

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Thursday, September 8, 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 Dick Swanson

ABSENT: Councilmembers Mike Bourke and Jason King.

Quorum Present.

ALSO PRESENT: Acting City Manager Bob Therres; City Attorney Patrick Sweeney; Planning and Community Development Director Bryan Schafer; Public Services Manager; Finance Director Joe Huss; Safety Services Manager/Police Chief Chris Olson; Financial Analyst Ward Brown; Water Supervisor George Linngren; Communications Technician Roark Haver; Senior Engineering Technician Al Thorp; City Clerk Catherine Sorensen; and Recording Secretary Linda Dahlquist.

NEW BUSINESS

3.1 16-53, Spring Lake Park Schools Land Use Discussion – Blaine Site Update.

Agenda item removed.

3.2 16-54, 2017 Proposed Special Revenue Funds Budget Discussion.

Financial Analyst Brown stated the City's Cable Television Fund accounts for revenue received from cable franchise fees paid by the cable television customers and passed through to the North Metro Telecommunications Commission (NMTC). He stated staff anticipates the net franchise fee revenue distributed to Blaine in 2017 will be slightly higher than 2016 due to the NMTC's decision to increase the cities' revenue share. He stated that the proposed 2017 Cable Fund operating budget includes an appropriation for the production and distribution of eight issues of the City's newsletter which is a transfer of budget responsibility from the General Fund; administrative charges to the general fund; staffing costs to produce the meetings that the City shows live; contractual services to maintain website video-on-demand of Council meetings and other city programming; and maintenance of the Legistar System. He noted no capital expenses are proposed for 2017. He stated the improvements associated with upgrades to high-definition video production should be completed by the end of 2016.

Councilmember Hovland asked for the cost for adding two additional newsletters. Financial Analyst Brown replied \$18,000.

Councilmember Hovland commented is it worth adding two more newsletters.

Councilmember Swanson stated the six newsletters contain mainly Park information.

Councilmember Herbst noted the expenses are no longer coming out of the General Fund. He commented things have been paid off with the Cable Commission.

Councilmember Swanson stated in 2020 the franchise agreement will need to be redone. He noted franchise funding is increasing.

Mayor Ryan commented the publishing and mailing of the Parks book is expensive and the information is published in the newsletter.

Council discussion on the City's website and vacant properties.

Councilmember Swanson commented residents want to know more about what is happening with vacant properties in the City.

Finance Director Huss stated the budget finances the City's website.

Councilmember Clark commented there will not be enough new revenue to cover expenses in the future. He suggested calling the two extra newsletters, "Special Editions."

Financial Analyst Ward Brown stated the organizations participating in charitable gambling in 2016 are the Blaine Festival Committee, Blaine Youth Hockey, Sgt. John Rice VFW, and Spring Lake Park Youth Hockey, and are required to submit 10% of their net profits to the City within 15 days of the end of a calendar quarter. He stated expenditures from this fund are at the City's discretion, provided that they fall within the guidelines established by Minnesota Statute. He stated the City appropriated donations for 2016 to Alexandra House; CEAP; Centennial Community Food Shelf; Hope for Community Church Food Shelf; Good Shepherd Church Food Shelf; three Senior High Schools; Civil Air Patrol; SBM Fire Department for fireworks; Family Promise in Anoka County; Beyond the Yellow Ribbon; Hope 4 Youth; and Stepping Stone. He stated staff is recommending the City maintain a fund reserve of \$100,000 for Charitable Gambling. He noted the collection of funds is controlled by statute and there is the potential that legislative changes could result in the City no longer collecting charitable gambling proceeds, the City will have one year of reserve funds for the charities.

Mayor Ryan asked if the Civil Air Patrol has contacted the City. Finance Director Huss replied no, the donation in the past was by Council request.

Mayor Ryan commented it would be good to have the charities come in to present to the Council.

Finance Director Huss commented Beyond the Yellow Ribbon and Blaine Historical Society will not be funded for 2017. He noted the Civil Air Patrol has not applied for a grant for 2017.

Mayor Ryan commented the Blazin 4th committee would like to build a building in Aquatore Park to hold their trailer and equipment.

