



City of Blaine

City Council

April 7, 2025 | 7:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

AGENDA

1. Call to Order by the Mayor

2. Pledge of Allegiance

3. Roll Call

4. Awards - Presentations - Organizational Business

5. Communications

6. Open Forum

Open Forum is an opportunity for the public to share comments, concerns, or input on other items. While open forum is not intended to provide for response or discussion opportunities, if follow-up is needed, city staff will work to contact the speaker(s) outside of the meeting to arrange for that follow-up. Each speaker will be limited to 3 minutes with a maximum of 15 minutes set aside for open forum.

7. 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 so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

7.1. 2025-67 Schedule of Bills Paid
Sponsors: Jason Zimmerman, Finance Director

7.2. 2025-68 Approval of Minutes
Sponsors: Cathy Sorensen, City Clerk

7.3. 2025-69 Approve Temporary Nursery Sales License for Frattalones Hardware and Garden
Sponsors: Cathy Sorensen, City Clerk

- 7.4.** RES 25-65 Resolution to Approve a Premise Permit for Lawful Gambling Activity for Andover Football Association at Acapulco Restaurant, 9360 Baltimore Street NE, Suite 160
Sponsors: Cathy Sorensen, City Clerk
- 7.5.** 2025-70 Approve Temporary Liquor Licenses for Invictus Brewing Company
Sponsors: Cathy Sorensen, City Clerk
- 7.6.** 2025-71 Approve 2025-2026 Vending Truck Licenses
Sponsors: Cathy Sorensen, City Clerk
- 7.7.** 2025-72 Approve 2025-2026 Kennel Licenses
Sponsors: Cathy Sorensen, City Clerk
- 7.8.** 2025-73 Approve a Tobacco and Tobacco Products License for Northstar Cigars, located at 2180 105th Avenue NE, Suite 170
Sponsors: Cathy Sorensen, City Clerk
- 7.9.** 2025-74 Motion for Ratification of Local 477 (Deputy Police Chief) Labor Agreement from November 18, 2024-January 1, 2026
Sponsors: Scott Johnson, Director of Administrative Services
- 7.10.** RES 25-47 Resolution Authorizing Temporary Parking Restrictions and Road Closures for the Johnsville Area Garage Sale Event Security Plan
Sponsors: Brian Podany, Safety Services Manager/Police Chief
- 7.11.** 2025-75 Motion Approving Year 2 Term for Flock Safety Automatic License Plate Reader(ALPR) Cameras
Sponsors: Brian Podany, Safety Services Manager/Police Chief
- 7.12.** RES 25-62 Resolution Accepting Bids and Awarding the Contract to Musco Sports Lighting, LLC. in the Amount of \$189,900 for the Blaine Baseball Complex Field 5 Baseball Lighting Project (P2412)
Sponsors: Jerome Krieger, Sr. Recreation Manager
- 7.13.** 2025-76 Motion Authorizing Centennial Elementary's Request for Parking Restrictions for a Family Event
Sponsors: Daniel Schluender, Director of Engineering
- 7.14.** RES 25-58 Resolution to Establish Speed Limit on Lever Street NE from 125th Avenue NE (CSAH 14) to 131st Avenue NE.

Sponsors: Daniel Schluender, Director of Engineering

- 7.15.** 2025-77 Motion to Authorize the Mayor and City Manager to Enter into a Contract with Bolton & Menk, Inc. for Construction Services for for the Water Tower 2 Rehabilitation, Improvement Project No. U2315 (24-21)

Sponsors: Nick Fleischhacker, Public Works Director

- 7.16.** 2025-78 Motion to Authorize the Mayor and City Manager to Enter into a Contract with Barr Engineering Co. for a Large-Scale Pilot Test Work Plan for the Water Treatment Plant 1 Underdrain Design and Iron/Manganese Filter Pilot Project, Improvement Project No. 23-21

Sponsors: Nick Fleischhacker, Public Works Director

- 7.17.** RES 25-59 Resolution Authorizing CIP Budget Amendment for a Tandem Axle Plow Truck (E2409)

Sponsors: Chad Miers, Fleet Manager, Nick Fleischhacker, Public Works Director

8. 7:00 PM - Public Hearing and Items Published for a Certain Time

- 8.1.** RES 25-46 Conduct Public Hearing and Adopt a Resolution to Vacate Drainage and Utility Easements on Lot 1, Block 1, Larson's Estates, according to the recorded plat thereof, Anoka County, Minnesota; Vacation No. V25-01

Sponsors: Daniel Schluender, Director of Engineering

- 8.2.** 2025-79 Approve On-Sale and Sunday Intoxicating Liquor Licenses for Hope Breakfast Bar, 10950 Club Pkwy NE, Suite 110

Sponsors: Cathy Sorensen, City Clerk

9. Development Business

10. Administration

- 10.1.** RES 25-51 Resolution Accepting a Bid from Asphalt Surface Technologies Corporation (dba ASTECH Corp.) in the Amount of \$191,515.80 for the 2025 Crack Sealing Project, Improvement Project No. T2502 (25-02) and Amending the Project Budget

Sponsors: Daniel Schluender, Director of Engineering

- 10.2.** RES 25-54 Resolution Granting the Assignment of a Purchase Agreement between Tompkins Development, LCC and the City of Blaine

Sponsors: Erik Thorvig, Community Development Director

- 10.3.** RES 25-56 Resolution Approving a Cost Share Agreement with HJ Development

Sponsors: Erik Thorvig, Community Development Director

- 10.4.** RES 25-63 Resolution Declaring the Official Intent of the City to Reimburse Certain Expenditures Related to Costs Associated With the Purchase Agreement and Infrastructure Cost Share at the Southwest Corner of 125th Avenue and Lexington Avenue
Sponsors: Jason Zimmerman, Finance Director

11. Other Business

12. Adjournment

CITY OF BLAINE**SCHEDULE OF BILLS PAID****APPROVED ON 04/07/2025 FOR PAYMENTS THE WEEK OF 03/14/2025**

Vendor Name	Description	Amount
ADVANCED GRAPHIX INC	Graphics for Bearcat	\$ 302.00
AMAZON CAPITAL SERVICES	Inspection Tools - Level, tape, flashlight	\$ 14.99
AMAZON CAPITAL SERVICES	Desk Scanner; PW Office	\$ 252.00
AMAZON CAPITAL SERVICES	Inspection Tools - Level, tape, flashlight	\$ 35.41
AMAZON CAPITAL SERVICES	Retractable badge clips, hard drives	\$ 356.35
AMAZON CAPITAL SERVICES	Snap Ring Pliers; Mechanics Tools	\$ 94.98
AMAZON CAPITAL SERVICES	Screen protectors for new phones/Computer supplies for new hires	\$ 217.67
AMCS GROUP INC	Software Subscription/Activation, 50 additional assets	\$ 325.40
AMCS GROUP INC	Software Subscription/Activation, 50 additional assets	\$ 404.00
ASPEN MILLS INC	CSO uniforms and clothing	\$ 56.45
ASPEN MILLS INC	CSO uniforms and clothing	\$ 46.95
ASPEN MILLS INC	CSO uniforms and clothing	\$ 113.95
ASPEN MILLS INC	CSO uniforms and clothing	\$ 41.45
ASPEN MILLS INC	CSO uniforms and clothing	\$ 261.98
ASPEN MILLS INC	CSO uniforms and clothing	\$ 189.95
ASPEN MILLS INC	CSO uniforms and clothing	\$ 304.85
ASPEN MILLS INC	CSO uniforms and clothing	\$ 251.84
ASPEN MILLS INC	CSO uniforms and clothing	\$ 351.01
ASPEN MILLS INC	CSO uniforms and clothing	\$ 189.95
AT&T MOBILITY	Employee cell phone service February 2025	\$ 8,480.38
BARNUM COMPANIES INC	PD gate planned maintenance	\$ 325.00
BARNUM COMPANIES INC	PW repair on rear gates	\$ 690.60
BARNUM COMPANIES INC	PD repair multiple doors	\$ 1,428.98
BLAINE BROTHERS INC	Trailer lights: PW stock	\$ 140.90
BOLTON & MENK INC	PFAS Advisement; Water Dept	\$ 450.00
BOLTON & MENK INC	Water Modeling Scenarios, I/P 24-08 (U2408)	\$ 1,520.00
BOLTON & MENK INC	Water Tower 2 Rehab Professional Services, I/P 24-21	\$ 3,075.00
CAPITAL ONE TRADE CREDIT	Wheel Chock/Ratches; Trailer 4621	\$ 106.32
CENTURYLINK	911 Service	\$ 80.52
CHRONICLES IN HEALTH LLC	Senior program - Health class	\$ 85.00
CINTAS CORPORATION	MAYC first aid cabinet supplies	\$ 7.15
CORE & MAIN LP	3/4" Residential Ally Meters for Resale	\$ 4,669.35
DAVE PERKINS CONTRACTING INC	Water Main Break Repair; 324 108 Avenue	\$ 5,780.00
DELAMATTER MATTHEW	Home Improvement Grant Reimbursement	\$ 1,031.00
EDUCATION & TRAINING SERVICES	Supervisory/Leadership Training: Gaasland/Tosney	\$ 549.00
EDUCATION & TRAINING SERVICES	Supervisory/Leadership Training: Gaasland/Tosney	\$ 549.00
ERICKSON DENNIS	Home Improvement Grant Reimbursement	\$ 2,195.00
ESCAPE FIRE	Annual fire sprinkler insp	\$ 890.00
ESCAPE FIRE	Annual fire sprinkler insp	\$ 285.00
ESCAPE FIRE	Annual fire sprinkler insp	\$ 275.00
FASTENAL COMPANY	System parts; WTP 2	\$ 92.38

FERGUSON WATERWORKS #2518	Stock Hydrant Parts; Water Dept	\$	1,125.49
GRAINGER	CH drawer slide repair	\$	211.86
HAWKINS INC	Chlorine Gas Detectors; Wells 5/8/10	\$	7,564.71
INTEGRITY EMPLOYEE BENEFITS LLC	Annual contract benefits vendor	\$	6,672.00
LEAGUE OF MN CITIES	(2) User access accounts - Patrol Online Training	\$	180.00
MANAGED SERVICES INC	CH janitorial March	\$	4,819.00
MANAGED SERVICES INC	CH supplies tp, enmotion, liners	\$	671.27
MC TOOL & SAFETY SALES	B/O Safety Gloves; Water Dept	\$	20.28
MENARDS - BLAINE	Patrol supplies for water plant 4 and camera trailer	\$	50.46
MENARDS - BLAINE	Bits, key set, salt	\$	77.89
MENARDS - BLAINE	Credit	\$	(57.00)
MENARDS - BLAINE	Green treated lumber; Park picnic tables/boardwalk	\$	2,345.49
MENARDS - BLAINE	Batteries; Park Dept	\$	4.19
METRO AREA MANAGEMENT ASSOC	2025 Membership Dues (S Johnson)	\$	50.00
METROPOLITAN COUNCIL	WTP Industrial Capacity/Strength Charge	\$	1,220.05
METROPOLITAN COUNCIL	WTP Industrial Capacity/Strength Charge	\$	1,286.69
METROPOLITAN COUNCIL	WTP Industrial Capacity/Strength Charge	\$	39.64
METROPOLITAN COUNCIL	MCES 2025 Wastewater Services	\$	473,304.10
METROPOLITAN COUNCIL	February 2025 SAC	\$	24,601.50
MIDWAY FORD COMPANY	Rear Axle Seals; Truck 3385	\$	26.76
MINNESOTA STATE COLLEGES	Senior program - Defensive driving 01/09/25	\$	480.00
MINNESOTA STATE COLLEGES	Senior program - Defensive driving 03/13/25	\$	480.00
MN DEPT OF LABOR AND INDUSTRY	February 2025 State Surcharge	\$	1,553.97
MOHLER WILLIAM	Senior program - Birthday entertainment	\$	100.00
MTI DISTRIBUTING INC	Mount for Gearbox; Mower 2413	\$	126.16
MTI DISTRIBUTING INC	Filters/Blades; Mower 1318	\$	125.58
MTI DISTRIBUTING INC	B/O Seals/bulb; Mower 1318	\$	45.43
MTI DISTRIBUTING INC	Rollers/Blades; Mower 4609	\$	385.54
O'REILLY AUTOMOTIVE INC	Air/Cabin filters; PW Stock	\$	80.30
O'REILLY AUTOMOTIVE INC	Filters/wheel Seals; Stock/Trailer 2358	\$	37.44
O'REILLY AUTOMOTIVE INC	Filters/wheel Seals; Stock/Trailer 2358	\$	35.28
PRINT CENTRAL	Business cards for Joy Handt and Tammy Benson	\$	78.00
PULTE HOMES OF MINNESOTA LLC	Escrow Refund - 12585 Marmon ST NE	\$	7,400.00
RECYCLE TECHNOLOGIES INC	CH Recycle light bulbs, batteries, electronics	\$	336.92
ROSE MUSIC SERVICES	Senior program - Birthday entertainment	\$	150.00
SATELE TOMMY	(1) Training lunch reimbursement	\$	17.88
STREICHER'S	Duty bags and clipboards	\$	182.99
STREICHER'S	Duty bags and clipboards	\$	344.91
STREICHER'S	Duty bags and clipboards	\$	823.84
SYMBOLARTS, LLC	Patrol uniforms and clothing	\$	922.00
SYMBOLARTS, LLC	Patrol uniforms and clothing	\$	1,124.50
SYMBOLARTS, LLC	Patrol uniforms and clothing	\$	130.00
TKDA AND ASSOCIATES INC	TH65 Access Improvements (Amendment 4), I/P 21-01	\$	380.65
TWIN CITY FILTER SERVICE INC	CH air filters	\$	378.52
USA BLUEBOOK (#657220)	Pressure Test Kit; Water Dept	\$	307.35
VOLUNTEERS OF AMERICA	Cook Supplemental Wages	\$	123.27
VOLUNTEERS OF AMERICA	Van Drivers meals	\$	75.00
WSB & ASSOCIATES INC	Design & Construction Svcs-2024 NW Area Street Recon, I/P 24-05	\$	1,544.50

WSB & ASSOCIATES INC	2025 Zest St Construction Project, I/P 25-04	\$	1,574.50
ZIEGLER INC	Fuel Filters; PW Stock	\$	82.26
		\$	580,157.93

CITY OF BLAINE

**SUBSET OF PAYMENTS BETWEEN \$20,000 AND \$50,000 FROM THE SCHEDULE OF BILLS PAID
APPROVED ON 04/07/2025 FOR PAYMENTS THE WEEK OF 03/14/2025**

Vendor Name	Description	Amount
METROPOLITAN COUNCIL	February 2025 SAC	\$ 24,601.50

CITY OF BLAINE**SCHEDULE OF BILLS PAID****APPROVED ON 04/07/2025 FOR PAYMENTS THE WEEK OF 03/07/2025**

Vendor Name	Description	Amount
ACCESS	Data Storage - January 2025	\$ 143.98
ACCESS	Data Storage - February 2025	\$ 143.98
ADVANCED GRAPHIX INC	Graphics supplies and applications for patrol vehicles	\$ 403.50
ADVANCED GRAPHIX INC	Graphics supplies and applications for patrol vehicles	\$ 14.75
AMAZON CAPITAL SERVICES	Key Lanyards/Charging cords; Sewer Dept	\$ 299.43
AMAZON CAPITAL SERVICES	iPhone charging cords	\$ 9.99
AMAZON CAPITAL SERVICES	Staplers	\$ 16.87
AMAZON CAPITAL SERVICES	Apple Pencil - Adam	\$ 99.00
AMAZON CAPITAL SERVICES	Ink for Craft Coordinator	\$ 23.18
AMAZON CAPITAL SERVICES	Gloves	\$ 48.95
AMAZON CAPITAL SERVICES	Phone screens/cords; Public Works	\$ 344.62
AMAZON CAPITAL SERVICES	iPhone Screen Protectors	\$ 63.96
AMAZON CAPITAL SERVICES	YubiKey 2FA USB Keys	\$ 55.00
AMAZON CAPITAL SERVICES	Key Lanyards/Charging cords; Sewer Dept	\$ 64.17
AMAZON CAPITAL SERVICES	New phone cases	\$ 62.39
AMAZON CAPITAL SERVICES	Credit	\$ (25.99)
AMAZON CAPITAL SERVICES	PW; Mobile Cart; Storm Department	\$ 579.99
ANOKA COUNTY TREASURY DEPARTMENT	Jan. Local Govt. Official Meeting (3 Councilmembers)	\$ 39.00
APPLE FORD WHITE BEAR LAKE	DOT Inspection: Truck 2409	\$ 232.98
ASPEN MILLS INC	Records uniforms and clothing	\$ 189.95
ASPEN MILLS INC	Records uniforms and clothing	\$ 122.38
ASPEN MILLS INC	Records uniforms and clothing	\$ 419.44
ASPEN MILLS INC	Records uniforms and clothing	\$ 357.49
ASPEN MILLS INC	Records uniforms and clothing	\$ 167.35
ASPEN MILLS INC	Records uniforms and clothing	\$ 37.70
ASPEN MILLS INC	Records uniforms and clothing	\$ 792.13
ASPEN MILLS INC	Prebil - uniform jacket and name tag	\$ 275.85
ASPEN MILLS INC	Records uniforms and clothing	\$ 194.85
ASPEN MILLS INC	Records uniforms and clothing	\$ 96.95
AT&T MOBILITY	Cell phone service January 2025	\$ 6,984.18
AT&T MOBILITY	Internet Bait Trailer	\$ 66.96
AT&T MOBILITY	Cell phone service February 2025	\$ 5,769.24
AUTOMATIC SYSTEMS COMPANY	PLC Programming/Troubleshoot; LS 12	\$ 972.50
AUTOMATIC SYSTEMS COMPANY	2024 Sewer/Lift Station Maintenance	\$ 2,074.00
AUTOWASH SYSTEMS INC	Car Wash Chemicals & Check 2/20/25	\$ 377.77
BARR ENGINEERING COMPANY	General Engineering Services	\$ 1,511.00
BEAUDRY OIL & PROPANE	Propane for PW Shop: 2025 Blanket	\$ 130.00
BEAUDRY OIL & PROPANE	Propane for PW Shop: 2025 Blanket	\$ 352.00
BLAINE AREA PET HOSPITAL PA	Vet Services (minor surgery) for K9 Vinny	\$ 564.34
BLAINE BROTHERS INC	Brake Repair: Plow 1201	\$ 3,979.11
BLAINE BROTHERS INC	Air Valves; PW Stock	\$ 279.37
BLAINE BROTHERS INC	Salt Eliminator; PW Stock	\$ 1,006.06
BLAINE LOCK & SAFE INC	Keys	\$ 42.50
BLUUM OF MINNESOTA LLC	Digital signage media contract	\$ 400.00
BOLTON & MENK INC	Lever Street Restoration (1/4/25-1/31/25), I/P 17-07	\$ 1,552.50

BOLTON & MENK INC	Design & Construction Services - 2025 SW Area, I/P 25-06	\$	264.00
C-AIRE SERVICE LLC	2025 Capital; Building Air Compressor #3434	\$	17,274.42
CAPITOL HILL ASSOICATES INC	Federal Lobbyist Services July 2024-March 2025 (Vendor Change)	\$	4,500.00
CENTER FOR ENERGY AND ENVIRONMENT	EDA Loan Program - January 2025	\$	64,450.00
CENTERPOINT ENERGY	February 2025 Gas Service	\$	25,697.09
CINTAS CORPORATION	CH mats/rugs	\$	205.47
CINTAS CORPORATION	PW: 2025 Uniform/Rug-Towel Rentals	\$	222.45
CINTAS CORPORATION	MAYC Mats/Rugs	\$	38.42
CINTAS CORPORATION	PW med supply cabinet	\$	311.54
CITY OF BLAINE	PW Petty Cash	\$	136.29
CITY OF LEXINGTON	Sewer System Usage Agreement - City of Lexington	\$	6,922.60
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$	12,320.82
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$	30,518.68
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$	3,046.42
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$	39,569.95
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$	20,706.86
CONNEXUS ENERGY-UTILITY PAYMENTS	951 124th LN NE	\$	6,786.03
CONNEXUS ENERGY-UTILITY PAYMENTS	10801 Town Square DR NE	\$	9,037.33
CORE & MAIN LP	3/4" Residential Iperl Meters for Resale	\$	4,362.65
CORE & MAIN LP	3/4" Residential Ally Meters for Resale	\$	3,617.65
COREMARK METALS	Steel; Bobcat 1309	\$	139.91
CUMMINS SALES AND SERVICE	PW inspection on generator	\$	324.50
EARL F ANDERSEN INC	10' Telespar; Sign Shop	\$	636.16
ECM PUBLISHERS INC	2025 Public Hearing Notices	\$	88.00
EMERGENCY AUTOMOTIVE TECHNOLOGIES	Install Diagnostic Scanport in Traffic Safety Vehicle	\$	109.62
ENVIRONMENTAL EQUIPMENT	Service PM; Sweeper 1262	\$	5,290.62
ENVIRONMENTAL EQUIPMENT	Service PM; Sweeper 4615	\$	6,886.88
EXPRESS SIGNS INC	Signs for craft sale	\$	300.00
FERGUSON ENTERPRISES LLC #3325	Coupling; Unit 4650	\$	214.93
FERGUSON WATERWORKS #2518	Break Flange; Water Dept	\$	1,190.09
FERGUSON WATERWORKS #2518	Training for Water Dept	\$	360.00
FERGUSON WATERWORKS #2518	Credit	\$	(373.83)
FLEETPRIDE	Axle nut socket; Mechanic tool	\$	29.89
FRIENDLY CHEVROLET INC	Belt, Pulley, Actuator; PD Stock	\$	123.51
FRIENDLY CHEVROLET INC	Brake Rotors; PD Stock	\$	2,426.56
FRIENDLY CHEVROLET INC	Brake Rotors; PD Stock	\$	265.76
FRIENDLY CHEVROLET INC	Brake Rotors; PD Stock	\$	3,033.20
FRIENDLY CHEVROLET INC	Belt, Pulley, Actuator; PD Stock	\$	20.21
HAMMER SPORTS LLC	Refs for Adult Basketball League 1/26/2025	\$	420.00
HAMMER SPORTS LLC	Refs for Adult Basketball League 2/16/2025	\$	420.00
HANSON SPORTS LLC	Winter sports camps	\$	1,026.00
HAWKINS INC	Water Treatment Chemicals	\$	20,357.70
HOSE PROS LLC	Hex Adapter; WTP 2	\$	38.52
INNOVATIVE OFFICE SOLUTIONS	Stand Up Desks - Engineering	\$	5,335.24
INNOVATIVE OFFICE SOLUTIONS	Printer paper	\$	468.80
INSIGHT PUBLIC SECTOR INC	Microsoft 365 G3 Licenses	\$	7,084.60
INSIGHT PUBLIC SECTOR INC	2025 desktops, docking stations and monitors	\$	23,138.95
INSIGHT PUBLIC SECTOR INC	2025 desktops, docking stations and monitors	\$	16,757.15
INSIGHT PUBLIC SECTOR INC	2025 laptops	\$	38,007.09
INSIGHT PUBLIC SECTOR INC	2025 laptops	\$	7,037.35
JOHN'S SEWER & PIPE CLEANING INC	CH clogged sink	\$	250.00
JOHNSON LITHO GRAPHICS	February MAYC Newsletter	\$	2,097.21

JOHNSON LITHO GRAPHICS	March MAYC Newsletter	\$	2,106.21
LAWSON PRODUCTS INC	Mechanic shop supplies; Coupler/nipples/hitch pins	\$	451.21
LAWSON PRODUCTS INC	Mechanic shop supplies; Coupler/nipples/hitch pins	\$	55.60
LAWSON PRODUCTS INC	Mechanic shop supplies; Parts Cleaner/Fittings/wheel weights	\$	1,021.73
LAWSON PRODUCTS INC	Bolts for Plow blades; PW Stock	\$	213.38
LAWSON PRODUCTS INC	Mechanic shop supplies; Parts Cleaner/Fittings/wheel weights	\$	33.30
LIFE SAFETY SYSTEMS INC	Annual Fire Inspection: WTP 1, 3 & 4	\$	180.00
LIFE SAFETY SYSTEMS INC	Annual Fire Inspection: WTP 1, 3 & 4	\$	180.00
LIFE SAFETY SYSTEMS INC	Annual Fire Inspection: WTP 1, 3 & 4	\$	180.00
LUTHER BROOKDALE CHEVROLET	Vehicle Parts; Radiator, PD #5307	\$	477.71
MACQUEEN EQUIPMENT INC	Insurance Claim CP416421	\$	1,928.71
MANSFIELD OIL COMPANY	Fuel Delivery - February	\$	5,299.58
MANSFIELD OIL COMPANY	Fuel Delivery - February	\$	7,324.20
MARCO TECHNOLOGIES LLC	New Desk Phones for City-Wide Upgrade	\$	45,846.45
MARCO TECHNOLOGIES LLC	Conference Room Phones and Headsets	\$	5,625.75
MARCO TECHNOLOGIES LLC	New Desk Phones for City-Wide Upgrade	\$	1,458.60
MC TOOL & SAFETY SALES	PPE: New Hire; Karl Keller	\$	82.68
MC TOOL & SAFETY SALES	Harness/Lanyard/gloves; Water Dept	\$	379.05
MENARDS - BLAINE	2 x calendars, air hose, cleaners	\$	44.00
MENARDS - BLAINE	Furnace Filters; Park buildings	\$	127.93
MENARDS - BLAINE	Ladder/Torch kit; WTP 2/Water Department	\$	329.46
METROPOLITAN COUNCIL	January 2025 Sac	\$	2,460.15
MIDWAY FORD COMPANY	Map Sensor; Vehicle 5333	\$	31.13
MIDWAY FORD COMPANY	Sensor; Truck 4487	\$	50.49
MINNESOTA DEPARTMENT OF HEALTH	STATE WATER TESTING FEE - JAN, FEB, MAR 2025	\$	55,462.00
MINNESOTA DEPT OF AGRICULTURE	2025 Nursery Certification Fee - Forestry Dept.	\$	280.00
MINNESOTA EQUIPMENT - ROGERS	Cylinder; attachment 2397-1	\$	764.66
MINNESOTA POLLUTION CONTROL	Wastewater Certification Renewal fee; Becker	\$	23.00
MINNESOTA POLLUTION CONTROL	Training Registration; Smith	\$	585.00
MINNESOTA RECREATION AND PARK ASSOC	Yearly Dues to State Parks and Recreation Association	\$	1,080.00
MINNESOTA RECREATION AND PARK ASSOC	Yearly Dues to State Parks and Recreation Association	\$	525.00
MINUTE MAKER SECRETARIAL	Minute Maker Secretarial	\$	364.25
MTI DISTRIBUTING INC	B/O Skid/Pipe/Grommet/Gasket; Mower 2392	\$	487.18
MTI DISTRIBUTING INC	Filters; PW Stock	\$	227.40
NORTHLAND CAPITAL EQUIPMENT	Fitness Equipment Lease	\$	904.64
NUSS TRUCK & EQUIPMENT	B/O exhaust DPF Repair kit; Plow 1279	\$	299.76
NUSS TRUCK & EQUIPMENT	Nox Sensor Repair; Plow 1279	\$	928.23
NUSS TRUCK & EQUIPMENT	Credit	\$	(255.00)
NUSS TRUCK & EQUIPMENT	Rear brakes; Plow 1281	\$	1,011.95
NUSS TRUCK & EQUIPMENT	Rear brakes; Plow 1281	\$	127.44
OPTUM FINANCIAL INC	Account fee monthly	\$	90.00
O'REILLY AUTOMOTIVE INC	Exhaust Clamp; Plow Truck 1306	\$	11.94
O'REILLY AUTOMOTIVE INC	Oil Filters; Plow Truck 1315	\$	9.75
O'REILLY AUTOMOTIVE INC	Alternator/pully; Vehicle 5313	\$	377.83
O'REILLY AUTOMOTIVE INC	Alternator; PD Vehicle 5319	\$	349.91
O'REILLY AUTOMOTIVE INC	Pinion Seal; Truck 4489	\$	18.92
PRECISE MRM LLC	2025 PW GPS Management	\$	1,640.00
PRINT CENTRAL	Business Cards - Sellman	\$	39.00
REDPATH AND COMPANY LLC	2024 Financial Audit	\$	6,000.00
REHDER MARK	January Forestry Services	\$	3,540.29
REPUBLIC SERVICES #894	Shredding for Recycling Saturday Events	\$	971.28
RIDGEWAY & ASSOCIATES	PD Mental Wellness Program 2025	\$	1,250.00

ROADKILL ANIMAL CONTROL	2025 Disposal of Dead Deer	\$	387.00
SHATTER TACTICAL LLC	Vehicle Glass breaching tools for new squads Qty 6 - 2 pk	\$	370.00
STATE OF MINNESOTA DEED	DEED Loan Grant # CDAP-17-0064-H-FY18, March 2025 Repayment	\$	1,568.24
STERICYCLE INC	Annual document shredding	\$	361.63
THE LEADERSHIP GROWTH GROUP	2025 Leadership Growth Group Books (Wolfe)	\$	147.94
TRI-STATE BOBCAT INC	Bolts/tooth carbide/Viking Sw Knife; Storm water	\$	3,475.42
TRI-STATE BOBCAT INC	Credit	\$	(52.81)
VIKING ELECTRIC SUPPLY LLC	PW 220 electrical outlet	\$	106.82
WARGO NATURE CENTER	Instructor for Cross Country Skiing	\$	100.00
XCEL ENERGY	January 2025 Electric	\$	17,133.70
ZARNOTH BRUSH WORKS INC	Equipment Parts - Broom refill	\$	582.00
ZAYO GROUP LLC	Telephone Service	\$	880.35
ZIEGLER INC	2025 Capital; Front End Wheel Loader #1335	\$	120,986.38
ZIEGLER INC	Filters; PW Stock	\$	281.63
		\$	724,158.71

CITY OF BLAINE

**SUBSET OF PAYMENTS BETWEEN \$20,000 AND \$50,000 FROM THE SCHEDULE OF BILLS PAID
APPROVED ON 04/07/2025 FOR PAYMENTS THE WEEK OF 03/07/2025**

Vendor Name	Description	Amount
HAWKINS INC	Water Treatment Chemicals	\$ 20,357.70
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$ 20,706.86
INSIGHT PUBLIC SECTOR INC	2025 desktops, docking stations and monitors	\$ 23,138.95
CENTERPOINT ENERGY	February 2025 Gas Service	\$ 25,697.09
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$ 30,518.68
INSIGHT PUBLIC SECTOR INC	2025 laptops	\$ 38,007.09
COMPASS MINERALS AMERICA	Road Chemicals; Streets	\$ 39,569.95
MARCO TECHNOLOGIES LLC	New Desk Phones for City-Wide Upgrade	\$ 45,846.45



City of Blaine

City Council Workshop

March 10, 2025 | 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 Pro Tem Robertson at 5:33PM.

2. Roll Call

PRESENT: Mayor Pro Tem Robertson, Councilmembers Fleming, Ford, Massagolia and Newland

ABSENT: Mayor Sanders and Councilmember Larson

ALSO PRESENT: City Manager Michelle Wolfe; Assistant Community Development Director Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Engineering Dan Schluender; Director of Administration Scott Johnson; and City Clerk Cathy Sorensen

3. New Business

- 3.1.** 2025-48 Blaine City Manager Recruitment Process
Sponsors: Scott Johnson, Director of Administrative Services

Director of Administration Johnson provided an update on the upcoming city manager recruitment process. It was noted staff worked with the city attorney to put together the contract with the top firm based on council direction at the March 3, 2025, workshop. The top firm was invited to attend this workshop to meet with the city council virtually. This will give the city council the opportunity to discuss the process, timelines, and the type of candidates for the position the city council would like to attract. Going forward, the firm would report to the city council on milestones for the recruitment.

