

UNAPPROVED

**CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Monday, May 20, 2019**

**7:30 P.M.
Council Chambers
10801 Town Square Drive**

CALL TO ORDER BY MAYOR RYAN

The meeting was called to order at 7:35 p.m. by Mayor Ryan followed by the Pledge of Allegiance and the Roll Call.

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT: Mayor Tom Ryan, Councilmembers Andy Garvais, Wes Hovland, Julie Jeppson, Richard Paul, Jess Robertson, and Dick Swanson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; Public Services Manager/Assistant City Manager Bob Therres; City Attorney Patrick Sweeney; City Engineer Dan Schluender; Senior Engineering Technician Al Thorp; Administration Technician Lisa Derr; Communications Technician Roark Haver; Communications Coordinator Ben Hayle; and City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – May 6, 2019

Regular Meeting – May 6, 2019

Workshop Meeting – May 13, 2019

Moved by Councilmember Hovland, seconded by Councilmember Robertson, that the Minutes of Workshop Meeting of May 6, 2019, the Minutes of the Regular Meeting of May 6, 2019, and the Minutes of Workshop Meeting of May 13, 2019 be approved.

Motion adopted unanimously.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

5.1 National Public Works Week Proclamation

Mayor Ryan read a proclamation in full for the record declaring May 19 through May 25, 2019 to be National Public Works Week in the City of Blaine. He thanked the Blaine Public Works staff members for their dedicated service to the community. A round of applause was offered by all in attendance for the Public Works Department.

COMMUNICATIONS

None.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:41 p.m.

There being no input, Mayor Ryan closed the Open Forum at 7:42 p.m.

ADOPTION OF AGENDA

The agenda was adopted as amended moving Item 12.1 up on the agenda.

ADMINISTRATION

12.1 Resolution 19-74, Awarding the Sale of \$10,495,000 General Obligation Improvement Bonds, Series 2019A; Fixing Their Form and Specifications; Directing Their Execution and Delivery and Providing for Their Payment.

Moved by Mayor Ryan, seconded by Councilmember Hovland, that Resolution 19-74, "Awarding the Sale of \$10,495,000 General Obligation Improvement Bonds, Series 2019A; Fixing Their Form and Specifications; Directing Their Execution and Delivery and Providing for Their Payment," be approved.

Finance Director Huss stated on April 15, 2019, the City Council approved Baker Tilly's, the City's Financial Advisor, recommendation to accept bids for the sale of \$10,495,000 general obligation improvement bonds. The bonds would be issued per MN Statutes, Chapters 429 and 475. Proceeds from the bonds will be used to fund 2019 pavement management program (PMP) project costs related to road improvements that are funded in part by assessments against property owners. Staff reviewed the projects included in the bond sale. It was noted the bonds were rated by Standard & Poor's and bids were due at 10:00 a.m. on May 20. He was pleased to report the City received a AA+ bond rating for this bond sale and reported the City received an interest rate of 2.31%.

Kathy Aho, Baker Tilly, congratulated the City on the recent bond rating noting the City was making very sound financial decisions. She reviewed the eight bids received for the bond sale and explained the interest rate came in lower than estimated. She recommended the Council accept the bid from Raymond James.

Councilmember Hovland thanked staff for their efforts in assisting the City to reach the AA+ bond rating noting the City has had this bond rating for the past 10 years. Mr. Huss explained the City was trending towards a AAA bond rating.

Motion adopted unanimously.

APPROVAL OF CONSENT AGENDA:

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, that the following be approved:

9.1 Motion 19-102, Schedule of Bills Paid.

9.2 Motion 19-103, Approve Revision to the 2019 Council Workshop and Regular Meeting Calendar of the Month of July.

Motion adopted unanimously.

7:30 P.M. - PUBLIC HEARINGS AND ITEMS SET FOR A CERTAIN TIME

None.

DEVELOPMENT BUSINESS

11.1 Second Reading – Ordinance No. 19-2425, Granting a Rezoning from B-2 (Community Commercial) to I-2 (Heavy Industrial) for Parcel A/West 33 Feet of Parcel B, and from I-2A (Heavy Industrial) to I-2 (Heavy Industrial) for Parcel C, located at 3760/3860 Flowerfield Road. Twin Cities Transport & Recovery (KKR Real Estate Holdings III, LLC. (Case File No. 18-0047/SLK).

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Ordinance No. 19-2425, “Granting a Rezoning from B-2 (Community Commercial) to I-2 (Heavy Industrial) for Parcel A/West 33 Feet of Parcel B, and from I-2A (Heavy Industrial) to I-2 (Heavy Industrial) for Parcel C, located at 3760/3860 Flowerfield Road,” be approved.

