



City of Blaine

City Council Workshop

September 16, 2024 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

NOTICE OF WORKSHOP MEETING

In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

1. Call to Order

The meeting was called to order by Mayor Sanders at 5:30PM.

2. Roll Call

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

ABSENT: Councilmember Jess Robertson.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Police Captain Russ Clark; Director of Administrative Services Scott Johnson; Finance Director Jason Zimmerman; Assistant City Engineer Stefan Higgins; Accountant Haley Chapman; Fire Chief Dan Retka; Public Works Director Nick Fleishhacker; Deputy Public Works Director Jason Grode; Public Works Water Supervisor Kristian Gaasland; City Attorney Tom Loonan; and City Clerk Catherine Sorensen.

3. New Business

- 3.1.** 2024-404 Reduced Pressure Zone(RPZ)/Pressure Vacuum Breaker(PVB) Regulations and Enforcement Information
Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated in 2020, the Minnesota Plumbing Code was amended to require annual testing on Reduced Pressure Zone(RPZ) / Pressure Vacuum

Breaker(PVB) devices. These devices protect the public water supply from contamination by preventing private contaminated water from flowing back into the public water supply. RPZs are typically installed on commercial buildings and PVBs are typically installed for residential lawn irrigation systems. RPZ devices have had testing requirements for many years. New and existing RPZ devices must be tested annually. PVB devices installed after January 23, 2016, are now required to be tested annually. Testing of these devices must be completed by a licensed tester. Test results are required to be submitted to the City Building Inspections Department. If a device fails the test, it must either be repaired or replaced to comply with the plumbing code.

Mr. Thorvig explained the City of Blaine Building Inspections Department has been tracking test results internally since 2020. There are thousands of these types of devices within the city. Based on the volume of test results received, the department determined it was best to hire a third party to notify property owners of testing requirements and track test results. BSI, Inc. was hired in 2024 to manage this work. The contract amount with BSI was \$1,745. BSI has started to send notification letters to commercial property owners with RPZ devices informing them of the testing and submitting requirements. The 2020 Minnesota State Plumbing code had a greater impact on residential property owners. Residential property owners with a lawn irrigation system installed after January 23, 2016, must have an annual test of the PVB completed. Many homeowners are not aware of this requirement. Testing of these systems can range from \$200-\$400. The Building Inspections Department is planning to notify residential property owners of this requirement starting in 2025. Given the sensitivity of the issue, proper education and communication will be critical.

Mr. Thorvig reported enforcement of the testing requirements is sensitive. For commercial properties, testing requirements have been in place for many years and aren't unexpected. For residential property owners, many are likely not aware of the requirement, and it's likely residents will be upset when they learn that testing is required. Again, the purpose of testing these devices is to ensure the public water supply is safe. As such, it's critical that testing requirements are met by both commercial and residential property owners. City staff surveyed other cities to gauge how they are enforcing the new plumbing code requirements. In general, enforcement ranges from no action, fines or shutting off water services. The building official has strong opinions that strict enforcement is necessary in the event a device isn't tested and contamination of the water system occurs.

Mr. Thorvig commented in addition to private commercial and residential devices, the City of Blaine has many of these devices throughout the city. Public works staff is currently inventorying the number and location of these devices. City devices are also subject to testing. Fortunately, public works have certified staff that can complete the required testing. However, it's possible that city devices may not pass the required test and there is a cost to replace/repair these devices as this would need to be completed by a third party as public works staff are not certified rebuilders. At this time, staff isn't able to estimate what those costs may be and cannot be anticipated for 2025 budgeting purposes. There will likely be future discussions with council on the budget impacts. Staff requested feedback on how to manage enforcement and residential noncompliance.

Further discussion ensued regarding how other cities were managing their RPZ/PVB enforcement programs.

Councilmember Larson questioned how the City would know if a system was installed prior to 2016. Mr. Thorvig explained starting in 2017 a trap was required for irrigation systems. He indicated all systems after 2016 would now need to be inspected annually.

Councilmember Newland asked if commercial properties would be impacted in the same way. Mr. Thorvig stated all devices on commercial properties would have to be inspected.

Councilmember Fleming supported the City doing its due diligence by following this program properly in order to protect the City's water supply. She suggested warning letters be sent to residents and that those who fail to comply within a certain time period be fined. Mr. Thorvig reported the goal would be to bring the properties into compliance.

Councilmember Newland inquired if new homeowners were aware of this new program. Mr. Thorvig stated letters would be sent next year to new homeowners to softly make them aware of the new program.

Councilmember Larson stated she believed the \$200 to \$400 annual inspection fee was cumbersome and that new homeowners should be made aware of this new requirement within the State Plumbing Code. She discussed how newer neighborhoods would be more heavily impacted by this regulation change.

Councilmember Massoglia recommended the City communicate with residents and noted he was on the fence when it comes to enforcement.

Councilmember Newland supported the City having an educational campaign for these programs and noted he anticipates there will be push back from residents. He suggested information be sent to residents in 2025 because the irrigation season was winding down. Mr. Thorvig stated this was his thought as well. He explained he would provide the Council with an update in the new year with better data on the City's compliance rate.