Debra Stapleton, SGR representative, introduced herself to the council and stated she was honored to be working with the City of Blaine. She commented on the approach SGR would be taking throughout the recruitment process. She described why SGR was different, noting she would remain in constant contact with the city and applicants. She indicated the recruitment brochure would be key in attracting qualified candidates for the city manager position. She noted she met with Mr. Johnson recently and has begun the process of updating the city's brochure. She stated she was interested in learning more about the opportunities and priorities of the council for this candidate moving forward. In addition, she wanted to better understand what the council's vision was for an ideal candidate. She reported she would be conducting stakeholder interviews with the council in order to find commonalities and threads in order to craft the council's opportunities and priorities.

Mayor Pro Tem Robertson reported the council has not had the chance to have an in depth conversation with the city attorney regarding council/staff roles and supported having this meeting, after which council could provide further direction to SGR. Ms. Stapleton thanked council for this feedback then provided the council with further information on the process and timeline she would follow throughout the recruitment process. It was noted it may be difficult to have a new city manager in place by June when City Manager Wolfe retires.

Mayor Pro Tem Robertson requested further information regarding when the stakeholder interviews would be held. Ms. Stapleton estimated the stakeholder interviews would take 35 to 40 minutes to complete and noted she had availability the last week in March for these interviews with the city council.

Councilmember Fleming asked how the city would be affected if a new city manager was not in place when City Manager Wolfe retired in June. City Manager Wolfe reported the council would appoint someone to serve as the interim city manager. She recommended the council hold a discussion on this topic at an upcoming worksession meeting.

Councilmember Newland commented on the recruitment brochure and asked that this document be forwarded to the city council. Mr. Johnson indicated he would forward the 2019 recruitment brochure to the council for their review.

Councilmember Newland inquired if SGR had recruitment contracts with Woodbury or Bloomington who were both currently recruiting city manager positions as well. Ms. Stapleton reported she did not have contracts with Woodbury or Bloomington but noted it would not be uncommon for applicants to apply to numerous cities. She commented further on how important it was to keep the recruitment process moving along when pursuing top candidates.

Councilmember Newland asked how many candidates the city could anticipate receiving for this position. Ms. Stapleton stated this would be difficult to determine but noted she went through a recent process in Kansas that resulted in 45 applicants.

Councilmember Newland questioned if the council would be able to look at the backgrounds of all the candidates. Ms. Stapleton indicated the council would be able to briefly review the backgrounds of all of the candidates from a high level and the semi-finalists would include resumes.

Councilmember Newland inquired how many candidates would be brought forward as finalists. Ms. Stapleton reported five candidates was typically a good number but stated this would depend on the candidates the city received.

Councilmember Massoglia asked how many of the candidates would be from outside the region. Ms. Stapleton explained this would be a national search and the council should expect candidates from throughout the region and nation.

Mayor Pro Tem Robertson stated she looked forward to reviewing the recruitment brochure and encouraged each of the councilmembers to review this document and provide staff with feedback. Mr. Johnson reported City Attorney Loonan was working to finalize the agreement with SGR and noted he would forward the recruitment brochure to the city council for further review.

3.2. 2025-49 McKinstry Presentation - City of Blaine Utility Cost Savings Potential
Sponsors: Scott Johnson, Director of Administrative Services

Mr. Johnson stated McKinstry will present their findings to the city council on potential utility cost-saving projects for the city through guaranteed utility savings contracts and grant funding. Some of the projects are needed improvements to our facilities. Partnering with McKinstry will help save general fund, facilities fund and utility fund dollars. Staff spoke to other cities/counties who have worked with McKinstry. McKinstry has followed through with the projects and they have been successful with the guaranteed utility savings contracts and grant funding option. Timing is important with McKinstry. We do not know if the grants and other funding sources McKinstry uses for financing projects will be available in 2026. Staff has been working with McKinstry over the last several months to see what projects are feasible to help the city save future energy costs, lighting costs, and save money with updated operations and maintenance systems.

John Neville, Regional Director for McKinstry, thanked staff for their work on this project then discussed how he walked through each of the city's facilities with staff members in order to consider cost saving measures the city could pursue. He commented on how his firm was growing as more and more companies were pursuing energy efficiency and savings options. He then reviewed the comprehensive energy savings and utility savings project from McKinstry that would allow the city to reduce the dollars being spent on facilities and utilities. He explained his firm provides guaranteed results and prices for their clients. He commented further on the preliminary savings the McKinstry plan would bring to the city. He discussed how utility rates were anticipated to rise in the coming years and stated the proposed plan would bring about a 10% savings for the city on its energy costs.

Adam Seidel, Account Executive for McKinstry and Bob Long, Project Consultant for McKinstry, introduced themselves to the council and explained further what types of projects could be done.

Ms. Wolfe commented on the rooftop solar that was proposed for water treatment plant 4, noting the payback would be approximately 30 years. Mr. Neville stated he would be pursuing options that had a 20-year payback, which was a requirement per state statute. He

explained if the council wanted to move forward with the McKinstry plan, the next step would be an investment grade audit. He estimated the audit would cost the city \$83,000.

Councilmember Newland asked what McKinstry would be building on the city's behalf. Mr. Neville reported solar would be installed at water treatment plant 4, HVAC upgrades across various city facilities, new building automation controls along with lighting upgrades.

Councilmember Newland questioned what the timeline would be for this type of project. Mr. Neville estimated the project could be completed in six to twelve months.

Councilmember Newland inquired if Connexus would be partnering with the city on the solar project. Mr. Neville stated Connexus had rebates and incentives for solar projects. He noted the water treatment plant currently had a back up generator that Connexus would like to tap into to assist with providing energy during peak time periods.

Councilmember Newland stated he would be interested in tax free lease versus bonding for this project. Mr. Long commented further on how a tax free lease would benefit the city to finance the proposed energy improvements.

Councilmember Ford asked how many buildings or facilities the city had. Mr. Neville explained the city had 14 buildings.

Councilmember Ford inquired if all the city's light bulbs would be switched over to high-efficiency LEDs. Mr. Neville reported this was the case noting controls would also be added for greater efficiency.

Councilmember Massoglia indicated he was surprised by the fact the city was looking at this type of assessment and questioned why the city was not pursuing energy efficient lighting already. He reported he was not interested in bonding for this project even if it meant 20 years of savings. He appreciated the proposed cost-savings measures, but noted there were a lot of companies that do this type of work and he supported moving forward on a case-by-case approach.

Mr. Johnson stated staff could work at this a little at a time but noted not little progress would be made. He reported the McKinstry approach would require no bonding and would move the city towards real savings in a more meaningful manner.

Finance Director Zimmerman commented further on how the energy efficiency improvements and tax free leases would cover the expense of the utility improvements. Mr. Neville reported this project would be budget neutral and all lease payments would be covered by energy savings. In addition, he noted the cost savings were guaranteed.

Mayor Pro Tem Robertson stated she understood Councilmember Massoglia's concerns, noting the council was very concerned when it came to new costs at this time. She questioned what the main energy drains were for the city.

Councilmember Ford explained he appreciated the proposed cost savings noting a great deal would be done for the city for \$1.4 million. He discussed how much it would cost the city to pursue all of these energy efficiency measures individually, noting this would cost

more in staff time and dollars in the long run. He stated he supported the city moving forward with the McKinstry project because it would save the city money in the long run.

Mr. Neville commented on how moving forward with the McKinstry plan would provide the city with actionable and guaranteed savings. Mr. Long provided the council with further information on cities that have successfully completed an energy savings plan, noting that in some cases, the cost savings came back in higher than predicted.

Councilmember Fleming stated she really liked the proposed plan because it would free up facilities staff to do other things. She reported the city would not be out any money, but rather would save taxpayers money in the long run.

Mr. Neville discussed the tax incentives that were built into the 2025 tax code that would benefit the city. He commented he was uncertain what the benefits would be in 2026.

Ms. Wolfe commented on how this work required a specialized pool of engineers. She indicated she had come to this project with a healthy dose of skepticism because it sounded too good to be true, however, after seeing the savings the city could receive and due to the fact the project could be completed through tax free leases, she was willing to bring this forward to the council for consideration. She commented she also appreciated the fact the cost savings would be guaranteed for the city. She explained city staff does not have the technical expertise to take on a project of this magnitude. Mr. Zimmerman explained the proposed leases would be long term and would not be a line item on the city's debt levy.

Mayor Pro Tem Robertson asked if there was consensus to move this item forward. She explained she had too many questions to be a yes at this time.

Councilmember Massoglia indicated he appreciated the idea of this project, but stated he needed to further understand the math. He was of the opinion that the city's facility staff members had the expertise to move a number of these items forward without needing a consultant.

Councilmember Newland stated he was in the middle right now and would need more time to digest this project before moving it forward.

Council consensus was to continue to discuss this project and direct staff to speak further with McKinstry and report back on this project at a future workshop meeting.

3.3. 2025-50 2026 Budget Schedule
 Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman stated at the February 10 city council workshop, staff presented a review of the 2025 budget process with suggestions to improve the process going forward. As part of those discussions, the development of a budget schedule was determined to be worthwhile for several reasons, as it provides a structured and organized approach to the complex budgeting process. In essence, a budget schedule is a vital tool for local governments to effectively manage their finances, ensure accountability, and promote transparency. Staff reviewed the proposed timeline and process that would be followed for

the 2026 budget in further detail with the council.

Councilmember Newland explained he supported the proposed schedule, noting he would like to avoid things unraveling at the 11th hour. Mr. Zimmerman indicated he would be working with the council to identify themes in April to begin the budget planning process.

Mayor Pro Tem Robertson questioned if there were any unanticipated or new expenses that would throw the budget off for the coming year. Mr. Zimmerman stated there was some concern with union negotiations for police and public works.

Councilmember Massoglia explained he supported the proposed budget timeline, but he supported the council holding bigger policy discussions in order to properly prepare for the budget cycle. Mr. Zimmerman commented the proposed timeline would allow for conversations between staff and the council.

3.4. 2025-51 Proposed Mobile Food Truck Ordinance/Special Event License Amendments
Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen stated at the January 6, 2025, workshop, staff presented some possible code amendments to both food trucks and special events sections of the code as well as process changes that could address some of the concerns raised in 2024 surrounding food trucks, inspections, and special events. Council asked staff to share the proposed amendments with current registered food truck vendors for their input and return with their feedback for any changes. Of the almost 80 food truck vendors, staff received feedback from eight vendors who shared their preference that the city not implement licensing or fire inspections due to the increased cost to their businesses. On February 7, staff met with Chris Page, formerly of PJ's Grill Food Truck and active in the Minnesota Food Truck Association, to provide feedback on an alternative that staff is offering for council consideration which could more quickly create a fire inspection/licensing program at a lower cost to the food truck vendors. Staff reviewed the process that was being proposed in further detail and requested feedback from the council on how to proceed.

Assistant Community Development Director Sellman asked if the council supported the parking of food trucks on farm residential properties and questioned if food trucks should be considered a home occupation.

Mayor Pro Tem Robertson reported she supported the proposed parking requirements. She indicated she did not view food trucks as a home occupation because food trucks were brought elsewhere for use.

Councilmember Massoglia discussed how there were two ice cream trucks in his ward and noted he could support these types of food trucks being parked in driveways during the summer months. Ms. Sorensen reported ice cream trucks have a separate vending license process. She indicated the ordinance language could be amended to allow for vending trucks to be parked in residential neighborhoods while only allowing food trucks in farm residential.

Safety Services Director/Police Chief Podany encouraged the council to keep the parking language simple for enforcement purposes with the understanding the city will continue to receive complaints from residents.

Councilmember Fleming indicated she supported food truck owners being able to park on their residential property. She believed an RV was no different than a food truck. Ms. Sellman explained R-1 lots are to be used residentially, noting food trucks and trailers were being used for business purposes. Ms. Wolfe reported property values can be impacted if business vehicles, vans food trucks and large trailers were parked in driveways.

Mayor Pro Tem Robertson commented there may be a reasonable expectation for neighbors to be able to look outside a window without an obstructed view.

Council consensus was to support the food truck language as proposed by staff.

3.5. 2025-52 National Sports Village Signage Discussion

Sponsors: Sheila Sellman, Assistant Community Development Director

Ms. Sellman stated in January, the applicant applied for an ordinance amendment to increase signage. The request was to increase wall signage from 150 square feet to 300 square feet of total building signage and an additional wall sign. In addition, increasing the monument signage from 15 square feet to 45 square feet. The council approved an ordinance amendment to allow for more signage on the south side of 105th Avenue, which increased the maximum building signage to 200 square feet and allowed for an additional wall sign per building. The council did not increase the monument signage. The original ordinance allowed total building signage to have an aggregate area not exceeding one square foot for each foot of building face parallel or substantially parallel to a street lot line with a maximum of 150 square feet for total building signage. Two signs per business that must be one wall sign and either a three-dimensional sign, projecting sign, or awning sign with a maximum of 150 square feet per building. Freestanding signage is limited to one monument sign 15 square feet in area, which is intended to be a development identification sign, and not the typical monument signage used to identify businesses. The monument sign language did not change with the ordinance amendment, only the total building signage and only south of 105th Avenue.

Ms. Sellman reported as stated in the intent for this zoning district, this area shall reflect a common theme using compatible architectural design and consistency in signage. She said the ordinance encourages a more creative approach in development that will result in quality living environments through innovative design and aesthetic controls and ensures high standards of site design, architectural design, building materials and landscape design are achieved through design guidelines and approval. When contemplating changes to the district, council should consider that this district is designed to stand apart from other commercial areas, featuring more stringent design guidelines that foster a higher standard of development. She reviewed the signage scenarios for the subject site, outlining what is currently permitted under the approved ordinance amendment, as well as what would be allowed if the property were located in a different zoning district. Should the council consider rezoning the property, staff recommends reviewing the Planned Business District

as a potential option.

Mayor Pro Tem Robertson thanked staff for the detailed presentation on this item. She explained she was not a planning professional and she appreciated staff's candid comments on this item.

Councilmember Newland explained he recommended the first option be taken off the table. He stated the vision for the entertainment district included both sides of 105th Avenue. He was of the opinion the buildings at the corner of 105th Avenue turned out beautifully and he believed it would be unsettling to change or alter the signage for this area. He supported the council staying with its original vision for the entertainment district. He suggested if the building owner wants to push this matter further that the \$1.5 million be returned.

Councilmember Fleming indicated she could support the second option because this area was separate from the remainder of the entertainment district. She discussed how signage drives patrons to businesses and noted she did not want the current businesses to fail. She discussed how the EDA money was provided to the property owner in order to drive economic development in the community. She stated she did not want the \$1.5 million returned but would rather ensure these businesses were thriving.

Mayor Pro Tem Robertson stated Scooters Coffee could put up another sign right now, but the landlord would not sign off on the sign plan. Ms. Sellman reported this was the case, noting the sign plan would have to be amended.

Mayor Pro Tem Robertson explained she did not support further changing the sign code for the National Sports Village. She believed it was not good practice to keep amending sign codes. She recommended Scooters Coffee work with their landlord in order to install another sign.

Councilmember Fleming stated she was open to hearing all sides of this project. She indicated Pizza Pub/Prime was doing great, but she understood there were other tenants that were unwilling to move into this property because a monument sign or more signage was not available. She indicated she would be a no if any future 105th properties were asking for 300 square feet of signage, if it was not allowed for the National Sports Village property.

Councilmember Ford explained this project had a lot of moving pieces. He reported he could not support any additional signage for this property, nor did he want the city to continue moving the needle. He encouraged the council to consider its vision for this development, and to be open to being fluid because over time things change.

Councilmember Massoglia indicated he did not support further changes to the ordinance. He stated he would be open to a "Welcome to the 105th District"-type sign on the corner of this property with nice landscaping that could then also serve as a monument sign. Ms. Sellman commented she could discuss this further with the developer if the council supported this option.

Councilmember Ford stated he was not a fan of these types of signs because they were a traffic problem.

Mayor Pro Tem Robertson thanked staff for the feedback and candid comments. She appreciated that staff brought this item to the council for further consideration, but she recommended staff's professional recommendations be followed.

Councilmember Ford stated he spoke to the applicant and representatives from Scooters and encouraged these parties to work through the sign situation.

Councilmember Newland reiterated that he did not support changing the sign ordinance now because the district was beginning to take shape. He supported Scooters working with their landlord in order to address the sign concerns on this property.

Ms. Sellman explained she would speak with the building owner tomorrow and would let him know the council would allow 200 square feet per building per the ordinance amendment and would not be considering any further changes at this time.

4. Other Business

City Clerk Sorensen provided an update on the upcoming board/commission appointments which were scheduled for council consideration on March 17.

5. Adjournment

The workshop was adjourned at 8:42PM.



City of Blaine

City Council Workshop

March 17, 2025 | 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 Pro Tem Robertson at 5:30PM.

2. Roll Call

PRESENT: Mayor Pro Tem Robertson, Councilmembers Terra Fleming, Chris Ford, Chris Massoglia, and Tom Newland.

ABSENT: Mayor Tim Sanders and Councilmember Leslie Larson.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administration Scott Johnson; City Attorneys Lida Bannick and Eric Larson; Public Works Director Nick Fleishhacker; and City Clerk Catherine Sorensen.

3. New Business

- 3.1.** 2025-53 Closed Session Pursuant to MN Statute 13D.03 Subd. (1)(b) 2025 Bargaining Strategy Discussion
Sponsors: Scott Johnson, Director of Administrative Services

After motion and second, the council moved into a closed session pursuant to Minnesota Statute 13D.03 Subd. (1)(b) to discuss the 2025 bargaining strategy.

- 3.2.** 2025-54 Closed Session Pursuant to MN Statute 13D.05(3)(c)(3) - Discuss Potential Purchase of Portions of Land Identified as PIDs 11-31-23-12-0003 and 11-31-23-11-0001 Located at the Southwest Corner of 125th Avenue and Lexington Avenue
Sponsors: Erik Thorvig, Community Development Director

After motion and second, the council moved into a closed session pursuant to Minnesota Statute 13D.05 Subd. (3)(c) to discuss the potential purchase of portions of land located at the southwest corner of 125th Avenue and Lexington Avenue.

- 3.3.** 2025-55 Municipal Cannabis Update
Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen shared that staff has been working with Voyageur Cannabis Services to assist in completing the municipal cannabis application which was submitted on March 14 and explained staff hoped for an update on license status by August, if not sooner. She reported if the city receives a cannabis retail license, the council could then revisit the idea of municipal cannabis and discuss if a partnership should be pursued.

Safety Services Director/Police Chief Podany provided an update on the possible impacts to HIDTA funding as a result of the city having a municipal cannabis license and reported the impact would be less than originally anticipated.

Community Development Director Thorvig asked if the council supported staff reviewing proposals for possible municipal cannabis partnerships. The consensus of council was to direct staff to begin reviewing proposals for possible municipal cannabis partnerships this spring.

4. Other Business

Council reviewed the rankings and possible appointments for the board and commission appointments scheduled for approval at the regular council meeting. The council supported there being equal representation from the wards on the city's boards and commissions.

Director of Administration Johnson provided an update on the city manager recruitment process noting meetings will be scheduled with councilmembers regarding what they were looking for in the next city manager.

Councilmember Massoglia requested a meeting be held with council and City Attorney Loonan prior to meeting with the recruiter in order to better understand the council and city manager's roles.

City Manager Wolfe provided an update on a recent lateral sanitary sewer break and described the new logo that would be painted onto Water Tower 2.

5. Adjournment

The workshop was adjourned at 6:55PM.



City of Blaine

City Council

March 17, 2025 | 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 7:04PM by Mayor Pro Tem Robertson followed by the Pledge of Allegiance and the Roll Call.

2. Pledge of Allegiance

3. Roll Call

PRESENT: Mayor Pro Tem Jess Robertson, Councilmembers Terra Fleming, Chris Ford, Chris Massoglia, and Tom Newland.

ABSENT: Mayor Tim Sanders and Councilmember Leslie Larson.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administration Scott Johnson; Director of Engineering Dan Schluender; Public Works Director Nick Fleishhacker; City Attorney Eric Larson; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

4. Awards - Presentations - Organizational Business

- 4.1. 2025-56 Proclamation for Arbor Day 2025
Sponsors: City Council

Mayor Pro Tem Robertson read a proclamation in full for the record declaring May 16, 2025 to be Arbor Day and the month of May to be Arbor Month in the city of Blaine.

5. Communications

None.

6. Open Forum

Open Forum is an opportunity for the public to share comments, concerns, or input on other items. While open forum is not intended to provide for response or discussion opportunities, if follow-up is needed, city staff will work to contact the speaker(s) outside of the meeting to arrange for that follow-up. Each speaker will be limited to 3 minutes with a maximum of 15 minutes set aside for open forum.

Mayor Pro Tem Robertson opened the Open Forum at 7:08PM.

There being no input, Mayor Pro Tem Robertson closed the Open Forum at 7:08PM.

7. 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 so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, that the following items on the Consent Agenda be approved.

Mayor Pro Tem Robertson thanked staff for their efforts on the TH65 frontage road utility improvement project.

Motion adopted unanimously.

- | | | |
|-------------|-----------|---|
| 7.1. | 2025-57 | Schedule of Bills Paid
<i>Sponsors: Jason Zimmerman, Finance Director</i> |
| 7.2. | 2025-58 | Approval of Minutes
<i>Sponsors: Cathy Sorensen, City Clerk</i> |
| 7.3. | RES 25-41 | Resolution Granting Final Plat Approval to Subdivide 19.24 Acres into 2 Single Family Lots, 28 Townhome Lots, Common Space and One Outlot to be Known as Meadowland Estates West at 2741 and 2775 125th Avenue NE. Herbst Raich Investments, LLC (Case File No. 24-0072/SAS)
<i>Sponsors: Sheila Sellman, Assistant Community Development Director</i> |
| 7.4. | RES 25-12 | Resolution Granting an Amendment to the Approved Sign Plan for National Sports Village at 2180 105th Avenue NE. 105th BBP B2 LLC (National Sports Village) (Case File No. 24-0068/SAS) |

Ms. Sellman suggested no action was required to allow an amended sign plan to be presented at a future meeting.

- 7.5.** RES 25-49 Resolution to Approve a Joint Powers Agreement between the City of Blaine on behalf of its Police Department and the State of Minnesota for the Human Trafficking Investigators Task Force
Sponsors: Brian Podany, Safety Services Manager/Police Chief
- 7.6.** RES 25-48 Resolution to Approve the Grant Contract Agreement for the 2024-2026 Allied Radio Matrix for Emergency Response (ARMER) Equipment Grant
Sponsors: Brian Podany, Safety Services Manager/Police Chief
- 7.7.** 2025-60 Motion to Authorize the Mayor and City Manager to Enter into an Ammended Contract with Bolton & Menk, Inc. for Professional Services for Engineering Services for the Water Tower 2 Rehabilitation, Improvement Project No. 24-21
Sponsors: Nick Fleischhacker, Public Works Director
- 7.8.** RES 25-50 Resolution Authorizing the Mayor and City Manager to Purchase Filtration Media for Water Treatment Plant #3 and Corresponding Budget Amendments.
Sponsors: Kristian Gaasland, Public Works Supervisor - Water, Nick Fleischhacker, Public Works Director
- 7.9.** 2025-61 Motion to Authorize the Mayor and City Manager to Enter into a Contract with WSB for Professional Engineering Services for the Trunk Highway 65 Frontage Road Utility Improvement Project, Improvement Project No. 21-01
Sponsors: Daniel Schluender, Director of Engineering
- 7.10.** 2025-62 Motion Authorizing the Temporary Removal of Parking Restrictions for a Track and Field Event at Centennial Elementary School
Sponsors: Daniel Schluender, Director of Engineering
- 7.11.** 2025-63 Motion Approving the Esri Enterprise Agreement Renewal and 2025 Payment
Sponsors: Daniel Schluender, Director of Engineering

8. 7:00 PM - Public Hearing and Items Published for a Certain Time

- 8.1. RES 25-44** Resolution Granting a Conditional Use Permit to Allow Outdoor Dining with 40 Seats in the Front of the Building in the Community Commercial (B-2) Zoning District at 10950 Club West Parkway NE, #110. Hope Breakfast Bar Blaine (Hope Blaine, LLC) (Case File No. 25-0006/SLK)
Sponsors: Sheila Sellman, Assistant Community Development Director

Community Development Director Thorvig stated Hope Breakfast Bar Blaine is requesting a conditional use permit to allow for outdoor seating in the front of their tenant space.

Mayor Pro Tem Robertson opened the public hearing at 7:12PM.

There being no public input, Mayor Pro Tem Robertson closed the public hearing at 7:12PM.

Moved by Councilmember Massoglia, seconded by Councilmember Newland, to adopt a Resolution Granting a Conditional Use Permit to Allow Outdoor Dining with 40 Seats in the Front of the Building in the Community Commercial (B-2) Zoning District at 10950 Club West Parkway NE, #110.

Councilmember Fleming stated she was excited to have Hope Breakfast Bar coming to the city of Blaine.

Councilmember Massoglia requested staff review the parking requirements for employees of businesses in the B-2 zoning districts in order to encourage landlord's to post employee parking in the back of the building to free up parking in front where possible.

Mayor Pro Tem Robertson thanked Hope Breakfast Bar for being willing to invest in Blaine.

Motion adopted unanimously.

9. Development Business

- 9.1. RES 25-45** Resolution Granting Preliminary Plat Approval to Create Three Outlots and Dedicate Road Right-of-Way to be Known as One Hundred Fifth Redevelopment Second Addition. Blaine Town Center East, LLC (Case File No. 25-0005/SAS)
Sponsors: Sheila Sellman, Assistant Community Development Director

Mr. Thorvig stated the applicant is requesting preliminary plat approval to create three outlots and dedicate road right-of-way to be known as One Hundred Fifth Redevelopment Second Addition. Staff reviewed the proposed plat in further detail with the council and

recommended approval.

Moved by Councilmember Massoglia, seconded by Councilmember Newland, to adopt a Resolution Granting Preliminary Plat Approval to Create Three Outlots and Dedicate Road Right-of-Way to be Known as One Hundred Fifth Redevelopment Second Addition.

Motion adopted unanimously.

10. Administration

- 10.1. 2025-64** Motion Approving the Terms of the MPCA Grant and Authorizing the Mayor and City Manager to Enter into a Contract with Short Elliott Henrickson, Inc. (SEH) for Professional Engineering Services for the National Street Water Services, Phase 2 Project, Improvement Project No. 25-22
Sponsors: Daniel Schluender, Director of Engineering

Director of Engineering Schluender stated council is requested to approve the terms of the MPCA grant and contract for professional services for preliminary engineering services for the National Street Water Services, Phase 2 Project, Improvement Project No. 25-22. The Minnesota Pollution Control Agency (MPCA) is partnering with the city of Blaine to explore treatment options for 28 private wells located along National Street and 114th Avenue. This effort aims to ensure safe and reliable water quality for properties whose wells are affected by a groundwater contamination plume associated with the closed Johnson Brothers Landfill. The MPCA, who is responsible for the closed landfill, inquired with staff to see if the city would lead the effort to complete a feasibility study evaluating different methods to provide the affected properties with safe and reliable water meeting regulatory standards. The reasoning is that the city's engineering department is familiar with this type of work and can lead the project more effectively and quickly than the MPCA staff would be able to.

Mr. Schluender explained the study will evaluate solutions for providing clean drinking water to the affected properties, focusing on three main options: connecting to the municipal water supply by extending the existing water main line east along 114th Avenue, installing granular activated carbon (GAC) treatment systems, or installing a reverse osmosis system in each dwelling. Each option will be assessed based on its ability to protect human health, long-term effectiveness, feasibility, community acceptance, and cost. The findings will be compiled into a report for review by the MPCA. A grant agreement is in place where the MPCA agrees to cover all costs associated with the project. Under the agreement with the MPCA, the city will hold and administer the contract with the design engineer. Upon payment to the design engineer, the city will supply the MPCA with copies of the invoices and the MPCA will then reimburse the city for all costs. Staff requested and SEH has provided a letter of proposal for the National Street Water Services, Phase 2 Project, Improvement Project No. 25-22. The proposal, in the amount of \$64,400, is for preparing a feasibility report based on the requirements the MPCA has laid out. Staff reviewed the proposal, and compared it with previous proposals for similar projects, and determined that the fees are justified and reasonable.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to approve the Terms of the MPCA Grant and Authorizing the Mayor and City Manager to Enter into a Contract with Short Elliott Henrickson, Inc. (SEH) for Professional Engineering Services for the National Street Water Services, Phase 2 Project, Improvement Project No. 25-22.

Motion adopted unanimously.

- 10.2.** RES 25-55 Resolution Accepting a Bid from J.R. Stelzer Co. in the Amount of \$1,105,375.00 for the Water Tower No. 2 Reconditioning Improvements, Improvement Project No. 24-21
Sponsors: Nick Fleischhacker, Public Works Director

Public Works Director Fleischhacker stated council is requested to approve a contract with J.R. Stelzer Co. for the Water Tower No. 2 Reconditioning Improvements, Improvement Project No. 24-21 in the amount of \$1,105,375.00. The proposed Water Tower 2 reconditioning project will include complete removal and replacement of all exterior, interior wet, and interior dry coating systems. Additional reconditioning will include modifications and repairs related to structural appurtenances, foundations, accessories, and personnel access. The structure will also receive a new entry vestibule at the base of the center riser and electrical modifications. Bolton & Menk prepared plans, specifications and bidding documents for the project and the project was advertised for bids. Bids were received electronically at 10:00 PM, March 11, 2025, for Project No. 24-21. A total of 5 bids were received, ranging from \$1,105,375.00 to \$2,386,900.00. Bids have been checked and tabulated, and it has been determined that J.R. Stelzer Co. of Lincoln, Nebraska is the lowest bidder. The engineering department checked with Bolton & Menk, who has worked with J.R. Stelzer Co. on previous contracts and recommended that the low bid be accepted, and a contract entered into with J.R. Stelzer Co. City council is also asked to approve a 10% contingency to bring the total project budget to \$1,215,913. The funding sources for this project are the Public Utility Funds and there are sufficient funds budgeted to cover these costs.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Accepting a Bid from J.R. Stelzer Co. in the Amount of \$1,105,375.00 for the Water Tower No. 2 Reconditioning Improvements, Improvement Project No. 24-21.

Councilmember Massoglia requested further information regarding the cost to clean the water towers. Mr. Fleischhacker reported it would cost \$30,000 to clean one water tower per year and noted the towers would be on a four year cycle.

Motion adopted unanimously.

- 10.3.** ORD 25-2575 Waive First Reading and Adopt Ordinance Amendments for Chapter 22 - Businesses Article XII. - Mobile Food Trucks, Chapter 70 - Special Events, Streets, Sidewalks, and Other Public Places
Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen stated council is asked to waive first reading and adopt proposed

ordinance amendments for mobile food trucks and special event licenses. Staff reviewed the proposed changes to city code in detail with the council and recommended approval of the ordinance.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to Waive First Reading and Adopt Ordinance Amendments for Chapter 22 - Businesses Article XII. - Mobile Food Trucks, Chapter 70 - Special Events, Streets, Sidewalks, and Other Public Places.

Councilmember Massoglia thanked staff for their efforts on this ordinance.

Motion adopted unanimously.

10.4. 2025-78 Boards and Commissions Appointments 2025
Sponsors: Cathy Sorensen, City Clerk

Ms. Sorensen stated council is asked to make the remaining appointments for the 2025 boards and commissions.

Mayor Pro Tem Robertson thanked all of the residents who were willing to complete applications and volunteer their time in service to the city of Blaine.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to approve the Boards and Commissions Appointments for 2025 as follows:

Natural Resources Conservation Board

- Carolyn Panning
- Gene Rafferty
- Doug Gramstad
- Michael Mereness

Park Board

- Kristofer Paulseth
- Jeffrey Lester
- Tonya Lizakowski
- Amanda Tshakert

Planning Commission

- Jacob Geiselhart
- Jasen Howard
- Alan Goracke
- Jason Halpern
- Nichole Swanson

Charter Commission recommendations for appointment to the Tenth District Chief Judicial Judge

- Ashton Ramsammy
- Jasen Howard
- Trace Ludewig
- Terri Homan
- Jeff Lester
- Dick Swanson
- Arman Taggaro

Motion adopted unanimously.

11. Other Business

None.

12. Adjournment

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adjourn the meeting at 7:36PM.

