



City of Blaine

City Council Workshop

December 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; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Public Works Director Nick Fleischhacker; Interim Fire Marshal Todd Miller; City Attorney Lida Bannink; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. New Business

- 3.1.** 2024-580 Closed Session Pursuant to MN Statute 13D.03 Subd. (1)(b) - Labor Negotiations Update
Sponsors: Scott Johnson, Director of Administrative Services

After a motion and second the Council moved to a closed session pursuant to Minnesota State Statute 13D.03 Subd. (1)(b) to receive a labor negotiations update.

- 3.2.** 2024-583 Closed Session Pursuant to Minnesota Statute 13D.05, Subd. 3(a) - Continuation of City Manager Performance Review
Sponsors: Scott Johnson, Director of Administrative Services

After a motion and second the Council moved to a closed session pursuant to Minnesota State Statute 13D.05 Subd. (3)a to continue the city manager's performance review.

- 3.3.** 2024-545 Walters Transfer Station Expansion Discussion
Sponsors: Sheila Sellman, City Planner

City Planner Sellman stated in September, Walters Recycling and Refuse applied for a Conditional Use Permit (CUP) amendment to increase the annual capacity at their solid waste transfer station. The Planning Commission held a public hearing on October 8, 2024, and recommended denial. The CUP amendment was originally scheduled for the November 4, 2024, City Council meeting. Walter's requested an extension to the CUP amendment in order to prepare an odor prevention, mitigation, and response plan to address existing concerns and outline a process to address future concerns if the expansion is approved. Given the complexity of the plan, Walter's would like to present information at a workshop and answer questions the City Council may have about the plan and potential expansion of the facility. Staff commented further on the proposed expansion noting the overall purpose of the facility expansion is to receive and sort organic materials out of the municipal solid waste stream. The organic material is already in the waste stream and comprises approximately 20-25% of the existing volume by weight. Ramsey and Washington Counties have implemented an organic food scrap collection program under which Food Scrap Bags (FSBs) are used by residents to separate their organic food scraps from their other Municipal Solid Waste (MSW). These FSBs are then placed by residents in the same collection cart as their MSW which is then collected by waste haulers and delivered to the Recycling and Energy (R&E) Center or one of two partnering transfer stations. Staff commented further regarding the proposed expansion and noted Walter's had representatives in attendance to address the Council.

Jeff Newsom, Chief Operating Officer of Walter's, thanked the Council for considering the proposed expansion at Walter's. He introduced his team members to the Council and provided background information on Walter's. He explained George and Greg Walter founded Walter's in 1988 and being a good neighbor was at the center of the company's values. He indicated this parcel of property has been owned by Walter's since 2000 and was zoned I-2. He reported a transfer station was approved by the City in 2001 and was constructed in 2012. He described the work that was conducted at a transfer station. He discussed the opportunities that would be provided through the proposed expansion by diverting food waste scraps from general waste. He explained the MPCA estimated 25% of overall volume in trash was comprised of food scraps. He explained Ramsey and Washington Counties have committed to a more environmentally friendly solution to address food scraps. He commented the program would provide food scrap bags that could then be collected in the garbage cart. He indicated these bags would then need to be sorted out, which required new technology. He stated the proposed expansion would allow for this new technology along with the sorting and processing of the sorted food scrap material. He

discussed how the proposed new collection would be a more sustainable option for the community when managing waste. He reported the State of Minnesota has a goal to reach a 75% recycling rate, which would include food scraps. He indicated all communities 5,000 or greater in Ramsey or Washington County would have to have curbside organics collection by 2030. He explained Anoka County was working to implement a plan in January of 2025. He stated Walter's has received a grant from the MPCA in support of the proposed expansion.

