



City of Blaine Anoka County, Minnesota Minutes

Blaine City Hall
10801 Town Sq Dr NE
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 City Council and staff to discuss issues before them. It is not for the purpose of receiving public input.

Monday, September 19, 2022

6:00 PM

Cloverleaf Farm Room A

NOTICE OF WORKSHOP MEETING

1 Call to Order

The meeting was called to order by Mayor Sanders at 6:00PM.

2 Roll Call

PRESENT: Mayor Tim Sanders, Councilmembers Wes Hovland, Julie Jeppson, Chris Massoglia, Tom Newland, Richard Paul, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: Acting City Manager Joe Huss; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Public Works Director Jon Haukaas; Safety Services Manager/Police Chief Brian Podany; Deputy Finance Director Alison Bong; Finance Public Works Asset Management Shawn Smith; City Engineer Dan Schluender; City Attorney Chris Nelson; Deputy Public Works Director Nick Fleishhacker; and City Clerk Catherine Sorensen.

Mayor Sanders commented on upcoming Council agenda items 10.2 through 10.4 for the apartment complex at 111 99th Avenue NE. City Attorney Nelson discussed the amended staff report provided to the Council noting there was a focus on the development flex conditions. He explained for those voting against this project he recommended the Council's comments be grounded in the criteria of the rezoning to development flex as opposed to whether the site was appropriate for apartments.

3 New Business

3-1

2023 Capital Equipment

Attachments: [2023 Capital Equipment Initial Requests](#)
[2023 Capital Equipment Presentation](#)

Deputy Finance Director Bong stated capital equipment includes assets that have a useful life longer than one year and a cost of at least \$5,000. Items typically included are computer hardware, software, vehicles, and heavy machinery. The City budgets for capital equipment in the capital equipment fund, utility funds, and the facilities fund. The capital equipment fund includes general government capital equipment. The utility funds include capital equipment used in the operations of the water, sewer, and storm drainage utilities. The Facilities Fund includes equipment used to maintain City buildings. Staff commented further on the capital equipment fund, described the challenges the City was facing with inflation and supply chain issues, and asked for comments or questions from the Council. It was noted the Council would be further discussing the 2023 capital equipment fund at the October Council retreat.

Councilmember Jeppson indicated there were a significant number (50%) of requests within the fleet equipment that don't have ratings. Ms. Bong stated explained the requests that do not have a rating were either not part of the fleet study or they the City was recommending to keep an older piece of equipment and add to the fleet.

Councilmember Jeppson commented it was hard for her to not have a rating for these pieces of equipment. She indicated there were also ratings on the study that rated equipment with good condition or better and she was wondering why these were needing to be replaced, added or new. Ms. Bong reported this was based on the fleet study completed in 2021 then explained staff had not gone through and updated milage. She stated if the police vehicle milage were updated then this would change the fleet rating.

Councilmember Jeppson requested staff provide the Council with more background information to understand how some of these pieces of equipment went from excellent to needing replacement. Ms. Bong commented on how staff can work to provide the Council with more information through the fleet right sizing study. Acting City Manager Huss stated these were the type of questions that will be coming through the additional vetting. He discussed how some vehicles, while needing to be replaced, will be repurposed for another use for the City.

Councilmember Newland commented these were his questions as well

and recommended staff provide the Council with updated information for the fleet because this would make decision making clearer. He believed the overall dollar amount was very high and the increase was as well and even with the background information provided by staff he still wanted to learn more about the current fleet ratings.

Councilmember Paul thanked staff for their work on the fleet study and capital equipment budget. He explained he would like to better understand how the ratings were set for streets, sewer, and drainage equipment because these were important pieces of equipment.

Councilmember Hovland asked if approximately 50% of the City's wheeled vehicles were being replaced. Ms. Bong stated 45% were in poor condition and were in consideration for needing replacement.

Councilmember Hovland indicated he would like to see the City's stage this more and questioned why this happened all at once. Ms. Bong reported staff would be reviewing this through the fleet right sizing study then indicated staff was not proposing to replace 45% of the fleet next year but was considering the right timing for each vehicle.

Councilmember Hovland inquired if staff was using the program Council purchased to assist with managing the fleet and fleet replacements. Ms. Bong reported the program the City has for fleet management is called Dossier and staff was able to get a fair amount of data from this system. She indicated the fleet right sizing study would also assist staff with managing the fleet. She commended the City's fleet mechanics for getting the most out of each piece of equipment the City owns. Public Works Director Haukaas commented further on how staff was utilizing the Dossier software and noted staff could be using it better. He discussed how the City was in this position partly because of COVID, with purchases being put on hold or delayed for several years in addition to supply chain issues. He explained the City was at the point where it needed to do some catch up adding with the size of Blaine there was a growing amount of infrastructure and prices continued to rise.

