City of Blaine
City Council

May 1, 2023 | 7:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order by the Mayor

The meeting was called to order at 7:00PM by Mayor Sanders followed by the Pledge of Allegiance and the Roll Call.

2. Pledge of Allegiance

3. Oath of Office - Councilmember Leslie Larson

City Attorney Loonan administered the oath of office to newly elected Councilmember Leslie Larson. A round of applause was offered by all in attendance.

4. Roll Call

PRESENT: Mayor Tim Sanders, Councilmembers Terra Fleming, Leslie Larson, Tom Newland, Jess Robertson and Lori Saroya.

ABSENT: Councilmember Chris Massoglia.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director/Assistant City Manager Joe Huss; Deputy Finance Director Ali Bong; Director of Engineering Dan Schluender; Senior Parks and Recreation Manager; Public Works Director Nick Fleischhacker; City Attorney Tom Loonan; and City Clerk Catherine Sorensen.

5. Awards - Presentations - Organizational Business

None.

6. Communications

Community Development Director Thorvig reported May was Small Business Month in the city of Blaine. He explained a new small business in Blaine would be highlighted on its Facebook page during the month of May.

7. **Open Forum**

Open Forum is an opportunity for the public to present an issue or concern to City Council. There is a maximum of fifteen minutes set aside for open forum. Each presentation should be limited to no more than three minutes. If your item needs follow-up from the City, staff will arrange for that follow-up and will contact you to let you know what is being done. Thank you for coming this evening.

Mayor Sanders opened the Open Forum at 7:09PM.

Kevin Brown, 9712 6th Street, inquired about the status of construction of the apartment complex and the traffic study in his neighborhood. He thanked the engineering and public works staff for the pothole repair that had been completed in the city.

Ann Olson, Executive Director of Animal Folks in St. Paul, explained her organization was a non-profit animal protection organization in support of the humane treatment of animals. She requested the City consider adoption of a humane pet ordinance. She presented the Council with three studies from Dr. Franklin McMillan regarding commercial dog breeding facilities and the impact on animal welfare.

There being no further input, Mayor Sanders closed the Open Forum at 7:12PM.

8. **Adoption of Agenda**

The agenda was adopted as presented.

9. **Approval of Consent Agenda:**

All items listed under the "Consent Agenda" are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

Councilmember Newland abstained from bills paid for 4/7 and 4/14.

Moved by Councilmember Robertson, seconded by Councilmember Newland, to Approve Approval of Consent Agenda: : Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

9.1. 2023-168 Schedule of Bills Paid

Sponsors: Joe Huss, Finance Director/Asst. City Manager

9.2. 2023-154 Approval of Minutes

Sponsors: Cathy Sorensen, City Clerk

9.3. RES 23-73 Resolution Granting Final Plat Approval to Subdivide 8.41 Acres into 76 Townhome Lots and One Outlot to be Known as Foxtail Hollow located at 11967 and 11985 Radisson Road NE. Ron Clark Construction (Case File No. 23-0041/SLK)

Sponsors: Sheila Sellman, City Planner

9.4. 2023-149 Authorize Temporary Removal of Parking Restrictions on Central Avenue Service Road, Between 87th Avenue and 85th Avenue to Accommodate Capra's Sporting Goods Grand Re-opening on June 14, 2023

Sponsors: Daniel Schluender, Director of Engineering

9.5. RES 23-84 Resolution to Receive Petition and Order Public Hearing for Vacation of Highway Easements per Document No.'s 512382 & 515713, Preserve at Lexington Waters, Vacation No. V23-03

Sponsors: Daniel Schluender, Director of Engineering

9.6. 2023-120 Approving an Amendment to the Lexington Waters Development Agreement

Sponsors: Daniel Schluender, Director of Engineering

9.7. RES 23-89 Authorize Temporary Road Closures for the Johnsville Area Garage Sale Event Security Plan

Sponsors: Mark Boerboom

10. 7:30 P.M. - Public Hearing and Items Published for a Certain Time

10.1. RES 23-77 Resolution Granting a Conditional Use Permit Amendment to Allow Outdoor Seating for 24 seats in a B-3 (Regional Commercial) Zoning District at 12331 Ulysses Street NE. Chick-fil-A (Blaine Square II LLC) (Case File No. 23-0043/SLK)

Sponsors: Sheila Sellman, City Planner

City Planner Sellman reported Chick-fil-A is proposing to locate in the Blaine Square 3rd Development in a newly constructed building. They are requesting a conditional use permit amendment to increase outdoor seating from 14 seats to 24 on a patio adjacent to their building. It was noted the public hearing is being held at the City Council meeting, therefore no review or recommendation was received from the Planning Commission. Staff recommends approval with seven conditions.

