



City of Blaine

City Council Workshop

September 9, 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, Tom Newland, and Jess Robertson.

ABSENT: Councilmembers Chris Massoglia and Lori Saroya.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; City Attorney Lida Bannink; Community Development Director Erik Thorvig; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Engineering Dan Schluender; Director of Administrative Services Scott Johnson; Interim Safety Services Director/Fire Marshal Todd Miller; Senior Recreation Manager Jerome Krieger; Finance Analyst Nikki Beckers; Accountant Haley Chapman; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. New Business

- 3.1.** 2024-392 Closed Session Pursuant to MN Statute 13D.03 Subd. (1)(b) - Labor Negotiations Update
Sponsors: Scott Johnson, Director of Administrative Services

After motion and second, the council moved into a closed session pursuant to Minnesota State Statute 13D.03 Subd. (1)(b) to discuss labor negotiations.

- 3.2.** 2024-417 Closed Session Pursuant to MN Statute 13D.05(3)(c)(3) - 105th Avenue EDA/City Land Sales
Sponsors: Erik Thorvig, Community Development Director

After motion and second, the council moved into a closed session pursuant to Minnesota State Statute 13D.05 Subd. (3)(c)(3) to discuss land sales for the 105th Avenue Redevelopment District.

- 3.3.** 2024-403 105th Redevelopment Area Schedule of Actions
Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated city staff provided an update to the city council at a workshop on August 19, 2024. The update outlined future actions by the City Council//EDA related to the 105th Avenue Redevelopment project. Based on recent discussions between the development teams, the schedule of actions has been further refined. He provided further information on how the abatement bonds were structured. Staff reviewed a detailed schedule of actions and a description of those actions which are anticipated to come before the City Council/EDA in September and October.

Mikaela Huot, Baker Tilly, summarized the financing for the project and provided further information on the parameters resolutions for the proposed bond sale.

Corey Burstad, Elevage Development, spoke further on the proposed project along with the financing. He then discussed the ground lease that was in place with MASC. He commented on the discussion he had with Councilmember Massoglia who noted he was interested in more mixed use opportunities within the development.

Councilmember Newland asked if there were benchmarks within the pro forma for the stadium that would be part of the master development agreement. Mr. Burstad described how the lease was structured, noting the lease was a lease to own. He explained he would have to fill the gap, if a gap were to occur.

Councilmember Newland questioned if increased building height would cause concerns from MAC. Mr. Burstad explained he would have to go through a formal approval process for building height with MAC. Mr. Thorvig reported there were no buildings proposed within the runway zone.

Councilmember Newland inquired how the sale of the bonds and the timing would be impacted by an interest rate drop. Mr. Burstad explained he was watching this closely and noted a drop in the interest rates could potentially help the development. He commented further on the demo that could be completed yet this winter noting roads would then be built next spring.

Councilmember Newland asked when the bonds would be sold. Ms. Huot anticipated this would occur on October 21.

Councilmember Robertson thanked staff, the developer and Ms. Huot for all of their efforts on this project.

Mayor Sanders agreed and stated it was very exciting to see the development at this point and beginning to really take shape.

3.4. 2024-348 2025-2029 Parks and Open Space Capital Improvement Plan
 Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman, Senior Recreation Manager Jerome Krieger, and Accountant Haley Chapman discussed the proposed 2025-2029 Parks and Open Space CIP with the City Council for review and input. It was noted adjustments will be made to the CIP according to Council feedback, which will then be incorporated into the updated CIP and presented back to the Park Board and Natural Resources Conservation Board (NRCB) for review and recommendation.

Mayor Sanders asked what kind of fencing would be used on the baseball fields when replacements are made. Mr. Krieger stated he would be looking into netting along with fencing. He discussed how some outfield fencing was beginning to lean because the original concrete work was not dug deep enough for the posts.

Councilmember Larson commented on the poor condition of West Lake Trail. She asked how the City determined which trails would be addressed first. Mr. Krieger explained the City completed a PCI rating on all of its trails in order to determine the manner in which trails would be replaced. He discussed how he does the trail work in the fall in order to receive favorable bids from asphalt companies.

Further discussion ensued regarding park trail maintenance.

Councilmember Robertson asked that staff place wetland banking on a future workshop meeting for further discussion. She requested staff also provide council with further information on how much one mile of trail costs to replace. Director of Engineering Schluender stated he would investigate this further and would report back to the council.

Councilmember Larson asked if the tennis courts at Northpoint could be converted to pickleball. Mr. Krieger indicated he could look at painting additional lines, but noted there were people using those tennis courts.