Mr. Newsom reviewed graphics of the proposed expansion, which was a 22,000 square foot addition that would divert 13 thousand tons of food scraps each year. He indicated this material was already coming into the facility, or a nearby facility. He stated he recently modified the CUP permit request from 340,000 tons to 230,000 tons. He noted the work that would be conducted at the facility was still consistent with the I-2 zoning district. As a commitment to being a good neighbor, he notified residents near the facility of the proposed expansion and held a community meeting in the fall. He recognized that community members have questions and concerns. He discussed how he has enhanced the design of the odor mitigation system. He explained for years he has had a proactive approach in addressing issues with the neighbors. He discussed how Walter's proactively monitors odor three times per week from 10 different sites at the facility, while also taking into consideration how the weather may impact odor. He reported he works to respond to odor complaints in a timely manner. He indicated Anoka County also conducts random inspections of the facility each month to ensure Walter's was compliant with its county license. He stated the enhanced odor control system would assist with remaining a good neighbor in the community. He reported the new expansion would include an updraft fan system as well as an odor neutralizer. He discussed how the system in Newport has performed and noted it has exceeded the expectations as stated in the letter provided from the City of Newport.

Mr. Newsom stated in speaking with staff he understood this was the first time an applicant had put self-imposed additional conditions on to a permit. He explained he was doing this because he wanted to be responsive to the community, while coexisting in the community, and because he believed this was the right thing to do for the community. He thanked the Council for making time for his presentation and noted he was available for comments or questions.

Councilmember Larson asked why there was a need for volume growth if the material was already being sent to this transfer station. Mr. Newsom stated currently there is not capacity to manage the goals that have been set in Anoka County. He commented the current material involves portions of Coon Rapids and Andover and the expansion allows for this type of system to be brought to all communities in Anoka County.

Mike Moroz, President and CEO of Walter's, stated the concern of jumping from 140,000 tons to 340,000 tons was a concern with staff. He explained the tonnage request has been reduced with the MPCA, Anoka County and the City. He reported the waste that was coming in was only a portion of the County's waste. He indicated the expansion would allow Walter's to be able to manage a consistent organics program for communities in Anoka County. He stated the original volume would allow for a small amount of volume from Ramsey and Washington County as well. Mr. Newsom reported the additional volume would grow incrementally over time and would not be taken on immediately.

Councilmember Newland requested further information on how complaints are managed. Mr. Newsom stated the current procedure for complaints was to respond in a timely manner to understand what factors were causing the concern. He discussed how the nasal ranger was dispatched to the property where the complaint occurred and the current odor system was addressed. In addition, he has also reviewed what material was brought in to see if this was the cause. He explained the treatment of the air at the facility can also be adjusted to assist with neutralizing the air. Nate Klett, Foth Companies, further discussed how the new system would assist with neutralizing odors.

Councilmember Robertson thanked the applicant for providing the Council with additional information. She asked if Walter's had seen a preview of what Anoka County's 2030 plan would look like. She stated she was frustrated by the fact the State was mandating things that seemed completely unrealistic and while she wanted to leave the world a better place, she questioned how the community would reach a goal of having 75% of all waste recycled by 2030. Mr. Newsom clarified Anoka County was already at a 55% recycling rate. He stated with 8-12% participation in organics collection, the City would be close to reaching the 75% goal.

Councilmember Robertson indicated she hasn't seen the plan but has made the request. She explained she was a very data driven person and appreciated the information Walter's has provided to the City Council. She commented on how there has been a misstep for her because, without reviewing the plan from the County, she was uncertain if she was making the best decisions for the community.

Jennefer Klennert, HDR, reported the solution Walter's, Ramsey and Washington Counties have been working on would help get the organics requirements addressed, which would require infrastructure to be in place. She reported the proposed expansion would allow for the proper technology to be in place to assist with the sorting of organics material when the program rolls out.

Mr. Newsom stated the expansion would require a substantial investment from Walter's and the City would not be required to make an investment in order to provide organics recycling to the residents of Blaine.

Councilmember Larson explained she spoke to Anoka County Commissioners and other local representatives regarding what the City had to do. She discussed how this request goes beyond odor for a neighborhood but also to the legality. She stated if this item were to not pass, what would the alternative solution be. Mr. Newsom discussed the programs that were being rolled out and explained Walter's was working to achieve or make progress towards a goal. It was his hope that the City could support these efforts. He anticipated it would be problematic throughout the entire County to manage organics recycling without additional carts and traffic on the City's roadways.