Motion adopted unanimously.



City of Blaine Staff Report

File Number: 2025-69

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: -

Agenda Item # 7.3

Approve Temporary Nursery Sales License for Frattalones Hardware and Garden

Executive Summary

Council is asked to approve the temporary nursery sales license for Frattalones Hardware and Garden, located at 10809 University Avenue NE. The license will give the business the ability to sell garden and flowering plants in temporary greenhouses located in their parking lot.

Background

In 1998, Ordinance 98-1719 was enacted to require a license fee and establish insurance requirements and a time limit in which to operate temporary nurseries. The temporary nursery sales license is limited to a maximum of seventy-five (75) days per calendar year and the first day of set up begins the time clock.

The applicant has submitted their application along with all necessary documentation required by city ordinance for a temporary nursery sales license, along with the \$400 license fee and required certificate of liability insurance.

Strategic Plan Relationship

This item relates to the growth management strategic priority in the 2023-2026 strategic plan by providing additional opportunities for businesses to thrive while ensuring safe practices are employed, such as fire lane access and those surrounding temporary structures.

Board/Commission Review

N/A

Financial Impact

Issuance of the license, including onsite inspection of the temporary structures, is included in the license fee adopted by the city council.

Public Outreach/Input

No public notice is required for this license type.

Staff Recommendation

Council is asked to approve the temporary nursery sales license for Frattalones Hardware and Garden, located at 10809 University Avenue NE.

Attachment List

None



City of Blaine Staff Report

File Number: RES 25-65

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Approval of Consent Agenda: - Cathy Sorensen, City Clerk

Agenda Item # 7.4

Resolution to Approve a Premise Permit for Lawful Gambling Activity for Andover Football Association at Acapulco Restaurant, 9360 Baltimore Street NE, Suite 160

Executive Summary

Council is being asked to approve a premise permit for Andover Football Association at Acapulco Restaurant, 9360 Baltimore Street NE, Suite 160.

Background

Marcie DeMaio, gambling manager, and Denise Vidervol and Kelly Grunz, assistant gambling managers for Andover Football Association, have submitted an application to conduct charitable gambling at Acapulco Restaurant. If approved, they will conduct electronic pull tabs at this location. A copy of the lease for lawful gambling and the premise permit application for the State Gambling Control Board are attached.

A background investigation has been completed and nothing was found to disqualify Andover Football from obtaining this permit. While Andover Football is based out of Andover and doesn't meet city code definition of an eligible organization for operational requirements due to not being based in Blaine, city code does allow for council to grant a waiver of operational requirement if it is determined that the organization has significant community involvement. Any potential waiver would have to be granted per location up to the four-location limit. Attached is a summary of their community involvement in Blaine for council consideration, copy of their current gambling license and manager's license, as well as the LG214 premise permit application and LG215 signed lease application for Acapulco.

Per current code, no organization may maintain more than four lawful gambling locations in the City at one time. If approved, this will be their first site in Blaine.

The Gambling Control Board may not issue a lease for charitable gambling within a city unless a

sponsoring organization obtains approval through a resolution to the Gambling Control Board or otherwise forfeit their gambling activities.

Strategic Plan Relationship

This item relates to the Growth Management strategic priority in the 2023-2026 strategic plan by providing additional opportunities for businesses to thrive while ensuring safe practices are employed.

Board/Commission Review

N/A

Financial Impact

N/A

Public Outreach/Input

N/A

Staff Recommendation

Adopt a resolution approving a new premise permit to allow for lawful gambling activity by Andover Football Association at Acapulco Restaurant, 9360 Baltimore Street NE

Attachment List

1. Charitable Gambling Operational Waiver Request/Lease/Premise Permit



City of Blaine

Signature Copy

Resolution: RES 25-65

Resolution to Approve a Premise Permit for Lawful Gambling Activity for Andover Football Association at Acapulco Restaurant, 9360 Baltimore Street NE, Suite 160

WHEREAS, the Andover Football Association has submitted an application for a premise permit to allow charitable gambling to be conducted at Acapulco Restaurant, 9360 Baltimore Street, Blaine, Minnesota; and

WHEREAS, the Blaine City Council has determined that, based on Andover Football Association's significant community involvement in Blaine, it will be granted a waiver of operational requirement; and

WHEREAS, Minnesota Statute 349.213, Subd. 2, states that the Gambling Control Board may not issue a new premise permit for charitable gambling within a city unless the city council approves the premise permit within ninety (90) days from the date of their application for the new premise permit.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Blaine as follows:

The application for the premise permit for the purpose of conducting charitable gambling, including raffles, is hereby approved.

A certified copy of this resolution shall be provided to the applicant as soon as possible for submittal to the Gambling Control Board.

PASSED by the City Council of the City of Blaine this 7th day of April, 2025.

Subject: Request for Waiver of Operational Requirements - Charitable Gambling at Acapulco Mexican Restaurant, Blaine

Dear City of Blaine Officials,

The Andover Football Association, Inc. is writing to respectfully request a waiver of certain operational requirements to establish charitable gambling at Acapulco Mexican Restaurant in Blaine. We believe this partnership would be a significant benefit to both the restaurant, our association, and the City of Blaine.

We have a proven track record of successful charitable gambling operations, having held our license since 2008. Currently, we operate in Andover, Mounds View, and Monticello, and have previously operated in Oak Grove and St. Francis. Over the years, we have proudly donated over \$2.6 million to local communities, demonstrating our commitment to giving back.

We have established a strong and successful partnership with Acapulco Mexican Restaurant in Andover for the past three years, and are currently in the process of expanding this partnership to their Ham Lake location. This successful model demonstrates our ability to work effectively with local businesses and contribute positively to their environments.

Our association is deeply committed to community involvement, focusing on supporting boys, girls, sports associations, and schools. We strive to reach as many individuals and organizations as possible, enhancing the quality of life within the communities we serve.

Our gambling manager, Marcie DeMaio, brings extensive experience and expertise to our operations. She has been managing our charitable gambling since 2016 and has consistently demonstrated her ability to lead our operations to success. Marcie maintains an excellent relationship with the Gambling Control Board and is known for her collaborative spirit, often assisting other organizations with their charitable gambling programs, especially her highly successful bingo program. Her bingo events are well attended and bring in a large amount of community engagement.

We understand that the City of Blaine has specific operational requirements for charitable gambling. We are confident that we can meet the intent of these requirements and ensure responsible and successful operations. We are therefore requesting a waiver of certain operational requirements to facilitate our partnership with Acapulco Mexican Restaurant in Blaine.

We believe that establishing charitable gambling at Acapulco Mexican Restaurant in Blaine would create a win-win-win scenario:

- **For Acapulco Mexican Restaurant:** Increased customer traffic and revenue.

- **For Andover Football Association, Inc.:** Expanded fundraising capabilities to support our community programs.
- **For the City of Blaine:** Enhanced community engagement and support for local youth activities.

We respectfully request the opportunity to do charitable gambling in the City of Blaine. Thank you for your time and consideration.

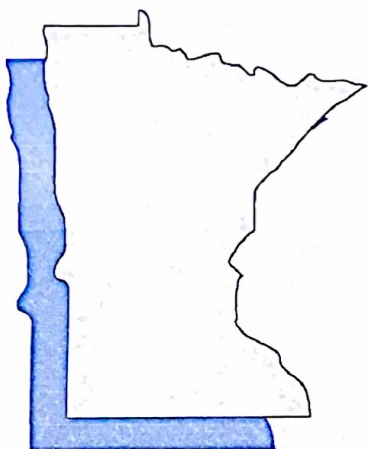
Sincerely,

Andover Football Association, Inc.

Denise Vidervol
Assistant Gambling Manager
612-990-9371

Kelly Grunz
Assistant Gambling Manager
763-218-1891

Marcie DeMaio
Gambling Manager
763-227-1600



**Minnesota
Gambling Control
Board**

has issued

**Lawful Gambling License
36655**

to
Andover Football Association

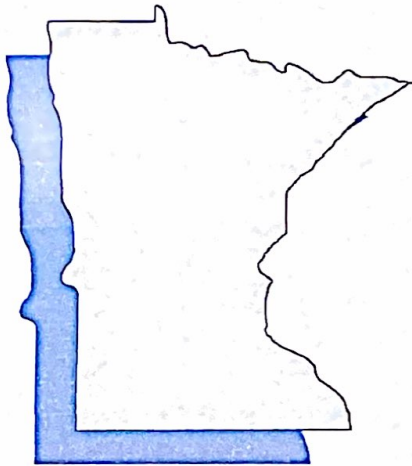
Effective Date: Sep 01 2010

A handwritten signature in black ink, appearing to read "Jason John Strasser". The signature is written over a circular stamp that is partially obscured by the ink.

Licensing Supervisor

Jason John Strasser
Andover Football Association
1685 Crosstown Blvd NW
Andover, MN 55304

Issued by:
Minnesota Gambling Control Board
Suite 300 South
1711 W. County Road B
Roseville, MN 55113



**Minnesota
Gambling Control
Board**

has issued

**Gambling Manager License
G-36655
Andover Football Association**

to
Marcie DeMaio

Effective Date: Nov 07 2016

A handwritten signature in black ink, appearing to read "Steve Pelu", written over a circular official seal of the Minnesota Gambling Control Board.

Licensing Supervisor

Michael James Johnson
Andover Football Association
1837 158th Ln NW
Andover, MN 55304

Issued by:
Minnesota Gambling Control Board
Suite 300 South
1711 W. County Road B
Roseville, MN 55113

LG214 Premises Permit Application**Annual Fee \$150 (NON-REFUNDABLE)****REQUIRED ATTACHMENTS TO LG214**

1. If the premises is leased, attach a copy of your lease. Use **LG215 Lease for Lawful Gambling Activity**.
2. \$150 annual premises permit fee, for each permit (non-refundable). Make check payable to "State of Minnesota."

Mail the application and required attachments to:

Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113

Questions? Call 651-539-1900 and ask for Licensing.**ORGANIZATION INFORMATION**

Organization Name: Andover Football Association, Inc. License Number: 36655
 Chief Executive Officer (CEO) Jason Strasser Daytime Phone: 763-528-8907
 Gambling Manager: Marcie DeMaio Daytime Phone: 763-227-1600

GAMBLING PREMISES INFORMATION

Current name of site where gambling will be conducted: Acapulco Mexican Restaurant
 List any previous names for this location:

Street address where premises is located: 9360 Baltimore St. NE #160
(Do not use a P.O. box number or mailing address.)

City: Blaine **OR** Township: _____ County: Anoka Zip Code: 55449

Does your organization own the building where the gambling will be conducted?

☐ Yes ☒ No If no, attach LG215 Lease for Lawful Gambling Activity.

A lease is not required if only a raffle will be conducted.

Is any other organization conducting gambling at this site? ☐ Yes ☒ No ☐ Don't know

Note: Bar bingo can only be conducted at a site where another form of lawful gambling is being conducted by the applying organization or another permitted organization. Electronic games can only be conducted at a site where paper pull-tabs are played.

Has your organization previously conducted gambling at this site? ☐ Yes ☒ No ☐ Don't know

GAMBLING BANK ACCOUNT INFORMATION; MUST BE IN MINNESOTA

Bank Name: Blaze Credit Union Bank Account Number: Checking - 4706842954
Money Market - 4706842947
Savings - 4706842921
 Bank Street Address: 3880 Northdale Blvd NW City: Coon Rapids State: MN Zip Code: 55448

ALL TEMPORARY AND PERMANENT OFF-SITE STORAGE SPACES

Address (Do not use a P.O. box number):	City:	State:	Zip Code:
<u>3792 124th Lane NW</u>	<u>Coon Rapids</u>	<u>MN</u>	<u>55433</u>
<u>14601 Grouse St. NW</u>	<u>Andover</u>		<u>55304</u>
<u>725 148th Lane NW</u>	<u>Andover</u>	<u>MN</u>	<u>55304</u>
<u>13624 Hanson Blvd.</u>	<u>Andover</u>	<u>MN</u>	<u>55304</u>

ACKNOWLEDGMENT BY LOCAL UNIT OF GOVERNMENT: APPROVAL BY RESOLUTION

CITY APPROVAL for a gambling premises located within city limits	COUNTY APPROVAL for a gambling premises located in a township
City Name: _____	County Name: _____
Date Approved by City Council: _____	Date Approved by County Board: _____
Resolution Number: _____ (If none, attach meeting minutes.)	Resolution Number: _____ (If none, attach meeting minutes.)
Signature of City Personnel: _____	Signature of County Personnel: _____
Title: _____ Date Signed: _____	Title: _____ Date Signed: _____
Local unit of government must sign.	TOWNSHIP NAME: _____ Complete below only if required by the county. On behalf of the township, I acknowledge that the organization is applying to conduct gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.213, Subd. 2.) Print Township Name: _____ Signature of Township Officer: _____ Title: _____ Date Signed: _____

ACKNOWLEDGMENT AND OATH

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. I hereby consent that local law enforcement officers, the Board or its agents, and the commissioners of revenue or public safety and their agents may enter and inspect the premises. 2. The Board and its agents, and the commissioners of revenue and public safety and their agents, are authorized to inspect the bank records of the gambling account whenever necessary to fulfill requirements of current gambling rules and law. 3. I have read this application and all information submitted to the Board is true, accurate, and complete. 4. All required information has been fully disclosed. 5. I am the chief executive officer of the organization. | <ol style="list-style-type: none"> 6. I assume full responsibility for the fair and lawful operation of all activities to be conducted. 7. I will familiarize myself with the laws of Minnesota governing lawful gambling and rules of the Board and agree, if licensed, to abide by those laws and rules, including amendments to them. 8. Any changes in application information will be submitted to the Board no later than ten days after the change has taken effect. 9. I understand that failure to provide required information or providing false or misleading information may result in the denial or revocation of the license. 10. I understand the fee is non-refundable regardless of license approval/denial. |
|--|---|

Signature of Chief Executive Officer (designee may not sign)	3/23/25 Date
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Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application. Your organization's name and address will be public	Information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information;	Minnesota's Department of Public Safety, Attorney General, Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.
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This form will be made available in alternative format, i.e. large print, braille, upon request.

An equal opportunity employer

LG215 Lease for Lawful Gambling Activity**LEASE INFORMATION**

Organization: Andover Football Association, Inc.	License/Site Number: 36655-	Daytime Phone: 763-227-1600
Address: 1685 Crosstown Blvd. NW	City: Andover	State: Zip: MN 55304
Name of Leased Premises: Arapulco Mexican Restaurant	Street Address: 9360 Baltimore St. NE #160	
City: Blaine	State: Zip: MN 55449	Daytime Phone: 763-795-0347
Name of Legal Owner: Sam Leon	Business/Street Address: 9360 Baltimore St. NE	
City: Blaine	State: Zip: MN 55449	Daytime Phone: 651-497-0873
Name of Lessor (if same as legal owner, write "SAME"): SAME	Address:	
City:	State: Zip:	Daytime Phone:

Check applicable item:

- ☒ **New or amended lease.** Effective date: _____. Submit changes at least ten days **before** the effective date of the change.
- ☐ **New owner.** Effective date: _____. Submit new lease **within** ten days after new lessor assumes ownership.

CHECK ALL ACTIVITY THAT WILL BE CONDUCTED (no lease required for raffles)

- | | |
|---|---|
| ☒ Pull-Tabs (paper) | ☒ Electronic Pull-Tabs |
| ☒ Pull-Tabs (paper) with dispensing device | ☒ Electronic Linked Bingo |
| ☒ Bar Bingo ☐ Bingo | Electronic games may only be conducted: |
| ☒ Tipboards | 1. at a premises licensed for the on-sale of intoxicating liquor or the on-sale of 3.2% malt beverages; or |
| ☒ Paddlewheel ☐ Paddlewheel with table | 2. at a premises where bingo is conducted as the primary business and has a seating capacity of at least 100. |

PULL-TAB, TIPBOARD, AND PADDLEWHEEL RENT (separate rent for booth and bar ops)

BOOTH OPERATION: Some or all sales of gambling equipment are conducted by an employee/volunteer of a licensed organization at the leased premises.

ALL GAMES, including electronic games: Monthly rent to be paid: ____%, not to exceed **10%** of gross profits for that month.

- Total rent paid from all organizations for only booth operations at the leased premises **may not exceed \$1,750**.
- The rent cap does not include BAR OPERATION rent for electronic games conducted by the lessor.

BAR OPERATION: All sales of gambling equipment conducted by the lessor or lessor's employee.

ELECTRONIC GAMES: Monthly rent to be paid: 15%, not to exceed **15%** of the gross profits for that month from electronic pull-tab games and electronic linked bingo games.

ALL OTHER GAMES: Monthly rent to be paid: 20%, not to exceed **20%** of gross profits from all other forms of lawful gambling.

- If any booth sales conducted by a licensed organization at the premises, rent may not exceed **10%** of gross profits for that month and is subject to booth operation **\$1,750** cap.

BINGO RENT (for leased premises where bingo is the primary business conducted, such as bingo hall)

Bingo rent is limited to one of the following:

- Rent to be paid: ____%, not to exceed **10%** of the monthly gross profit from all lawful gambling activities held during bingo occasions, excluding bar bingo.
- OR -
- Rate to be paid: \$ _____ per square foot, not to exceed 110% of a comparable cost per square foot for leased space, as approved by the director of the Gambling Control Board. The lessor must attach documentation, verified by the organization, to confirm the comparable rate and all applicable costs to be paid by the organization to the lessor.
 - ⇒ **Rent may not be paid for bar bingo.**
 - ⇒ Bar bingo does not include bingo games linked to other permitted premises.

LEASE TERMINATION CLAUSE (must be completed)

The lease may be terminated by either party with a written 30 day notice. Other terms:

LG215 Lease for Lawful Gambling Activity

6/15 Page 2 of 2

Lease Term: The term of this agreement will be concurrent with the premises permit issued by the Gambling Control Board (Board).

Management: The owner of the premises or the lessor will not manage the conduct of lawful gambling at the premises. The organization may not conduct any activity on behalf of the lessor on the leased premises.

Participation as Players Prohibited: The lessor will not participate directly or indirectly as a player in any lawful gambling conducted on the premises. The lessor's immediate family and any agents or gambling employees of the lessor will not participate as players in the conduct of lawful gambling on the premises, except as authorized by Minnesota Statutes, Section 349.181.

Illegal Gambling: The lessor is aware of the prohibition against illegal gambling in Minnesota Statutes 609.75, and the penalties for illegal gambling violations in Minnesota Rules 7865.0220, Subpart 3. In addition, the Board may authorize the organization to withhold rent for a period of up to 90 days if the Board determines that illegal gambling occurred on the premises or that the lessor or its employees participated in the illegal gambling or knew of the gambling and did not take prompt action to stop the gambling. Continued tenancy of the organization is authorized without payment of rent during the time period determined by the Board for violations of this provision, as authorized by Minnesota Statutes, Section 349.18, Subd. 1(a).

To the best of the lessor's knowledge, the lessor affirms that any and all games or devices located on the premises are not being used, and are not capable of being used, in a manner that violates the prohibitions against illegal gambling in Minnesota Statutes, Section 609.75.

Notwithstanding Minnesota Rules 7865.0220, Subpart 3, an organization must continue making rent payments under the terms of this lease, if the organization or its agents are found to be solely responsible for any illegal gambling, conducted at this site, that is prohibited by Minnesota Rules 7861.0260, Subpart 1, item H, or Minnesota Statutes, Section 609.75, unless the organization's agents responsible for the illegal gambling activity are also agents or employees of the lessor.

The lessor must not modify or terminate the lease in whole or in part because the organization reported, to a state or local law enforcement authority or to the Board, the conduct of illegal gambling activity at this site in which the organization did not participate.

Other Prohibitions: The lessor will not impose restrictions on the organization with respect to providers (distributor or linked bingo game provider) of gambling-related equipment and services or in the use of net profits for lawful purposes.

The lessor, the lessor's immediate family, any person residing in the same residence as the lessor, and any agents or employees of the lessor will not require the organization to perform any action that would violate statute or rule. The lessor must not modify or terminate this lease in whole or in part due to the lessor's violation of this provision. If there is a dispute as to whether a violation occurred, the lease will remain in effect pending a final determination by the Compliance Review Group (CRG) of the Board. The lessor agrees to arbitration when a violation of this provision is alleged. The arbitrator shall be the CRG.

Access to Permitted Premises: Consent is given to the Board and its agents, the commissioners of revenue and public safety and their agents, and law enforcement personnel to enter and inspect the permitted premises at any reasonable time during the business hours of the lessor. The organization has access to the premises during any time reasonable and when necessary for the conduct of lawful gambling.

Lessor Records: The lessor must maintain a record of all money received from the organization, and make the record available to the Board and its agents, and the commissioners of revenue and public safety and their agents upon demand. The record must be maintained for 3-1/2 years.

Rent All-Inclusive: Amounts paid as rent by the organization to the lessor are all-inclusive. No other services or expenses provided or contracted by the lessor may be paid by the organization, including but not limited to:

- trash removal
- electricity, heat
- snow removal
- storage
- janitorial and cleaning services
- other utilities or services
- lawn services
- security, security monitoring
- cost of any communication network or service required to conduct electronic pull-tabs games or electronic bingo
- in the case of bar operations, cash shortages.

Any other expenditures made by an organization that is related to a leased premises must be approved by the director of the Board. Rent payments may not be made to an individual.

ACKNOWLEDGMENT OF LEASE TERMS

I affirm that this lease is the total and only agreement between the lessor and the organization, and that all obligations and agreements are contained in or attached to this lease and are subject to the approval of the director of the Gambling Control Board.

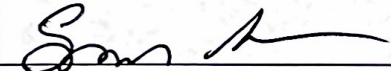
Other terms of the lease:

Signature of Lessor:

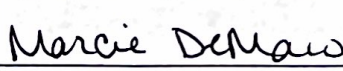
Date:

Signature of Organization Official (Lessee):

Date:



03/07/25



3.8.25

Print Name and Title of Lessor:

Sam Leon COO

Print Name and Title of Lessee:

Marcie DeMaio-Gambling Mgr.

Questions? Contact the Licensing Section, Gambling Control Board, at 651-539-1900. This publication will be made available in alternative format (i.e. large print, braille) upon request. **Data privacy notice:** The information requested on this form and any attachments will become public information when received by the Board, and will be used to determine your compliance with Minnesota statutes and rules governing lawful gambling activities.

Mail or fax lease to:

Minnesota Gambling Control Board
1711 W. County Road B, Suite 300 South
Roseville, MN 55113

Fax: 651-639-4032



City of Blaine Staff Report

File Number: 2025-70

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: -

Agenda Item # 7.5

Approve Temporary Liquor Licenses for Invictus Brewing Company

Executive Summary

Council is being asked to approve a temporary on-sale intoxicating liquor license for Invictus Brewing Company located at 10550 Nassau Street NE

Background

Invictus Brewing will be hosting their 7th Annual Anniversary Party May 30-31, 2025. They have submitted the State application, appropriate fee, and liquor liability insurance for this event.

Strategic Plan Relationship

Special event related licensing relates most closely with the effective communication strategic priority as it allows the city to foster communication and engagement with local civic groups and provides opportunities for the public to gather.

Board/Commission Review

N/A

Financial Impact

License fees established by the council cover costs of license review and issuance.

Public Outreach/Input

No public notice is required for this license type.

Staff Recommendation

By motion, approve a temporary on-sale intoxicating liquor license for Invictus Brewing Company May 30-31, 2025.

Attachment List

None



City of Blaine Staff Report

File Number: 2025-71

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: -

Agenda Item # 7.6

Approve 2025-2026 Vending Truck Licenses

Executive Summary

By motion, approve the 2025-2026 vending licenses.

Background

The following individuals recently submitted applications and required documents to renew their existing vending truck licenses:

- Faysal Hasan, Blaine Anoka Ice Cream
- John Petsuch, The Treat Truck
- Faisal Kazar, Faisal Ice Cream

The Blaine Police Department has conducted background investigations for the above applicants. Issuance of individual licenses is contingent upon meeting all requirements of the license. If approved, the license will be in effect from May 1, 2025 – April 30, 2026.

Strategic Plan Relationship

This item relates to the growth of management strategic priority in the 2023-2026 strategic plan by providing additional opportunities for businesses to thrive while ensuring safe practices are employed.

Board/Commission Review

N/A

Financial Impact

Issuance of the license, including background investigation, are included in the license fee adopted by the city council.

Public Outreach/Input

No public notice is required for this license type.

Staff Recommendation

By motion, approve the vending truck licenses listed above.

Attachment List

None



City of Blaine Staff Report

File Number: 2025-72

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: -

Agenda Item # 7.7

Approve 2025-2026 Kennel Licenses

Executive Summary

Council is asked to approve the kennel licenses listed below. These licenses will allow applicants to board, groom and shelter domestic animals in a clean, safe and humane manner.

Background

The following businesses recently submitted online applications to renew their existing kennel license.

Elfie Shea	Christine Rowan
Elfenbein Samoyed Kennels	Stone Mountain Pet Lodge LLC
12339 Radisson Road NE	9935 Radisson Road NE
Blaine, MN 55449	Blaine, MN 55449
Aimee Dickhaus	Thomas Carroll
PetSuites	Blaine Kennels
9983 Ulysses Street NE	10193 Flanders Street NE
Blaine, MN 55434	Blaine, MN 55449

All submitted kennel applications include the applicable fees along with required documents, including the kennel inspection reports. The licensing period for kennels is May 1, 2025 through April 30, 2026.

The licenses are contingent upon the Animal Control Division of the Police Department completing the kennel inspections for the above listed kennels and verifying that no complaints have been received in the past year that would prohibit renewal of the above licenses.

Strategic Plan Relationship

This item relates to the growth of management strategic priority in the 2023-2026 strategic plan by providing additional opportunities for businesses to thrive while ensuring safe practices are employed.

Board/Commission Review

N/A

Financial Impact

Issuance of the license, including background investigation, is included in the license fee adopted by city council.

Public Outreach/Input

No public notice is required for this license type.

Staff Recommendation

By motion, approve the kennel licenses listed above.

Attachment List

None



City of Blaine Staff Report

File Number: 2025-73

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: -

Agenda Item # 7.8

Approve a Tobacco and Tobacco Products License for Northstar Cigars, located at 2180 105th Avenue NE, Suite 170

Executive Summary

Council is asked to approve a tobacco and tobacco products license which will allow the applicant to sell cigar products.

Background

The applicants intend to retail exclusively cigars and pipes with sampling of items purchased onsite; referencing the permitted uses of the 105th Avenue Redevelopment District (RD) their intention is to conduct business inline with the permitted use. The applicants have met the licensing requirements by completing all necessary forms and paying associated fees. Blaine Police Department has conducted a background investigation on the applicants and found no reason to deny the license. If approved, the tobacco license will be effective through December 31, 2025. As a reminder, council recently adopted a cap on the number and type of licenses to 50 licenses in conjunction with other uses and 12 tobacco products stores only. If approved, the number of licenses would be below the adopted cap; 43 licenses in conjunction with other uses and 12 tobacco products store licenses. This license would be considered a tobacco products store license and not part of the cap of three cigar lounges because it is not in conjunction with a restaurant of the same owner immediately adjacent.

Strategic Plan Relationship

This item relates to the Growth Management strategic priority in the 2023-2026 strategic plan by providing additional opportunities for businesses to thrive while ensuring safe practices are employed.

Board/Commission Review

N/A

Financial Impact

Issuance of the license, including background checks, are included in the license fee adopted by city council.

Public Outreach/Input

No public notice is required for this license type.

Staff Recommendation

By motion, approve a tobacco and tobacco products license for Northstar Cigars, located at 2180 105th Avenue NE, Suite 170

Attachment List

None



City of Blaine Staff Report

File Number: 2025-74

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: - Scott Johnson, Director of Administrative Services

Agenda Item # 7.9

Motion for Ratification of Local 477 (Deputy Police Chief) Labor Agreement from November 18, 2024-January 1, 2026

Executive Summary

Council is asked to ratify and approve the LELS Local #477 (Deputy Police Chief) labor agreement.

Background

The City of Blaine and the Law Enforcement Labor Services, Local #477 (Deputy Police Chief) have reached agreement on the labor contract covering the two-plus years beginning November 18, 2024, through December 31, 2026. The agreement includes the following changes:

1. Wage Adjustment of 3% from 2025 to 2026 under the labor contract.
2. An additional step is included in the wage schedule, Step 2 (after completion of two years in the position).
3. Inclusion of performance criteria in order for the Deputy Police Chief to advance wage steps.
4. 100% of accrued and unused vacation on honorable discharge will be paid as compensation instead of into a health care savings plan.
5. Agree to updated Memorandum of Agreement for Post-Employment Health Care Savings Plan with employee contributions lowered to 3% instead of 5%.
6. Agree to Memorandum of Agreement for Earned Safe and Sick Time (ESST) under Minnesota Statute.
7. Incidental technical and clean-up language changes.

The draft agreement is attached for review.

Strategic Plan Relationship

This item relates to the organizational health strategic plan priority to recruit and retain quality employees as dictated by the current labor market.

Board/Commission Review

n/a

Financial Impact

Budget impacts as outlined in contract.

Public Outreach/Input

n/a

Staff Recommendation

By motion, ratify the contract between the Law Enforcement Labor Services Local #477 and the City of Blaine from November 18, 2024 - December 31, 2026.

Attachment List

1. FINAL DC CBA 2024-2026



City of Blaine

Signature Copy

Resolution:

Motion for Ratification of Local 477 (Deputy Police Chief) Labor Agreement from November 18, 2024-January 1, 2026



City of Blaine

Signature Copy

Ordinance:

**Motion for Ratification of Local 477 (Deputy Police Chief) Labor Agreement from
November 18, 2024-January 1, 2026**

LABOR AGREEMENT

BETWEEN



City of Blaine

AND



**Law Enforcement
Labor Services, Inc.**

**REPRESENTING:
Blaine PD Deputy Chief
LOCAL #477**

November 18, 2024 - December 31, 2026

ARTICLE 1 - PURPOSE OF AGREEMENT

This AGREEMENT is entered into as of November 18, 2024 between the CITY OF BLAINE, hereinafter called the EMPLOYER, and the LAW ENFORCEMENT LABOR SERVICES, INC., (LOCAL# 477), hereinafter called the UNION.

It is the intent and purpose of this AGREEMENT to:

- 1.1 Establish procedures for the resolution of disputes concerning this AGREEMENT'S interpretation and/or application; and
- 1.2 Place in written form the parties' agreement upon terms and conditions of employment for the duration of this AGREEMENT.

ARTICLE 2 - RECOGNITION

- 2.1 The EMPLOYER recognizes the UNION as the exclusive representative, under Minnesota Statutes, Section 179A.03, subd. 8, for all police personnel in the following job classification as certified by the Bureau of Mediation Services in 21PCE2362:

All essential licensed supervisory employees in the position of Deputy Chief employed by the City of Blaine Police Department, Blaine, Minnesota, who are public employees within the meaning of Minn. Stat. Sec. 179A.03, subd. 14, excluding confidential and all other employees.

- 2.2 In the event the EMPLOYER and the UNION are unable to agree as to the inclusion or exclusion of a new or modified job class, the issue shall be submitted to the Bureau of Mediation Services for determination.

ARTICLE 3 - EMPLOYER SECURITY

The UNION agrees that during the life of this AGREEMENT that the UNION will not cause, encourage, participate in, or support any strike, slowdown, or other interruption of or interference with the normal functions of the EMPLOYER.

ARTICLE 4 - EMPLOYER AUTHORITY

- 4.1 Except as limited by the specific provisions of this Agreement, the Employer shall retain whatever rights and authority are necessary for it to operate and direct the affairs of the Employer in all of its various aspects, including but not limited to the right to operate and manage all facilities and equipment; to establish or discontinue functions and programs; to set and amend budgets; to determine the utilization of technology; to establish and modify the organizational structure; to schedule working hours and assign overtime; to select, direct and determine the number of personnel; to hire, promote, suspend, discipline or discharge personnel for just cause; to lay off or relieve Employees due to lack of work or other reasons; to make and enforce reasonable rules and regulations; to

take whatever actions may be necessary to carry out the missions of the Employer in emergencies; to take any and all actions necessary to carry out the operations of the employer in situations involving a disaster or emergency consistent with the terms and conditions listed in this agreement to the extent practicable, to assign duties, tasks, and jobs, and to perform such other inherent managerial function as set forth in the Minnesota Public Employee Labor Relations Act.