Mayor Sanders opened the public hearing at 7:16PM.

There being no public input, Mayor Sanders closed the public hearing at 7:16PM.

Councilmember Newland explained he supported the expansion of the outdoor seating.

Mayor Sanders stated he was pleased to see this part of Blaine coming to life with great new amenities.

Moved by Councilmember Robertson, seconded by Councilmember Fleming, to Adopt Resolution Granting a Conditional Use Permit Amendment to Allow Outdoor Seating for 24 seats in a B-3 (Regional Commercial) Zoning District at 12331 Ulysses Street NE. Chick-fil-A (Blaine Square II LLC) (Case File No. 23-0043/SLK): Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

10.2. RES 23-78 Resolution Granting a Conditional Use Permit for an Art Therapy Business in an I-2 (Heavy Industrial) Zoning District at 1613 99th Lane NE. Art Lab Rx, LLC (Case File No. 23-0044/EES)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a conditional use permit for an art therapy business. The code lists "Personal care, health care, recreation, fitness, or education related commercial services" as a conditional use in the industrial zoning districts, with the condition that sites must demonstrate adequate parking and not generate traffic volumes measurably above the range expected for other I-2 uses. The business provides most services off site and will primarily be using the building for storage and an office for the executive director with occasional daytime staff meetings. Art therapy services at the subject site will be limited to 12 clients and will occur in the evenings or on weekends. This will not cause a greater burden on the parking for the building than a typical industrial tenant, and traffic will be minimal. The applicant is requesting to be able to hold up to two fundraisers a year on the site with up to 50 people in attendance. Staff recommends approval with two conditions.

Mayor Sanders opened the public hearing at 7:18PM.

There being no public input, Mayor Sanders closed the public hearing at 7:18PM.

Moved by Councilmember Robertson, seconded by Councilmember Newland, to Adopt Resolution Granting a Conditional Use Permit for an Art Therapy Business in an I-2 (Heavy Industrial) Zoning District at 1613 99th Lane NE. Art Lab Rx, LLC (Case File No. 23-0044/EES): Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

11. Development Business

11.1. RES 23-72 Resolution Granting a Conditional Use Permit Amendment to Store up to Five Outdoor Vehicles as Part of an Auto Repair Business in a B-3 (Regional Commercial) Zoning District at 30 County Road 10 NE. Blaine Wholesale Transmission (Case File No. 23-0027)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a Conditional Use Permit (CUP) amendment for outside overnight storage of five vehicles. Site improvements will be required to bring the site into compliance with a previously issued CUP and to provide screening for the vehicles from County Road 10. Staff commented further on the history of the property, discussed the proposed landscaping improvements and reported the planning commissions recommends approval of the request with conditions.

Councilmember Newland stated he was bothered by the fact the applicant had not fixed the landscaping when the original CUP was requested. He indicated this property was close to the Northtown Mall area. He questioned if this property would be required to change as the surrounding properties change. Ms. Sellman reported this was an existing business and the CUP would bring them into compliance with todays code. However, if the building were to be torn down, they would have to be consistent with the area plan.

Councilmember Newland commented that in order to bring the property into compliance, the City was allowing for the outdoor storage of five vehicles. He stated he did not support this action.

Councilmember Robertson questioned if there was a mechanism in which the CUP was not granted until they meet the terms of the CUP. Ms. Sellman reported the resolution requires the applicant to bring the property into compliance by July 31, 2023.

Councilmember Saroya stated she supported the request and encouraged the applicant to bring the property into compliance by July 31.

Moved by Councilmember Fleming, seconded by Councilmember Robertson, to Adopt Resolution Granting a Conditional Use Permit Amendment to Store up to Five Outdoor Vehicles as Part of an Auto Repair Business in a B-3 (Regional Commercial) Zoning District at

30 County Road 10 NE. Blaine Wholesale Transmission (Case File No. 23-0027): Motion Passed.

Aye: 5- Mayor Sanders, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

11.2. RES 23-79 Resolution Granting a Conditional Use Permit to Operate an Approximately 1,700 Square Foot Themed Party Room in a B-2 (Community Commercial) Zoning District at 12074 Central Avenue NE. Star Party Room Rental (Blaine Retail Center LLC) (Case File No. 23-0029/SLK)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting to operate a small party room for approximately 40 people (but generally around 20 people) at each party. The property is zoned B-2 and is guided for community commercial. No food service would be provided onsite, but catering could be provided. The shared parking for the property was discussed. The hours of operation were reviewed with the council and staff reported the planning commission recommended approval of the conditional use permit with conditions.