Ms. Klennert reported Walter's had a cross-county collaboration in place and funding was coming in from other counties that would be utilizing this system, which would make the services more affordable for Anoka County. She reported if this expansion were to not move forward at this time, it would be more costly for Anoka County in the future.

Mr. Moroz agreed noting he has discussed an organics program with staff and the City

would have to consider how quickly they would like to roll this program out. He explained Walter's has requested an amendment to its CUP and was willing to take a business risk. He reported Walter's would be going above and beyond to address the odor from this facility. He stated the matter at hand for Council to consider was whether or not Walter's was meeting the requirements to have an expansion to the facility. He reported as a trash hauler Walter's had to work to meet MPCA goals and that was the question before the Council.

Councilmember Larson stated if this innovative idea were to not happen, would the alternative be that residents would have to have an additional bin or organics, along with another garbage truck on the street. Mr. Moroz reported this would be the alternate option for residents, but stated he was hearing from residents that they do not want another bin and extra trucks on streets. He explained Walter's already had contracts with Ramsey and Washington Counties to process their waste and he was asking for permission to expand the facility to honor these contracts.

Mr. Newsom reported no one was addressing how to manage this and while it might be early, he did not believe a better approach was available. He was of the opinion the proposed collection method would be best for Walter's going forward, without requiring additional carts.

Mr. Moroz commented further on how the proposed sorting technology would be more efficient for organics collection and would cost residents less in the long run than requiring additional carts and trucks. He stated he was trying to make this new technology available to Blaine because Blaine was his hometown.

Ms. Klennert discussed the investments that would be made to the updraft fans that would make Walter's a better neighbor.

Mr. Moroz reported Walter's would be investing \$350,000 to \$400,000 in a state of the art odor control system, over and above what was in place at this time with the new facility.

Councilmember Fleming thanked the representatives for attending this meeting. She stated the main concern from the facility at this time was the odor and explained this concern was not only coming from adjacent residents but from adjacent businesses as well. She asked if the majority of the odor was coming from organics. Mr. Marose stated this was the case.

Councilmember Fleming questioned if the organics collection bags would assist with addressing the odor coming from the organic matter that was currently being tossed in the garbage. Mr. Moroz indicated the non-permeable organics bags would assist with addressing odor concerns.

Councilmember Fleming asked what kind of chemicals would be going into the air from the odor control system. Mr. Newsom stated there was a variety of chemicals that would be used to address odors and each have a material safety data sheet (MSDS). He explained all were food grade safe. He commented further on how effective the odor neutralizing system has been in the city of Newport.

Councilmember Fleming stated residents were concerned the proposed odor mitigation

system may not work. She questioned if Walter's would be willing to push the expansion off one year, but have the odor neutralizing system installed this year in order to receive feedback from the surrounding neighborhood. Mr. Newsom stated he has shared the MSDS information with staff and residents. He commented Walter's did not want to introduce a system that would not meet the needs of the community but rather look at multiple facilities throughout the country to ensure the mitigation system would be effective.

Councilmember Robertson stated she understood odor was subjective. She understood there were residents that were having quality of life impacts. She discussed how the Blaine trash facility was unique because it was only 900 feet from residential homes. She inquired if procedures were in place to address odors. Mr. Moroz stated he was so confident in the effectiveness of the mitigation system because they were proven throughout the country. In addition, he was willing to pay a third party to monitor the odors in order to report back to the City.

Councilmember Robertson inquired if this would include future monitoring with the nasal ranger. Mr. Moroz reported this would include use of this system. Mr. Newsom stated this was the industry system for odor complaints.