- 4.2 The Employer has the right to discontinue the classification held by the Employee in the Employer's sole discretion, whether such action affects only this position or is part of a broader restructuring.
- 4.3 The parties recognize that all employees covered by this Agreement shall perform the services and duties prescribed by the Employer and shall be governed by Employer rules, policies, regulations, directives and orders, provided that such rules, regulations and orders are not inconsistent with the provisions of this Agreement or state or federal laws.
- 4.4 Any term and condition of employment not specifically established or modified by this AGREEMENT shall remain solely within the discretion of the EMPLOYER to modify, establish, or eliminate.

ARTICLE 5 - UNION SECURITY

- 5.1 The EMPLOYER shall deduct from the wages of employees who authorize such a deduction in writing an amount necessary to cover monthly UNION dues. Such monies shall be remitted as directed by the UNION.
- 5.2 The UNION agrees to indemnify and hold the EMPLOYER harmless against any and all claims, suits, orders, or judgments brought or issued against the EMPLOYER as a result of any action taken or not taken by the EMPLOYER under the provisions of this Article.

ARTICLE 6- EMPLOYEE RIGHTS - GRIEVANCE PROCEDURE

6.1 DEFINITION OF A GRIEVANCE

A grievance is defined as a dispute or disagreement as to the interpretation or application of the specific terms and conditions of this AGREEMENT.

6.2 UNION REPRESENTATIVES

The EMPLOYER will recognize Representatives designated by the UNION as the grievance representatives of the bargaining unit having the duties and responsibilities established by this Article. The UNION shall notify the EMPLOYER in writing of the names of such UNION Representatives and of their successors.

6.3 PROCEDURE

Grievances, as defined by Section 6.1, shall be resolved in conformance with the following procedure:

Step 1. An employee claiming a violation concerning the interpretation or application of this AGREEMENT shall, within twenty-one (21) calendar days after such alleged violation has occurred, present such grievance to the Chief of Police, or the Chief of Police's designee. The Chief of Police, or the Chief of Police's designee, will discuss and give an answer to such Step 1 grievance within ten (10) calendar days after receipt. A grievance not resolved in Step 1 and appealed to Step 2 shall be placed in writing setting forth the nature of the grievance, the facts on which it is based, the provision or provisions of the AGREEMENT allegedly violated the remedy requested, and shall be appealed to Step 2 within ten (10) calendar days after the Chief of Police's, or the Chief of Police's designee's final answer in Step 1. Any grievance not appealed in writing to Step 2 by the UNION within ten (10) calendar days shall be considered waived.

Step 2. If appealed, the written grievance shall be presented by the UNION and discussed with the City Manager or the City Manager's designee. The City Manager or the City Manager's designee, shall give the UNION a Step 2 answer in writing within ten (10) calendar days after receipt of such Step 2 grievance. A grievance not resolved in Step 2 may be appealed to Step 3 within ten (10) calendar days following the City Manager or the City Manager's designee's final Step 2 answer. Any grievance not appealed in writing to Step 3 by the UNION within ten (10) calendar days shall be considered waived.

Step 3. A grievance unresolved in Step 2 and appealed to Step 3 by the UNION shall be submitted to arbitration subject to the provisions of the Public Employment Labor Relations Act of 1971, as amended, except that for grievance matters involving written disciplinary action, discharge, or termination, the assignment of an arbitrator shall be consistent with Minnesota Statute 626.892. For all other grievances the selection of an arbitrator shall be made in accordance with the "Rules Governing the Arbitration of Grievances" as established by the Bureau of Mediation Services.

6.4 ARBITRATOR'S AUTHORITY

A. The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the terms and conditions of this AGREEMENT. The arbitrator shall consider and decide only the specific issue(s) submitted in writing by the EMPLOYER and the UNION, and shall have no authority to make a decision on any other issue not so submitted.

B. The arbitrator shall be without power to make decisions contrary to, or inconsistent with, or modifying or varying in any way the application of laws, rules, or regulations having the force and effect of law. The arbitrator's decision shall be submitted in writing within thirty (30) days, following close of the hearing or the submission of briefs by the parties, whichever is later, unless the parties agree to an extension. The decision shall be binding on both the EMPLOYER and the UNION and shall be based solely on the arbitrator's interpretation or application of the express terms of this AGREEMENT and to the facts of the grievance presented.

C. The fees and expenses for the arbitrator's services and proceedings shall be borne equally by the EMPLOYER and the UNION provided that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of the proceedings the cost shall be shared equally.

6.5 WAIVER

If a grievance is not presented within the time limits set forth above, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled on the basis of the EMPLOYER'S last answer. If the EMPLOYER does not answer a grievance or an appeal thereof within the specified time limits, the UNION may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual agreement of the EMPLOYER and the UNION in each step.

6.6 CHOICE OF REMEDY

If, as a result of the written EMPLOYER response in Step 2 the grievance remains unresolved, and if the grievance involves the suspension, demotion, or discharge of an employee who has completed the required probationary period, the grievance may be appealed either to Step 3 of ARTICLE 7 or a procedure such as Veteran's Preference. If appealed to any procedure other than Step 3 of ARTICLE 7 the grievance is not subject to the arbitration procedure as provided in Step 3 of ARTICLE 7.

The aggrieved employee shall indicate in writing, which procedure is to be utilized--Step 3 of ARTICLE 7 or another appeal procedure--and shall sign a statement to the effect that the choice of any other hearing precludes the aggrieved employee from making a subsequent appeal through Step 3 of ARTICLE 7.

ARTICLE 7 - SAVINGS CLAUSE

This AGREEMENT is subject to the laws of the United States, the State of Minnesota, and the ordinances of the City of Blaine. In the event any provision of this AGREEMENT shall be held to be contrary to law by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provisions shall be voided. All other provisions of this AGREEMENT shall continue in full force and effect. The voided provision may be renegotiated at the written request of either party.

ARTICLE 8 - SENIORITY/PROBATION PERIOD

8.1 Seniority shall be determined by the employee's length of continuous employment with the Police Department.

- 8.2 During the probationary period, a newly hired or rehired employee may be discharged at the sole discretion of the EMPLOYER. During the probationary period a promoted or reassigned employee may be replaced in their previous position at the sole discretion of the EMPLOYER provided a vacancy exists at the time of the removal.
- 8.3 An employee on lay-off shall have an opportunity to return to work within two years of the time of the employee's layoff before any new employee is hired.

ARTICLE 9 - DISCIPLINE

- 9.1 The EMPLOYER will discipline employees for just cause only. Discipline will be in one or more of the following forms:
- a) written reprimand;
 - b) suspension;
 - c) demotion; or
 - d) discharge.
- 9.2 Suspensions, demotions, and discharges will be in written form.
- 9.3 Written reprimands, notices of suspension, and notices of discharge which are to become part of an employee's personnel file shall be read and acknowledged by signature of the employee. Employees and the UNION will receive a copy of such reprimands and/or notices.
- 9.4 Discharges will be preceded by a five (5) day suspension without pay to hold the Loudermill hearing.
- 9.5 Employee will not be questioned concerning an investigation of a disciplinary action against the employee unless the employee has been given reasonable time to have a UNION representative at such questioning. This provision does not require the EMPLOYER to provide the employee with an explanation of their legal rights related to union or other representation.

ARTICLE 10 - INSURANCE

The EMPLOYER will contribute to health and other insurance programs, whether such program is administered through a cafeteria plan or otherwise on the same basis and subject to the same limitations and requirements as the basic non-union employee program for the term of this Agreement.

ARTICLE 11- WAGE RATES

The pay plan for the Deputy Chief will be as follows:

	Start	Step 1	Step 2
2024 Hourly	\$78.02	--	--
2024 Salary	\$162,281.60	--	--
2025 Hourly	\$80.36	\$85.00	\$86.97
2025 Salary	\$167,148.80	\$176,800.000	\$180,897.60
2026 Hourly	\$83.60	\$87.55	\$89.59
2026 Salary	\$173,888.83	\$182,104.00	\$186,346.78

Employee is eligible for Step 1 at the start of year 2 (November 18, 2025), Step 2 eligibility begins at the start of year 3.

Employees will be eligible to progress through the salary range subject to satisfactory performance criteria.

The Police Chief will conduct a performance check-in 60-90 days prior to the Employee's anniversary date. If Employee's anniversary date falls within 90 days after completion of an annual performance review, this check-in will not be necessary. In either circumstance, the Police Chief will use the City's Action Form to indicate whether the Employee is satisfactorily meeting performance criteria based on monthly evaluations and/or prior annual evaluations as well as any other evidence concerning Employee's performance.

If the employee does not satisfactorily meet performance criteria, this will result in a denial of a step increase although it will not result in denial of a yearly COLA adjustment. If a step increase is denied under these circumstances, the employee may request that they be permitted to attempt to improve their performance to the point where they qualify for the step increase within a 90-day period. Upon such request, the Police Chief will establish tasks and goals in writing to be completed to bring the employee's performance up to a rating that would qualify the employee for a step increase. The employee and Police Chief will complete a 90-day follow-up review.

If the employee does satisfactorily meet performance criteria at the end of the 90-day period, this will result in a step increase. The step increase will be effective beginning the first full pay period following such supervisory determination.

If an employee receives an overall rating that results in denial of a step increase, they may appeal their evaluation utilizing this process:

Step 1: Within five (5) working days after the Action Form has been finalized, the employee must notify the Police Chief in writing that they wish to appeal the determination. A meeting must take place to discuss the determination between the Police Chief and the employee within five (5) working days (exclusive of vacation and sick leave) of the notice by the employee. If not resolved in Step 1, and the employee wishes to continue the appeal, they can proceed to Step 2.

Step 2: Within five (5) working days following the meeting in Step 1, the employee can continue to appeal the determination by putting in writing the areas which are of concern or in disagreement to the City Manager. The City Manager is required to review the document and respond to the employee within five (5) working days (exclusive of vacation and sick leave). If not resolved in Step 2 and the employee wishes to continue to appeal, they can proceed to Step 3.

Step 3: Within five (5) working days following the determination in Step 2, the employee can continue to appeal the determination by submitting the appeal, in writing, to the Chief of Police. The appeal will be decided by a review panel consisting of the Chief of Police, the City Manager, and Human Resources. This panel will hear up to a half hour of presentation. The majority decision will be final. Union Steward may be present.

If an appeal is not made to a subsequent step within the timelines identified above, or any agreed extension thereof, it shall be considered settled on the basis of the City's last answer. If the City does not respond, the employee may treat the nonresponse as a denial and move to the next Step.

Employees will be notified as soon as possible after any substantive changes have been made to the review process and/or review forms.

ARTICLE 12 - PAID LEAVES

Employee will be covered by the Paid Leave Provisions as outlined in the City policies as they may be amended from time to time. In the event that the EMPLOYER amends its nonunion leave program to move toward a personal time off system or other combined time off program to replace sick and vacation leave, the parties agree to meet and negotiate over application of such program to the Employee.

Should separation from employment be honorable, employee shall be paid 100% of accrued and unused vacation.

ARTICLE 13 - UNIFORMS

The EMPLOYER shall provide required uniform and equipment items.

ARTICLE 14 - POST BOARD LICENSING

- 14.1 The EMPLOYER will pay for and provide the required training for POST Board licensing.
- 14.2 The EMPLOYER will pay the POST Board license fee for each employee provided the employee has met the statutory requirement for license eligibility and renewal and it is approved by the Chief of Police.

ARTICLE 15 - INJURY ON DUTY (IOD)

Employees injured during the performance of their duties for the EMPLOYER and thereby rendered unable to work for the EMPLOYER will be paid the difference between the employee's regular pay and Worker's Compensation insurance payments for a period not to exceed ninety (90) working days per injury, not charged to the employee's vacation, sick leave, or other accumulated paid benefits, after a three (3) working day initial waiting period per injury. The three (3) working day waiting period shall be charged to the employee's sick leave account less Worker's Compensation insurance payments. Employees drawing Worker's Compensation benefits will not receive supplementary IOD pay or sick leave pay, which provides for more

after-tax take-home pay than the employee made while working.

ARTICLE 16 - WAIVER

- 16.1 Any and all prior agreements, resolutions, practices, policies, rules, and regulations regarding terms and conditions of employment, to the extent inconsistent with the provisions of this AGREEMENT, are hereby superseded.
- 16.2 The parties mutually acknowledge that during the negotiations, which resulted in this AGREEMENT, each had the unlimited right and opportunity to make demands and proposals with respect to any term or condition of employment not removed by law from bargaining. All agreements and understandings arrived at by the parties are set forth in writing in this AGREEMENT for the stipulated duration of this AGREEMENT. The EMPLOYER and the UNION each voluntarily and unqualifiedly waives the right to meet and negotiate regarding any and all terms and conditions of employment referred to or covered in this AGREEMENT or with respect to any term or condition of employment not specifically referred to or covered by this AGREEMENT, even though such terms or conditions may not have been within the knowledge of contemplation of either or both of the parties at the time this contract was negotiated or executed.

ARTICLE 17 - DURATION

This AGREEMENT shall be effective as of November 18, 2024, and shall remain in full force and effect until the thirty-first day of December, 2026. In witness whereof, the parties hereto have executed this AGREEMENT on dates noted below.

FOR THE CITY OF BLAINE

FOR LAW ENFORCEMENT LABOR
SERVICES, INC. (Local #477)

Tim Sanders, Mayor

Date: _____

Kevin McGrath, Business Agent

Date: _____

Michelle Wolfe, City Manager

Date: _____

Joseph Gerhard, Sole Member

Date: _____

Scott Johnson, Director of Administrative
Services

Date: _____

Additional MOU'S

Memorandum of Agreement
Between the City of Blaine
and Law Enforcement Labor Services, Inc., Local No. 477
(Deputy Chief bargaining unit)

(Post Employment Savings Plan)

Whereas, the Bureau of Mediation Services certified Law Enforcement Labor Services, Inc. as the exclusive representative of the following bargaining unit on May 13, 2021:

All licensed employees of the City of Blaine, Minnesota, in the position of Deputy Chief who are public employees within the meaning of Minn. Stat. 179A.03, subd. 14 and supervisory employees within the meaning of Minn. Stat. 179A.03, subd. 17, excluding all other employees.

Law Enforcement Labor Services, Inc. and City of Blaine, BMS Case No. 21PCE2362 (May 13, 2021); and

Whereas, the parties have received information that the incumbent in this bargaining unit may be covered under a Post Employment Savings Plan (hereinafter referred to as the Plan) that is agreed to as part of the collective bargaining process required by the Minnesota Public Employment Labor Relations Act; and

Whereas, the parties have been meeting and negotiating over the terms of the first collective bargaining agreement covering this bargaining unit; and

Whereas, the parties have agreed to the terms of the Plan that will apply to the individuals covered by this bargaining unit; and

Whereas, the parties wish to document the terms of this Plan as follows:

1. Members of the bargaining unit will contribute three percent (3%) of the employee's pretax salary to the employee's individual Post Employment Health Care Savings Plan.
2. Additionally, 50% sick time accumulated over 960 hours will be placed into the employees Post Employment Health Care Savings Plan.
3. The parties further agree that, upon honorable separation from employment, the members of the bargaining unit will contribute the following amounts into the Post Employment Health Care Savings Plan:
 - a) sick leave payouts as follows:

- i. thirty-three and one-third percent (33 1/3%) of unused accumulated sick leave after five years of employment.
- ii. forty percent (40%) of unused accumulated sick leave after ten (10) years of employment.
- iii. fifty percent (50%) of unused accumulated sick leave after fifteen (15) years of employment.

Failure to provide proper notice of resignation may be grounds for withholding termination pay.

This Agreement will go into effect on November 18, 2024 and will remain in effect until December 31, 2026 or concurrent with the term of a ratified and adopted collective bargaining agreement that includes December 31, 2026 (whichever is longer).

FOR THE CITY OF BLAINE

FOR LAW ENFORCEMENT LABOR
SERVICES, INC. (Local #477)

Tim Sanders, Mayor

Date: _____

Kevin McGrath, Business Agent

Date: _____

Michelle Wolfe, City Manager

Date: _____

Joseph Gerhard, Sole Member

Date: _____

Scott Johnson, Director of Administrative
Services

Date: _____

Memorandum of Agreement
Between the City of Blaine
and Law Enforcement Labor Services, Inc. Local No. 477
(Deputy Chief bargaining unit)

(Regarding Paid Leave: ESST)

WHEREAS the Law Enforcement Labor Services, Inc. Local No. 477 (Hereinafter referred to as the Union) and the City of Blaine (hereinafter referred to as the City) are parties to a collective bargaining agreement that expires on December 31, 2026.

WHEREAS in 2024, Minnesota revised its Earned Safe and Sick Time (ESST) statute. Some changes were discernable and clear such as the expansion of permissible uses of ESST leave to include making funeral arrangements, attending funeral or memorial services, and addressing financial or legal matters arising after the death of a family member. The City will implement those discernable requirements.

WHEREAS Minnesota announced plans to establish new rules clarifying other less-discernable ESST statutory changes that are expected to be released in 2025 although not yet released.

WHEREAS during the effective dates of this agreement, the City and the Union are also aware that Minnesota's new Paid Family and Medical Leave is scheduled to become active as of January 1, 2026, although it remains possible that the Minnesota legislature could still modify the Paid Family and Medical Leave law during the future legislative sessions.

NOW THEREFORE, the parties agree as follows:

- 1) To ensure compliance with state ESST law, effective January 1, 2025, the City will temporarily treat all sick leave—whether in an employee's Sick Leave or ESST bank—as ESST-qualifying.
- 2) The interim approach in paragraph 1 will remain in place until the City reviews the finalized rules and assesses system capabilities and is not intended to constitute a past practice or precedent and may not be utilized to interpret any provisions of the collective bargaining agreement not expressly modified. Given the uncertainty in rulemaking, should the City intend to make changes and/or should the rules require changes that may require bargaining and/or meet and confer sessions, the parties agree to do so in accordance with applicable law.
- 3) All sick leave will be combined for purposes of accrual caps and treatment at separation of employment.
- 4) Pursuant to Minn. Stat. 181.9447(12) and 181.9447(1)(4), because member employee is a peace officer and their preassigned or foreseeable work duties involve responding to a public emergency or weather event, the employees hereby waive their right to use ESST during weather related emergencies.
- 5) Regarding Paid Family and Medical Leave, given the uncertainty of potential changes prior to January 1, 2025, should the City intend and/or should the law require the City to

make changes that may require bargaining and/or meet and confer sessions, the parties agree to do so in accordance with applicable law.

IN WITNESS WHEREOF,

FOR THE CITY OF BLAINE

FOR LAW ENFORCEMENT LABOR
SERVICES, INC. (Local #477)

Tim Sanders, Mayor

Date: _____

Kevin McGrath, Business Agent

Date: _____

Michelle Wolfe, City Manager

Date: _____

Joseph Gerhard, Sole Member

Date: _____

Scott Johnson, Director of Administrative
Services

Date: _____



City of Blaine Staff Report

File Number: RES 25-47

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Approval of Consent Agenda: - Brian Podany, Safety Services Manager/Police Chief

Agenda Item # 7.10

Resolution Authorizing Temporary Parking Restrictions and Road Closures for the Johnsville Area Garage Sale Event Security Plan

Executive Summary

The City of Blaine Emergency Management staff worked with the Johnsville Area Garage Sale Event organizers to complete a Security Plan which specifically addresses necessary parking restrictions to assure safe passage for emergency vehicles. The event is scheduled for Saturday, May 10, 2025, and involves a multi-family garage sale event, specifically north of 125 Avenue, West of Highway 65, and East of Jefferson Street. This event has historically drawn hundreds of visitors to the area creating challenges for safe traffic flow. City Emergency Management staff are requesting Council adopt a resolution that will address the necessary security aspects of the event and authorize Incident Command the ability to make changes as deemed necessary to ensure the event is safe for neighborhood residents and the public.

Background

The Johnsville Area Garage Sale Event is an annual event which draws hundreds of visitors to the northern portion of the City of Blaine. Although the event is scheduled to occur on the Saturday of Mother's Day weekend, visitors have historically started to flow into the area on the Friday of the weekend and into Sunday.

Strategic Plan Relationship

The security plan for the Johnsville Area Garage Sale Event relates to the City of Blaine's Strategic Plan of Collaboration and Engagement.

Board/Commission Review

Financial Impact

The City of Blaine Police Department will be providing two officers dedicated to the event to provide police services.

Public Outreach/Input

The public will be made aware of any parking restrictions and road closures through social media posts and the City's web-site.

Staff Recommendation

Attachment List

1. No Parking Map-Johnsville Area Garage Sales



City of Blaine

Signature Copy

Resolution: RES 25-47

Resolution Authorizing Temporary Parking Restrictions and Road Closures for the Johnsville Area Garage Sale Event Security Plan

WHEREAS, the Johnsville Area Garage Sale Event is a large public event that has brought hundreds of people to the City of Blaine each year; and

WHEREAS, the City Emergency Management staff has identified the need to work with event organizers to create a security plan; and

WHEREAS, the Blaine City Council is cognizant of providing regulation of vehicular traffic in a safe and responsible manner; and

WHEREAS, City Code requires a resolution authorizing temporary no parking restrictions; and

WHEREAS, the temporary no parking restrictions will not adversely affect traffic safety; and

WHEREAS, public safety is paramount for all involved, including attendees and residents.

NOW, THEREFORE, BE IT RESOLVED, that the Blaine City Council hereby authorizes Incident Command the ability to implement/conduct the following security and safety elements for the Johnsville Area Garage Sale Event:

1. Temporary parking restrictions are hereby authorized on the following streets:

Access Routes - No Parking on Mailbox Side of Street

- Taylor St Northbound from Polk St to Pierce St
- Polk St Northbound from 126 Ave to Pierce St
- 129 Lane between Jefferson St and Polk St
- 129 Ave between Jefferson St and Tyler St

Local Streets - No Parking on Mailbox Side of Street

- 127 Ave between Taylor St and Lincoln St
- Buchanan St between 126 Ave and 127 Ln
- Pierce St between 128 Ave and 129 Ave
- 129 Ave between Taylor St and Fillmore St
- Fillmore St between Taylor St and Fillmore St
- Pierce St between Taylor St and 132 Ln
- 131 St between Jackson St and Able St
- Able St between 127 Ln and 129 Ave
- Van Buren St between 127 Ln and 129 Ave

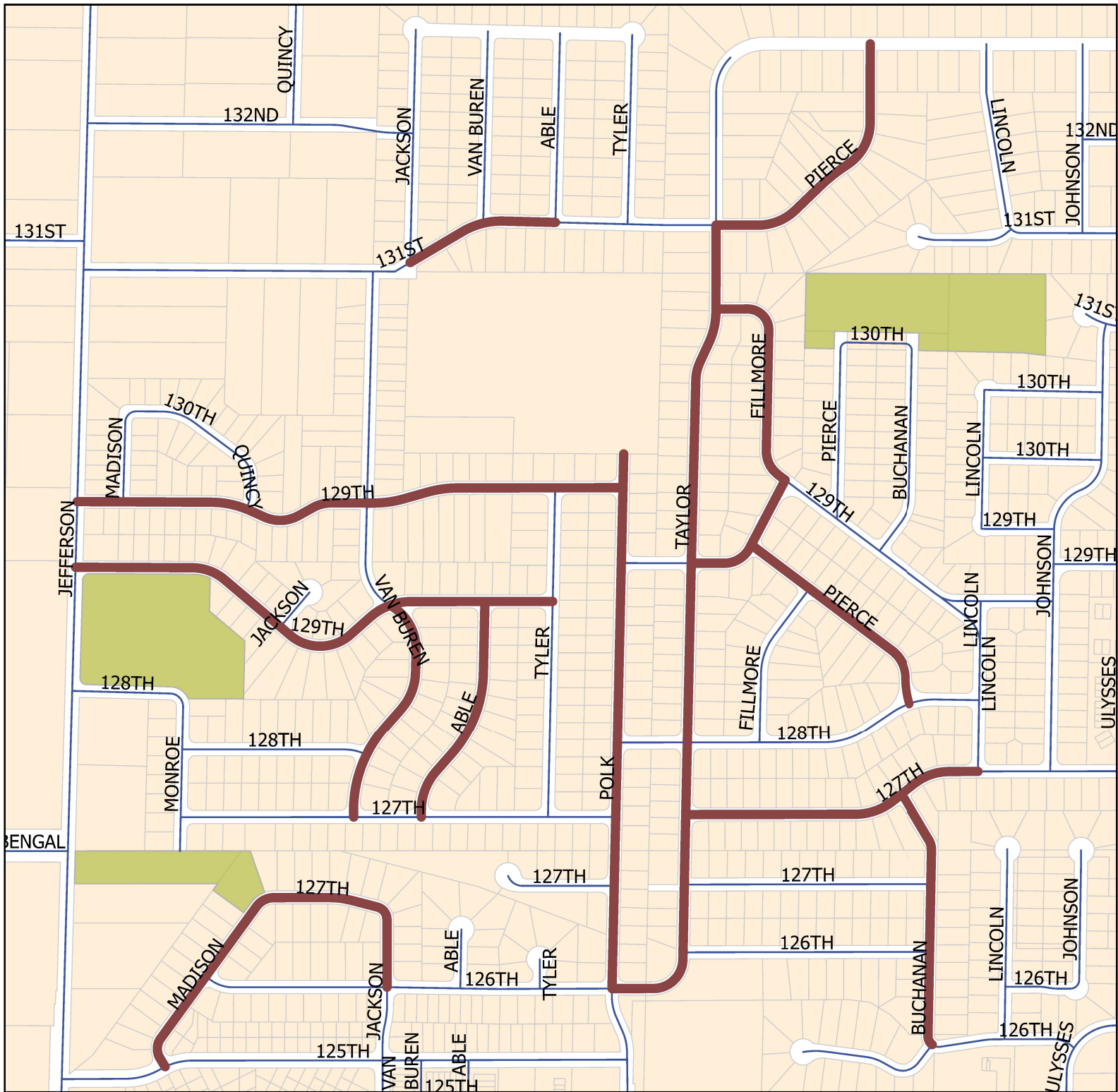
- Madison St between 125 Ln and 127 Ave
- 127 Ave between Madison St and Jackson St
- Jackson St between 127 Ave and 126 Ave

2. Temporary road closures are hereby authorized for other streets, including private streets, as deemed necessary by Incident Command throughout the event.

3. Temporary parking restrictions will occur between the hours of 6AM and 9PM, beginning May 10 and ending May 11, 2025.

4. Authorize City Emergency Management staff ability to make changes as deemed necessary based on input and activity observed and learned throughout the event.

PASSED by the City Council of the City of Blaine this 7th day of April 2025.



No Parking on
— Mailbox Side of
Street



City of Blaine Staff Report

File Number: 2025-75

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: - Brian Podany, Safety Services Manager/Police Chief

Agenda Item # 7.11

Motion Approving Year 2 Term for Flock Safety Automatic License Plate Reader(ALPR) Cameras

Executive Summary

Council is asked to approve the second year of a two-year contract with Flock Safety Automatic License Plate Reader (ALPR) System and the 2025 payment of \$91,500. Per Blaine City Charter section 6.05, Council approval is required for purchases exceeding \$50,000. Flock Safety provides an affordable, infrastructure-free automatic license plate reading camera system to reduce crime within a principled framework.

Background

Flock Safety provides automatic license plate reader cameras, technology, and real-time intelligence to combat crime and drive positive outcomes within the City of Blaine. Automatic License Plate Reader (ALPR) cameras are a valuable tool to help prevent crime and help with investigations of crimes. The ALPR cameras are specifically designed to only capture an image of the rear of the vehicle and rear license plate. The technology also recognizes the make and model of vehicles that pass the camera.

These cameras do not have a live view nor do they capture images of drivers or passengers. Police personnel are notified when the camera recognizes a passing vehicle as stolen or associated with felony warrants, amber alerts, silver alerts or KOPS (keeping our people safe), alerts. These cameras do not track or monitor traffic violations such as speeding or running a red light, nor do they track expired license plate tabs. The Flock Safety ALPR cameras can be integrated with our current Axon system.

The Police Department invested in 30 cameras placed strategically throughout the city for a 2-year term. The cameras are placed on exiting traffic or light poles. The system is funded through the Public Safety Funds received from the State of Minnesota. After the 2-year timeframe of using the Public Safety Funds for the Flock Camera system, the annual cost for the system will go into the general operating fund budget.

Strategic Plan Relationship

The Flock Safety System ensures that the Blaine Police Department has the necessary equipment and resources to continue to provide exceptional public safety and crime prevention services with the highest degree of professionalism, transparency and accountability.

Board/Commission Review

No Board/Commission Review

Financial Impact

There is no financial impact on the property tax levy for the initial 2-year term as the Flock Safety System will be funded through the one-time Public Safety Funds received from the State of Minnesota as authorized during the 2023 legislative session. Year two of the contract is \$91,500.

Public Outreach/Input

No Public Outreach/Input

Staff Recommendation

Approve year two of the Flock Safety Automatic License Plate Reader (ALPR) System.

Attachment List

1. Flock Safety_INV-60773_2025-03-20



INVOICE

Flock Group Inc dba Flock Safety
www.flocksafety.com

Invoice Number INV-60773
Invoice Date: 3/20/2025
Due Date: 4/19/2025
Payment Terms: Net 30
PO#:

Bill MN - Blaine PD
To: 10801 Town Square Dr Ne
Minneapolis, Minnesota, 55449

Ship To: MN - Blaine PD
10801 Town Square Dr Ne
Minneapolis, Minnesota 55449

Billing Company Name: MN - Blaine PD
Billing Contact Name:
Billing Email Address: ap@blainemn.gov

Payment Terms: Net 30
Contracted Billing Structure: Annual - First Year at Signing

Notes: MN - Blaine PD-: Year 2 of 24 Month Term, 2025 - 2026

Please note a minor change to our invoices starting February 1, 2025 updating product/SKU names listed in each line item. This change is only to naming conventions and will not affect the products, functionality, or services you receive from Flock Safety. Please update your payment system to reflect these new product/SKU names as needed.

ITEMS	QTY	UNIT PRICE	SALES TAX	TOTAL
FlockOS TM	1	\$7,500.00		\$7,500.00
Flock Safety LPR, fka Falcon	28	\$3,000.00	\$0.00	\$84,000.00

Unless otherwise noted on the Order Form, the Term shall commence upon first installation and validation of Flock Hardware.
Link to Location of Services: <https://planner.flocksafety.com/public/14c6a99c-14eb-4090-b5b3-652098a40894>

Subtotal: \$91,500.00
Sales Tax: \$0.00
Credit: \$0.00
Payments: \$0.00
Balance Due: \$91,500.00

If you have questions about your invoice or need to update your billing contact information, please email billing@flocksafety.com or call 866-901-1781, option 3.



INVOICE

Flock Group Inc dba Flock Safety
www.flocksafety.com

Invoice Number: INV-60773
Invoice Date: 3/20/2025
Due Date: 4/19/2025
Payment Terms: Net 30
PO#:

Payment Remittance Information

Pay by Check:

Payable to: Flock Group Inc
Memo: INV-60773
Mail to: PO Box 121923
Dallas, TX 75312-1923

If paying by check, please include the remittance slip below.

Pay by ACH:

Account Legal Name: Flock Group Inc.
Account Number: 3302113966
Account Type: Checking
Routing / SWIFT Code: 121140399 / SVBKUS6S

If paying by ACH, please include your invoice number in the memo section of the ACH transfer request.

Please be aware that failure to pay the invoice by the due date may result in an interest penalty or disconnection of service, as specified in your contract.