Councilmember Fleming reported this was an old strip mall and she appreciated this unique business opportunity.

Mayor Sanders asked if the shared parking agreement had been executed and provided to the city. Ms. Sellman explained she had a copy of the agreement, but it had not been executed.

Mayor Sanders indicated he wanted to make sure the shared parking agreement was in place in order to avoid parking problems in the future. Ms. Sellman reported a condition for approval requires the applicant to provide a copy of the executed shared parking agreement to the city before they can occupy the space.

Moved by Councilmember Newland, seconded by Councilmember Saroya, to Adopt Resolution Granting a Conditional Use Permit to Operate an Approximately 1,700 Square Foot Themed Party Room in a B-2 (Community Commercial) Zoning District at 12074 Central Avenue NE. Star Party Room Rental (Blaine Retail Center LLC) (Case File No. 23-0029/SLK): Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

11.3. ORD 23-2525 **ITEM FAILED - NOT ADOPTED**

Second Reading

Adopt Ordinance for an Amendment to the 105th Avenue Redevelopment District to Allow Drive-thru's on the South Side of 105th Avenue (Limited to One Drive-thru Per Parcel), as a Conditional Use. South Side Entertainment District (Case File No. 23-0032/SAS)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant was requesting an ordinance amendment to the 105th Avenue Redevelopment District to allow drive-thrus on the south side of 105th Avenue (limited to one drive-thru per parcel), with a conditional use permit. Staff commented further on the request and reported the planning commission recommended approval.

Councilmember Robertson stated there were very exciting things happening in the city of Blaine, especially around the 105th Avenue Redevelopment area. She commented on the amount of time the council spent crafting the design guidelines for the 105th Avenue Redevelopment District and noted drive-thrus were not allowed. She expressed concerns about the potential uses that could result if drive-thrus are allowed. She stated she could not green light a drive-thru when she does not know what it would be. She suggested the developer come back to the city and request a variance once the tenant was known.

Councilmember Fleming stated she understood these concerns, but she indicated the problem was the developer could not construct the building and add a drive-thru later. She requested the developer be allowed to address the council.

Mike Breese, PinPoint Community Development, thanked the council for their time and attention. He explained he understood the concerns raised by Councilmember Robertson. He reported the spirit of this development was to keep people in Blaine and to introduce some new food flavors, including sit down and grab and go options. He said the uses will be more boutique-style but noted he currently does not know who they would be. He explained he had to have the zoning in place before he can have conversations with future tenants. He asked that the city trust him to bring in the right tenant. He stated this would be a unique development that drives energy and experience.

Councilmember Newland stated he agreed with Councilmember Robertson noting he was having a difficult time waiving a prohibited use for this redevelopment area. He discussed how promising the traffic counts were along Radisson and 105th Avenue and he did not want to have the wrong business in this area. For this reason, he would not be supporting the ordinance amendment.

Councilmember Saroya commented based on the location she believed a drive-thru made sense on this property.

Councilmember Fleming agreed stating she believed a drive-thru made sense on this property. She thanked the developer for trusting the city and she encouraged the council to put their faith in the developer by allowing it to move forward with a drive-thru.

Councilmember Robertson indicated this was a well designed project. She discussed the amount of traffic surrounding this property and stated this property would be busy 52 weeks out of the year. She thanked the developer for being willing to invest in the city of Blaine, but stated she would not be able to support the ordinance amendment to allow drive-thrus.

Mayor Sanders asked if the applicant would be willing to come back in a week or two once a tenant for the drive-thru space has been identified. Mr. Breese commented in order to engage in conversations with Shake Shack or other folks, the approvals have to be in place. He stated he understood the concerns of the council but noted this project was right in his backyard and he was investing family money in this project. He reported the last thing he wanted to do was compromise or devalue the project. He discussed the work he did with BKBM, a local engineer and the county engineers, in order to ensure the property was safe.