Sam Holm, Facility Manager for Ramsey/Washington County, discussed the specifics that have been done at the Newport facility. He explained preventative odor monitoring was completed. He stated there were 36 detects of odors last year and only eight were trash related. He described the process that was followed for odor complaints in Newport. He stated he monitored multiple locations and noted there was a walking/bike path between the Newport facility and the freeway.

Further discussion ensued regarding the Hennepin Energy Recovery Center (HERC) in Minneapolis.

Councilmember Robertson asked how many updraft fans would be installed in the Blaine facility. Mr. Newsom stated this would be based on an engineer's recommendation for the Blaine facility. He stated it could be three or it could be six. He anticipated there would be at least four.

Councilmember Newland inquired how large the organics bags would be and if they were biodegradable. Mr. Holm reported the bags were specially designed for the organics program and would be either 6 or 13 gallons in size. He commented further on how Walter's was working to address how to reduce waste while also diverting it from landfills. He indicated the organics program would greatly assist with this. He explained Walter's would not be bringing in new waste into the system, but rather would be sorting the waste in a new manner to keep organics out of landfills.

Councilmember Fleming stated the CUP would be changing from 140,000 to 340,000 tons. Mr. Newsom stated he modified his request to 230,000 tons.

City Manager Wolfe asked if the expansion was solely needed for the sorting of organics. Mr. Moroz reported this was the case, noting the new conveyor would be for organics sorting and another conveyor would have to remain in place until all counties were on board with the organics program.

Councilmember Fleming reported the odor would be 100% better if all of the organics were tied into bags. She questioned how the City and Walter's would get residents to comply with the organics recycling. Mr. Moroz indicated this would take a lot of education with the public. Ms. Klennert explained there would be a lot of outreach and education in order to encourage participation. Mr. Newsom understood it would take some time, but anticipated there would be an evolution over time. He stated the easier the program was, the higher the participation rate would be.

Councilmember Robertson stated construction would begin in 2025 and the new facility would be ready for use in 2026. She questioned what mitigation factors or procedures could be put in place to address the concerns from the neighbors immediately. Mr. Newsom stated he would not be able to add the additional fans until the construction phase but noted he could integrate some of the monitoring for additional data points.

Councilmember Robertson inquired if there have been challenges or CUP violations with Walter's over the years. Ms. Sellman explained this property was zoned I-2 Heavy Industrial. She discussed the different setbacks that apply to the industrial operations versus the weigh station. She indicated a CUP was in place for the outdoor storage, noting the dumpsters were to be stored on the east side of the property.

Councilmember Robertson asked if the reduction in tonnage from 340,000 to 230,000 would still require an expansion of the same size. Mr. Moroz reported the facility requirements would remain the same. He noted the traffic mix would change, noting there would be fewer big trucks.

Councilmember Robertson questioned if there was a commitment to the City that could be made that Walter's would not be asking for an increase to 340,000 tons in five or ten years. Mr. Moroz stated if the main concern was odor and the new odor mitigation system works, would it matter if this facility was sorting more tonnage. He reported he did not have an intention to come back to request additional tonnage. Mr. Newsom explained the intent was to not come back to make another request in the future. He understood he was limited with the size of the facility that could be located on this property. He had a strong believe 230,000 tons was the limit for this property. However, he was uncertain how technologies would change in the future.

Councilmember Robertson inquired if there would be a need for more equipment in the future to operate this type of sorting. Mr. Moroz indicated he could not predict the future, but anticipated it would make more sense to find another facility to service a different group of clientele versus adding onto this facility. He discussed how it would be cost effective to have a facility in the south metro versus having to haul trash from Burnsville up to Blaine for sorting.

Councilmember Robertson asked that Walter's work to identify how trash was getting from the site into the adjacent neighborhood. In addition, she asked that Walter's work to address traffic concerns. Mr. Newsom commented he was inspected by Anoka County on a monthly basis and this included addressing litter in and around the facility. He explained he was not required to walk up and down Radisson Road, but this work was being done to ensure Walter's was being a good neighbor. He reported traffic to and from the Walter's

facility only occurred from Radisson Road. He discussed the street sweeping that was now occurring on Xylite Street. He commented how it may benefit the City to make Xylite Street a dead end as it would ensure only industrial traffic was using this roadway and keep residential traffic out of the area.