Planning and Community Development Director Schafer stated Twin City Transport & Recovery (TCTR) purchased the former Auto Medics site/use at 3760 Flowerfield Road several years ago. They are a vehicle towing and short-term storage or impound facility. The land use and zoning for their existing facility is HI (Heavy Industrial) and I-2A (Heavy Industrial). TCTR has been trying to expand their yard and attempted to buy the vacant industrial lot to the west, but the land was not available for purchase. The church (Sonlight Church of the Nazarene) which owns the building and 5 acres to the east of the site approached TCTR and asked if they wanted to buy a portion of their lot as the church is small and does not need all of the parking that they have. That in turn resulted in a tentative agreement for TCTR to purchase all of the church property and then TCTR would lease the church the building and some of the site for the parking they need.

Mr. Schafer reported the church property is zoned B-2 (Community Commercial) and a portion of the site would need to be rezoned to allow TCTR to utilize for impound vehicle storage. In June 2018 the city council reviewed TCTR’s proposal at a workshop meeting and was receptive to rezoning both parcels to I-2 rather than the heavier I-2A. The I-2 zoning would deal with the TCTR expansion in the same manner (permitted use with screening) but would eliminate the possibility of a more intense trucking facility locating on the property in the future. However, TCTR would be permitted to continue to have truck storage related to the towing/impound lot on the existing site (Parcel C) as that use exists today under a CUP granted in 2001.

Councilmember Jeppson asked if staff understood the future plans for expansion for this business. She reported she did not want the City to set a precedent with this rezoning given the fact the City had I-2 zoning adjacent to residential homes. Mr. Schafer stated in talking with the business owner they were sensitive to the fact they were expanding their business closer to homes. He explained he had not talked with the

business owner about the future of their business. He noted the Council made the business owner aware the City would not support creeping further into residential backyards.

Councilmember Swanson stated he would be offering his support to the request and noted the I-2 zoning would keep heavy trucking from this parcel.

Councilmember Paul requested further information on how the residents across the street felt about this business expansion. Mr. Schafer reported the City did not typically hear from residents outside of the City of Blaine. He explained the residents living across the street were residents of Lexington.

Motion adopted unanimously.

11.2 Resolution No. 19-68, Granting a Comprehensive Plan Land Use Amendment from CC (Community Commercial) to HI (Heavy Industrial) for Parcel A/West 33 Feet of Parcel B at 3760-3860 Flowerfield Road. Twin Cities Transport & Recovery/KKR Real Estate Holdings III, LLC. (Case File No. 18-0047/SLK).

Moved by Mayor Ryan, seconded by Councilmember Hovland, that Resolution No. 19-68, "Granting a Comprehensive Plan Land Use Amendment from CC (Community Commercial) to HI (Heavy Industrial) for Parcel A/West 33 Feet of Parcel B at 3760-3860 Flowerfield Road," be approved.

Mr. Schafer stated the new parcel (Parcel A and the West 33 feet of Parcel B) would need to be rezoned and guided from B-2 to I-2. The expansion of the TCTR yard would be governed by the I-2 zoning standards (permitted use) and Site Plan Approval which can address site issues such as providing 100% screening (landscaping and fencing). The fence on the new site will need to meet Zoning Ordinance requirements of 7 feet in height. An 8-foot-high chain-link and board on board fence with an entry gate is being proposed for the outside storage area, this will need to be changed with Site Plan Approval. Barbed wire will be placed on top of the entire chain link fence for security purposes.

Motion adopted unanimously.

11.3 Resolution No. 19-69, Granting a Waiver of Platting to Adjust the Lot Line (Parcel B) 33 Feet Between Two Properties to Allow the 33 Feet to be Combined with the Parcel to the West (Parcel A) at 3760/3860 Flowerfield Road. Twin Cities Transport & Recovery/KKR Real Estate Holdings III, LLC. (Case File No. 18-0047/SLK).

Moved by Councilmember Hovland, seconded by Councilmember Swanson, that Resolution No. 19-69, "Granting a Waiver of Platting to Adjust the Lot Line (Parcel B) 33 Feet Between Two Properties to Allow the 33 Feet to be Combined with the Parcel to the West (Parcel A) at 3760/3860 Flowerfield Road," be approved.

Mr. Schafer stated TCTR is proposing to split the church property by adjusting the lot line (Parcel B) 33 feet between the two properties to allow the 33 feet to be combined with the parcel to west (Parcel A). Once the west 33 feet of Parcel B is subdivided it will be required to be combined with Parcel A. Parcel A and the west 33 feet of Parcel B (labeled Area to be Conveyed) will be required to be combined with the existing site to the west (Parcel C).

Motion adopted unanimously.