3.2. 2024-373 2025-2029 Capital Equipment Plan and SBM Capital Equipment
Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman stated the Capital Equipment and Projects Fund is used to account for the City's general capital equipment and projects. Capitalized equipment and projects are defined as items over \$10,000 and with a useful life of more than one year. This includes most of the functions of the City, excluding facilities, utilities, and SBM Fire. In May, departments were provided instructions for submitting capital requests which were to be completed by July 1. Finance subsequently worked with departments to discuss submissions and prioritize 2025 requests. In November 2021, a consulting contract was awarded to Management Partners to conduct a Fleet Rightsizing Study. After working through draft reports with an internal team composed of staff from Finance, Public Works, and Safety Services, a final version was provided to the City Council at a May 2022 Workshop. The intent of the study was to evaluate the City's vehicle maintenance operation and develop a plan to make improvements to the program. While the study provided many recommendations and a fleet condition assessment rating system, it is only one factor in the process of determining vehicle replacement. The process that was followed to guide request

timing was reviewed. Staff provided further information on the City's fleet replacement plan along with additional information on the 2025-2029 CIP and SBM Capital Equipment Fund and requested comments or questions from the City Council.

Councilmember Newland asked if the Sterling trucks were being replaced. Mr. Zimmerman indicated these were being cycled out so the City was not in the position where it could no longer find parts.

Councilmember Newland questioned what happened to the City's old plow trucks. Mr. Zimmermann explained these were sold at auction.

Further discussion ensued regarding how difficult the State bidding process has become along with how increasing costs were impacting the need for equipment certificates.

Councilmember Massoglia indicated he liked the idea of levying more versus issuing more debt. He stated it appears the City will have unrestricted reserves in 2024 and asked how these funds could be used. Mr. Zimmerman reported the City's budgeting practices have become much more sophisticated and he was reliant on position vacancy savings. He discussed how the City was budgeting to a budget instead of a tax rate. He commented further on how the unrestricted reserves could be an option for the Council in the future or noted these funds could be directed somewhere else.

City Manager Wolfe recommended unrestricted reserves be directed to workers comp and liability insurance in order to improve the balances for these funds. She explained the City was relying on an unsteady source of revenue to fund equipment and she did not recommend the City go back to this funding model.

Mr. Zimmerman stated he appreciated this recommendation noting the workers comp fund was currently \$1.8 million in deficit.

Councilmember Massoglia stated he was of the opinion some of the IT asks were wants instead of needs. He discussed how quite a bit of heavy duty equipment was being replaced in 2025 and noted he would like to see Public Works purchases brought down slightly.

Councilmember Saroya indicated Public Works was the area where the Council received the most feedback or complaints from the public. She supported providing Public Works with the tools they needed to complete their work. She explained she trusted Public Works Director Fleischhacker's expertise when it comes to what is needed for the Public Works Department.

Councilmember Newland stated equipment was not getting less expensive. He believed the overall goal was to try and minimize the City's debt by putting money aside for future purchases. He stated it would take discipline to set this money aside and noted the lift would not get any easier if the Council were to postpone these items. He commented on how important it was for Public Works to have operational plow trucks during storms in the winter months. He did not believe it would be in the City's best interest to put band-aids on old pieces of equipment.

Councilmember Larson indicated she supported giving the Public Works Department what

they needed to do their job because that was the area where she was hearing the most complaints from residents. She stated perhaps the City Council should have hired a forester last year given how Emerald ash borer was impacting the City.

Councilmember Fleming commented she wanted the Council to be mindful of what is and isn't cut in the budget while also thinking through what the impacts would be on the residents.

Councilmember Massoglia indicated he would like to see \$300,000 in the IT budget taken off for the backup server and running fiber optics to the cold storage. He explained he would also like to see the \$2.3 million in Public Works asks be more aligned with the Police Department's requests.

Councilmember Fleming requested further information regarding the IT requests. Mr. Zimmerman stated these requests have been discussed and noted if the onsite server were to go down, the City would lose a great deal of information. He explained this was the reason a backup server was being requested. He indicated he could go back and see what the collective request could be from this department.

Ms. Wolfe said she would gently push back on the comparison between Public Works and Public Safety and explained the budget for Public Safety far exceeds Public Works. She indicated Public Safety staff costs more but Public Works equipment costs more and encouraged the Council to make fair comparisons between these two departments.

Fire Chief Retka reviewed the Spring Lake Park/Blaine/Mounds View (SBM) Capital Equipment Plan in detail with the Council, noting the upcoming vehicle purchases. He discussed how idle time impacted the department's fire trucks. He described how he was working to level expenses going forward. He explained the new dispatching model was assisting with the reduction in necessary equipment/vehicles.

Mayor Sanders encouraged the Council to continue to reach out to staff if there were questions or comments regarding the capital equipment plan and SBM capital equipment plan.

4. Other Business

None.

5. Adjournment

The workshop was adjourned at 6:58PM.

Signed by



Tim Sanders, Mayor



Signed by

Catherine M. Sorensen, CMC, City Clerk