Mr. Moroz noted he would have 250 vehicles going in and out of the Walter's facility on a daily basis and noted the intersection has 450 vehicles per day. He stated the facts and the traffic perceptions along Xylite Street may not be factually aligned. He explained if the new facility were approved, there would be fewer big trucks and semi trucks needing to visit the site, which would ease the bottleneck at the intersection.

Councilmember Robertson thanked the Walter's representatives for fielding her questions, noting the City Council was pinned between a local business and the residents on this request. She reported none of her questions were personal in nature, but rather she was asking questions on behalf of the residents. She thanked the Council for allowing her to ask so many questions.

Ms. Wolfe stated she understood yard waste could be a source of odor. She asked if yard waste was being diverted from the Blaine facility. Mr. Newsom reported Walter's was working to be proactive in its operations. He stated this was a material waste stream that could be more odorous and for this reason, 75% of the yard waste was being diverted to a different facility.

Councilmember Fleming asked which came first, the residential neighborhood or the Walter's facility. Mr. Thorvig reported the neighborhood was built first, but Walter's took ownership of the industrial transfer station property in 2001. He clarified that in 2014, there were 17 houses on 103rd Court with five built after the transfer station was constructed by Walter's. Mr. Moroz stated he was permitted to build the transfer station in 2001, but the facility was constructed in 2014 and invited the Council to attend a tour at the Walter's facility.

Mayor Sanders thanked the Walter's representatives for speaking with the Council this evening.

The Council took a short recess.

3.4. 2024-564 Municipal Cannabis Presentation
 Sponsors: Erik Thorvig, Community Development Director

Mr. Thorvig stated city staff were approached by the Red Pine Group regarding a potential partnership for retail municipal cannabis. Representatives from Red Pine Group were in attendance to present information about their company and a potential partnership.

Zander Abrams, Red Pine Group, thanked the Council for allowing them to attend this meeting. He introduced himself and his team to the Council, noting he currently lived in California but was originally from Minnesota. He stated the Red Pine Group was interested in working with and investing in communities in Minnesota. He discussed how the Red Pine Group had almost 30 years of combined cannabis experience across the country, which

could benefit Blaine, if the City were to pursue municipal cannabis. He stated Minnesota was offering a unique opportunity to municipalities through municipal cannabis. He indicated this was not allowed in any other state. He explained the Red Pine Group would be willing to provide all the upfront capital necessary for a municipal cannabis retail shop in Blaine, which would include costs for the building and operations and reported they would provide the City with a 25% revenue share.

Robert Feldman, Red Pine Group, explained his group is familiar with all aspects of this industry and owns properties from New Jersey to California, Michigan to Florida. He reported his group was willing to invest \$1 to \$2.5 million in a new cannabis facility and had the experience to hire and operate a successful facility. He discussed how cannabis was a new industry in Minnesota, but was not new to the Red Pine Group.

Mr. Abrams reported it appears Minnesota would be a limited licensure state. He stated the social equity licenses have stalled and the Office of Cannabis Management (OCM) has been quiet on when the lottery will appear. He noted cities will be allowed to own, operate and profit from a cannabis retail shop. He commented on how critical the timing was for municipal cannabis retail shops, noting it would be important for the City to have a property identified for this use. He discussed how important it would be for Blaine to be the first to market in order to capture revenues in this market.

Mr. Feldman discussed how each state was making its own rules and regulations when it comes to cannabis. He reported he wants the City to understand the Red Pine Group has an understanding of all of these regulations.

Sandy Kronenberg, Red Pine Group, explained any Schedule 1 drug was not able to deduct any regular expenses which means many large operations have failed. He discussed how his group's experience across the country was leading to successful cannabis retail shops.