11.4 Resolution No. 19-70, Granting a Conditional Use Permit Amendment to Allow Athletic Field Lighting Exceeding 50-Feet in Height in a RR (Regional Recreation) Zoning District Located at 1700 105th Avenue NE. National Sports Center. (Case File No. 19-022/BKS).

Moved by Councilmember Jeppson, seconded by Councilmember Paul, that Resolution No. 19-70, “Granting a Conditional Use Permit Amendment to Allow Athletic Field Lighting Exceeding 50-Feet in Height in a RR (Regional Recreation) Zoning District Located at 1700 105th Avenue NE,” be approved.

Mr. Schafer stated the National Sports Center (NSC) has submitted plans to convert two existing soccer fields from natural grass to athletic turf. The fields are located just south of 105th Avenue between the new elementary school and the NSC main access onto 105th. As part of that work the NSC also plans to install field lighting to extend the play time not only in the spring and fall but for later in the evening during summer months. The height of the six light poles are proposed at 70-feet (4 poles) and 80-feet (2 poles). Structure or pole heights in excess of 50-feet requires a CUP amendment for their site. Staff reviewed the location of the light poles and noted staff had addressed several concerns regarding the placement near the ditch areas.

Councilmember Robertson asked if staff had reviewed their concerns with the National Sports Center. Mr. Schafer reported this had been done.

Motion adopted unanimously.

11.5 Resolution No. 19-71, Granting Final Plat Approval to Subdivide 3.21 Acres into 43 Townhome Lots and One Common Area Lot to be known as South Terrace Cove Located at 10267/10299/10301 University Avenue NE. Shade Tree Construction. (Case File No. 18-0039/SLK).

Moved by Councilmember Swanson, seconded by Councilmember Jeppson, that Resolution No. 19-71, “Granting Final Plat Approval to Subdivide 3.21 Acres into 43 Townhome Lots and One Common Area Lot to be known as South Terrace Cove Located at 10267/10299/10301 University Avenue NE,” be approved.

Mr. Schafer stated three existing office buildings with rear yard storage buildings are currently located on the northeast corner of University Avenue and 102nd Lane. The three buildings are located on three separate parcels. The applicant, Shade Tree Construction is proposing to remove all of the existing structures and would be constructing nine (9) townhome buildings with a total of 43 units. The 3.2-acre parcel will be subdivided into a total of 44 lots (one for each unit and one common lot).

Motion adopted unanimously.

11.6 Resolution No. 19-72, Granting Final Plat Approval for 29 Single Family Lots to be Known as Oakwood Ponds 3rd Addition Located at 125th Avenue and Quito Street. TEGL/AREP Oakwood, LP. (Case File No. 19-0023/SLK).

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution No. 19-72, “Granting Final Plat Approval for 29 Single Family Lots to be Known as Oakwood Ponds 3rd Addition Located at 125th Avenue and Quito Street,” be approved.

Mr. Schafer stated the final plat for Oakwood Ponds 3rd Addition consists of subdividing approximately 7.64 acres into a subdivision with a total of 29 new single-family lots. Staff commented further on the subdivisions and recommended approval of the request.

Motion adopted unanimously.

11.7 Resolution No. 19-73, Granting a Conditional Use Permit Amendment to Allow Side Yard Fences Along the Garage Side of a Lot in a DF (Development Flex) Zoning District at Harpers Street/131st Avenue NE. Wagamon Ranch (Gorham Development, LLC). (Case File No. 14-0068/LSJ).

Moved by Mayor Ryan, seconded by Councilmember Garvais, that Resolution No. 19-73, "Granting a Conditional Use Permit Amendment to Allow Side Yard Fences Along the Garage Side of a Lot in a DF (Development Flex) Zoning District at Harpers Street/131st Avenue NE," be approved.

Mr. Schafer stated the applicant, Gorham Development, LLC, is the developer of the Wagamon Ranch development that is at the north end of Harpers Street, and north of 125th Avenue. This is a conditional use permit amendment to change the standards of the development to allow side yard fencing on the garage side of a lot when a side garage door is present.

Motion adopted unanimously.

ADMINISTRATION

12.2 Resolution 19-75, Property Purchase for Regional Stormwater Treatment.

Moved by Councilmember Hovland, seconded by Councilmember Paul, that Resolution 19-75, "Property Purchase for Regional Stormwater Treatment," be approved.

City Engineer Schluender stated the City has been given the opportunity to purchase an approximately five-acre parcel of property at the southeast corner of Aberdeen Street and 124th Lane (Lot 8, Block 1; Northgate Mall Addition). Currently, the City has a drainage and utility easement over the parcel for storm water maintenance. The city's interest in purchasing the property is based on the desire to perform storm water improvements on the parcel consistent with the City's Local Surface Water Management Plan. The improvements will improve storm drainage and surface water quality for the existing commercial properties served by the parcel as well as other area properties and the City right-of-ways. Staff noted the property could be purchased for \$20,000.

