with the construction of the facility as well as permanent jobs in the facility. Councilmember Hovland agrees with Councilmember Swanson. He would also like to see a third field installed. He asked if a third field is installed, how that would impact the other fields. Parks and Recreation Director Kappelhoff responded a third field would lighten the load of the other fields. He commented the athletic groups are increasing.

Councilmember Herbst stated the Council is talking about replacing one field. He wants Fogerty to offset the cost of the field replacement. He stated he supports the project.

City Manager Arneson stated the proforma stabilizes in year four. He stated a participant fee would be one way of repayment.

Councilmember Bourke stated he supports this project and it is a great deal. He stated Blaine is known worldwide for sports. He stated the City needs to move forward with the project.

Mayor Ryan stated Blaine has always been an innovator for sports. He commented the sport of Lacrosse has really taken off. He stated curling could become a good high school sport. He stated the City needs resolution on the airport field. City Manager Arneson responded he is meeting with MAC on the airport field on Friday.

Councilmember Clark stated he is in support of the project. He would like to have staff work with the Fogerty Board to initiate the process and direct staff to come back to the Council with a location and financing plan.

Councilmember Swanson stated bonding was done for the convention center. He asked if bonding could be done for this project. Finance Manager Huss responded he was uncertain that all of the project could be financed with bonds. He stated discussions with the attorney will be needed.

Councilmember Kolb commented Aquatore Park is the oldest park and it is the City's festival park. She stated the City keeps adding things to the park. She would like to see a long range plan developed for the park.

Mr. Clensen stated he has worked at Aquatore Park for thirty year and the park is not finished. He suggested the Fogerty Board, Senior Center, and the user group representatives (soccer, baseball, etc.) of Fogerty get together to develop a final master plan for the park.

Mayor Ryan stated discussions on the Community Center's senior expansion included a master plan for Aquatore Park.

City Manager Arneson stated the Parks and Recreation department needs to know right away if field 1 can be used for 2012. Parks and Recreation Director Kappelhoff stated athletic teams will start scheduling in February.

Councilmember Clark stated the Council should direct the staff to not use field 1 for 2012.

Councilmember Swanson asked if teams could move their games from the month of June to July or August. Parks and Recreation Director Kappelhoff responded tournaments are time sensitive, but it can be done.

Councilmember Clark stated the chart shows only the lighted fields' usage that would be overbooked. Parks and Recreation Director Kappelhoff responded teams could utilize the non-lighted fields.

Councilmember Kolb stated it would be more efficient to do soil corrections all at once instead of one field at a time.

Mayor Ryan received a complaint about the Aquatore Park's restroom. He stated the restroom has never been remodeled.

Discussed

2 [WS 12-02](#)

ESTABLISHING PARK DEDICATION FEES FOR 2012

Sponsors: Kappelhoff

Attachments: Park Dedication Survey 11-2011.xls
[Fund Balance Projections.xls](#)

Park and Recreation Director Kappelhoff stated each year the City Council adjusts the park dedication fees by the percent of increase in the fair market value of undeveloped land within the City and any increase must not exceed 10% which was established by a Resolution in 2003. He stated an increase in fees must be placed in the fee schedule that is updated annually by Ordinance rather than a Resolution, requiring first and second readings. Mr. Kappelhoff stated a 5% increase on residential and commercial is recommended by the Park Board.

Councilmember Swanson stated he is in support of a fee increase especially in commercial.

Councilmember Herbst stated Blaine is low on the residential side. He stated he would like to see a fee increase, but wants to stay competitive. Community Development Director Schafer responded the City fees are low compared to other metro cities.

Councilmember Kolb commented Blaine's residential fee is lower than Ham Lake.

Mayor Ryan stated Eden Prairie is the same size as Blaine and their fees are double.

Councilmember Hovland asked if the fee increase has to be done in one year.

Councilmember Kolb stated the City could raise the fee for residential and commercial.

Councilmember Clark commented the City is running out of geography.

Councilmember Herbst stated he is in favor of the staff's recommendation.

Mayor Ryan stated he is in favor of the staff's recommendation.

Parks and Recreation Director Kappelhoff stated the Park Board suggests a 5% increase.

City Manager Arneson stated the percentage can be amended at Council's first reading.

Discussed

The Workshop meeting recessed at 7:30 p.m.

Recessed

The meeting reconvened at 9:00 p.m.