Councilmember Hovland commented some organizations ask for a one-time donation.

Councilmember Clark suggested funding in increments to maintain the fund reserve. Finance Director Huss replied staff will know when the peak is when the revenue starts to fall. He stated the City cannot continue to outspend the revenue.

Councilmember Herbst requested a workshop on Alexander House. Finance Director Huss suggested a workshop on all the City's charities.

3.3 16-55, Initiate a Water Main Maintenance Program Known as Ice Pigging

Water Supervisor Linngren stated the Utilities Department is looking to do preventive maintenance on older water mains to extend their life. He stated a new technology called Ice Pigging is a slurry of ice and water pushed through the water main scouring the build-up on the interior and then flushed out through the hydrants. He noted Ice Pigging is less expensive than the traditional pigging method. He stated Utility Service Group invented the technology and has one franchisee in the United States making them a single source contractor. He stated the cost is approximately \$100,000 per year with a five-year contract. He noted funds have been budgeted in the Water Fund. He stated the mains are flushed once a year to remove manganese and iron sediment in the lines.

Water Supervisor Linngren stated Utility Service Group owns the contract for the entire United States and there is no competition. He stated the process consists of Utility Service Group coming in the night before and park their rig at Public Works, fill the rig with water to make ice for the next day. He stated the water, salt and ice slurry runs through the water main by using pressure and pushed out through the fire hydrant. He stated Utility Service Group completed two test runs of 900 and 1,000 foot runs using 300 gallons of ice slush. He stated Utility Service Group measures the amount of turbidity, temperature, pressure and connectivity at the start, during and end of the process. He stated Utility Service Group also calculates the amount of sediment in the line and how much is removed. He stated the 1,000-foot run took out 4.14 pounds of sediment. He noted the only down side of Ice Pigging is that it does not remove the tubercles that the conventional pigging removes. He stated the process takes less than 1 hour to clean the demonstration area. He noted staff would like to start in the southwest part of town and focus on those mains and the dead-ends.

Councilmember Herbst asked for the charge per mile. Water Supervisor Linngren replied Utility Service Group has a flat rate.

Councilmember Clark asked about the cost the City has paid to do regular pigging. Water Supervisor Linngren replied the City has not done any pigging in the past; only hydrant flushing. Acting City Manager Therres replied this is a new expense in the Capital Budget for Utilities.

Councilmember Hovland asked if the water is tested after the ice pigging. Water Supervisor Linngren stated staff tests water monthly and for lead and copper.

Councilmember Hovland asked if this new technology will create other problems. Water Supervisor Linngren replied no, the technology is not changing the water; it is getting rid of dirty water.

Councilmember Clark asked for the cost difference between regular pigging and ice pigging. Water Supervisor Linngren replied regular pigging takes more time and involves more work including road repair and relining the pipes.

Councilmember Clark asked if there is an exit clause for the City to get out of the five-year contract. Water Supervisor Linngren replied the contract is year by year. He noted Utilities Service Group has two rigs and are based in Georgia.

Councilmember Clark asked how many miles will be ice pigged for the yearly cost. Water Supervisor Linngren replied one mile per day for seven days.

Councilmember Clark asked how many miles of pipe are in the City. Acting City Manager Therres replied over 200 miles.

Councilmember Clark asked how success and failure can be measured. Water Supervisor Linngren replied by complaints and water quality testing. He stated water samples of turbidity are taken every 30 seconds during the ice pigging process.

Councilmember Hovland stated the new water treatment plants are supposed to remove iron and manganese. Water Supervisor Linngren replied yes and it will help to keep the pipes cleaner.

Finance Director Huss stated currently there is a healthy reserve in the Water Fund. He commented the new treatment plant is still proposed to be built.

Council watched a video on the ice pigging process and directed staff to bring forward item for consideration at the next regular agenda.

OTHER BUSINESS

None.

The Workshop adjourned at 7:50 p.m.

Tom Ryan, Mayor

ATTEST:

Catherine Sorensen, City Clerk

Submitted by TimeSaver Off Site Secretarial, Inc.