Mr. Abrams reported a lot of cannabis retail shops fail because they don't have the upfront capital. He explained the Red Pine Group had the finances in place to offer a partnership with cities located in strategic locations that have a friendly government. He noted the Red Pine Group was willing to invest \$1 to \$2.5 million to build out and operate a retail cannabis location in Blaine. He shared photos of other cannabis retail shops that were owned and operated by the Red Pine Group.

Kieran Baack, Red Pine Group, noted his group has underwritten 100 different stores throughout the country. He noted with a population of over 70,000 he estimated the municipal cannabis shop would see 400 customers per day with each customer spending an average of \$120 for three to four products. He commented the number of people purchasing would increase over time, while purchase prices come down as more manufacturers become available. He projected in 2028 there would be \$14.36 million in revenues and after pulling out the cost of goods sold, this would give the site \$4.2 to \$5 million per year in revenues.

Marvin Karana, Red Pine Group, stated he believed these numbers were conservative. He explained the first adult use shop in Michigan had \$40 million in sales. He commented further on how this shop would be set apart by providing a positive customer experience and online ordering. He noted security would be available onsite.

Mr. Abrams explained the bottom line would be that the City could be receiving \$5.1 million in revenues from the revenue share. He discussed how the state and federal tax implications for the City were still unknown. He reviewed the proposed ownership structure, which would be 25% to the City and 75% to the Red Pine Group, with the City providing the license and the Red Pine Group providing the building and inventory.

Mr. Kronenberg understood this was the holiday season and asked the Council to have a discussion offline with the Red Pine Group if there was interest in pursuing a partnership. He commented on the potential timeline for getting a municipal cannabis retail shop in place.

Mr. Feldman reported the Red Pine Group would work with the City to ensure the building design fits the look and feel of the community.

Mayor Sanders thanked the Red Pine Group for their presentation.

Ms. Wolfe indicated this was the first time staff was hearing this presentation but believed it was an important presentation and noted staff was looking for direction on how to proceed.

Councilmember Larson reported this would provide a new revenue source for the Council to consider.

Councilmember Robertson asked if there were other cities in the Midwest that the Council could contact to receive feedback on the process. She reported the City did not have a lot of commercial vacancies and questioned who would pay the overage if a build out cost more than \$2.5 million. Mr. Feldman discussed how ideally he would like a building along a major thoroughfare with ample parking. He understood he may have to overpay in order to have the right property. He indicated there would be zero out of pocket expense for the City in order to get the retail cannabis shop constructed and operational. He stated the Red Pine Group would be looking for a municipal license and partnership with the City in return.

Councilmember Robertson explained the regulations from the OCM continue to change and the City was still waiting to see how many retail licenses Blaine would have to support. She thanked the Red Pine Group for showing interest in the City of Blaine.

Mr. Feldman reported the clientele coming in and out of this shop would surprise the Council. He encouraged the Council to consider the use of cannabis similar to alcohol use. He commented further on how important it would be to find the right location for the municipal cannabis shop.

Councilmember Larson asked if the Red Pine Group worked with any other municipalities in the country. Mr. Abrams stated Minnesota was offering something very unique that was not allowed anywhere else in the country in that municipalities could have a retail cannabis license which would allow for revenue sharing. He reported the local governments that he has had traction with were those who were interested in new revenue streams without having to raise taxes.

Councilmember Newland asked if the 25/75 revenue split was set or could this be negotiable. Mr. Karana stated the split was proposed due to contributable capital. He reported this split was proposed to other cities and he would not be willing to make an adjustment as this would show favor for one city over another.

Mr. Abrams thanked the City Council for their time, consideration and for their service to the community.

Mr. Thorvig stated the next steps would be to continue working with this group, if there was interest from the Council. He explained staff is working to determine whether the matter should be sent out for an RFP because there were other investment groups that do this type of work and will be doing the research to see if an RFP is necessary.

Mayor Sanders reported he understood the necessity for speed and being first to market if the City was the partner. He explained he saw value in the City helping to select the cannabis retail shop location. He supported the City acting quickly on this. Councilmember Larson agreed.