Councilmember Jeppson asked what sort of upgrades would be made to this property after the City purchases this land. Mr. Schluender explained he was uncertain what the City spends to cleanup this site on an annual basis. He reported the City would allow citizen groups adopt the pond for cleanup purposes otherwise the Public Works Department would have to clean the pond area. Public Works Director Haukaas stated he understood this was a high visibility area and commented on how the increased activity on this property may assist in reducing the dumping that was occurring on the site. He commented further on how this property would benefit the City with respect to regional stormwater treatment.

Councilmember Hovland questioned if the City would receive credits for this property from the watershed district. Mr. Schluender commented the City would be receiving stormwater credits for water treatment for this parcel. He explained he was uncertain of the exact dollar amount the City would receive for the credits but noted he could report back to the Council with this information, possibly purchasing a parcel.

Councilmember Paul indicated there was a lot of work that had to be done on this property and asked questions about potential water treatment facilities in this area. Mr. Haukaas explained no structure would be

built on this property but rather natural treatment would occur to treat the water runoff. He reported the parcel would have a park-like setting.

Councilmember Robertson asked if the City would incur any other costs to get this property ready to treat water runoff. Mr. Schluender stated \$20,000 would be spent to purchase the property. He reported staff would be coming back to the Council with a plan to improve the site, which would require additional dollars. He noted the Stormwater Utility Fund would cover the expense for this project.

Motion adopted unanimously.

12.3 Resolution 19-76, Accept Bid from Park Construction Company in the Amount of \$3,281,593.49 for the Lever Street Area Street Reconstructions, Improvement Project No. 18-16.

Moved by Councilmember Swanson, seconded by Mayor Ryan, that Resolution 19-76, "Accept Bid from Park Construction Company in the Amount of \$3,281,593.49 for the Lever Street Area Street Reconstructions," be approved.

Mr. Schluender stated bids were received for the Lever Street Area Street Reconstructions. A total of four bids were received ranging from \$3,281,593.49 to \$3,791,492.21. Bids have been checked and tabulated, and it has been determined that Park Construction Company of Minneapolis, Minnesota is the lowest bidder. The Engineering Department has worked with Park Construction Company on previous contracts. Staff recommends the low bid be accepted and a contract entered into with Park Construction Company. City Council is also asked to approve a 10% contingency to bring the total project budget to \$3,609,753.00. The funding source for this project is assessments, Municipal State Aid funds, Public Utility funds and the City Pavement Management Program fund, and there are sufficient funds to cover these costs.

Councilmember Swanson stated he was very pleased that Ball Road was being reconstructed.

Motion adopted unanimously.

12.4 Resolution 19-77, Accept Bid from Park Construction Company in the Amount of \$1,739,483.85 for the Clover Leaf Parkway Area Street Reconstructions, Improvement Project No. 18-18.

Moved by Councilmember Hovland, seconded by Councilmember Jeppson, that Resolution 19-77, "Accept Bid from Park Construction Company in the Amount of \$1,739,483.85 for the Clover Leaf Parkway Area Street Reconstructions," be approved.

Mr. Schluender stated bids were received for the Clover Leaf Area Street Reconstructions. A total of three bids were received ranging from \$1,739,483.85 to \$2,167,922.28. Bids have been checked and tabulated, and it has been determined that Park Construction Company of Minneapolis, Minnesota is the lowest bidder. The Engineering Department has worked with Park Construction Company on previous contracts. Staff recommends the low bid be accepted and a contract entered into with Park Construction Company. City Council is also asked to approve a 10% contingency to bring the total project budget to \$1,913,430.00. The funding sources for this project are assessments, City State Aid Fund and the City Pavement Management Program fund, and there are sufficient funds to cover these costs.

Councilmember Swanson asked how this project would work with the Blaine Festival's celebration. Mr. Schluender reported the contract requires all work on Clover Leaf Parkway, Ulysses, or Lincoln west of Highway 65 to begin after the 4th of July.

Councilmember Swanson questioned if spot sidewalk repair would occur along Lincoln. Mr. Schluender commented large portions of the sidewalk segments would be repaired through this project.

Motion adopted unanimously.

OTHER BUSINESS

None.

ADJOURNMENT

Moved by Councilmember Hovland, seconded by Councilmember Robertson, to adjourn the meeting at 8:35 p.m.

Tom Ryan, Mayor

ATTEST:

Catherine Sorensen, CMC, City Clerk
Submitted by TimeSaver Off Site Secretarial, Inc.