.....
Detach and Return with Payment

Make Checks Payable to: Flock Group Inc

If sending via Flock Group Inc
USPS: PO Box 121923
Dallas, TX 75312-1923

Or

If sending via Flock Group Inc
UPS, FedEx or 891923
USPS: 1501 North Plano Rd. ste 100
Richardson, TX 75081

Account: MN - Blaine PD

Invoice # INV-60773

Amount Due: **\$91,500.00**

Amount Enclosed: \$ _____



City of Blaine Staff Report

File Number: RES 25-62

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Approval of Consent Agenda: - Jerome Krieger, Sr. Recreation Manager

Agenda Item # 7.12

Resolution Accepting Bids and Awarding the Contract to Musco Sports Lighting, LLC. in the Amount of \$189,900 for the Blaine Baseball Complex Field 5 Baseball Lighting Project (P2412)

Executive Summary

The City Council previously approved a budget for the Parks Capital Improvement Program, which included \$400,000 for improvements to the Blaine Baseball Complex in 2025 (Project E2412). This phase of the project is for the furnishing of lighting materials and equipment including fixtures, poles, remote electrical components, wireless control and concrete base design on field 5 of the Blaine Baseball Complex. (See attached site sketch). A project will be bid separately in the near future for the site electrical work required.

Background

Sealed bids were received at 2PM, March 20, 2025 and read aloud. Bids were received for two different lighting options (i.e. different lighting manufacturers) with an additional alternative bid to extend the warranty period to 25-years (vs the standard 10-yr) for each option. A total of two bids were received, ranging from \$184,900 to \$190,000. Attached is a full breakdown of all the bids with the various alternates. Staff consider each of the lighting options to be acceptable and therefore recommends the lowest bidder (Musco Sports Lighting, LLC) be awarded the contract. Staff also recommends that the alternate bid be awarded to increase the warranty period from 10-years to 25-years. The two bidders and the engineer's estimate are as follows:

Engineer's Estimate	Base Bid A	\$219,000	
Musco Sports Lighting, LLC.	Base Bid A	\$184,900	Base Bid A + Alternate A1 \$189,900
Mlazgar Associates, Inc.	Base Bid A	\$190,000	Base Bid A + Alternate A1 No Bid Received

Bids have been checked and tabulated, and it has been determined that Musco Sports Lighting, Inc. of Oskaloosa, Iowa is the lowest bidder. The Parks Department has worked with Musco Sports Lighting on previous lighting contracts and recommends that the low Base Bid plus Alternate be accepted, and a contract entered into with Musco Sports Lighting, Inc.

City Council is also asked to approve a 10% contingency to bring the total project budget to \$208,890.00.

Strategic Plan Relationship

This project aligns with the City's strategic plan goal of well-maintained infrastructure by providing high-quality park infrastructure.

Board/Commission Review

The park board discussed the capital improvement budget at their October 22 and November 26, 2024 meetings.

Financial Impact

The various improvements have been included in a multi-year request through the city's Capital Improvement Plan (CIP). Phase one appropriated \$150,000 in 2024 and phase two appropriated \$400,000 in 2025. The 2025-2029 CIP also proposed the inclusion of \$100,000 for the third and final phase in 2026, but these funds were included for CIP planning purposes only and not an authorization to incur additional financial obligations in 2025. Project to-date and anticipated 2025 expenditures are provided in the table below.

Project expenditures are being coded to the Parks Development Fund (404) which receives its operating revenues by way of park dedication fees. No property tax dollars are being used to finance these improvements.

Funding Source	2024 CIP	2025 CIP	Total
Funding Allocated	\$150,000	\$400,000	\$550,000
Fencing, Backstop, Culvert Improvements - Phase 1	\$(148,593)	-	\$(148,593)
Field 5 Lighting - Poles and Fixtures (Proposed) - Phase 2	-	\$(208,890)	\$(208,890)
Field 5 Electrical Work - Lighting (Estimated) - Phase 2	-	\$(110,000)	\$(110,000)
Fields 2-5 Scoreboards (Estimated) - Phase 2	-	\$(33,100)	\$(33,100)
Fields 2-5 Electrical - Scoreboards (Estimated) - Phase 2	-	\$(9,000)	\$(9,000)
Restroom - ADA Accessible Renovation (Estimated) - Phase 2	-	\$(38,000)	\$(38,000)
Remaining Budget	\$1,407	\$1,010	\$2,417

Public Outreach/Input

N/A

Staff Recommendation

By motion, adopt the resolution.

Attachment List

1. BBC Field #5 map
2. Bid Abstract_signed



City of Blaine

Signature Copy

Resolution: RES 25-62

Resolution Accepting Bids and Awarding the Contract to Musco Sports Lighting, LLC. in the Amount of \$189,900 for the Blaine Baseball Complex Field 5 Baseball Lighting Project (P2412)

WHEREAS, pursuant to advertisement for bids for the Blaine Baseball Field 5 Lighting Project, bids were received on March 20, 2025, opened and tabulated according to law, and the following 2 bids were received complying with the advertisement:

Musco Sports Lighting, LLC	\$184,900.00 (Base Bid)	\$189,900.00 (Base Bid A + Alternate A1)
Mlazgar Associates, Inc.	\$190,000.00 (Base Bid	\$ N/A (Base Bid A + Alternate A1)

AND WHEREAS, Musco Sports Lighting LLC. of Oskaloosa, Iowa is the lowest responsible bidder.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Blaine as follows:

1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with Musco Sports Lighting LLC. for the Base Bid A and Alternate A1 designated improvements in the amount of \$189,900.00.
2. A 10% contingency is hereby approved to bring the total project budget to \$208,890.00 and the City Manager or their designee is hereby authorized to sign all change orders up to the authorized project budget amount.



City of Blaine

Signature Copy

Ordinance:

Resolution Accepting Bids and Awarding the Contract to Musco Sports Lighting, LLC. in the Amount of \$189,900 for the Blaine Baseball Complex Field 5 Baseball Lighting Project (P2412)

WHEREAS, pursuant to advertisement for bids for the Blaine Baseball Field 5 Lighting Project, bids were received on March 20, 2025, opened and tabulated according to law, and the following 2 bids were received complying with the advertisement:

Musco Sports Lighting, LLC	\$184,900.00 (Base Bid)	\$189,900.00 (Base Bid A + Alternate A1)
Mlazgar Associates, Inc.	\$190,000.00 (Base Bid)	\$ N/A (Base Bid A + Alternate A1)

AND WHEREAS, Musco Sports Lighting LLC. of Oskaloosa, Iowa is the lowest responsible bidder.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Blaine as follows:

1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with Musco Sports Lighting LLC. for the Base Bid A and Alternate A1 designated improvements in the amount of \$189,900.00.
2. A 10% contingency is hereby approved to bring the total project budget to \$208,890.00 and the City Manager or their designee is hereby authorized to sign all change orders up to the authorized project budget amount.

BLAINE BASEBALL COMPLEX
FIELD #5 LAYOUT



Pole Location Measurement

A1: 45' down the foul line from home plate and 56' away from the foul line.

B1: 185' down the foul line from home plate and 45' away from the foul line.

C1: 130' towards center field from the foul pole and 8' behind the outfield fence.

C2: 155' towards center field from the foul pole and 18' behind the outfield fence.

B2: 185 down the foul line from home plate and 50' away from the foul line.

A2: 45' down the foul line from home plate and 56' away from the foul line.

BLAINE BASEBALL COMPLEXE FIELD #5 LIGHTING SYSTEM - MATERIALS

BID OPENING

Thursday, March 20, 2025 @ 2:00 P.M.

		ADDENDUM ACKNOWLEDGED	
	CONTRACTOR	YES/NO	TOTAL BID
1	Musco	(Sourcewell) yes	\$184,900 ⁰⁰
2	Mlazgar Associates	Sourcewell (yes)	\$190,000 ⁰⁰
3			
4			
5			
6			
7			
8			

Alt B.D

\$189,900⁰⁰

—

City of Blaine: 



City of Blaine Staff Report

File Number: 2025-76

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: - Daniel Schluender, Director of Engineering

Agenda Item # 7.13

Motion Authorizing Centennial Elementary's Request for Parking Restrictions for a Family Event

Executive Summary

Authorize Temporary Removal of Parking Restrictions on 103rd Lane and National Street for Centennial Elementary School Event on May 16, 2025

Background

The City of Blaine received a letter dated April 1, 2025, from Jen Schwartz, Principal of Centennial Elementary School, requesting the temporary removal of parking restrictions on 103rd Lane and National Street in order to allow parking on those streets from 1:45 PM to 3:15 PM on May 16, 2025. The school is hosting a family even during that time period and expects a need for additional parking to accommodate observers of the event. City Council authorization is required for the temporary lifting of parking restrictions. Over the past several years, the City Council has authorized the temporary lifting of restrictions for this and other annual events held at Centennial Elementary School.

Strategic Plan Relationship

Not applicable.

Board/Commission Review

Not applicable.

Financial Impact

Not applicable.

Public Outreach/Input

Not applicable.

Staff Recommendation

By motion, authorize the temporary removal of parking restrictions on National Street and 103rd Lane from 1:45 PM to 3:15 PM on May 16, 2025.

Attachment List

1. Centennial Elementary Parking Request 5-16-2025
2. Centennial School Parking Map

PRINCIPAL *Jen Schwartz*

April 1, 2025

Blaine City Council
10801 Town Square Drive NE
Blaine MN 55449

Dear City Council Members,

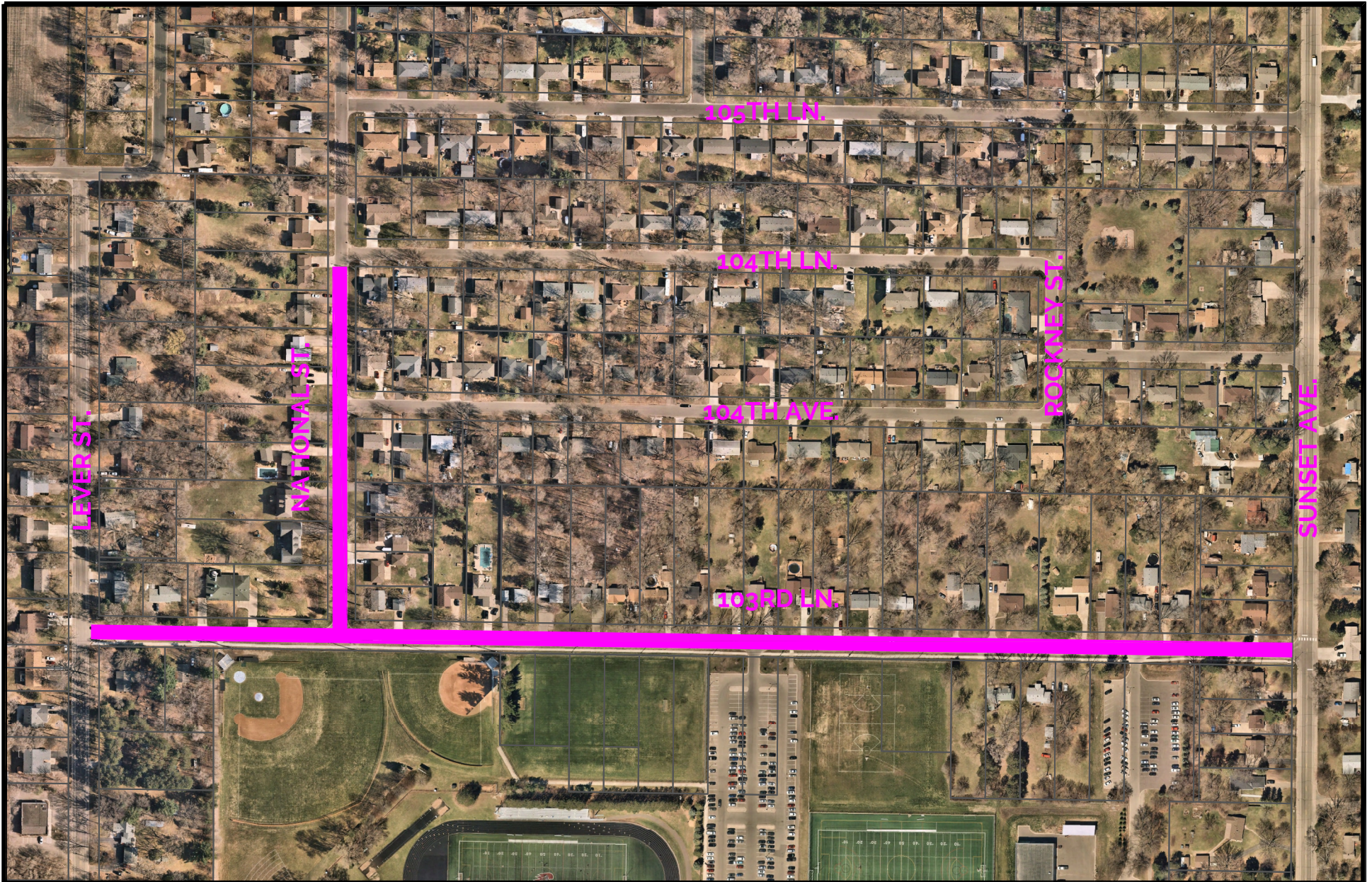
On behalf of the Centennial Elementary students, parents, and teachers, I am requesting your special consideration for temporary removal of street parking restrictions on Friday, May 16th, 2025 from approximately 1:45 to 3:15 pm. Our 1st grade is hosting an event for families that day from 2-3 pm. Many parents would like to come and observe this event and need local street parking.

I am requesting your approval for parking on Lever Street and 103rd Lane on Friday, May 16th from 1:45-3:15 p.m. Your support of this request will be greatly appreciated by our school community.

Respectfully,

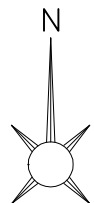


Jen Schwartz
Principal
Centennial Elementary School



**TEMPORARY REMOVAL OF NO PARKING RESTRICTIONS
NATIONAL STREET AND 103RD LANE
CENTENNIAL ELEMENTARY SCHOOL**

City of Blaine Engineering Department / 10801 Town Square Dr NE/ Blaine, MN 55449/ 763-785-6172





City of Blaine Staff Report

File Number: RES 25-58

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Approval of Consent Agenda: - Daniel Schluender, Director of Engineering

Agenda Item # 7.14

Resolution to Establish Speed Limit on Lever Street NE from 125th Avenue NE (CSAH 14) to 131st Avenue NE.

Executive Summary

MnDOT has completed an engineering and traffic investigation as requested by the City and has authorized the City to post a 35 mile per hour speed limit on Lever Street from 125th Avenue to 131st Avenue.

Background

Establishment of speed limits in Minnesota occurs either statutorily if the roadway segment meets the requirement for a specific speed zone or by the Commissioner of Transportation as a result of a speed study. The City is only able to declare statutory speed limits that meet the requirements as defined in State Statute 169.14 Subd. 2. Typically, this gives the City the ability to set 30 MPH speed limits in "urban districts", 35 MPH speed limits in "rural residential districts" and 55 MPH for all other roads that do not meet the requirements of those two districts. If the City believes that a speed limit other than what is provided for in Statute 169.14 Subd. 2 is appropriate, Minnesota Statutes Section 169.14 Subd. 5 "(Speed) Zoning Within Local Area" requires local authorities to request the Commissioner of Transportation, upon the basis of an engineering and traffic investigation, to designate what speed is reasonable and safe.

An "urban district" is defined as, "The territory contiguous to and including any city street or town road that is built up with structures devoted to business, industry, or dwelling houses situated at intervals of less than 100 feet for a distance of a quarter of a mile or more." A "rural residential district" is defined as, "The territory contiguous to and including any city street or town road that is built up with visible dwelling houses situated at intervals averaging 300 feet or less for a distance of a quarter of a mile or more. For the purposes of this subdivision, "interval" means the distance, measured along the centerline of the roadway, between the primary access points for adjacent dwelling houses, regardless of whether the dwelling houses are located on the same side of the road."

Lever Street is currently posted with a 30 MPH speed limit and the police department has received numerous complaints from residents living in the area that many vehicles are speeding and not obeying the 30 MPH limit. Lever Street, from 125th Avenue to 131st Avenue does not meet the definition of an urban district or a rural residential district and thus the City cannot declare it a 30 or 35 MPH speed zone and have the legal basis necessary for the police department to defend when appearing in court.

Staff recommended that the City Council consider formally requesting the State Commissioner of Transportation complete a speed study for Lever Street from 125th Avenue to 131st Avenue. The City Council adopted Resolution 23-167 on November 20, 2023, requesting the Commissioner of Transportation complete a speed study. The speed study was completed, and the city received authorization on February 28, 2025, to declare a speed limit of 35 miles per hour.

Strategic Plan Relationship

This project aligns with the City's strategic plan goal of well-maintained infrastructure by providing high quality city streets.

Board/Commission Review

N/A

Financial Impact

There is no financial impact to the City of Blaine to request a speed study. Speed limit signs would be installed by the City of Blaine Public Works Department and there is sufficient budget allocated for signs in the yearly operating budget to cover these costs.

Public Outreach/Input

N/A

Staff Recommendation

By motion, approve the resolution.

Attachment List

1. City of Blaine MSAS 142 (Lever_Street)Speed Limit Authorization
2. Lever St Speed Study Location Map



City of Blaine

Signature Copy

Resolution: RES 25-58

Resolution to Establish Speed Limit on Lever Street NE from 125th Avenue NE (CSAH 14) to 131st Avenue NE.

WHEREAS, the City Council of the City of Blaine is cognizant of providing regulation of vehicular traffic in a safe and responsible manner; and

WHEREAS, the City Council of the City of Blaine has determined that Lever Street NE from 125th Avenue (County State Aid Highway 14) to 131st Avenue does not meet the definition of an urban district according to MN Statute 169.14; and

WHEREAS, MN Statutes Section 169.14 states that the Commissioner of Transportation shall authorize, upon the basis of an engineering and traffic investigation, the erection of appropriate signs designating what speed is reasonable and safe, and the commissioner may authorize the erection of appropriate signs designating a reasonable and safe speed limit thereat, which speed limit shall be effective when such signs are erected; and

WHEREAS, the City Council of the City of Blaine requested the Minnesota Commissioner of Transportation to designate a reasonable and safe speed, after conducting an engineering and traffic investigation; and

WHEREAS, the Minnesota Commissioner of Transportation completed an engineering and traffic investigation and ordered a speed limit of 35 miles per hour be put into effect;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Blaine that a 35 mile per hour speed limit is hereby established on Lever Street NE from 125th Avenue NE to 131st Avenue NE.

PASSED by the City Council of the City of Blaine this 7th day of April, 2025.



**STATE OF MINNESOTA
DEPARTMENT OF TRANSPORTATION**

LOCAL STREET OR HIGHWAY SPEED LIMIT AUTHORIZATION

Road Authority:	City of Blaine
Road Name:	Lever Street
Zone Begin:	County State Aid Highway 14 (125th Avenue NE)
Zone End:	131st Avenue NE

As authorized in Minnesota Statutes, Section 169.14, it is hereby ordered that the following speed limits are approved and shall be put into effect on the described roadway or sections thereof.

35 miles per hour between the intersection with County State Aid Highway 14 (125th Avenue NE) and the intersection with 131st Avenue NE

NOTE:

The speed limits, described in this authorization, are authorized contingent upon curves and hazards being signed with the appropriate advance curve or warning signs, including appropriate speed advisory plates. The roadway described shall be reviewed for traffic control devices impacted by the authorized speed limits before posting the signs. Warning signs and speed limit signs shall be in accordance with the Minnesota Manual on Uniform Traffic Control Devices. The speed limits, described in this authorization, are based on roadway conditions on the date of this authorization. Changes in roadway alignment, grade, or paving a gravel surface shall void this authorization.

AUTHORIZED SIGNATURE (MS 169.14)	 Digitally signed by Kenneth Johnson Date: 2025.02.28 08:27:18 -06'00'
---	--

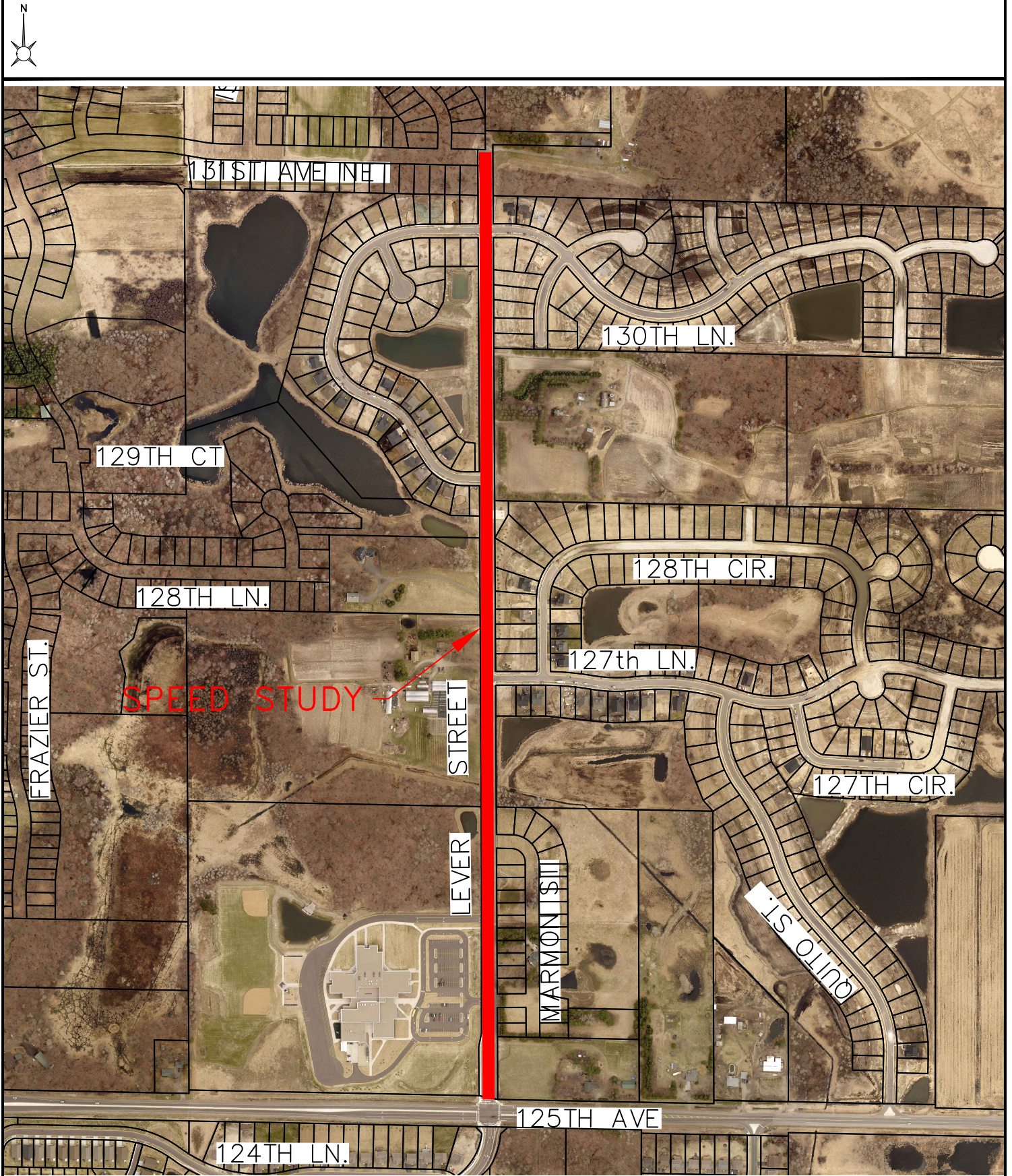
Road authority complete when traffic control devices are changed or are installed, implementing this authorization:

Date	Signature	Title
-------------	------------------	--------------

(KEEP COPY ON FILE)

LEVER STREET SPEED STUDY

LOCATION MAP





City of Blaine Staff Report

File Number: 2025-77

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: - Nick Fleischhacker, Public Works Director

Agenda Item # 7.15

Motion to Authorize the Mayor and City Manager to Enter into a Contract with Bolton & Menk, Inc. for Construction Services for for the Water Tower 2 Rehabilitation, Improvement Project No. U2315 (24-21)

Executive Summary

Council is requested to approve a professional services contract with Bolton & Menk, Inc. for construction services in conjunction with Blaine Water Tower No. 2 Reconditioning, Improvement Project No. U2315 (24-21). The proposed contract with Bolton & Menk for construction and inspection services is in the amount of \$78,695.

Background

The City's Water Tower No. 2 is nearing its coating lifecycle and requires reconditioning to maintain the tank's structural integrity, quality water supply, and aesthetic appeal. The adopted 2024 Water Utility CIP first appropriated money to initiate the project. In September of 2024, a contract was agreed to with Bolton & Menk, Inc. (BMI) to produce plans, specifications and bidding documents for the reconditioning project. The plans and specifications were completed and the reconditioning project was publicly bid and awarded to J.R.Seltzer Co. with Resolution 25-55 on March 17, 2025.

The Engineering Department requested and received a proposal from BMI to provide construction administration and inspection services for the tower reconditioning project. The proposed services will provide construction administration and inspection while the contractor is completing the rehabilitation work. Staff has reviewed this proposal and determined that the fees are justified and reasonable.

Strategic Plan Relationship

This project aligns with the City's strategic plan goal of well-maintained infrastructure by providing high quality drinking water. This action relates directly to the City of Blaine Strategic Plan Item No. 6 - Well Maintained Infrastructure and Desired Outcome - Reliable Utility Systems.

Board/Commission Review

Not required.

Financial Impact

This project (U2315) was previously authorized as a part of the 2024-2028 and 2025-2029 Water Capital Improvement Programs (CIP). The 2024 CIP appropriated a total of \$150,000 for engineering consultant services and the 2025 CIP appropriated an additional \$2,475,000 for engineering consultant services and construction. The total appropriated budget-to-date for Water Tower No. 2 Reconditioning improvements is \$2,625,000.

To date, \$81,085.27 has been encumbered for engineering consulting and testing fees and \$1,105,375.00 has been encumbered for the construction contract, bringing the total project encumbrance to \$1,186,460.27. The appropriated budget of \$2,625,000 is thus adequate to cover this contract, making the project financially feasible.

As part of the 2024B bonds sold on November 18, 2024, \$150,000 was included for the aforementioned engineering services. Funding to complete the reconditioning work is anticipated to be included in the 2025 bonding process.

Public Outreach/Input

Not required.

Staff Recommendation

By motion, authorize the Mayor and City Manager to approve the contract with Bolton & Menk for construction and inspection services in the amount of \$78,695. City Council is also asked to approve a 10% contingency to bring the total budget to \$86,565 and authorize the Director of Public Works to sign all change orders up to the authorized project budget amount.

Attachment List

1. 2025-03-24 Blaine Proposal LTR Tower 2 Constr Admin-Inspection
2. Location Map



**BOLTON
& MENK**

Real People. Real Solutions.

12224 Nicollet Avenue
Burnsville, MN 55337-1649

Ph: (952) 890-0509
Fax: (952) 890-8065
Bolton-Menk.com

VIA EMAIL

March 24, 2025

Stefan Higgins, Assistant City Engineer
City of Blaine
10801 Town Square Drive NE
Blaine, MN 55449
SHiggins@ci.blaine.mn.us

RE: Water Tower No. 2 Reconditioning Improvements – Construction Administration and Inspection
City of Blaine, Minnesota

Dear Mr. Higgins,

The City of Blaine has currently completed design and bidding administration for the rehabilitation of Tower No. 2 located at 1100 Paul Parkway in the City of Blaine. This letter includes the scope and fees for the completion of construction administration and inspection services for this project.

I. Background

The City of Blaine and Bolton & Menk have cooperatively completed the facility evaluation and scope determination, design and specification development, and the bidding process for Tower No. 2.

Additionally, Bolton & Menk is currently working with telecommunications tenants for temporary relocations/protection of cellular, HAM radio, and city equipment on the structure. In combination with temporary relocations, replacement of the existing roof handrail and telecommunications equipment mounting modifications are being made for consolidation and relocation of equipment upon return to the tower after rehabilitation operations.

II. Scope of Work

Construction administration and inspection services will be required to successfully complete the Water Tower No. 2 rehabilitation process. We present the following scope of services for this project in direct relation to the developed design and specification:

A. Construction Administration

Bolton & Menk will provide construction administration throughout the project, including facilitation and participation in a preconstruction meeting, periodic progress meetings, review/approval of contract documents (bonds, shop drawings, submittals, etc.), review and approval or denial of change orders in cooperation with city staff, response(s) to Requests for Information (RFIs), and managing day-to-day operations through site observation/inspection.

Bolton & Menk will also provide management and inspection for the reinstallation of the city's AMI equipment, and the independent HAM radio equipment. Note that this excludes costs associated with the installation of the new handrail system and reinstallation of remaining telecommunications equipment as these services are funded through the providers.

B. Inspection Services

Bolton & Menk believes in the importance of inspecting the contractor's work; however, we also believe there are opportunities for efficiencies in the performance of these inspections that can produce the same results while providing cost savings to the city. This is accomplished by focusing the inspections on critical areas, such as surface preparation, prime-coat application, dry film thicknesses, and conducting hold-point inspections before proceeding to other project phases. Special focus and increased awareness are also executed as necessary for the following items. We would:

- Review (approve or deny) any proposed changes to the project plans and specifications (as approved by the City of Blaine)
- Observe and inspect welding and steel tower modifications
- Provide surface preparation inspections (including mixing/applications)
- Provide dry film thickness (DFT) testing on all coating layers (prime, intermediate, and final coatings)
- Verify satisfactory environmental conditions
- Complete the final organized set of record drawings
- Perform construction observation of welding and protective coating applications and special (structural) inspections per industry standards to verify conformance to the project manual and requested project scope
- Recommend and perform testing (ASTM, AISC, SSPC, AMPP (NACE), and CEAM as required by the specifications and approved by the City of Blaine
- Attend special and final inspections as required by the specifications and codes
- Prepare and administer the final punch list with follow-up inspections to enforce project completion
- Communicate in writing to the city, contractor, and file, for conformance of the work with the specifications.

C. Warranty

The following inspection services will be provided as requested by the City of Blaine in accordance with the project specifications:

- Forward a warranty notification letter to the contractor on behalf of the city

- Conduct and provide conditions inspection and report of the water tower
 - 60 days before the end date of the described warranty
 - Visual examination of all surfaces accessible without special rigging
 - Provide a letter report (with photos) within 30 days of inspection submitted to the city and copied as directed by the city

III. Fees

Bolton & Menk proposes to provide the services defined above for the Water Tower No. 2 Reconditioning Improvements project for the fees detailed below. We will bill work following our standard hourly billing rates and will not exceed our estimate without prior authorization from the City of Blaine. The estimated fee includes labor, general business, and other normal and customary expenses associated with operating a professional business. Unless otherwise noted, the fees include vehicle and personal expenses, mileage, telephone, survey stakes, and routine expendable supplies; no separate charges will be made for these activities and materials. Additional services not identified above in the Scope of Work are not included in the fees provided.

Blaine, MN – Water Tower No. 2 Reconditioning Improvements Construction Administration and Inspection Services		
Task No.	Work Task Description	Total Cost
1	Construction Administration	\$17,995
2	Critical Point Inspection Services	\$56,200
3	Warranty Inspection	\$4,500
Total Professional Engineering Costs		\$78,695

Thank you for the opportunity to present this proposal. If you have any questions regarding this proposal, please reach out to me at 612-803-5223, or by email at Seth.Peterson@bolton-menk.com.

Sincerely,

Bolton & Menk, Inc.



Seth A. Peterson, P.E.