Moved by Councilmember Fleming, seconded by Councilmember Newland, to Adopt Second Reading Adopt Ordinance for an Amendment to the 105th Avenue Redevelopment District to Allow Drive-thru's on the South Side of 105th Avenue (Limited to One Drive-thru Per Parcel), as a Conditional Use. South Side Entertainment District (Case File No. 23-0032/SAS): Motion Failed.

Aye: 3- Councilmember Saroya, Councilmember Fleming, Councilmember Larson

After the 3-3 vote, Mayor Sanders questioned how the council should proceed. City Attorney Loonan explained the council could bring another motion forward, but noted the ordinance amendment was not approved.

11.4. RES 23-80 Resolution Granting a Conditional Use Permit for Two Buildings on One Lot, Outdoor Dining and Shared Parking at 2030 105th Avenue NE. South Side Entertainment District (105th Blaine Business Park, LLC) (Case File No. 23-0032/SAS)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a conditional use permit for two buildings on one lot, outdoor dining, shared parking and a drive-thru. The site plan includes the first building as proposed for a Pizza Pub Prime with a roof top patio and ground patio. The second building is a multi-tenant building with patio seating. The parking onsite was reviewed, along with the architectural plans for the site. Staff commented further on the development and reported the planning commission recommends approval with conditions.

Motion by Mayor Sanders, seconded by Councilmember Newland to amend the resolution to remove the drive-thru. Motion passed**.**

Moved by Mayor Sanders, seconded by Councilmember Newland, to Amend Resolution Granting a Conditional Use Permit for Two Buildings on One Lot, Outdoor Dining and Shared Parking at 2030 105th Avenue NE. South Side Entertainment District (105th Blaine

Business Park, LLC) (Case File No. 23-0032/SAS) as amended removing drive-thru: Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

11.5. RES 23-81 Resolution for Preliminary Plat Approval to Create Two Lots to be Known as National Sports Village at 2030 105th Avenue NE. (South Side Entertainment District) (Case File No. 23-0032/SAS)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the proposed preliminary plat creates one lot and one outlot. Staff recommended approval of the request.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to Adopt Resolution for Preliminary Plat Approval to Create Two Lots to be Known as National Sports Village at 2030 105th Avenue NE. (South Side Entertainment District) (Case File No. 23-0032/SAS): Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

11.6. ORD 23-2524 Second Reading to Adopt an Interim Ordinance for a Moratorium for the Northtown Area. City of Blaine (Case File No. 23-0040/SAS)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the interim ordinance is for a moratorium on development in order to study zoning and land use changes as part of the Northtown redevelopment plan without the pressure of development. It was noted the moratorium would be in place for six months. Staff reviewed two requests regarding the moratorium and reported the planning commission recommended approval of the moratorium.

Councilmember Newland stated this moratorium was needed in order to allow the city to take a closer look at land uses and zoning changes. He believed now was the time to put development on pause in this area.

Councilmember Saroya agreed with Councilmember Newland and stated she would support the moratorium. She discussed how the moratorium would provide an opportunity to further evaluate the needs and wants of the residents that live in the Northtown area.

Councilmember Robertson asked if existing property owners would be allowed to pursue CUP's. Ms. Sellman explained this would not be allowed, unless an amendment were to be approved by the council.

Councilmember Robertson discussed how the proposed moratorium would hurt current business owners as they would not be able to fill their vacant space for the next six months if the moratorium were put in place. Mr. Thorvig stated this concern was brought to staff's attention shortly after the first reading of this Ordinance. He explained the intent of the moratorium was to prevent new buildings and new investment that could be for an extended period of time. He reported staff doesn't have concerns regarding the situation that was brought up by Councilmember Robertson. He did not believe allowing CUP's to fill vacant spaces in mulit-tenant buildings would jeopardize the vision for this area.

Councilmember Newland thanked staff for this information. He noted he would accept a friendly amendment to his motion from Councilmember Robertson.

Councilmember Robertson asked how the language for the friendly amendment should be phrased. Mr. Loonan recommended the language be deliberate in order to avoid situations where conditions uses are being addressed in general. He suggested the friendly amendment add Item 4# and that address conditional uses brought by any owner, who is the title owner of the property as of May 1, 2023.

Mayor Sanders suggested this item be laid on the table and that City Attorney Loonan be given time to draft the property language for Item #4. Mr. Loonan supported this recommendation.