Reconvene

3 [WS 11-12](#)

2012 STORM-WATER UTILITY FUND

Sponsors: Huss

Attachments: [2012 Storm Budget](#)

Finance Director Huss stated the City's Storm Sewer Utility Enterprise Fund accounts for the operations of the City's storm drainage system. He stated as an enterprise fund, the utility is designed to recover the cost of maintaining the City's storm drainage system. The system serves roughly 17,000 parcels throughout Blaine. Mr. Huss stated the storm sewer operation functions as a division of the City's Public Services Department. He stated the five year plan shows a deficit and an increase in fee is required to cover expenses. Finance Director Huss gave an overview of major projects that were completed in 2011. He stated the staff is projecting an operating loss which includes depreciation for 2011 and an even larger loss is projected for 2012. He stated operating expenses include depreciation, four staff members, supplies, contract services, administrative charges and some other expenses. Finance Director Huss stated the 2012 work plan includes pond inspections and maintenance, catch basin replacement, and annual ditch survey and maintenance. He stated the 2012 capital work plan includes the purchase of a new street sweeper. He stated the current fee has not been adjusted since 2008. He stated the current fee structure is not able to support the current project costs in the five year plan. Mr. Huss stated in order for the fund to remain viable, the City needs to increase fees and/or reduce cost.

Stormwater Manager Hafner gave an overview of Blaine's stormwater system. He stated the volume of run off continues to increase and drains into the Mississippi River. He stated the City has the responsibility to maintain its stormwater system by state law by keeping the water clean and flowing. The Stormwater program includes public education, outreach and input, illicit discharge detection and elimination, construction site stormwater control, post construction stormwater management, pollution prevention/good housekeeping. Mr. Hafner stated a new anti-degradation rule will be in place by the end of the year and new EPA rules go into effect at year end as well.

Mr. Hafner gave an overview of future challenges (TMDL, TSS, rules and PAH) for 2012 to 2015. He stated street sweeping removes sediment and the City receives TMDL credits for removing the sediment. He stated the current street sweeper is seven years old and parts are difficult to obtain. Stormwater Manager Hafner shared with the Council a comparison fee chart for the neighboring cities which shows Blaine with one of the lowest fees in the metro. Mr. Hafner recommends establishing a management program, partnering with the watershed districts and increasing the stormwater utility fee by 2013 to meet the needs of the City's stormwater system.

Mayor Ryan stated Blaine's stormwater system was established in the 1970's and 1980's. He commented the State is mandating so much that the fees cannot keep up.

Stormwater Manager Hafner stated a presentation was given to the Legislative Environmental Committee today. He stated Blaine is a member of the Minnesota City Stormwater Coalition and we have been successful with the Pollution Control Agency on some relief from the rules and regulations at the federal and state levels.

Mayor Ryan stated at the current rate the City cannot maintain the stormwater system.

Councilmember Bourke asked about the MS4 permit administered by the Minnesota Pollution Control Agency (PCA) and if maintenance is included, but not mandated. He commented maintenance is common sense, but not mandated. Stormwater Manager Hafner responded long-term maintenance is included under the MS4 permit and the City does the work anyway.

Councilmember Bourke stated the mandate is for filings and oversight, and the common sense work is up to the City's discretion.

Councilmember Bourke asked if the City has been cited by the PCA. Stormwater Manager Hafner responded the PCA has done two audits, but have not cited the City. He stated Blaine is meeting the minimum.

Councilmember Bourke stated as long as the City makes the mandated requirements the costs could be lower. He stated there is a lot of funding for labor. Stormwater Manager Hafner responded the costs are for repair and maintenance. He stated some of the labor costs are contracted.

Councilmember Hovland asked if the Pavement Management Program (PMP) funds are used for catch basins and road construction. He asked if funds can be used for curbing. Finance Director Huss responded this budget only addresses the Stormwater Utility Program. He stated curbing and gutter is part of the Paving Management Program and that program is funded by tax levy and assessments.

Councilmember Herbst clarified that there is no staff recommendation for an increase in fee for 2012, but a fee increase is recommended for 2013. He commented the current program is working out of this fund. Councilmember Herbst stated he is not in favor of the mandates, but he is in favor of maintaining Blaine's stormwater program.

Councilmember Swanson stated this is our stormwater system. He commented a lot of ditches need maintenance in his district. He stated the City needs more money to maintain our City's stormwater system.

Mayor Ryan stated the Council needs to look at this stormwater system long-term.

Councilmember Bourke stated some of the expenses are arbitrary and not mandated. Stormwater Manager Hafner responded six items are mandated and the rest are projects that the City needs to do to take care of the system.

Councilmember Bourke asked if the street sweeper is mandated. Stormwater Manager Hafner responded the sweeper is not mandated, but the City gets credit for sweeping.