Councilmember Robertson stated she wanted to ensure the City was doing its due diligence when considering municipal cannabis. She wanted to learn more about the tax implications and if there would be League of Minnesota Cities Insurance Trust concerns and would be interested in the Police Chief's thoughts about this proposal.

Mayor Sanders commented on how a municipal cannabis facility may help keep the number of other retail shops down. He appreciated the new revenue stream that could be created from this use and supported the City being in control of the cannabis retail.

Councilmember Larson explained she liked the idea of people with knowledge running the cannabis retail versus possibly a social equity group.

Council consensus was to direct staff to begin the due diligence for the proposal from the Red Pine Group.

3.5. 2024-577 Fire Station 2 Presentation

Sponsors: Brian Podany, Safety Services Manager/Police Chief

Safety Services Director/Police Chief Podany gave an overview of the current condition of SBM Fire Station 2 located at 1149 89th Avenue NE. SBM Fire Department has updated their response plan and is no longer responding out of Station 2. Accordingly, the station is not staffed or equipped as a response station. It is currently being used for storage, an Allina Ambulance substation, and a Police Department break area. A summary was presented of the existing state, conditions and uses of the building, as well as considerations regarding what the building can and may be used for in the future. Staff provided further updates regarding other public safety facilities, such as a planned future fire station. He stated he would be bringing forward garage potentials for the Council to consider in January.

3.6. 2024-582 Well Interference Update

Public Works Director Fleischhacker provided council with an update on the well interference complaints. Some meetings and discussions with the DNR have taken place, proposals and model agreements were provided to the city, and additional modeling was prepared to measure the potential impact of the city wells.

Mayor Sanders asked what the timeline would be moving forward. Mr. Fleischhacker stated a completion timeline has not been provided from the DNR, but the matter should be resolved in a year or year and a half. Ms. Wolfe discussed how staff was setting deadlines and following up with the DNR because she did not believe a year or year and half was not acceptable. She commented on how the initial modeling from Barr Engineering has proven to be quite accurate for the City and the DNR was now looking to Barr Engineering.

Mr. Fleischhacker reviewed the mapping from the DNR versus Barr Engineering in further detail with the Council.

Ms. Wolfe stated it appears the City has gone above and beyond and she hoped permitting could move forward.

Councilmember Robertson asked if there would be any benefit to having the lobbying team or senator to speak with the DNR. Ms. Wolfe indicated she was looking forward to seeing what information comes out in January.

Mayor Sanders hoped the situation did not require involving the legislative team.

Council thanked staff for their continued efforts on this matter.

4. Other Business

Ms. Wolfe stated it has proven difficult to find a date for the Council's winter retreat but that a date will be finalized soon then invited the Council to attend the pancake breakfast on December 10.

Ms. Wolfe asked if the Council would be willing to support the closing of City Hall on December 24. The Council supported this action and directed staff to prepare a motion for formal action.

Ms. Wolfe indicated finance staff was working to prepare for the council meeting on December 16. She discussed the adjustments that were made to the budget in order to account for the two new officers. She asked that she be allowed to work with staff to find some combination of vacant positions in order to minimize the impact on services but to create a balanced budget.

Councilmember Robertson stated her intention was to leave the vacant positions open and not have them filled in 2025. She looked forward to the Council having a budget subcommittee in order to have further discussions on the budget and budget policies. She indicated it was not her place to remove job positions from the budget. Ms. Wolfe stated she would work to manage vacancies in order to achieve the necessary savings.

Councilmember Fleming asked what the options were for the staff vacancies. Ms. Wolfe stated staff has debriefed on this but does not have options for the Council to consider at this meeting.

Finance Director Zimmerman asked if the intent was to hold the positions open for one year for the evidence tech and permit tech and further evaluate these positions for 2026. Councilmember Robertson stated this was her intent.

5. Adjournment

The workshop was adjourned at 9:05PM.



Signed by

Tim Sanders, Mayor

Signed by

Catherine M. Sorensen, CMC, City Clerk