Councilmember Fleming thanked staff for their foresight and for properly setting aside funds for park maintenance and improvements.

Councilmember Larson stated she has heard people asking for a community center or the addition of a gym onto the Mary Ann Young Center (MAYC). Mr. Krieger stated it would not be possible to add a gym onto MAYC at this point because the city did not have the funding.

Council consensus was to support the proposed capital plan as presented. Council also

requested further information regarding the cost of trails per mile to share with residents as talking points and a broader wetland banking workshop discussion.

3.5. 2024-372 2025-2029 Transportation Capital Improvement Plan
Sponsors: Jason Zimmerman, Finance Director

Mr. Schluender stated Public Works and Engineering staff have collaborated with the Finance Department to prepare the Five-Year Transportation Capital Improvement Program (CIP) for 2025-2029. The transportation program covers road preservation, road construction, and traffic signal preservation. The program is reevaluated annually and projects are programmed based on staff expertise, data including current pavement conditions, and Council guidance. Projects in the out-years (2026-2029) may be delayed, accelerated, or moved forward in priority based on regular budget and program discussions, emergent conditions, and other factors including economic pressures. Mr. Schluender, Mr. Zimmerman and Ms. Chapman reviewed the 2025-2029 Transportation CIP in further detail with the council and asked for comments or questions.

Council consensus was to support the proposed Transportation CIP.

3.6. 2024-368 2025 Facilities Operating Budget and 2025-2029 Facilities Capital Improvement Plan
Sponsors: Jason Zimmerman, Finance Director

Interim Safety Services Director/Fire Marshal Miller stated in 2019, as part of the City's efforts to stabilize its general levy and provide a mechanism for ensuring long-term funding for facility improvements, the City Council authorized the creation of an internal service fund to account for facilities management. Internal service funds are used to account for the financing of goods and services provided by one department or activity to other departments or activities of the government on a cost reimbursement basis. To fund the City's facilities, charges are assessed to each department based on the square footage used by each operation. The facilities accounted for and maintained in this fund are City Hall and attached garages, the Public Works Building, Public Works Cold Storage, the Police Training facility, the Mary Ann Young Center, and Fire Station #5. It's important to note this doesn't include park buildings or utility structures (well houses, treatment plants, lift stations).

Mr. Miller explained as the city facilities have been evaluated, a history of deferred maintenance has been identified. The facilities team is working towards remedying the impacts of deferred maintenance and performing regular preventative maintenance, but is struggling with resource constraints, inflationary costs, and a departmental chargeback system that has not yet caught up to the increased needs of the facilities program. The facilities fund has received several transfers from the General Fund since 2019 to provide the fund with working capital. The long-term goal is for this fund to be sustained through departmental charges; however, rightsizing the fees is a work in progress and will continue to require adjustments to fund both operating and capital needs.

Mr. Zimmerman discussed how all of the proposed facility improvements would be done

without bonding for funds. He asked if the Council had any strong feelings regarding the proposed projects.

Councilmember Fleming stated she would have to see where the budget was coming in before supporting the proposed projects. She indicated she may not be able to support renovations to the Council Chambers when taxes were going up for residents.

Councilmember Robertson agreed noting she may not be able to support upgrades or improvements to the Council Chambers at this time.

Councilmember Newland supported the City keeping up with maintenance such as painting. He suggested the projects be broken down into smaller pieces in order to make the projects more manageable.

Mayor Sanders indicated it will be very painful for the council in 2029 if no improvements were made to City Hall between now and that time. He suggested some improvements be made in 2027 or 2028, especially given how prices will only continue increase over time.

Councilmember Larson supported keeping the larger projects staggered over the next five years. Mr. Miller provided further comment on the replacement plan and how the projects were spread out over the coming years.

Councilmember Newland stated he understood some projects could not be broken down, such as a roof or parking lot replacement. He supported the city taking care of what it has while being disciplined in order to properly maintain its facilities.

Mayor Sanders thanked Mr. Miller for his detailed presentation on the city's facilities.

Council consensus was to support the proposed Facilities CIP.

4. Other Business

- 4.1.** 2024-418 Preliminary Tax Levy Follow-up
 Sponsors: Jason Zimmerman, Finance Director

Mr. Zimmerman provided the council with follow up information regarding the preliminary tax levy.

City Manager Wolfe reported the Public Works Expo would be held on September 17 and invited the council to attend.

5. Adjournment

The workshop was adjourned at 8:46PM.



Signed by

Tim Sanders, Mayor

Signed by

Catherine M. Sorensen, CMC, City Clerk