Water/Wastewater Treatment Group Leader | Senior Principal

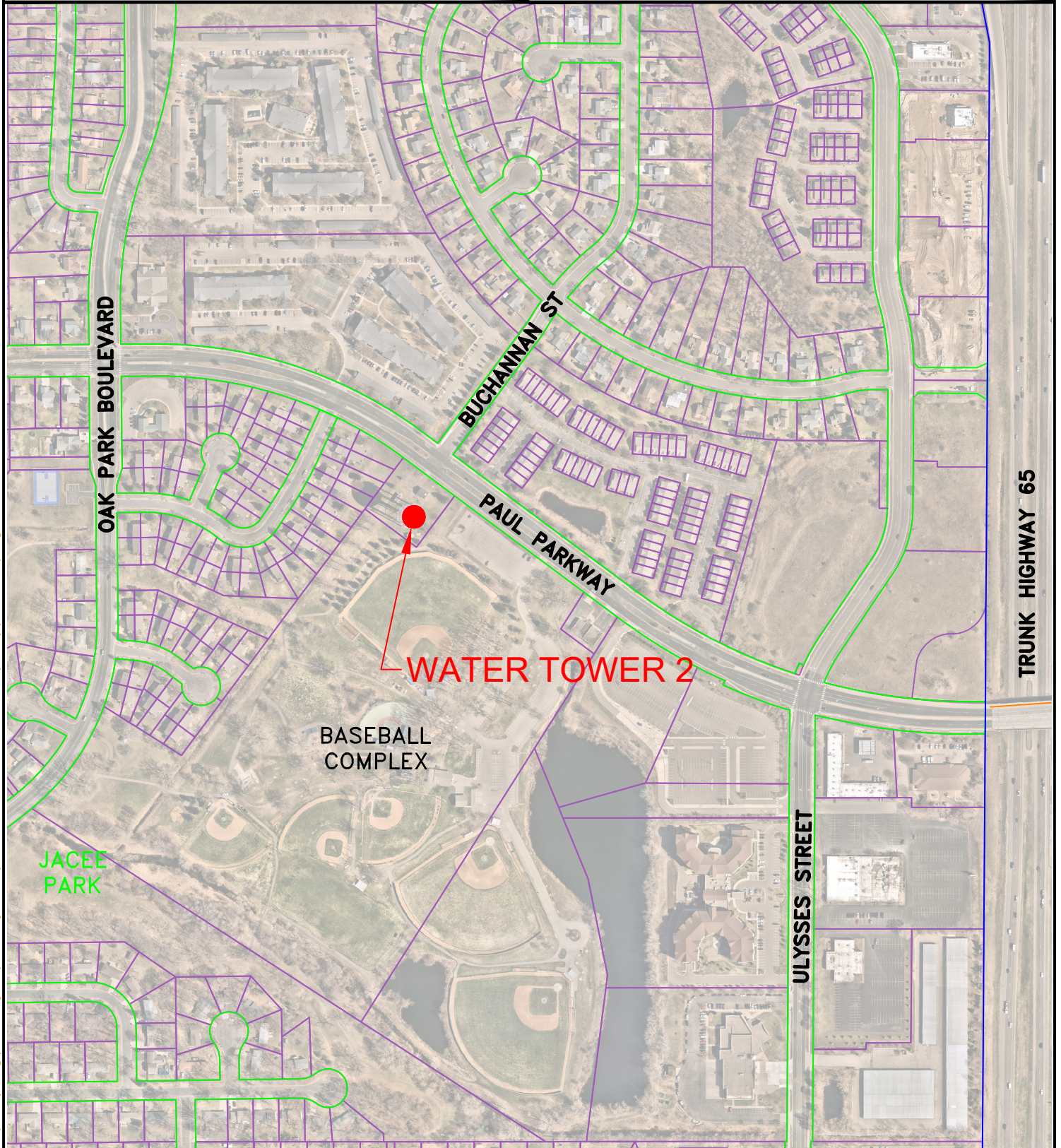


CITY OF BLAINE

LOCATION MAP



WATER TOWER 2 RECONDITIONING IMPROVEMENTS





City of Blaine Staff Report

File Number: 2025-78

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

Approval of Consent Agenda: - Nick Fleischhacker, Public Works Director

Agenda Item # 7.16

Motion to Authorize the Mayor and City Manager to Enter into a Contract with Barr Engineering Co. for a Large-Scale Pilot Test Work Plan for the Water Treatment Plant 1 Underdrain Design and Iron/Manganese Filter Pilot Project, Improvement Project No. 23-21

Executive Summary

Council is requested to authorize the Mayor and City Manager to Enter into a Contract with Barr Engineering Co. for a Large-Scale Pilot Test Work Plan for the Water Treatment Plant 1 Underdrain Design and Iron/Manganese Filter Pilot Project.

Background

The 2023 CIP, approved by the City Council, identified a project to complete renovations to the two WTP 1 pressure filter vessels and other associated construction. The City Council approved an engineering design contract with Barr Engineering for the Water Treatment Plant 1 (WTP1) System Improvements on 1/4/2023 with Motion 23-21 and approved a construction contract with Corval Constructors, Inc. on 2/25/2025 with Resolution 24-30.

This contract, if approved, will be for a full-scale pilot test utilizing both filter vessels and the new media (GreensandPlus) and filter underdrain system that was constructed and evaluating the effectiveness of iron and manganese removal at various loading rates, estimating time between backwash cycles, and determining the ability to reclaim backwash waste. This information will be utilized to determine the optimal sustainable flow rate through the filters while maximizing the runtime between backwashing of the filters, all to maximize the efficiency and output of the water treatment plant.

Staff has reviewed this proposal and determined that the fees are justified and reasonable.

Strategic Plan Relationship

This project aligns with the City’s strategic plan goal of well-maintained infrastructure by providing high quality drinking water. This action relates directly to the City of Blaine Strategic Plan Item No. 6 - Well Maintained Infrastructure and Desired Outcome - Reliable Utility Systems. This work will improve the operations of Water Treatment Plant 1 to meet the system demands and maintain the quality of the City’s infrastructure.

Board/Commission Review

Not required.

Financial Impact

The 2023 and 2024 budgets appropriated a total of \$2,815,000 for Water Treatment Plant 1 improvements. The total encumbered budget-to-date is \$1,430,548.56. The total appropriated budget of \$2,255,000 is thus adequate to cover this contract amendment, making the project financially feasible and within the appropriated project budget.

Sources and Uses	Water Treatment Plant 1 Improvements		Expenditures
	2023 Adopted Budget	2024 Adopted Budget	
WTP 3 capital projects redirected to WTP 1	870,000	-	-
WTP 1 capital projects	135,000	-	77,117.25
WTP 1 Improvements and Underdrain Design (23-21, U2319, and U2413)	-	1,810,000	1,353,431.31
TOTAL	\$1,005,000	\$1,810,000	1,430,548.56

Public Outreach/Input

No public outreach/input is needed for this approval.

Staff Recommendation

By motion, authorize the Mayor and City Manager to enter into a contract with Barr Engineering Co. in the amount of \$58,260. City Council is also asked to approve a 10% contingency to bring the total budget to \$64,086 and authorize the Director of Public Works to sign all change orders up to the authorized project budget amount.

Attachment List

- 1. WTP1 - Large-Scale Pilot Contract

Blaine WTP1 Large-Scale Pilot Test Work Plan

To: Stefan Higgins (City of Blaine)
From: Justin Fasching, Sorel Nelson, Bryan Oakley, and Julie Macejkovic
Subject: Blaine WTP2 Pilot Test Work Plan
Date: July 29, 2024
Project: Water Treatment Plant 1 – Underdrain Design and Iron/Manganese Filter Pilot

1 Introduction

The purpose of this memorandum is to summarize a testing protocol to evaluate the iron/manganese filter performance and guide future modifications at Blaine WTPs 1, 2, and 3. This is the second phase iron/manganese filter pilot testing. The first phase (the small-scale pilot), which was also implemented by Barr Engineering Co. (Barr), evaluated media alternatives. This second phase (the large-scale pilot) is a full-scale test utilizing both filter vessels using the selected media (GreensandPlus) and evaluating the effectiveness of iron and manganese removal at various loading rates, estimating time between backwash cycles, and determining the ability to reclaim backwash waste. This memorandum focuses on the second phase, the large-scale pilot.

1.1 Test Objectives

The main objectives for this large-scale pilot are:

1. Confirming media effectiveness at various loading rates
2. Determine filter runtime between backwashes at different loading rates
3. Optimize backwashing procedures
4. Determine settling duration required for recycle of backwash reclaim supernatant

2 Safety

Work will be performed in accordance with the Barr Project Health and Safety Plan (PHASP) for this site. Staff will wear safety-toe boots, lab coats, safety glasses, and nitrile gloves for the duration of the tests. Safety Data Sheets (SDS) for each of the chemicals that will be used during testing, and the PHASP, are available upon request.

2.1 Spills

In the event of a spill, consult the appropriate SDS and notify City staff and Barr project manager. Follow cleanup instructions within the SDSs if the spill is small and staff feel confident, they can safely clean up, and the cleanup steps are approved by City staff. Avoid contact between chemicals during cleanup. If the spill is large and/or Barr staff is not confident that it can be safely cleaned up, staff will contact the health and safety staff and/or the emergency telephone number on the SDS for guidance.

2.2 Exposure

Immediately flush the exposed area with water (eyes or skin) as recommended in the SDS. Shower, eye flush station or sink may be used. Staff should refer to SDS for length of time and recommended next steps while the exposed person is flushing the exposed area. If experiencing a medical emergency get

immediate medical advice by calling 911. Otherwise, consult SDS for guidance. Contact the Barr project manager and submit a safety report to Barr Safety.

3 Test Preparation and Coordination with the City

Bench testing for Test Objectives 1 and 2 will be conducted at WTP1 by Barr staff using materials and equipment procured by Barr. Field tests for Test Objectives 3 and 4 will be performed by city staff using materials and equipment owned by the City.

Barr staff will collect and analyze field data for Test Objectives 1 and 2, and city staff will provide corresponding WTP operational data (filter loading rates, runtimes, and differential pressure). City staff will collect and report data for Test Objectives 3 and 4, and Barr will review, analyze, and summarize the data.

3.1 Materials and Equipment

The following materials will be obtained and provided by Barr for use in completing the bench testing protocol:

3.1.1 Materials and Equipment (Barr)

- Hach DR 900 benchtop spectrophotometer
- 12 – Hach sample cells, 10 mL, part #2401906
- 50 – reagent packets – FerroVer Iron Reagent Powder Pillow, 10-mL part #2105769
- 50 – reagent packets – DPD Free Chlorine Reagent Powder Pillows, 10-mL part #215569
- 50 sets - Manganese Reagent Set, 10-mL part #2651700
 - a. Alkaline Cyanide Reagent
 - b. Ascorbic Acid Power Pillow
 - c. PAN Indicator Solution
- Rochelle salts
- 1 gal – deionized water
- 1 – stopwatch
- Gloves
- Paper towels
- 1 – folding table
- 1 – folding chair
- 3 – 1-L plastic or glass beakers
- Glass bottles for waste collection
- pH meter
- One 25-mL graduated cylinder

3.1.2 Materials and Equipment (City)

- Sludge Judge
- Turbidimeter

3.2 Bench Testing - Field Analytical

Refer to section 3.1.1 for specific equipment required for bench testing before arriving onsite. Onsite water quality analysis during bench testing will be conducted using the following analytical methods:

- Hach instrument DR900
 - a. Hach Method 8008 – Iron, Total– 0 to 3.00 mg/L Fe
 - b. Hach Method 8021 – Chlorine, Free – 0.02 to 2.00 mg/L Cl₂
 - c. Hach Method 8149 – Manganese, Low Range – 0.01 to 0.70 mg/L Mn
- pH meter

3.3 Startup for WTP1 and the Pilot

It is assumed that WTP1 startup procedures will be complete, and the facility is able to reliably operate prior to starting the pilot.

4 Testing Procedure

4.1 Rationale

The pilot objectives are listed in section 1.1.

4.2 Targeted Loading Rates

- 4.0 gpm/sf (approximately 430 gpm/filter)
- 6.0 gpm/sf (approximately 650 gpm/filter)
- 8.0 gpm/sf (approximately 860 gpm/filter)

4.3 Targeted Backwashing Parameters

- Minimum = approximately 1100 gpm/filter for 10 minutes
- Average = approximately 1200 gpm/filter for 9 minutes
- Maximum = approximately 1300 gpm/filter for 8 minutes

4.4 Targeted Sample Parameters

- Iron
- Manganese
- Free chlorine
- pH
- Turbidity

4.5 Tests

4.5.1 Confirm Media Effectiveness and Determine Filter Runtime Between Backwashes (Objectives 1 and 2)

This test is for, confirming media effectiveness and determining filter runtime between backwashing. The tests will be run at the three targeted loading rates listed in section 4.2 and will be performed by Barr staff.

1. Prior to testing, city staff will thoroughly backwash the media.

2. Record date and time of initiation of filter operation and note differential pressure reading.
3. Begin collecting samples approximately 2 hours before breakthrough is anticipated.
4. Collect one sample for the combined filter influent at the initiation of the testing. At the same time, collect the first effluent sample for each operating filter. For each sample, test pH using the electronic pH meter. Test for iron, manganese, and free chlorine using the Hach kits. Record the results.
5. Collect one effluent sample from each operating filter every 20 minutes to one hour. Sampling frequency will be adjusted based on field observations. Test more frequently if breakthrough is expected soon, or a test has indicated breakthrough. Test for pH, iron, manganese, and free chlorine (as described above) until breakthrough occurs. Record the results.
 - a. Breakthrough will be considered confirmed once two (consecutive or nonconsecutive) samples above the EPA secondary standards for iron or manganese have been collected. Barr staff will use professional judgement to determine if potentially erroneous results warrant the collection of additional samples. The EPA secondary standard for iron is 0.3 mg/L and for manganese it is 0.05 mg/L.
6. After breakthrough has been confirmed, city staff will backwash the filter(s). If city staff availability allows, city staff could perform backwash testing for Objectives 3 and 4 at this time.
7. Coordinate with city staff to determine the filter runtime(s) (since the last backwash) and record differential pressure at time of breakthrough.
8. Repeat the steps above for each of the targeted loading rates.

Notes:

1. Sample collection timing and frequency can be adjusted as needed during the pilot. For all samples, record the time at which samples are taken.
2. Samples will be collected from the existing sample taps (influent and effluent to each filter).
3. Record which well(s) are in operation at the beginning of each test. Note changes in well operation for the duration of filter runtime.

4.5.2 Backwash Optimization Tests (Objective 3)

This test is for determining backwash rate and duration for optimization. City staff will perform these tests, and if city staff availability allows, these tests could be synchronized with Test Objectives 1 and 2. The tests will be run at the three targeted backwash rates and durations listed in section 4.3 and will be performed by city staff. Barr staff will review, analyze, and report the data.

1. Throughout each test, diligently check for media loss in the backwash effluent. If media loss is observed, reduce the backwash flowrate. Targeted backwash parameters described in section 4.3 may be adjusted to prevent media loss, if needed. Coordinate any changes to the targeted parameters with Barr engineers.
2. Begin backwash after confirming filter breakthrough (either through sample results or differential pressure limits, whichever occurs first).
3. Record differential pressure of the filter(s) before and after backwashing.
4. Every minute during backwash, complete the following tasks:
 - a. Collect a backwash effluent sample
 - b. Test turbidity for each backwash effluent sample

- c. Report the backwash duration and corresponding turbidity results for each sample
5. Perform backwashing for the durations listed in section 4.3 plus a minimum of 4 minutes.

4.5.3 Backwash Reclaim Testing (Objective 4)

The objective of these tests is to determine how solids settle in the backwash reclaim tank. City staff will perform these tests and if city staff availability allows, these tests could be synchronized with Test Objectives 1 and 2. Repeat these tests a minimum of three times. Once backwash is complete for both filters and backwash waste is no longer discharging to the backwash reclaim tank:

1. Record the time at which backwash is complete.
2. Immediately take a sample from the backwash reclaim tank using a Sludge Judge.
3. Record the depth of the clear supernatant (when apparent).
4. Test the turbidity of the sludge sample using a turbidimeter and record the results.
5. Test the turbidity of the supernatant sample using a turbidimeter and record the results.
6. Repeat these steps:
 - a. Every hour for the first four hours
 - b. Every 2-4 hours (as staff availability allows) until the next backwash cycle

5 Tentative Schedule

Start-up of the pilot is tentatively planned for August 5, 2024, and it is anticipated that the pilot would run for approximately 8 weeks.



Project Name: WTP1 Large Scale Pilot

Client Name: City of Blaine, MN

Date: March 24, 2025

Approved by: Barr

Pilot startup and shutdown	32.0	\$ 4,508
Internal meetings	66.0	\$ 12,117
Pilot operation (objectives 1 & 2)	108.0	\$ 19,757
Pilot operation (objectives 3 & 4)	28.0	\$ 5,171
Data analysis & report	64.0	\$ 9,445
CONSTRUCTION FINALIZATION	40.0	\$ 7,262
	338.0	\$ 58,260
Project Totals (Fees)		\$ 58,260
Project Totals (Hours)	338.0	

Accepted by:

Michelle A. Wolfe, City Manager

Tim Sanders, Mayor



City of Blaine

Staff Report

File Number: RES 25-59

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Approval of Consent Agenda: - Nick Fleischhacker, Public Works Director

Agenda Item # 7.17

Resolution Authorizing CIP Budget Amendment for a Tandem Axle Plow Truck (E2409)

Executive Summary

Staff requests Council approval of an increase of \$12,963 to the 2024 capital budget for a tandem axle plow truck to accommodate a change in cost, bringing the total cost of the new plow truck to \$362,963.

Background

In December 2023, Resolution 23-207, as part of the 2024-2028 Capital Improvement Plan (CIP), was approved by the Council. The CIP included the purchase of a tandem axle plow truck (E2409) for \$350,000. The budget amount was intended to cover the cost of the two main components of a plow truck, the chassis and the build-out.

1. **Chassis:** The original quoted price for the chassis in December 2023 was \$160,776. This is the amount invoiced, to be paid in 2025.
2. **Build-out:** The original quoted price for the build-out in December 2023 was \$185,657.86. However, due to increases in the cost of materials and equipment, the final invoice for the build-out came in at \$202,186.94 in March 2025, resulting in an increase of \$16,529.08. This represents an 8% increase, which is in line with the average increase in vehicle and equipment parts costs.

As a result of the increase in the build-out cost, an additional \$12,963 is required to fully cover the final invoice. Staff requests Council approve an increase of \$12,963 to the original budget to accommodate this change in cost, bringing the total cost of the new plow truck to \$362,963.

Strategic Plan Relationship

This action aligns with the City's Strategic Plan #3 - Infrastructure Management.

Board/Commission Review

N/A

Financial Impact

The \$12,963 increase to the 2024 Capital Equipment budget item for a tandem axle plow truck (Project E2409) will be offset by savings from decreased costs in the refurbishment of a single-axle plow truck (Project E2418), which has an available remaining budget of \$24,001.40.

Public Outreach/Input

N/A

Staff Recommendation

By resolution, authorize a budget amendment for the increase of a tandem axle plow truck in the amount of \$12,963.

Attachment List

None



City of Blaine

Signature Copy

Resolution: RES 25-59

Resolution Authorizing CIP Budget Amendment for a Tandem Axle Plow Truck (E2409)

WHEREAS, sound budgeting principles promote appropriating the necessary funds required to accomplish approved objectives; and

WHEREAS, appropriations were authorized for sufficient anticipated activity as outlined in the 2024 budget and capital improvement plan ("CIP"); and

WHEREAS, the City Council of the City of Blaine ("City Council") has the authority to authorize transfers and budget amendments between accounting funds; and

WHEREAS, project E2418 - Refurbish Single Axle Plow Truck #1272 was authorized and appropriated \$40,000 in the 2024 CIP; and

WHEREAS, project E2418 came in under budget with \$24,001 remaining; and

WHEREAS, sufficient funding exists within the 2024 CIP to complete the purchase of project E2409; and

WHEREAS, project E2409 - Tandem Axle Plow Truck was authorized and appropriated \$350,000 in the 2024 CIP; and

WHEREAS, upon completion of the truck build, increases in materials and equipment resulted in an overage of \$16,529.08; and

WHEREAS, the final purchase price of the truck and build out of the truck amounts to a total of \$362,963.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Blaine hereby authorizes the following expenditure decrease(s) to the 2024 budget for project E2418.

Fund/Account	Project Number	Project Description	Amount
Capital Equipment & Replacement Fund -Heavy Machinery & Eq 410.50.530.533-4540	E2418	Refurbish single axle plow truck unit #1272	\$12,963

BE IT FURTHER RESOLVED that the City Council of the City of Blaine hereby authorizes the following expenditure increase(s) to the 2024 budget for project E2409.

Fund/Account	Project Number	Project Description	Amount
Capital Equipment & Replacement Fund -Heavy Machinery & Eq 410.50.530.533-4540	E2409	Tandem Axle Plow Truck	\$12,963

PASSED by the City Council of the City of Blaine this 7th day of April 2025.



City of Blaine

Signature Copy

Ordinance:

Resolution Authorizing CIP Budget Amendment for a Tandem Axle Plow Truck (E2409)

WHEREAS, sound budgeting principles promote appropriating the necessary funds required to accomplish approved objectives; and

WHEREAS, appropriations were authorized for sufficient anticipated activity as outlined in the 2024 budget and capital improvement plan ("CIP"); and

WHEREAS, the City Council of the City of Blaine ("City Council") has the authority to authorize transfers and budget amendments between accounting funds; and

WHEREAS, project E2418 - Refurbish Single Axle Plow Truck #1272 was authorized and appropriated \$40,000 in the 2024 CIP; and

WHEREAS, project E2418 came in under budget with \$24,001 remaining; and

WHEREAS, sufficient funding exists within the 2024 CIP to complete the purchase of project E2409; and

WHEREAS, project E2409 - Tandem Axle Plow Truck was authorized and appropriated \$350,000 in the 2024 CIP; and

WHEREAS, upon completion of the truck build, increases in materials and equipment resulted in an overage of \$16,529.08; and

WHEREAS, the final purchase price of the truck and build out of the truck amounts to a total of \$362,963.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Blaine hereby authorizes the following expenditure decrease(s) to the 2024 budget for project E2418.

Fund/Account	Project Number	Project Description	Amount
Capital Equipment & Replacement Fund -Heavy Machinery & Eq 410.50.530.533-4540	E2418	Refurbish single axle plow truck unit #1272	\$12,963

BE IT FURTHER RESOLVED that the City Council of the City of Blaine hereby authorizes the following expenditure increase(s) to the 2024 budget for project E2409.

Fund/Account	Project Number	Project Description	Amount
Capital Equipment & Replacement Fund -Heavy Machinery & Eq 410.50.530.533-4540	E2409	Tandem Axle Plow Truck	\$12,963

PASSED by the City Council of the City of Blaine this 7th day of April 2025.



City of Blaine Staff Report

File Number: RES 25-46

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

7:00 PM - Public Hearing and Items Published for a Certain Time - Daniel Schluender, Director of Engineering

Agenda Item # 8.1

Conduct Public Hearing and Adopt a Resolution to Vacate Drainage and Utility Easements on Lot 1, Block 1, Larson's Estates, according to the recorded plat thereof, Anoka County, Minnesota; Vacation No. V25-01

Executive Summary

The City received a petition dated January 21, 2025 from Joseph Radach representing Contour Development LLC, requesting the vacation of Drainage and Utility Easements, Lot 1, Block 1, Larson's Estates; according to the recorded plat thereof, Anoka County, Minnesota; see Attached Exhibit A for Description.

Background

On March 3, 2025, a public hearing was conducted and Resolution 25-32 was adopted to vacate the drainage and utility easements as outlined in Exhibit A for Lot 1, Block 1, Larson's Estates. The public hearing notice was not published in the city's official newspaper, therefore, a new public hearing must be held. After conducting the public hearing, staff requests that council adopt a new resolution rescinding Resolution 25-32 and approving vacation of the drainage and utility easements. This public hearing was published in the city's official newspaper on March 14, 2025.

The existing drainage and utility easements are no longer needed and new easements will be recorded in accordance with the recording of a new easement document. Engineering staff has reviewed the request and agrees with the vacation.

Schedule of Actions

2/3/2025	Receive Petition and Order Public Hearing
4/7/2025	Public Hearing and Adopt Vacation Resolution

Strategic Plan Relationship

This item is part of the city's strategic plan for Growth Management.

Board/Commission Review

This item was not presented to any boards or commissions. Public input will be received by City Council at the Public Hearing.

Financial Impact

No Financial Impact to the city for this request.

Public Outreach/Input

Notice has been officially published for the calling of the public hearing on April 7, 2025.

Staff Recommendation

Conduct the public hearing and by motion, adopt the resolution.

Attachment List

1. Exhibit A
2. Petition for Vacation - Larson's Estates



City of Blaine

Signature Copy

Resolution: RES 25-46

Conduct Public Hearing and Adopt a Resolution to Vacate Drainage and Utility Easements on Lot 1, Block 1, Larson's Estates, according to the recorded plat thereof, Anoka County, Minnesota; Vacation No. V25-01

WHEREAS, the City Council has received a petition dated the 21st day of January 2025, requesting the vacation of all of the Drainage and Utility Easements, on Lot 1, Block 1, Larson's Estates; according to the recorded plat thereof, Anoka County, Minnesota; see Attached Exhibit A for Description; and

WHEREAS, because the required public hearing notice did not appear in the city's official newspaper, Resolution 25-32 adopted on March 3, 2025, is being rescinded; and

WHEREAS, the required public hearing notices were properly published and mailed, and the public hearing was held on the 7th day of April 2025, at which time all persons desiring to be heard were given an opportunity to be heard.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine as follows:

1. The vacation of all of the existing drainage and utility easements lying over, under, and across Lot 1, Block 1, Larson's Estates; according to the recorded plat thereof, Anoka County, Minnesota; is hereby approved.

PASSED by the City Council of the City of Blaine this 7th day of April 2025.

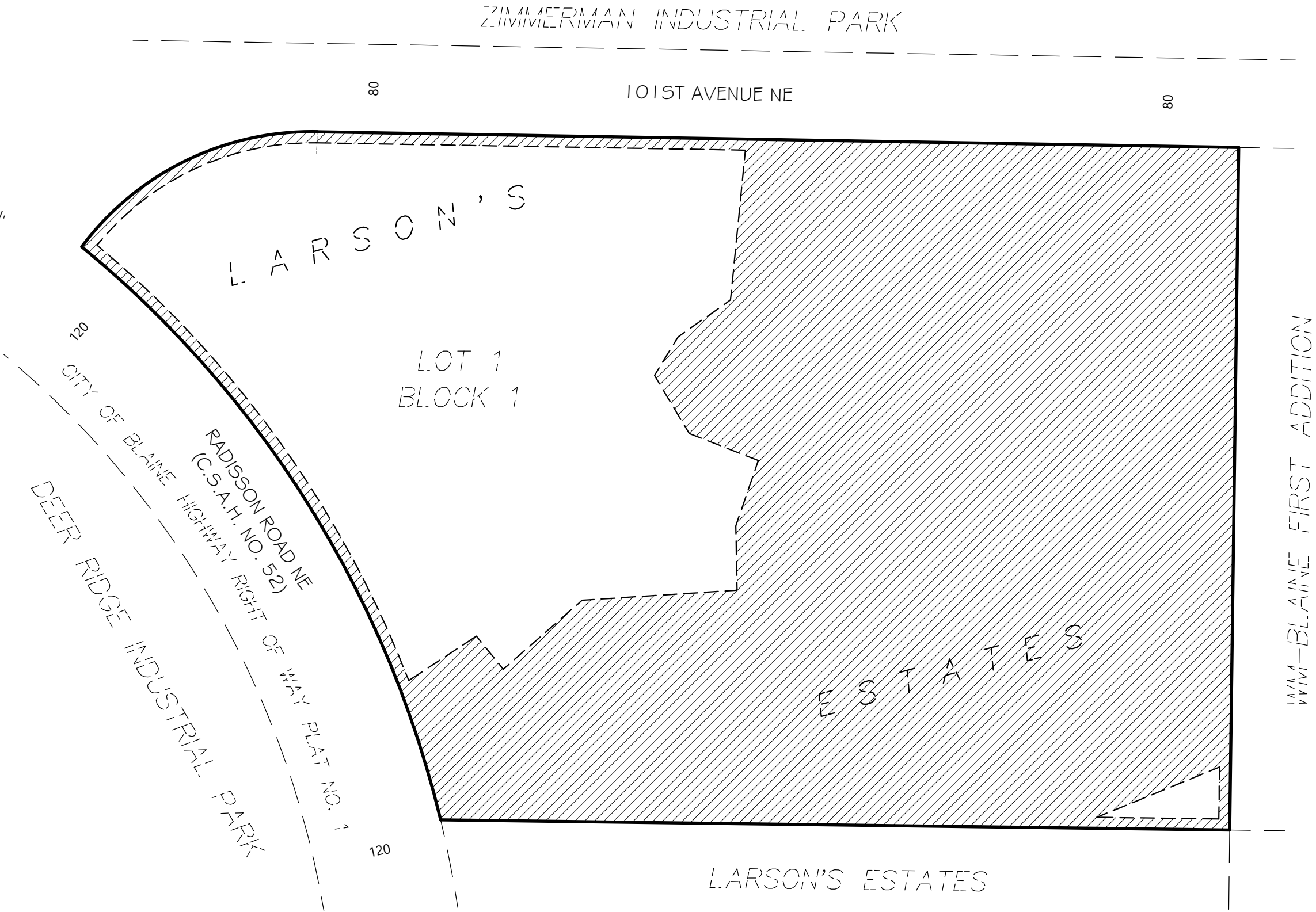
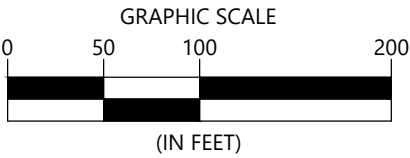
DRAINAGE AND UTILITY EASEMENT VACATION DESCRIPTION SKETCH

- EXHIBIT A -

DRAINAGE AND UTILITY EASEMENT
VACATION DESCRIPTION

All of the drainage and utility easements, as created and dedicated in LARSON'S ESTATES, according to the recorded plat thereof, Anoka County, Minnesota, lying over, under, and across Lot 1, Block 1, said LARSON'S ESTATES.

 Denotes Drainage and Utility Easement Vacation Area





V25-01

PETITION TO VACATE DRAINAGE EASEMENTS and DRAINAGE AND UTILITY EASEMENTS

DATE

1/14/25

TO: The Mayor and Council Members, City of Blaine:

The undersigned represent that they are the majority of owners of real property abutting:

Lot 1, Block 1; Larson's Estates,

according to the recorded plat thereof,

Anoka County, Minnesota, see Attached Exhibit A for Description

and petition that said portion of said drainage and utility easements be vacated.

The facts and reasons for this application are as follows:

The existing drainage and utility easements are no longer needed and new easements will be recorded in accordance to requirements with the recording of a new easement document – recorded at the same time as the vacation is recorded.

In consideration of vacating the drainage and utility easements as herein petitioned the undersigned hereby jointly and severally waive any and all claims for any damages resulting from the vacating and discontinuing of said drainage and utility easements.

Signature of Owner	Address	Legal Description of Property
	3100 101st Ave NE	Lot 1
	Blaine, MN 55449	Block 1
		Larson's Estates

This petition was circulated by:

Name of Petitioner Joseph Radach - Contour Land LLC

Telephone No. 612-730-2265

Street P.O. Box 89

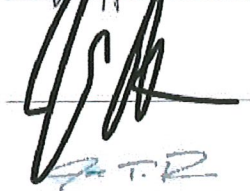
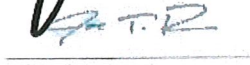
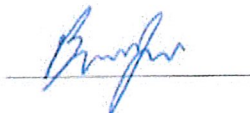
City/State/Zip Rockford, MN 55373

In accordance with the Minnesota Government Data Practices Act, the City of Blaine hereby informs you that some or all the information you are asked to provide is classified as private. Private data is available to you and to City staff who require it in the performance of their duties, but not to the public. The remainder of the information, including telephone numbers, is classified as public, and is available to the public. This information will be used to contact you in case of changes. You may choose to withhold this information, however if you do, the City of Blaine may not be able to process your application for the permit or license.

Letter of Authorization
City of Blaine Planning and Zoning Department

PURPOSE. This Letter of Authorization is used to authorize Contour Civil Design LLC to act on behalf of the property owners for project applications to the City of Blaine.