Councilmember Bourke asked if the airport and the National Sports Center (NSC) are exempt. Stormwater Manager Hafner responded NSC is billed, but the airport is not billed a utility fee.

Councilmember Bourke commented how the City can meet the mandates when the airport is exempt. Councilmember Herbst responded the airport is mandated by the Federal government. Councilmember Clark responded the airport has a lot of green space. He asked if the City could charge a unique fee to the airport.

Finance Director Huss stated the current fee will not cover the expenses for 2012, so the reserve will be reduced to cover the costs.

Councilmember Clark stated the City needs to get the spending under control or the Council needs to adjust the fee. He commented the City cannot use up the reserve.

Councilmember Herbst stated he is not in favor of raising the fee for 2012. Councilmember Clark responded the Council needs an operating plan that meets the revenue.

Mayor Ryan asked if there is a better way to manage the stormwater program long-term. Finance Director Huss responded the fee has to be increased eventually. He stated with no adjustment in the fee for 2012, work will have to be scaled back.

Councilmember Bourke commented the mandates will change. He stated a long range plan needs to be in place for the City to follow.

Councilmember Swanson stated there are mandates, but there is maintenance work that needs to be done. He commented the City has to keep the stormwater system functioning.

Finance Director Huss stated the stormwater budget will be brought to the Council for approval on January 19. He stated staff will revise the budget in order to not draw funds from the reserve.

Councilmember Clark agreed the City needs a long range stormwater plan.

Stormwater Manager Hafner stated most of the budget is maintenance of the current stormwater system.

Mayor Ryan stated there has been no fee increase from 2008 to 2011.

Councilmember Clark stated the current budget is out of balance and cannot continue.

City Manager Arneson stated the Council wants a balanced budget, so staff needs to cut expenditures.

Mayor Ryan stated the City needs to adjust the fee.

Councilmember Clark stated the Council needs to make an informed decision.

Finance Director Huss stated the Council would like to see what the costs are and how the current fee covers the expenditures.

Councilmember Herbst stated the Council needs to get the budget squared for 2012.

Stormwater Manager Hafner stated he will work with staff to adjust the budget and review with the Council at the January 19 meeting.

Discussed

4 [WS 12-03](#)

EXPLANATION OF 2012 STORMWATER BUDGET AND UPDATE ON STORMWATER PROGRAM

Sponsors: Hafner

Discussed

5 [WS 11-05](#)

2012 PROPOSED UTILITIES FUNDS BUDGETS

Sponsors: Huss

Attachments: [2012 Sanitation Fund Overview](#)

Finance Director Huss stated the Sanitation Fund accounts for the City's Refuse and Recycling Program. He stated Veolia Environmental Services provides refuse collection and recycling services for all Blaine residents from 2009 to 2015. He stated the Sanitation Fund carried a reserve up to the end of 2010. The reserve is expected to decline at the end of 2011 due to flat customer growth and increase tipping fees. Tipping fees are currently held artificially low as Anoka County provides a subsidy which is scheduled to end in 2013. Mr. Huss stated current projections indicate that in order to offset the substantial increases to tipping fees, a rate increase of \$1.50 per quarter for 2012, and \$2.00 per quarter each year thereafter through 2015 is necessary.

Councilmember Swanson commented Veolia is up for sale. He asked if the City's contract will be accepted by the new owner. Finance Director Huss responded the City's contract has a three year option. Communication Technician Haver responded the City's contract is with whoever assumes the company.

Mayor Ryan asked if the City has been able to reduce the fee for service. Finance Director Huss responded there has been no increase since 1989.

Councilmember Herbst stated the Council needs to decide when to use the reserve.

Councilmember Bourke stated the reserve balance does not support anything. He stated the fee should not be raised.

Councilmember Swanson stated he does not want to have to raise the rate in two years to cover for prior years.

Councilmember Clark stated the rate increase should be pushed to start in 2013. He stated the City should wait to increase the fee until it is necessary. Finance Director

Huss responded the reserve would be brought down if the increase was pushed to start in 2013. He stated if residents would increase recycling, the fees would not need to be increased as much. He stated the rate is based on tonnage.

Councilmember Kolb stated she is in favor of waiting until 2013 to consider a fee increase.

Discussed

6 [WS 11-11](#)

DISCUSSION ON CITY SURVEY RFP RESULTS

Sponsors: City Manager Arneson

City Manager Arneson stated the discussion on the City survey RFP results will be moved to the Workshop on January 12.

Postponed

Adjournment

The Workshop adjourned at 10:15 p.m.

Adjourned