Motion by Mayor Sanders, seconded by Councilmember Newland to temporarily lay Item 11.6 on the table to allow staff time to draft a language amendment. Motion passed.

Motion by Mayor Sanders, seconded by Councilmember Newland to remove Item 11.6 from the table. Motion passed.

Mr. Loonan recommended the council amend Item #4 of the interim ordinance to read as follows:

#4. This moratorium shall not apply to previously approved development actions prior to ~~April 17, 2023~~ to May 1, 2023, conditional use permits brought by existing multi-tenant building owners within the Northtown area as of May 1, 2023, building permits and/or site plan approval associated with said approvals, or building permits applied for existing buildings for interior tenant finishes, remodeling or general building improvements including but not limited to roofing, windows, etc. The moratorium shall also not apply to any building demolition.

Councilmember Saroya asked if this amendment would address the concerns raised by the property owner at 8700. Mr. Thorvig stated this amendment would not address the concerns of the property owner at 8700 because he wanted to demolish and rebuild.

Councilmember Saroya questioned if there were any other requests before the city that would be impacted by the moratorium. Mr. Thorvig stated staff was not aware of any other applications.

Moved by Councilmember Robertson, seconded by Councilmember Newland, to Amend Second Reading to Adopt an Interim Ordinance for a Moratorium for the Northtown Area. City of Blaine (Case File No. 23-0040/SAS) with the language amended as recommended by the City Attorney: Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

11.7. ORD 23-2526 First Reading to Adopt an Ordinance to Amend Section 18-121 of the Code of Ordinances and 34.11 of the Zoning Ordinance to Remove the Requirement for Signs to be Installed by Licensed Contractors. City of Blaine (Case File No. 23-0031/EES)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the City is proposing to remove the requirement for sign contractors to be licensed to reduce staff time spent on review and improve customer service. Only half of surveyed cities require sign contractors to be licensed, and the City Attorney did not find a legal reason to maintain the requirement.

Declared by Mayor Sanders that Ordinance No. 23-2526, “First Reading to Adopt an Ordinance to Amend Section 18-121 of the Code of Ordinances and 34.11 of the Zoning Ordinance to Remove the Requirement for Signs to be Installed by Licensed Contractors,” be introduced and placed on file for second reading at the May 15, 2023 Council meeting.

12. Administration

12.1. RES 23-82 Resolution to Accept Bids and Award a Contract for the Construction of a Bandshell and Associated Improvements in Aquatore Park

Sponsors: Jerome Krieger, Sr. Recreation Manager

Senior Recreation Manager Krieger stated the City Council approved plans and specifications and ordered an advertisement for bids for the Aquatore Park Bandshell at the October 17, 2022 workshop. Bids were opened on Tuesday, April 18th and the city received five bids. At this time, council is being asked to decide if the project will be constructed with a half basement (Base Bid) or with a full basement (Alternate Bid) or reject all bids and not complete the project. Staff commented further on the history of this project, reviewed the bids and funding sources for the project in further detail and reported the Park Board recommended the city move forward with the Base and Alternate Bids.

Councilmember Robertson explained she supported the project moving forward with the Base and Alternate Bids. She thanked the Blaine Festival for all of their input and commented on the numerous ways this organization supported the community. She stated she supported moving forward with a project that meets the needs of the Blaine Festival. She discussed how much she loves the Blaine Festival each summer and she thanked the

Festival Committee for donating $1 million to this project. She apologized for the fact this project has taken this much time, but noted she would be supporting a full storage basement for the bandshell. She explained if this project were to be delayed further, the costs would only continue to rise.

Mayor Sanders thanked the Blaine Festival Committee members for all that they do for the city of Blaine. A round of applause was offered by all in attendance.

Councilmember Newland stated he agreed with Councilmember Robertson's comments. He thanked the committee members and staff for all of their efforts on this project. He apologized for the amount of time it has taken to get to this point, but he believed the end result would be well worth it. He requested further information on how the bandshell would be utilized by the city, beyond the Blaine Festival. Mr. Krieger explained World Fest and Oktoberfest could move to this venue, along with other events.

Councilmember Newland questioned when the project would begin. Mr. Krieger explained construction would begin as soon as possible and the project would ber completed by June 15, 2024.