Councilmember Newland questioned if staff had an idea of what the numbers would look like for 2024. Mr. Haukaas stated he fully supported the numbers that were presented by staff. Deputy Public Works Director Fleishhacker estimated the City would be spending \$1 million a year for the next 10 years, with the City continuing to repurpose or down cycle vehicles. Mr. Huss explained this was the Council's first review of this information and this item will be further discussed at the Council retreat in October. Staff commented further on the inflationary environment staff was facing and how the rising cost of vehicles would impact the City's budget going forward.

Council consensus was to further discuss the capital equipment fund and fleet management program at the October retreat.

45 Minute Discussion

3-2

Enterprise Asset Management Software (EAMS) Search and 2023 Budget Update

Attachments: [CMMS Needs Assessment and RFP.pdf](#)
 [WSB EAMS Needs Assessment and RFP Development 2022.pdf](#)
 [Council EAMS Presentation.pdf](#)

Mr. Huss stated the purpose of this item is to provide Council an update on the Enterprise Asset Management Software (EAMS) search and the associated capital equipment budget request as part of the 2023 budget. During the 2021 budget process to establish the 2022 general fund budget, general levy, enterprise funds budgets, and enterprise fund user rates, staff introduced the concept of a Computerized Maintenance Management System (CMMS) also known as an Enterprise Asset Management System (EAMS). For the purposes of this and future discussions staff will use EAMS in both written documentation and oral discussion. These types of systems are increasingly critical for managing all the important assets of a City.

Public Works Asset Management Smith explained as part of the budget process, staff provided an updated budget request to Council at the October 30, 2021 winter retreat related to the EAMS system (then referred to as the CMMS). The request was changed from a full acquisition and implementation of the software to a needs assessment and RFP development. At that time the estimated cost to hire a contractor for these activities was \$34,000, which was approved for inclusion in the 2022 General Fund budget and 2022 Utilities Funds budgets. As part of due diligence and to establish a project budget, staff sought informal quotes from some of the leading EAMS software vendors for cities of a comparable size and asset base. Three of the leading vendors provided quotes ranging in price from \$107,000 to \$172,500. Staff commented further on how the program would greatly benefit staff and staff efficiencies if integrated between multiple departments within the City. It was noted staff is requesting Council input regarding the inclusion of EAMS software costs in the 2023 budget and seeks feedback regarding the proposed purchase.

Councilmember Jeppson asked if staff relied on employees to report their time spent on activities or were there digital methods in place to log time and mileage. Mr. Smith stated this was being reported both ways.

Councilmember Jeppson questioned if historical information would be able to be logged into the new EAMS software. Mr. Smith reported this was the case.

Councilmember Hovland inquired if all the data stored within the EAMS system would be backed up in the cloud. Mr. Smith explained all information would be saved to a server.

Councilmember Paul asked who would be in charge of all the departments, overseeing the use of this program. Mr. Smith commented if implemented correctly, the program will almost manage itself but added he would be overseeing the new program.

Councilmember Jeppson stated she supported the phased approach of searching for an EAMS. She noted Blaine was the tenth largest City in the state and the City needed to have the property resources in place to manage itself. She commented her only concern was if this was a big cultural shift if there would be a huge learning curve for staff. Mr. Haukaas stated this was the reason staff was recommending a phased approach. He indicated the City would begin with a needs assessment and hiring a consultant that knows what they are doing that can walk the City through this process. He explained the City was not rushing into anything, but rather was seeking the right approach.

Councilmember Massoglia asked what the current yearly cost was for the public works software. Mr. Smith stated this expense was \$5,700 a year.

Informational: no action required

30 Minute Discussion

4 Other Business

4-1 Federal Lobbying Work Plan

Attachments: [2022 Blaine Federal Agenda - FINAL DRAFT.docx](#)

Mr. Huss discussed the 2022 Blaine Federal Agenda prepared by the City's federal lobbying firm, The Ferguson Group. This document is still being reviewed by staff and can be amended as needed. The City's largest priority is to secure funding for the TH65 project. The rest of the document reflects discussions with staff, identifying areas where advocacy should be ongoing and/or funding sources should be actively monitored and identified. TFG and staff have a biweekly online meeting to discuss recent news and activities. In addition, the TFG staff sends regular updates via e-mail. As with the state lobbying work plan, this will

not be adopted formally; rather, Council will be asked to indicate consensus that the work plan meets their expectations for the federal lobbying effort.

Informational: no action required

15 Minute Discussion

ADJOURN

The Workshop was adjourned at 7:28PM.

Adjourned