Legal Description of Property: Lot 1, Block 1, Larson's Estate
Address of Property: 3100 101st Avenue NE, Blaine, MN

	Signature	Date
BlaineSpec IRA LLC:		<u>11/1/24</u>
Menomonie Land 11 LLC:		<u>11/1/24</u>
JSN Properties LLC:		<u>11.1.24</u>
Contour Land LLC:		<u>11/1/24</u>
Rechner LLC:		<u>11/1/24</u>



City of Blaine Staff Report

File Number: 2025-79

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Motion

7:00 PM - Public Hearing and Items Published for a Certain Time - Cathy Sorensen, City Clerk

Agenda Item # 8.2

Approve On-Sale and Sunday Intoxicating Liquor Licenses for Hope Breakfast Bar, 10950 Club Pkwy NE, Suite 110

Executive Summary

Council is asked to approve the on-sale and Sunday intoxicating liquor licenses for Hope Breakfast Bar to allow the ability to serve intoxicating spirits, beer and wine.

Background

A public hearing is required prior to the approval for on-sale and Sunday intoxicating liquor application for Hope Breakfast Bar.

Applicants have submitted the on-sale and Sunday intoxicating liquor application for Hope Breakfast Bar. The applicant has paid the required license fees, submitted forms and documents, and a background investigation was conducted by the Blaine Police Department with no concerns found.

The on-sale and Sunday liquor licenses, if approved, would be valid through June 30, 2025, and run concurrent with annual liquor license renewals. All required information will be submitted to the state's alcohol and gambling enforcement division upon approval of the licenses by the council and staff will ensure that liquor liability coverages includes the outdoor dining area recently approved by council through a conditional use permit.

Strategic Plan Relationship

This license approval relates to both financial sustainability and growth management priorities in the strategic plan by attracting new businesses to the city.

Board/Commission Review

N/A

Financial Impact

Liquor license fees, adopted annually by city council, provides sufficient funding for review and issuance of the licenses as well as compliance checks and any other necessary license monitoring/enforcement.

Public Outreach/Input

Notice of public hearing was published in *Blaine/Spring Lake Park/Columbia Heights/Fridley Life* and on the city's website as required by code. No feedback was received by the clerk's office.

Staff Recommendation

Hold a public hearing to receive input regarding the on-sale and Sunday liquor licenses, then by motion approve issuance of on-sale and Sunday intoxicating liquor licenses for Hope Breakfast Bar located at 10950 Club West Pkwy NE, Suite 110

Attachment List

None



City of Blaine Staff Report

File Number: RES 25-51

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Administration - Daniel Schluender, Director of Engineering

Agenda Item # 10.1

Resolution Accepting a Bid from Asphalt Surface Technologies Corporation (dba ASTECH Corp.) in the Amount of \$191,515.80 for the 2025 Crack Sealing Project, Improvement Project No. T2502 (25-02) and Amending the Project Budget

Executive Summary

Accept a Bid for the 2025 Crack Sealing Project on various streets, Improvement Project No. T2502 (25-02) and award a contract in the amount of \$191,515.80 to Asphalt Surface Technologies Corporation (dba ASTECH Corp.).

Background

Bids were received electronically at 2:00PM, March 27, 2025, for Project No. T2502 (25-02). A total of 6 bids were received, ranging from \$191,515.80 to \$236,166.00. The three lowest bids and engineer's estimate are as follows:

Engineer's Estimate	\$214,682.00
Asphalt Surface Technologies Corporation (ASTECH Corp.)	\$191,515.80
A+ Sealcoating LLC	\$197,875.82
Northwest Asphalt & Maintenance	\$200,608.10

Bids have been checked and tabulated, and it has been determined that ASTECH Corporation of St. Cloud, Minnesota is the lowest bidder. The Engineering department has worked with ASTECH Corporation on previous contracts. Staff recommends that the low bid be accepted, and a contract entered into with ASTECH Corporation. City Council is also asked to approve a 5% contingency to bring the total project budget to \$201,091.59.

The project includes streets that are shared with Ham Lake. Staff has reached out to Ham Lake

regarding participating in the proposed project and splitting the cost for the shared streets. We are still waiting for a reply from Ham Lake. If no response is received by the time construction starts, staff will remove the streets shared with Ham Lake from the project. The estimated costs for the shared streets are as follows:

Streets shared with Ham Lake = \$247.35 each City

Ham Lake would reimburse Blaine when the project is complete and the actual construction costs are known.

Strategic Plan Relationship

This project aligns with the City's strategic plan goal of infrastructure management by providing high-quality street surfaces.

Board/Commission Review

N/A

Financial Impact

The 2025-2029 Capital Improvement Plan as authorized on December 18, 2024 provided a \$200,000 property tax levy for this project within the Pavement Management - Seal Coating/Crack Sealing Fund. The contract and requested contingency will require a budget amendment of \$1,902 that is proposed to be funded through available fund balance.

Public Outreach/Input

N/A

Staff Recommendation

By motion, adopt the resolution.

Attachment List

1. 25-02 Bid Tab 3-27-25
2. SH1_Title-TITLE



City of Blaine

Signature Copy

Resolution: RES 25-51

Resolution Accepting a Bid from Asphalt Surface Technologies Corporation (dba ASTECH Corp.) in the Amount of \$191,515.80 for the 2025 Crack Sealing Project, Improvement Project No. T2502 (25-02) and Amending the Project Budget

WHEREAS, pursuant to advertisement for bids for Improvement Project No. T2502 (25-02), said bids were received on March 27, 2025, electronically opened and tabulated according to law, and the following 3 lowest bids were received complying with the advertisement:

Asphalt Surface Technologies Corporation (ASTECH Corp.)	\$191,515.80
A+ Sealcoating LLC	\$197,875.82
Northwest Asphalt & Maintenance	\$200,608.10

AND WHEREAS, Asphalt Surface Technologies Corporation (dba ASTECH Corp.) of St. Cloud, Minnesota is the lowest responsible bidder.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Blaine as follows:

1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with Asphalt Surface Technologies Corporation (dba ASTECH Corp.) for the designated improvements in the amount of \$191,515.80.
2. A 5% contingency is hereby approved to bring the total project budget to \$201,091.59 and the City Manager or their designee is hereby authorized to sign all change orders up to the authorized project budget amount.
3. The City Clerk is hereby authorized and directed to return forthwith to all bidders the bid bonds submitted with their bids, except the two lowest bidders. When a contract is duly executed, the bid bond of the remaining unsuccessful bidder will be returned. The bid bond of the successful bidder will be retained until the performance and payment bonds have been executed and approved, after which the bid bond will be returned.

BE IT FURTHER RESOLVED, by the City Council of the City of Blaine hereby authorizes the following budget amendment associated with the 2025 Crack Sealing Project (T2502) as previously included within the 2025-2029 Capital Improvement Plan, which will be funded through available fund balance:

Fund/Account	Project Number	Project Description	Amount
--------------	----------------	---------------------	--------

Pavement Maintenance Crack Sealing Fund - Contract Cost 531.50.530.533.5309-4590	T2502	2025 Crack Sealing Program	\$24,100
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PASSED by the City Council of the City of Blaine this 7th day of April, 2025.

2025 Blaine Crack Sealing Project (#9583163) T2502 (I/P 25-02)

Owner: City of Blaine

Solicitor: Blaine MN, City of - Engineering Department

03/27/2025 02:00 PM CDT

BASE BID

Line Item	Item Code	Item Description	UofM	Quantity	Asphalt Surface Technologies Corp.		A + Sealcoating LLC		Northwest Asphalt & Maintenance	
					Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	2331.608	CLEAN AND SEAL BITUMINOUS PAVEMENT CRACKS	LB	30669	\$2.70	\$82,806.30	\$2.83	\$86,793.27	\$2.65	\$81,272.85
2	2331.608	ROUT AND SEAL BITUMINOUS PAVEMENT CRACKS	LB	37485	\$2.70	\$101,209.50	\$2.83	\$106,082.55	\$2.65	\$99,335.25
3	2563.601	TRAFFIC CONTROL	LS	1	\$7,500.00	\$7,500.00	\$5,000.00	\$5,000.00	\$20,000.00	\$20,000.00
Base Bid Total:						\$191,515.80		\$197,875.82		\$200,608.10

2025 Blaine Crack Sealing Project (#9583163) T2502 (I/P 25-02)

Owner: City of Blaine

Solicitor: Blaine MN, City of - Engineering Department

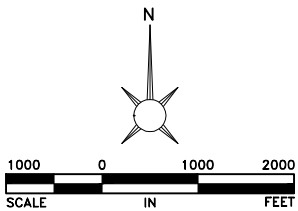
03/27/2025 02:00 PM CDT

BASE BID

Line Item	Item Code	Item Description	UofM	Quantity	FlowSeal Surface Maintenance		Fahrner Asphalt Sealers, LLC		Allied Blacktop Company	
					Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	2331.608	CLEAN AND SEAL BITUMINOUS PAVEMENT CRACKS	LB	30669	\$2.89	\$88,632.03	\$2.98	\$91,393.62	\$2.75	\$84,339.75
2	2331.608	ROUT AND SEAL BITUMINOUS PAVEMENT CRACKS	LB	37485	\$2.89	\$108,329.97	\$3.33	\$124,825.05	\$3.25	\$121,826.25
3	2563.601	TRAFFIC CONTROL	LS	1	\$7,500.00	\$7,500.00	\$2,500.00	\$2,500.00	\$30,000.00	\$30,000.00
Base Bid Total:						\$204,462.00		\$218,718.67		\$236,166.00

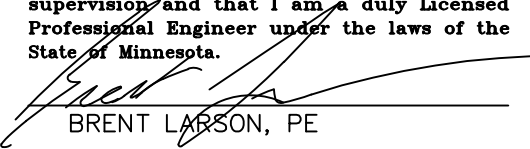
CONSTRUCTION PLANS FOR:
IMPROVEMENT PROJECT 25-02
2025 BLAINE CRACK SEALING PROJECT

PROJECT LOCATION MAP



ENGINEERING DEPARTMENT
10801 Town Square Dr NE Blaine, Minnesota 55449
Phone (763) 785-6172

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.


BRENT LARSON, PE

Date: 3/7/25 Minnesota Lic. No. 45850

INDEX TO PLANS

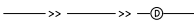
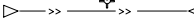
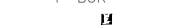
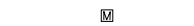
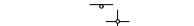
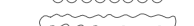
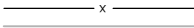
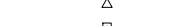
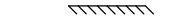
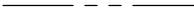
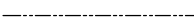
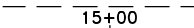
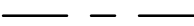
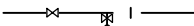
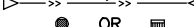
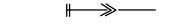
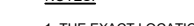
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2	QUANTITIES, DETAILS AND NOTES
3-4	CRACK SEAL LOCATIONS

 PROJECT LOCATION

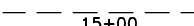
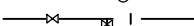
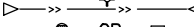
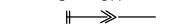
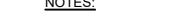
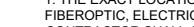
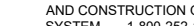
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LEGEND

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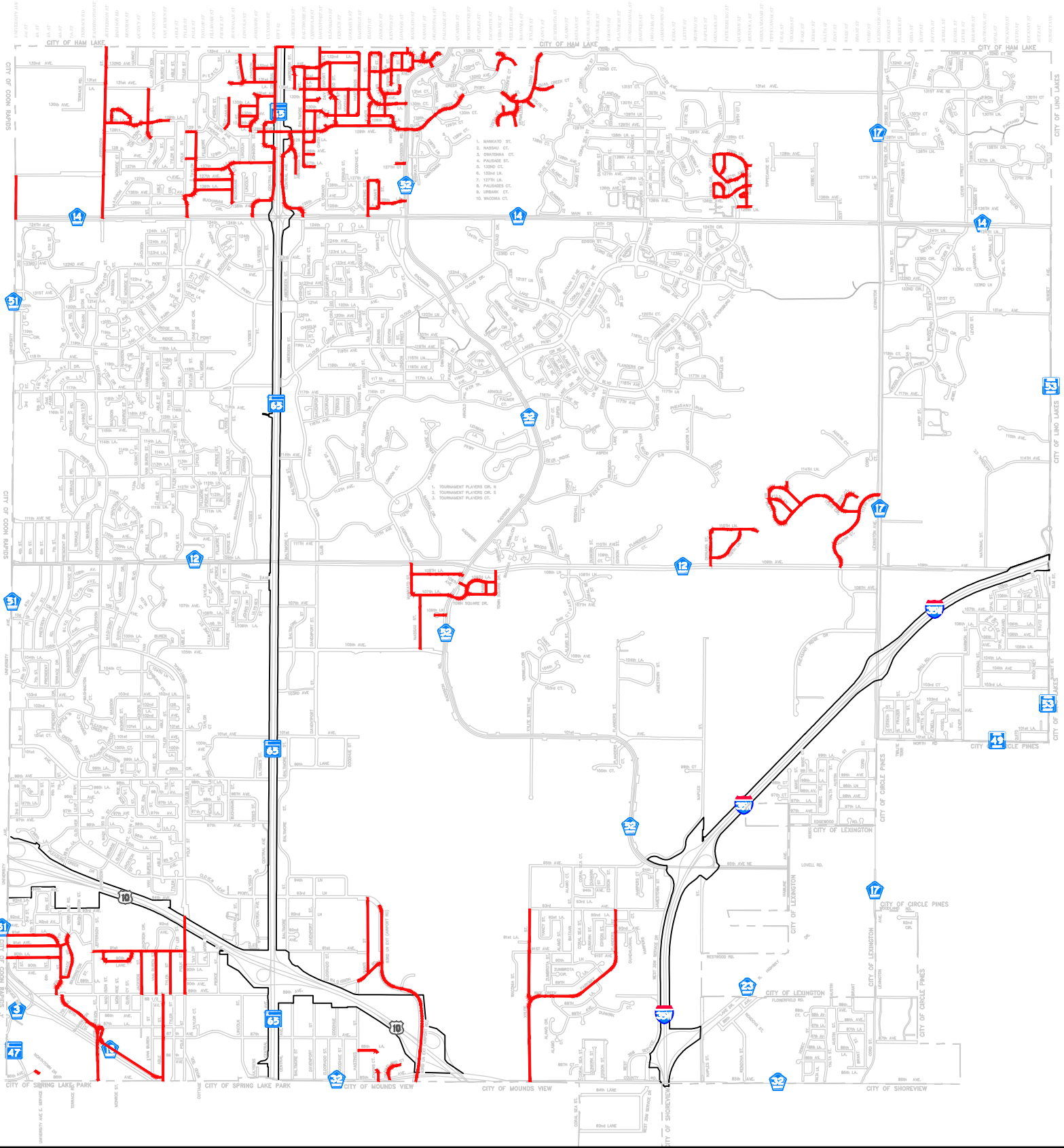
	STORM SEWER & MANHOLE
	SANITARY SEWER & MANHOLE
	WATERMAIN, HYDRANT, VALVE & MANHOLE
	CULVERT
	BULKHEAD
	UNDERGROUND TELEPHONE LINE
	TELEPHONE MANHOLE
	UNDERGROUND ELECTRIC LINE
	ELECTRIC MANHOLE
	GAS MAIN & VALVE
	STREET LIGHT
	MAILBOX
	TRAFFIC SIGN
	STREET SIGN
	POWER POLE W/ GUY WIRE
	DECIDUOUS TREE
	CONIFEROUS TREE
	BUSH - SHRUB
	HEDGE
	WOODED AREA
	FENCE
	GUARD RAIL
	DITCH
	TRAFFIC SIGNAL POLE
	HANDHOLE
	CONCRETE CURB & GUTTER
	BITUMINOUS CURB
	CONCRETE PAVEMENT
	BUILDING
	SECTION LINE
	QUARTER LINE
	SIXTEENTH LINE
	RIGHT OF WAY LINE

PROPOSED

	CONSTRUCTION LIMITS
	CONSTRUCTION CENTERLINE
	RIGHT OF WAY LINE
	STORM SEWER & MANHOLE
	SANITARY SEWER & MANHOLE
	WATERMAIN, HYDRANT, VALVE & MANHOLE
	CULVERT
	CATCH BASIN
	BULKHEAD
	CONCRETE CURB & GUTTER

NOTES:

1. THE EXACT LOCATION OF UNDERGROUND UTILITIES SUCH AS GAS, TELEPHONE, FIBEROPTIC, ELECTRIC, CABLE TV AND PIPELINES ARE UNKNOWN. THE CONTRACTOR SHALL CONTACT GOPHER STATE ONE CALL BEFORE COMMENCING AND CONSTRUCTION OR EXCAVATION. GOPHER STATE ONE CALL SYSTEM.....1-800-252-166
2. THE SUBSURFACE UTILITY INFORMATION IN THIS PLAN IS UTILITY QUALITY LEVEL D. THIS QUALITY LEVEL WAS DETERMINED ACCORDING TO THE GUIDELINES OF CIASCE 38-02, ENTITLED "STANDARD GUIDELINES FOR THE COLLECTION AND DEPICTION OF EXISTING SUBSURFACE UTILITY DATA."
3. ALL TRAFFIC CONTROL DEVICES AND SIGNING SHALL CONFORM TO THE MMUTCD, INCLUDING "FIELD MANUAL FOR TEMPORARY TRAFFIC CONTROL ZONE LAYOUTS" - CURRENT EDITION.
4. THE 2020 EDITION OF THE MINNESOTA DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS FOR CONSTRUCTION AND THE 2020 EDITION OF THE MATERIALS LAB SUPPLEMENTAL FOR CONSTRUCTION SHALL GOVERN EXCEPT AS MODIFIED BY THE SPECIFICATIONS FOR THIS PROJECT.





City of Blaine Staff Report

File Number: RES 25-54

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Administration - Erik Thorvig, Community Development Director

Agenda Item # 10.2

Resolution Granting the Assignment of a Purchase Agreement between Tompkins Development, LCC and the City of Blaine

Executive Summary

Background

History

The property at the southwest corner of 125th Avenue and Lexington Avenue has been proposed for development. The 37.15-acre site is privately owned and was listed for sale. The property is under contract by two separate buyers, HJ Development (commercial development on the east side of future Zest Street), and Tompkins Development LLC (west side of future Zest Street).

HJ Development has proposed to develop five commercial buildings which include a grocery store, retail/restaurant, and a higher-end daycare/preschool. Significant portions of the site would be preserved for wetland, stormwater ponds and open space. Tompkins Development would purchase land west of the future Zest Street and work with North Shore Development Partners to construct an apartment building on Lot 6 and would retain Lot 5 for future commercial development to be done by another developer.

In 2021, the City Council identified this corner as a "Priority Area" during a city visioning process. A new zoning district was created for this area known as Town Commercial (B-5). The property was rezoned to B-5 and a comprehensive land use amendment to Planned Commercial (PC) was approved in August 2021. The property had previously been zoned Community Commercial (B-2) and guided commercial in the comprehensive plan.

On July 18, 2022, HJ Development presented a concept plan to the city council at a workshop. The concept plan included commercial uses and two apartment buildings on the west side of Zest Street. Discussion also occurred about the City participating financially in off-site road improvements south of

the development property and connecting to Lexington Avenue. Additional discussions regarding land use and off-site road improvements occurred on June 5, 2023, August 21, 2023, and January 8, 2024. Minutes for those workshops are included.

Since being presented to the City Council in 2022, the concept plan has changed. Originally, two apartment buildings were shown on the concept plan. A revised plan was created that showed one 120-unit apartment building. The apartment developer also changed from when the plan was originally proposed in 2022. Additionally, Jerry's Foods has entered into a letter of intent with HJ Development to be the grocery anchor for the commercial portion of the project. Additional due diligence completed by the developer in the last two years has identified the overall site development costs, requirements from Anoka County regarding a signal at 125th Avenue and Zest Street (which is required regardless of whether an apartment is approved), and wetland challenges that exist on the property.

North Shore Development Partners submitted an application for a comprehensive plan land use amendment for the proposed apartment site. The current land use for the entire property is Planned Commercial (PC). Development of an apartment building required a land use change to high-density residential. The City Council considered this item at their November 4, 2024, meeting. Several council members expressed concern about the land use change and a motion was made to postpone this item to allow the City Council to consider options for the project that would not involve an apartment building.

On December 16, 2024, the City Council discussed potential options for the overall site that would allow for HJ Development to develop the commercial portion but not have an apartment included. Direction was provided by the City Council for staff to explore a city purchase of the portion of the site that would be acquired by Tompkins Development, LLC.

Overall Site Development and Costs

HJ Development would construct all the infrastructure on the site including roads, utilities, traffic signal at Zest Street and 125th Avenue and site grading/preparation. The overall site development costs for roads, utilities, traffic signal at Zest Street and 125th Avenue, and site grading/preparation is estimated to be \$5,487,524. Developers of the sites west of future Zest Street would be responsible for approximately \$1,275,379 in infrastructure and site preparation costs, with HJ Development being responsible for approximately \$4,212,145.

As indicated above, the overall site development costs for roads, utilities, traffic signal at Zest Street and 125th Avenue, and site grading/preparation, is estimated to be \$5,487,524. The developer(s) of the sites west of future Zest Street would be responsible for approximately \$1,275,379 in infrastructure and site preparation costs with HJ Development being responsible for approximately \$4,212,145. If an apartment building is not approved, Tompkins Development, LLC would cancel their purchase agreement for the land west of Zest Street as they would not have a development partner for the apartment site and are not willing to fund the up-front infrastructure costs without a developer.

HJ Development needs a partner for the west development sites to help fund the up-front infrastructure costs. If no developer exists for the west development sites, HJ Development would have to purchase the land for \$1,100,000 and carry an additional \$1,257,379 in infrastructure costs associated with the land. They are not financially willing or able to do this, which would in turn result in HJ Development abandoning the overall commercial project.

As proposed, the City would purchase the west development sites and, as a landowner, contribute to the overall infrastructure for the project. The city would be buying a 384,578 sf. parcel of land for \$1,100,000 (\$2.86/sf.) plus \$1,275,379 in infrastructure share (\$2,775,379 total). Once the overall site is prepared (roads, utilities, ponding, soil, etc.) the City will be delivered two, 3.25- and 1.57-acre, development-ready sites. Based on comparable development-ready commercial land values, the sites could be sold by the City to a commercial developer for \$15-\$20/sf., which equates to \$3,149,388 - \$4,199,184. As such, the value of the land increases from \$1,100,000 to over \$3,000,000 after improved.

Purchase Agreement and Assignment

To facilitate the structure outlined above, the existing purchase agreement between the seller and Tompkins Development, LLC would need to be assigned to the City. Attached is an assignment agreement. Also attached is the preliminary plat identifying Outlot A which would be purchased by the City of Blaine. The purchase agreement identifies a purchase price of \$1,100,000 and a closing date of 4/30/25. Staff have discussed with the seller's broker the need to extend the closing date. A preliminary and final plat needs to be approved and recorded with Anoka County to create the lot the city would purchase. This won't be completed until May/June. Extension of the closing date is an administrative action. The assignment agreement memorializes that all real estate and due diligence documents completed by Tompkins Development LLC will be transferred to the City. These include various items such as title commitment, survey, plats, site plans, etc.

Tompkins Development LLC requested a \$400,000 fee as part of the transfer. Homer Tompkins stated that the \$400,000 fee would cover out-of-pocket expenses to date, so the *"\$400,000 is not considered all profit to his partnership"*. Had the site developed as planned with the apartment and retail site, their partnership anticipated a projected profit of \$525,000. Please note that Tompkins is not solely involved in the endeavor and has other financial partners.

Tompkins provided staff with a specific breakdown of all out-of-pocket expenses incurred to date. Those expenses began in March 2022, and include various items such as property taxes, legal, title, engineering and architectural fees. The total amount as of January 31, 2025, is \$193,441. This does not include Mr. Tompkins' obligation to pay accrued interest to his partners on all capital advanced at 12% per annum on each from date of payment until paid off. He estimated this expense to be an additional \$25,000. The total amount of out-of-pocket expenses is approximately \$218,441. The City Council held three closed sessions to discuss the fee. After negotiation, the City and Tompkins Development, LLC agreed upon a fee of \$300,000. This would be paid at closing.

Funding Source

The overall transaction expense would be \$1,400,000 (\$1,100,000 purchase price plus \$300,000 fee). Staff would recommend that the City Council consider utilizing the Strategic Priorities fund, which was established in 2019. This account was funded by the dissolution of the North Metro Hospital District in which the City received funds that were held by the organization. A policy was created in 2022 around the use of said funds.

Per the policy, it is the intention of the City Council that the Strategic Priorities Fund be used only after careful deliberation and for two primary purposes:

- As a funding source for items considered to be of high priority for accomplishing established strategic initiatives.
- As a supplemental, levy-stabilizing funding source from which to draw to maintain basic service levels in the event of an economic downturn.

Additionally, expenditures or transfers from the Strategic Priorities Fund shall be made only after careful deliberation by the City Council. Use of funds for strategic initiatives must:

- Identify that the project has sufficient community-wide benefit which is consistent with established strategic initiatives, city goals, or programs.
- The project will advance or achieve one or more of the strategic initiatives identified in the City's adopted Strategic Plan.

The policy also requires the specific project to be funded and the amount of funds to be appropriated for the project be incorporated into an authorizing resolution adopted by an affirmative vote of at least five council members. Staff believe this project satisfies the requirements outlined within the Strategic Priorities policy as noted by the italicized and underlined text above. The current balance of the strategic priorities fund is \$3.2 million. Any future land sale proceeds would be used to reimburse the fund.

Strategic Plan Relationship

The Economic Development section of the Strategic Plan identifies a target for groundbreaking of this project in 2026 and an initiative for implementation of the commercial project. Completion of this project also works towards the goal of 60,000 sf. of new retail space to be added by December 26.

Board/Commission Review

Not applicable.

Financial Impact

The overall transaction is proposed to be \$1,400,000 (\$1,100,000 purchase price plus \$300,000 fee). Staff recommend City Council utilize the Strategic Priorities Fund, which currently has a balance of \$3.2 million, to facilitate the purchase. Any future land sale proceeds would be used to reimburse the fund.

Public Outreach/Input

Not applicable.

Staff Recommendation

Approve the attached resolution. *As a reminder, utilization of the Strategic Priorities Fund requires at least five (5) affirmative votes.*

Attachment List

1. Assignment + Exhibits
2. Previous Concept Plan
3. Plat



City of Blaine

Signature Copy

Resolution: RES 25-54

Resolution Granting the Assignment of a Purchase Agreement between Tompkins Development, LLC and the City of Blaine

WHEREAS, a purchase agreement has been executed between Tompkins Development, LLC and Jeffery and Susan Kempf for 10.3 acres located generally at the southwest corner of 125th Avenue and Lexington Avenue; and

WHEREAS, the City Council has discussed an assignment of the purchase agreement from Tompkins Development, LLC and the City of Blaine; and

WHEREAS, an assignment agreement has been finalized between Tompkins Development and the City of Blaine to assign the existing purchase agreement; and

WHEREAS, the Blaine City Council, in May 2019, established the city's Strategic Priorities Fund; and

WHEREAS, on September 7, 2022, the Blaine City Council approved the city's Use of Strategic Priorities Fund Policy; and

WHEREAS, the adopted policy provides for the use of Strategic Priorities funds for projects or expenditures that have sufficient community-wide benefit consistent with established strategic initiatives, city goals, or programs; and the project or expenditure will advance or achieve one or more of the strategic initiatives identified in the City's adopted Strategic Plan; and

WHEREAS, after careful deliberation, the Blaine City Council has determined that the use of Strategic Priorities for the proposed purchase agreement with Tompkins Development, LLC meets the requirements of the Use of Strategic Priorities Fund Policy in that Economic Development has been identified as an outcome in the City of Blaine Strategic Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine hereby authorizes the use of up to \$1,400,000 from the Strategic Priorities Fund to facilitate the proposed purchase agreement with Tompkins Development LLC.

BE IT FURTHER RESOLVED by the City Council of the City of Blaine hereby authorizes the city manager and mayor to execute any necessary agreements to complete the assignment and purchase of 10.3 acres located generally at the southwest corner of 125th Avenue and Lexington Avenue.

PASSED by the City Council of the City of Blaine this 7th day of April, 2025.

ASSIGNMENT OF PURCHASE AGREEMENT

THIS ASSIGNMENT OF PURCHASE AGREEMENT (this “Assignment”) is made and entered into as of the ____ day of _____, 2025 (the “Effective Date”), by and between **Tompkins Development LLC**, a Minnesota limited liability company (“Assignor”), and the **City of Blaine**, a Minnesota municipal corporation (“Assignee”).

WITNESSETH:

WHEREAS, Assignor is party to a Purchase Agreement, dated June 3, 2022, with Jeffrey P. Kempf and Susan L. Kempf, a married couple (the “Owner”) with respect to certain undeveloped real property (the “Property”) consisting of approximately 10.3 acres more or less located in the City of Blaine in Anoka County, Minnesota, a true and correct copy of the Purchase Agreement is attached hereto as Exhibit A; and

WHEREAS, the Assignor has entered into the following amendments to the Purchase Agreement:

First Amendment to Purchase Agreement, dated February 13, 2023, which in part extends the closing date to on or before April 30, 2024, a true and correct copy is attached hereto as Exhibit B; and

Second Amendment to Purchase Agreement, dated September 29, 2023, which in part extends the closing date to on or before April 30, 2025, a true and correct copy is attached hereto as Exhibit C,

which together with the above-referenced Purchase Agreement are collectively hereafter referred to as the “Purchase Agreement”; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor’s rights, title, and interest in, and obligations under, the Purchase Agreement to Assignee and Assignee desires to assume the same.

NOW, THEREFORE, in consideration of the recitals above, which are incorporated herein as if set forth below in full, the mutual covenants, and the promises contained in this Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Assignment. Assignor hereby transfers, assigns, and conveys all of Assignor’s rights, title, and interest in, and obligations under, the Purchase Agreement to Assignee.

2. Assignment Fee. For and in consideration of the Assignment contained in Section 1 above, Assignee shall pay Assignor an Assignment Fee equal to Three Hundred Thousand Dollars (\$300,000) (the "Assignment Fee"). The Assignment Fee shall be paid to Assignor by Assignee within 10 days of execute of this agreement. The Assignment Fee, in part, reimburses the Assignor for all Assignor's investments under the Purchase Agreement, both financial and nonfinancial, including due diligence expenses.

3. Earnest Money Deposits. As of the effective date of this Assignment, the Earnest Money deposits made by Assignor shall be reimbursed to Assignor on or before April 10, 2025, and not be a part of or applicable to the Assignment Fee designated in Paragraph 2, Assignment Fee.

4. Real Estate and Due Diligence Documents. On or before the Effective Date, but no later than 5 days after the Effective Date, Assignor shall deliver to Assignee either the originals or true and correct copies of all its documents related to the Property, including but not limited to those undertaken by the Assignor or its agents or representatives per the Purchase Agreement as well as those documents and information supplied to Assignor or its agents or representative by the Owner, including but not limited to (1) the Examination of Title under section 4, such as title commitments and surveys; (2) the Termination of Contract if Title is not Marketable under section 5; (3) the Inspection Contingency under Section 7, such as Seller's Studies and Purchaser's Studies; and (4) Development of the Property under Section 11, including draft plats, sewer availability charges or water availability charges information.

5. Brokers. Both parties represent that they have not dealt with a broker or finder in connection with either the sale/purchase of the Property or this Assignment of the Purchase Agreement. Each Party agrees to defend, indemnify and hold the other harmless from any claim asserted for real estate brokerage commissions, finders' fees or other such compensation as a result of dealings claimed to have been conducted with such Party giving this indemnification.

6. Representations and Warranties. Assignor hereby represents and warrants to Assignee:

- a) that it has full power and authority to assign the Purchase Agreement to Assignee as it relates to the Property;
- b) that the Purchase Agreement is in full force and effect and has not been modified, terminated in whole or in part in any manner, or amended in any manner whatsoever;
- c) that Assignor has received no notice of any action, litigation, investigation or proceedings of any kind from or against Owner or any person either respecting the Purchase Agreement or against any portion of the Property;

- d) that to the best of Assignor's knowledge is there no action, litigation, investigation or proceeding pending or threatened against the Property, or any part of it; and
- e) that Assignor represents that there is nothing preventing a closing on the Property as long as the Assignee pays the purchase price of the property and the costs and prorations per the terms and conditions of the Purchase Agreement.