Councilmember Saroya stated she loves the Blaine Festival and she appreciated all of the programs offered by the Blaine Parks and Recreation Department. She asked how this bandshell differed from the amphitheater that was being proposed as part of the 105th Avenue project. Mr. Krieger stated the bandshell would be a combination performance space with restrooms and storage space. He noted this was very different from what was being proposed for 105th Avenue.

Councilmember Saroya reported she has heard from a number of Ward 1 residents that support this project. She was happy to see park dedication fees being used to invest in the betterment of this park.
Councilmember Fleming understood the price tag came in higher than originally anticipated, but she supported the city doing this project right the first time. She recommended the project move forward with the full storage.

Moved by Councilmember Robertson, seconded by Councilmember Newland, to Adopt Resolution to Accept Bids and Award a Contract for the Construction of a Bandshell and Associated Improvements in Aquatore Park for the Construction of a Bandshell and Associated Improvements in Aquator Park as follows:
1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with BCI Construction, Inc. for the designated improvements in the amount of $3,529,000 with a 5% construction contingency of $176,450 is hereby approved and the Senior Parks and Recreation Manager is hereby authorized to sign all change orders up to the authorized construction budget amount of $3,705,450.
2. The total project budget, including building design and associated improvements, is $4,007,950: Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

12.2. RES 23-86 Resolution Adopting Assessment for Hidden Oaks Area Street Reconstructions, Improvement Project No. 22-06

Sponsors: Daniel Schluender, Director of Engineering

Director of Engineering Schluender stated Improvement Project No. 22-06 was ordered by the city council on February 7, 2022 with Resolution 22-019. A construction contract was awarded to Douglas-Kerr Underground, LLC by the Council on June 6, 2022 with Resolution No. 22-101 and construction was completed in the fall of 2022. On April 17, 2023, the city council tabled this item to May 1, 2023 after hearing concerns from the residents within the project area. Staff provided further comment on the history of this project, noting a survey crew reviewed the work completed and addressed the concerns that were raised by the residents that live on Wake Court. It was noted the driveways along Wake Court were seeing a three to six inch drop due to the new curbing. Staff reported one driveway (9905) still had punch list items that had to be addressed by the contractor.

Councilmember Newland stated he drove through the project area since the last meeting and his first impression was that the improvement project was a nice enhancement to the neighborhood. He explained he drove through Wake Court and he understood the driveways were a new slope, but he did not believe the slope was problematic.

Councilmember Saroya noted she also drove through the neighborhood and she agreed the neighborhood looked nice. She expressed concern with the discoloration of the new driveways. Mr. Schluender stated the discoloration of the concrete or asphalt was typical with new construction. He reported the new concrete or asphalt would fade to match the existing surface over time.

Councilmember Robertson asked what action was before the council. Mr. Schluender reported staff was asking the council to adopt the assessment roll for the Hidden Oaks Area Street Reconstruction project. He noted the original assessment amount was estimated to be $6,900 and the final assessment came in at $4,400.

Councilmember Robertson thanked staff for their efforts to address the concerns raised by the residents. She was of the opinion there were several driveways that did not look great, given their new slope. While she did not like every part of this, she understood the assessment roll had to move forward.

Councilmember Saroya noted she was not part of this project in 2022. She reported community service was one of the city's goals. She feared that with this project, there was a disconnect that has not been resolved. She supported the council allowing the residents in attendance be allowed to speak at this meeting.

Mayor Sanders reported the council allowed residents to speak at the last meeting and a public hearing was held on this item. He explained residents are always encouraged to email the council collectively.

Councilmember Saroya requested the residents in attendance be allowed to respond to the information that was presented by staff at this meeting.

Mayor Sanders opened the meeting for public comment.

Tim Paquette, 9931 Xebec Street NE, explained he emailed the mayor and council on April 25 and he received no response. He reported he has heard no discussion from staff or the council regarding offsets that would be available to go towards project mitigation costs. He believed this topic needed more discussion. He feared the residents were being asked to pay for a project that was not yet complete.

Kathy Peterson, 9905 Xebec Street, referred to an email with questions she sent to the city council, noting she never received a response. She explained she had concerns with the slope of her driveway and explained the new slope was a safety concern that has to be addressed.

Mr. Schluender reported Ms. Peterson's driveway was on the punch list and would be addressed.

Abel Abanik, 9917 Xebec Street, expressed concerns with the cost of the assessment. He noted he moved to Blaine in 2020 with his family. He inquired if there were any other considerations in place to assist residents in addressing the assessment amount.

Dave Peterson, 9905 Xebec Street, asked if his assessment had to be paid prior to his driveway being corrected. Mr. Schluender reported the punch list had been provided to the contractor and the contractor has yet to provide a project timeline for these items. He stated once the schedule was made available, he would pass this information onto the residents.

Mayor Sanders requested the City Attorney speak to the city's assessment policy. Mr. Loonan reported the city's assessment policy has been in place for the past 40 years and it requires that all properties pay their fair share of the cost for the improvements. He explained because the project was substantially complete, it was appropriate to certify the assessments and begin the process of collecting payments. He noted residents have a 30 days window to pay their assessments or the amount would be assessed to the property.

Mayor Sanders asked staff to speak to the special considerations in place that help offset costs. Mr. Schluender reported staff received an email asking if any state or federal funding could be pursued to assist with offsetting the costs for this project. He explained the city has not pursued any state or federal funds because they had to be tied to a single project. He stated the city did not want to pick winners and losers for street improvement projects. Rather, the city treats each project identically through the policy that was in place. He reported federal dollars are only available for federal highway projects .

Councilmember Saroya asked if EDA or home improvement funds could be used to assist with assessments. Mr. Schluender stated this would be very difficult for the EDA to approve. He explained home improvement loans had guidelines in place and specific manners in which the funds had to be spent.

Moved by Councilmember Newland, seconded by Mayor Sanders, to Adopt Resolution Adopting Assessment for Hidden Oaks Area Street Reconstructions, Improvement Project No. 22-06: Motion Passed.

Aye: 5- Mayor Sanders, Councilmember Newland, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

12.3. RES 23-83 Resolution Accepting a Bid from Park Construction Company in the Amount of $3,136,195.18 for the 2023 Southeast Area Street Reconstructions, Improvement Project No. 23-08

Sponsors: Daniel Schluender, Director of Engineering

Mr. Schluender stated the city council approved plans and specifications and ordered advertisement for bids for the Southeast Area Street Reconstructions project on March 20, 2023 with Resolution 23-41. The streets included in the project for Areas 1, 2, 3 and 4 were reviewed. Bids were received on April 18 for Project No. 23-08. A total of 7 bids were received ranging from $3,136,195.18 to $4,042,808.37. The three lowest bidders and the engineer's estimate were reviewed with the council. 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 and recommends that 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 $3,449,815.00. The funding sources for this project are the Pavement Management Fund, Public Utility Funds, and Special Assessments and there are sufficient funds budgeted to cover these costs.

Councilmember Saroya asked if the residents within the project area would be responsible for 35% of the project costs. Mr. Schluender reported this was the case.

Councilmember Saroya questioned if there was an opportunity to delay this project until the council finishes its conversation regarding assessments. She believed it was unfair to assess these residents at 35% if this amount was possibly going to change. Mr. Schluender indicated this was at the council's discretion. He noted if the council were to delay the project, it would be sent back to the very beginning and another feasibility report would be required, delaying the project at least a year. City Manager Wolfe explained all of the other 2023 street projects have been approved with a 35% assessment rate being charged to the residents of Blaine and this was the last one to be considered for approval.

Councilmember Robertson inquired where this project was in the process. Mr. Schluender stated this project held a public hearing last month and the proposed assessments were reviewed. He noted construction would occur this summer and staff would come back to the council with assessment information later this fall or early next spring.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to Adopt Resolution Accepting a Bid from Park Construction Company in the Amount of $3,136,195.18 for the 2023 Southeast Area Street Reconstructions, Improvement Project No. 23-08: Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

12.4. RES 23-76 Resolution to Amend the 2022 Budget

Sponsors: Alison Bong, Deputy Finance Director

Deputy Finance Director Bong stated budget amendments are proposed for the General Fund to align the 2022 budget with council actions taken during 2022. The proposed amendments increase the 2022 General Fund budgeted revenues and expenditures by $228,300. Funding for the proposed budget amendments is from building permit revenues as actual permit revenues collected exceeded the 2022 budget.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to Adopt Resolution to Amend the 2022 Budget: Motion Passed.

Aye: 6- Mayor Sanders, Councilmember Newland, Councilmember Saroya, Councilmember Robertson, Councilmember Fleming, Councilmember Larson

13. Other Business

None.

14. Adjournment

Moved by Councilmember Fleming, seconded by Councilmember Robertson, to adjourn the meeting at 9:17PM.

Motion adopted unanimously.