7. Governing Document. This Assignment is made subject to the terms and provisions of the Purchase Agreement. The delivery of this Assignment shall not affect, enlarge, diminish, or otherwise impair any of the representations, warranties, covenants, conditions, indemnities, terms, or provisions of the Purchase Agreement, and all of the representations, warranties, covenants, conditions, indemnities, terms, and provisions contained in the Purchase Agreement shall survive the delivery of this Assignment to the extent, and in the manner, set forth in the Purchase Agreement. In the event of a conflict between the terms and provisions of this Assignment and the terms and provisions of the Purchase Agreement, the terms and provisions of the Purchase Agreement shall govern and control.

8. Counterparts. This Assignment may be executed in one or more counterparts and delivered by personal delivery, overnight courier, or electronic delivery by email and/or .pdf file. All such counterparts, when taken together, shall comprise the fully executed Assignment. PDF signatures or electronic signatures (i.e., DocuSign) shall be deemed to be an original signature.

9. Binding Effect. This Assignment shall be binding upon and inure to the benefit of Assignor, Assignee and their respective successors and assigns.

10. Severability of Provisions. It is intended that each provision of this Assignment shall be viewed as separate and divisible, and in the event that any provision shall be held to be invalid, the remaining provisions shall continue to be in full force and effect.

11. Governing Law, Jurisdiction, and Venue. This Assignment and its construction, interpretations, and enforcement and the rights of the parties shall be determined under, governed by, and construed in accordance with the laws of the State of Minnesota without regard to principles of conflict of law. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Anoka County, Minnesota, and the parties to this Agreement waive any objections to the jurisdiction of these courts, whether based on convenience or otherwise.

12. Waiver. No waiver of any provision of this Assignment shall be valid unless it is in writing and signed by the party against whom the waiver is sought to be enforced. No valid

waiver of any provision of this Assignment shall be deemed a waiver of any other provision of this Assignment.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date set forth above.

ASSIGNOR:
TOMPKINS DEVELOPMENT LLC

By: _____
Homer Tompkins, Its _____

ASSIGNEE:

CITY OF BLAINE

By: _____
Tim Sanders, Its Mayor

CITY OF BLAINE

By: _____
Michelle Wolfe, Its City Manager

EXHIBIT A

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“*Agreement*”) is made this _____ day of June, 2022 by and between JEFFREY P. KEMPF AND SUSAN L KEMPF, a married couple (“*Seller*”), and TOMPKINS DEVELOPMENT LLC, a Minnesota limited liability company (“*Purchaser*”). Seller and Purchaser are sometimes hereinafter individually referred to as a “Party” and collectively as the “Parties.”

Purchase and Sale of Property. Seller hereby agrees to sell and Purchaser hereby agrees to purchase certain undeveloped real property (“*Property*”), consisting of approximately 10.3 acres more or less located in the City of Blaine (“*City*”) in Anoka County (the “*County*”), Minnesota. The Property is more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

The Property shall be more particularly described on the Survey to be furnished by Purchaser pursuant to Section 4.2 below. Upon Purchaser’s approval of the Survey pursuant to Section 4.2, the Survey and the legal description of the Property contained therein will be incorporated into Exhibit A of this Agreement.

Price and Payment. The Purchase Price for the Property is \$1,100,000 and shall be paid by Purchaser to Seller as follows:

Earnest Money. Within 3 business days of the Effective Date, Purchaser shall deposit Ten Thousand and No/100 Dollars (\$10,000) in immediately available funds as earnest money, the receipt of which is hereby acknowledged (the “*Earnest Money*”). The Earnest Money shall be deposited in an interest-bearing trust account of Land Title, Inc., at 1900 Silver Lake Road, Suite 200, New Brighton, MN 55112 (the “*Title Insurer*”) and distributed in accordance with the terms of this Agreement. All interest earned on the Earnest Money shall be considered part of the “*Earnest Money*.” At Closing, the Earnest Money, including all interest thereon, shall be credited toward payment of the Purchase Price. Unless this Agreement is terminated pursuant to of Section 7, the Earnest Money shall be delivered to Seller within ten (10) days after the Approval Date (as defined in Section 7 below).

Payment at Closing. The remainder of the Purchase Price, shall be payable in immediately available funds at the Closing.

Title. Subject to Purchaser’s performance, Seller agrees to execute and deliver to Purchaser a general warranty deed on the Minnesota Uniform Conveyancing Blank (the “*Deed*”), conveying title to the Property at Closing, subject only to the following exceptions (“*Permitted Exceptions*”):

Laws. Building and zoning laws, ordinances, State and Federal regulations;

Minerals. Reservation of any minerals or mineral rights to the State of Minnesota;

Taxes. Real estate taxes as hereinafter specified; and

Matters Approved by Purchaser. Such other matters as are waived or deemed waived by Purchaser pursuant to Section 4 below.

Examination of Title.

Title Commitment. Within thirty (30) days after the date hereof, Purchaser shall obtain from the Title Insurer a current commitment for an ALTA owner's policy of title insurance covering the Property in the amount of the Purchase Price, and including appropriate judgment and tax lien searches, a report of all special assessments levied or pending against the Property, and copies of all documents and instruments referenced as title exceptions or encumbrances (the "***Title Commitment***"). Purchaser shall have fifteen (15) business days after receipt thereof to examine the Title Commitment and to make any objections thereto, said objections to be made in writing within said time period or deemed to be waived.

If any objections are so made, Seller shall be allowed ninety (90) days to make title marketable. Pending correction of title, the payments required hereunder shall be postponed, but upon correction of title and within ten (10) days after written notice to Purchaser, the Parties shall perform this Agreement according to its terms. All costs related to the issuance of the Title Commitment shall be paid by the Purchaser. The premium for an owner's title insurance policy and costs associated with the issuance thereof shall be paid by the Purchaser.

Survey. Within forty-five (45) business days after the date of this Agreement, Purchaser shall obtain a current survey of the Property ("***Survey***") certified to Purchaser and the Title Insurer with respect to the Title Commitment in accordance with the minimum standard detail requirements for an ALTA/ACSM suburban survey. The Survey shall contain a vicinity map and flood zone designation and shall show the location of all easements, buildings, improvements, encroachments, existing or proposed public road rights-of-way, water courses and wetlands, and shall certify both the gross acreage and the Net Acreage of the Property. For purposes of the Survey and this Agreement, "Net Acres" and the "Net Acreage" of the Property shall mean the total acreage of the Property exclusive of existing or proposed public road rights-of-way, easements, encroachments and water courses and wetlands.

Purchaser shall have ten (10) business days after receipt of the Survey to examine and make any objections to the Survey, said objections to be made in writing within said time period or deemed to be waived. If Purchaser makes any Survey objections, Seller shall be allowed ninety (90) days to correct such Survey objections. Pending correction of Survey objections, the payments required hereunder shall be postponed, but upon correction of Survey objections and within ten (10) days after written notice to Purchaser, the Parties shall perform this Agreement according to its terms. All costs related to preparation and revision of the Survey shall be paid by Seller.

Termination of Contract if Title is not Marketable. If Seller's title to the Property is not marketable and is not made so by Seller within the time periods specified in subsections 4.1 and 4.2 above, and if Purchaser has not delivered to Seller a written waiver of uncured title or Survey objections within ten (10) business days after expiration of the time periods specified in subsections 4.1 and 4.2 above, then this Agreement shall be void, this Agreement shall have no further force or effect, the Earnest Money paid by Purchaser shall be returned to Purchaser, and neither Seller nor Purchaser shall have any further rights, liabilities or obligations under this Agreement. If title to the Property is made marketable within said time period (or if not made marketable, if Buyer elects to waive any uncured title deficiencies), then the Parties shall proceed to close in accordance with this Agreement.

Taxes and Assessments. Seller shall pay on or before Closing all of the real estate taxes and installments of special assessments or deferred assessments due and payable in all years prior to the year of Closing with respect to the Property. Seller shall also pay on the Closing Date (as defined herein) any and all deferred real estate taxes (including deferred taxes which become payable because of the loss of so-called "Green Acres" or other reduced or exempt tax classification). Seller shall also pay at Closing all special assessments that have been levied or are pending against the Property at the time of Closing; provided, that Seller shall not be responsible for any pending assessments that directly result from Purchaser's proposed development of the Property after final plat ("**Purchaser's Special Assessments**"). Seller shall pay all special assessments (and interest thereon) that have been deferred as of the Closing Date. Seller and Purchaser shall prorate general real estate taxes due and payable in the year of Closing, except for payment of all deferred taxes which shall be paid by Seller. Prorations shall be on a calendar year basis.

Inspection Contingency. As soon as reasonably possible after the date hereof, Seller shall provide Purchaser with copies of all engineering reports and plans, soil tests, environmental assessments, and other tests, inspections and physical evaluations pertaining to the Property that are in Seller's possession ("**Seller's Studies**"). All Seller's Studies shall be furnished without representation or warranty whatsoever, and Seller assumes no responsibility concerning the accuracy or content of Seller's Studies. At any time on or after the date hereof until Closing, Purchaser and Purchaser's employees, agents and contractors shall have the right to enter and inspect the Property and conduct such soil tests, environmental assessments, surveys and other tests and inspections and feasibility studies and analyses (including land planning and engineering evaluations) as Purchaser may reasonably require (collectively "**Purchaser's Studies**"), all at the sole cost and expense of Purchaser. Under no circumstances shall Purchaser allow any labor or materials to be furnished to or for the Property prior to Closing which would constitute the "actual and visible beginning of the improvement" to the Property within the meaning of Chapter 514 of Minnesota Statutes. Purchaser shall fully and forever defend, indemnify and hold Seller, its officers, agents and employees, and the Property harmless from any damages, liens, liabilities, injuries or costs (including reasonable attorneys' fees) as may be incurred by Seller as a result of, or relating to such entry upon and tests and inspections of the Property by Purchaser and Purchaser's employees, agents and contractors, which obligation to

indemnify and hold harmless shall survive termination of this Agreement for any reason notwithstanding any other provision of this Agreement, including the remaining provisions of this Section 7.

If, on or before one hundred twenty (120) days after the date of this Agreement (“**Approval Date**”), Purchaser in its sole discretion notifies Seller in writing that Purchaser disapproves the Property (which disapproval can be for any reason whatsoever, whether or not such reason might be considered arbitrary), then Seller shall return the Earnest Money to Purchaser and neither Seller nor Purchaser shall have any further rights, liabilities or obligations under this Agreement except that Purchaser shall return the Seller’s Studies to Seller and furnish to Seller, without cost to Seller, copies of all of Purchaser’s Studies (other than economic or financial forecasts) that have been prepared in connection with Purchaser’s proposed development of the Property. All Purchaser’s Studies are furnished to Seller without representation or warranty whatsoever, and Purchaser assumes no responsibility concerning the accuracy or content thereof. Purchaser shall be deemed to have waived the provisions of this Section 7 if Purchaser does not give written notice disapproving the Property on or before the Approval Date.

Covenants and Warranties. As part of the consideration for and as an inducement to Seller to enter into this Agreement to sell the Property to Purchaser for the Purchase Price, Purchaser hereby makes the following representations, covenants and warranties to Seller, which representations, covenants and warranties shall be true as of Closing as if such representations, covenants and warranties were made at Closing:

Purchaser’s Authority. Purchaser represents and warrants to Seller that it has and will have the full right, power and authority to enter into this Agreement and to perform Purchaser’s obligations hereunder.

Reliance By Purchaser. Purchaser has not relied upon and will not rely on, and Seller is not liable for or bound by any express or implied warranties, guaranties, representations or statements concerning the Property, whether made or supplied by Seller, any broker or any officers, or employees or agents of either, unless specifically set forth in this Agreement.

Covenants and Warranties of Seller. As part of the consideration for and as an inducement to Purchaser to enter into this Agreement to buy the Property from Seller for the Purchase Price, Seller hereby makes the following representations, covenants and warranties, which representations, covenants and warranties shall be true as of Closing as if such representations, covenants and warranties were made at such time:

Pending Proceedings. Seller has received no notice of any action, litigation, investigation or proceeding of any kind pending against any portion of the Property, nor to the best of Seller’s knowledge is any action, litigation, investigation or proceeding pending or threatened against the Property, or any part of it. To the best of Seller’s knowledge, there are no pending or threatened

governmental proceedings in eminent domain or for rezoning affecting any portion of the Property.

Nonforeign Person. Seller is not a “foreign person”, “foreign trust”, “foreign partnership” or “foreign estate” as those terms are defined in Section 1445 of the Internal Revenue Code.

Wells; Private Sewer System; Tanks. There is no well or private sewer system on the Property, except as set forth on Exhibit B. Seller knows of no underground or above ground storage tanks that now exist or ever existed on any portion of the Property. Seller knows of no underground or aboveground storage tanks that now exist or ever existed on any portion of the Property, except as set forth on Exhibit B.

Hazardous Substances. To the best of Seller’s knowledge, the Property is not and has not been (i) affected by the presence of oil, Hazardous Substances or other pollutants, (ii) used as a garbage or refuse dump site, a landfill, a waste disposal facility, a transfer station, or any other type of facility for the storage, processing, treatment or temporary or permanent disposal of oil, Hazardous Substances or other pollutants, or (iii) in violation of any local, state or federal environmental law or regulation. For purposes of this Agreement, “Hazardous Substances” shall include any substance, material or waste which is or becomes regulated by any local governmental authority, the State of Minnesota or the United States of America.

Improvements; Further Encumbrances. Seller will not without the prior written consent of the Purchaser:

1. Construct, or enter into any agreement to construct, any improvement to the Property; or
2. Enter into or consent to any lease, easement, covenant or other obligation affecting the Property.

Commencement of Proceedings. Seller shall deliver to the Purchaser a written notice of the commencement of any legal action (by any third party) affecting the Property and will make no concessions or settlements with respect to any such action without Purchaser’s prior written consent.

Unrecorded Interests. To the best of Seller’s knowledge, there are no unrecorded easements, rights of way or interests, express or implied, written or oral, whether at law or in equity, which exist and benefit or burden the Property.

Authority. Seller has full power and authority to enter into and perform this Agreement; this Agreement has been duly and validly authorized, executed and delivered by Seller and constitutes the valid and binding obligations of Seller, and the execution, delivery and performance of this Agreement by Seller does not require the consent, approval or authorization of any other person.

Seller's Title. Seller owns fee simple title to the Property and such title is fully insurable by the Title Insurer at its usual and customary rates.

Special Assessments. Except for the levied and pending special assessments paid by Seller at Closing and any Purchaser's Special Assessments, Seller has not received any notice nor does Seller have any knowledge of any projects, improvements, proceedings or other matters contemplated, under consideration or in process by the City, the County, or any department, agency, commission or other legislative or administrative body of the City, the County or any other governmental or quasi-governmental agency or entity or any utility company which, if carried to completion, would result in the levy of any special assessment against the Property.

Except for the representations and warranties hereinabove made (a) Seller is making no other representations or warranties of any kind regarding Seller, the Property or the condition thereof, and (b) Purchaser acknowledges that it will be purchasing the Property in its "AS IS" condition.

Closing Date; Costs and Expenses. Subject to the fulfillment or waiver of the conditions contained in this Agreement, and provided that the terms and time periods provided for in this Agreement related to title and Survey examination and marketability are met, the purchase and sale of the Property hereunder shall be closed on the date ("**Closing**" or "**Closing Date**") that is the earlier of (a) February 15, 2023 or (b) 30 days after Purchaser's receipt of Preliminary Plat Approval (as defined in Section 11.1 below). The Closing shall occur at such time of day and place as the Parties shall agree.

Purchaser shall have the right to extend the Closing Date for one (1) period of sixty (60) days by providing written notice to Seller prior to Closing Date and depositing an additional Ten Thousand and No/100 Dollars (\$10,000) (the Additional Earnest Money) with the Title Insurer. The Additional Earnest Money shall be applicable to the Purchase Price at Closing.

Seller's Closing Documents. At the Closing, Seller shall execute and/or deliver the following (all in form and content reasonably satisfactory to Purchaser):

3. **Deed.** The Deed subject only to the Permitted Exceptions (Seller shall pay all costs associated with clearing title);
4. **Recording Affidavits.** All certificates, instruments and other documents necessary to permit the recording of the Deed;
5. **Seller's Affidavit.** A standard Seller's Affidavit with respect to judgments, bankruptcies, tax liens, mechanics liens, parties in possession, unrecorded interests, encroachments or boundary line questions, and related matters;

6. **Nonforeign Affidavit.** An affidavit of Seller stating that Seller is not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code and such information as may be necessary to permit Purchaser to comply with any applicable transaction reporting requirements of the Internal Revenue Service or any other governmental agency;
7. **Well/Septic Disclosures.** A Minnesota Department of Health Well Disclosure Certificate and a private sewer system disclosure, if necessary.
8. **Miscellaneous.** Such other instruments and documents as are necessary to vest title to the Property absolutely in Purchaser and to enable Purchaser to enjoy the benefits of ownership thereof, subject only to the Permitted Exceptions

Purchaser’s Closing Documents. At the Closing, Purchaser shall pay the purchase price of the Property and shall execute and deliver such affidavits and other documents reasonably requested by Seller or the Title Insurer to consummate the sale of the Property to Purchaser.

Costs and Prorations. At the Closing Seller shall pay the state deed tax, one half of any closing fee charged by the Title Insurer, and all costs associated with preparation of the Title Commitment and clearing title. Purchaser shall pay one half of any closing fee charged by the Title Insurer and, with the exception of those expenses otherwise allocated herein and Seller’s own attorneys fees, all costs associated with the Closing, including the premium for an owner’s title insurance policy and recording fees. All taxes and special assessments shall be paid by the Seller and Purchaser as set forth in Section 6. All other normal and customarily proratable items shall be prorated as of the Closing Date on a calendar year basis in accordance with local practice; Seller shall be charged and credited for all of the same up to the Closing Date and Purchaser shall be charged and credited for all of the same on and after the Closing Date.

Possession. Possession of the Property will be delivered by Seller to Purchaser on or before the close of business on the date of Closing, free from all parties claiming rights to possession of or having claims against the Property by, through, or under Seller, and except for the Permitted Exceptions.

Development of the Property.

Preliminary Plat Approval. The Parties acknowledge that Purchaser intends to develop the Property into apartments or townhomes and that it will be necessary to plat the Property so that it may be developed. Purchaser shall attempt to obtain City preliminary plat approval for the Property and satisfactory utility letters evidencing that the Property shall have sanitary sewer, water and other utilities in sufficient capacity to allow for the proposed development as contemplated by the approved preliminary plat (collectively “*Preliminary Plat Approval*”).

Purchaser's obligation to purchase the Property is contingent on obtaining Preliminary Plat Approval. Purchaser shall process the Preliminary Plat Approval at Purchaser's sole cost and expense. Seller agrees to fully cooperate with Purchaser in connection with the obtaining Preliminary Plat Approval and shall, if necessary, execute any applications or other documents in connection with the platting process. If Purchaser has neither obtained Preliminary Plat Approval nor waived the Preliminary Plat Approval contingency by the Closing Date, then this Agreement shall be void, this Agreement shall have no further force or effect, and, except for the indemnities of the Parties pursuant to Sections 7 and 14, neither Seller nor Purchaser shall have any further rights, liabilities or obligations under this Agreement.

Development Obligations. Purchaser acknowledges that the plat approval process may require that Purchaser execute a development agreement with the City to do and perform such landscaping or other improvements as may be required as a condition of Preliminary Plat Approval. Notwithstanding anything in this Agreement to the contrary, under no circumstances shall the Seller be required to be a party to any such development agreement nor shall Seller be required to assume or perform any of the obligations imposed upon Purchaser or the Property pursuant to any such development agreement. Purchaser acknowledges that any sewer availability charges (SAC) or water availability charges (WAC) or similar charges in connection with the improvements to the Property or which are necessary in connection with Purchaser's proposed development or use of the Property shall be Purchaser's responsibility and if required to be paid in connection with plat approval, shall be so paid solely by Purchaser.

Development Documents. Prior to Closing Seller agrees to join with the Purchaser in the execution and delivery of any petition, plat, replat, normal and customary restrictions, protective covenants, easements and reservations required from time to time by the City, County, State of Minnesota, Veterans Administration, Metropolitan Council, HUD, FHA, and any other governmental body directly or indirectly involved in the process of approving the Property for **apartments or townhome** development.

Connector Street. Attached Exhibit C is a description of a connector street from Zest Street to City Owned property that Purchaser will be responsible for payment as a condition of Preliminary Plat approval. Purchaser agrees to the cost of completion of said Conenector Street as a condition of Preliminary Plat Approval.

Insurance. Seller shall keep any and all buildings, improvements and fixtures now located on or a part of the Property insured against loss by fire, extended coverage perils, vandalism, and malicious mischief until Closing. If there is any substantial damage to the Property prior to the Closing Date, the Closing Date shall be extended for a maximum of ninety (90) days. If the Property (including trees or other natural flora) cannot or has not been substantially restored to its former condition by Seller within such time period, Purchaser may, at Purchaser's sole option and discretion either (a) cancel this Agreement, whereupon all Earnest Money shall be immediately returned to Purchaser, or (b) Purchaser may close on this Agreement, and require that Seller assign at the Closing all monies recovered or recoverable from all insurance owned by Seller for the restoration of the Property.

Condemnation. If the Property is taken or if there is a threat of taking by eminent domain prior to Closing, Purchaser may elect to terminate this Agreement by written notice to Seller, whereupon the Earnest Money shall be promptly refunded to Purchaser and, with the exception of the indemnity obligations pursuant to Sections 7 and 14, the Parties shall have no further obligations hereunder. If Purchaser does not elect to terminate pursuant to the preceding sentence, then this Agreement shall remain in full force and effect (including payment of the full Purchase Price by Purchaser), except that Purchaser shall accept the Property subject to the taking pursuant to such condemnation, and at the Closing, Seller shall pay over to Purchaser any proceeds received by transfer in lieu of condemnation and condemnation proceeds and awards received prior to Closing, and Seller shall assign to Purchaser Seller's interest in all other condemnation awards and proceeds.

Brokers. Each Party represents to the other that neither Party has dealt with a broker or finder in connection with the sale contemplated by this Agreement except for Tom Opshal with Gaughan Companies (the "Broker"). The Brokers commission will be paid by Seller pursuant to a separate agreement between the Seller and Broker. Each Party agrees to defend, indemnify and hold the other harmless from any claim asserted for real estate brokerage commissions, finders fees or other such compensation as a result of dealings claimed to have been conducted with such Party giving this indemnification. The indemnity herein shall survive the Closing. Purchaser hereby discloses that Purchaser is a licensed real estate broker buying for Purchaser's own account.

Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, successors and assigns.

Survival of Covenants. All of the terms, conditions, covenants and agreements contained in this Agreement shall survive the Closing.

Termination of Contract: Default. If the sale of the Property is not closed on or before the specified Closing Date because of Purchaser's default, Seller's sole remedy shall be to terminate this Agreement upon thirty (30) days notice as provided in Minn. Stat. Sec. 559.21 and retain the Earnest Money deposit, it being expressly agreed that (a) the amount of actual damages which Seller would suffer as a result of Purchaser's default would be extremely difficult to determine, and (b) the Earnest Money is a reasonable estimate of Seller's damages and is intended as a fixed amount of liquidated damages in lieu of any other remedies available to Seller and is not intended as a penalty. Any action by Purchaser to enforce the specific performance of this Agreement must be commenced within six (6) months after such right of action by Purchaser arises, time being of the essence. If this Agreement is terminated for any reason on or before Closing, Seller may, at its option, as a condition precedent to the refund of the Earnest Money, require Purchaser to deliver a recordable quit claim deed fully executed by Purchaser conveying Purchaser's interest in the Property.

Notices. Any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement must be in writing and is deemed given when delivered

personally, or by electronic facsimile transmission (if a signed copy is promptly mailed) to the Party to receive such notice, or on the date following the day sent by overnight courier or on the third (3rd) business day after the same is sent by certified mail, postage and charges prepaid, directly to the party entitled thereto, in each case addressed as follows (or to such other address as the Parties may designate in the manner set forth herein):

To Seller: Jeffrey Kempf and Susan Kempf
3700 125th Ave NE
Blaine, MN 55449

Phone: (612) 816 5264_____
Email: Eljefe.Kempf@gmail.com

with a copy to:

Phone: _____
Email: _____

To Purchaser: Tompkins Development LLC
P.O.Box 293
Marine on St.Croix, MN 55047
Attn: Homer H. Tompkins, III
Phone: (830) 431 3124
Email: homert.507@gmail.com

with a copy to:

Stinson LLP
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402
Attn: John C. Kuehn, Esq.
Phone: (612) 335-1717
Email: John.Kuehn@stinson.com

Entire Contract. This Agreement embodies the entire agreement between the Seller and the Purchaser with respect to the transaction contemplated hereby. This Agreement supersedes in all respects all prior written or oral agreements between the Parties relating to the purchase and sale of the Property and there have been and are no covenants, agreements, representations, warranties or undertakings of any sort or kind respecting the Property between the Seller and the Purchaser other than those specifically set forth in this Agreement. This Agreement may be amended only by a written instrument signed by both Seller and Purchaser.

Interpretation of Agreement. The Parties agree that this Agreement shall be interpreted under and in accordance with the laws of the State of Minnesota. Seller and Purchaser have each read

and fully understand the terms of this Agreement; each has had the opportunity to have this Agreement reviewed by counsel. The rule of construction providing that ambiguities in a contract shall be construed against the drafter shall not apply.

Severability. If any clause or provision of this Agreement is illegal, invalid or unenforceable under any present or future law, the remainder of this Agreement will not be affected thereby. It is the intention of the Parties that if any such provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible and be legal, valid and enforceable.

Time of Essence. Time is of the essence of each and every provision of this Agreement. Any reference in this Agreement to time for performance of obligations or to elapsed time shall mean consecutive calendar days, months, or years, applicable, unless otherwise explicitly indicated herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

PURCHASER:

TOMPKINS DEVELOPMENT LLC.

By_____

Name: Homer Tompkins

Its:_____

SELLER:

By_____

Jeffrey Kempf, a married individual

By_____

Susan Kempf, a married individual

EXHIBIT A

Description of Property

To be provided by survey as shown as attached plan as exhibit A as a portion of ID 11-31-23-11.001 and ID 11-31-23-12.003 containing 10.3 acres of land.

EXHIBIT B

Well, Septic System and Storage Tank Disclosure

To be provided

EXHIBIT B

FIRST AMENDMENT TO PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AGREEMENT (this "**First Amendment**") is made by and between TOMPKINS DEVELOPMENT LLC, a Minnesota limited liability company "**Purchaser**" and JEFFREY P. KEMPF and SUSAN L. KEMPF, a married couple ("**SELLER**"). Seller and Purchaser are sometimes hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**". The Parties state and acknowledge as follows:

RECITALS

A. Seller and Purchaser entered into that certain Purchase Agreement dated June 3, 2022 (as herein amended, the "**Contract**"), pursuant to which Seller agreed to sell to Purchaser and Purchaser agreed to purchase from Seller certain real property consisting of approximately 10.3 acres located in the City of Blaine, as more particularly described in the Contract (the "**Property**").

B. Seller and Purchaser now desire to amend the Contract to extend the Closing Date and payment of an additional Ten Thousand and No/100 Dollars (\$10,000) (the "**Additional Earnest Money**") with Title Insurer, as more particularly set forth in this First Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Seller and Purchaser, do hereby covenant and agree as follows:

1. **RECITALS.** The recitals set forth above are true and correct in all respects and form an integral part of the First Amendment.
2. **DEFINITIONS.** Any capitalized term used but not otherwise defined in this First Amendment shall have the meaning assigned to such term in the Contract.
3. **FIRST AMENDMENT EFFECTIVE DATE.** The term "**First Amendment Effective Date**," as may be used herein, shall mean the later of the following dates: (a) the date Purchaser executes this First Amendment, or (b) the date Seller executes this First Amendment, which later date shall be the date of final execution and agreement by the Parties hereto.
4. **AMENDMENT TO CLOSING DATE.** The purchase and sale of the Property hereunder shall be closed on or before April 30, 2024 at such time of day and place as the Parties shall agree.
5. **ADDITIONAL EARNEST MONEY.** Unless this Agreement is terminated pursuant to existing terms and conditions, Purchaser shall deposit Additional Earnest Money in the amount of Ten Thousand and No/100 Dollars (\$10,000) with Title Insurer on or before Oct 1, 2023. The Earnest Money deposited in June 2022 in the amount of \$10,000 and the Additional Earnest Money in the amount of \$10,000 to be deposited on or before Oct 1, 2023 shall be applicable

to the Purchase Price at Closing but are considered non refundable to Purchase in event of termination.

6. PAYMENT OF REAL ESTATE TAXES.

Purchaser agrees to pay his prorata share (25%) of Sellers Property Taxes on Sellers property identified by Tax ID No: 113123110001 (Non Homestead) and Tax ID No: 11312312003 (Non Homestead) for the year of 2023 with 1st half due on or before May 15th and 2nd half due on or before October 15th. The payment of Sellers taxes shall be applicable to the Purchase Price at Closing but are deemed non refundable to Purchaser.

7. NO OTHER CHANGES.

Except to the extend amended by the terms of this First Amendment, all other terms and conditions of the Contract are hereby affirmed to be unchanged by the terms hereof and shall remain in full force and effect.

8. MISCELLANEOUS.

In the event of a conflict between the terms of the Contract and this First Amendment, the terms of this First Amendment shall prevail.

9. COUNTERPARTS.

This First Amendment may be executed in any number of identical counterparts which, taken together, shall constitute collectively one agreement: but in making proof of this First Amendment, it shall not be necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this first Amendment by be combined to form multiple fully-executed counterparts; and (ii) a facsimile signature or and electronically scanned signature shall be deemed to be an original signature for all purposes. All executed counterparts of this First Amendment shall be deemed to be originals, but all such counterparts, when taken together, shall constitute one and the same agreement.

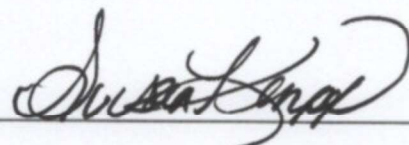
IN WITNESS WHEREOF, the Parties have executed this First Amendment on the dates shown below.

SELLER:

By: 

Name: Jeffrey Kempf, a married individual

Date: 2-13-23

By: 

Name: Susan Kempf, a married individual

Date: 2.13.23

PURCHASER:

TOMPKINS DEVELOPMENT LLC
a Minnesots limited liability company

By: _____

Name: Homer Tompkins

Its: _____

Date: _____

EXHIBIT C

SECOND AMENDMENT TO PURCHASE AGREEMENT

THIS SECOND AMENDMENT TO PURCHASE AGREEMENT (this "Second Amendment") is made by and between TOMPKINS DEVELOPMENT LLC, a Minnesota limited liability company "Purchaser" and JEFFREY P. KEMPF and SUSAN L. KEMPF, a married couple ("SELLER"). Seller and Purchaser are sometimes hereinafter individually referred to as a "Party" and collectively as the "Parties". The Parties state and acknowledge as follows:

RECITALS

A. Seller and Purchaser entered into that certain Purchase Agreement dated June 3, 2022 (as herein amended, the "Contract"), pursuant to which Seller agreed to sell to Purchaser and Purchaser agreed to purchase from Seller certain real property consisting of approximately 10.3 acres located in the City of Blaine, as more particularly described in the Contract (the "Property").

B. Seller and Purchaser now desire to amend the Contract to extend the Closing Date and payment of an additional Ten Thousand and No/100 Dollars (\$10,000) (the "Additional Earnest Money") with Title Insurer, as more particularly set forth in this Second Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Seller and Purchaser, do hereby covenant and agree as follows:

1. RECITALS. The recitals set forth above are true and correct in all respects and form an integral part of the First Amendment.
2. DEFINITIONS. Any capitalized term used but not otherwise defined in this Second Amendment shall have the meaning assigned to such term in the Contract.
3. SECOND AMENDMENT EFFECTIVE DATE. The term "Second Amendment Effective Date," as may be used herein, shall mean the later of the following dates: (a) the date Purchaser executes this Second Amendment, or (b) the date Seller executes this Second Amendment, which later date shall be the date of final execution and agreement by the Parties hereto.
4. AMENDMENT TO CLOSING DATE. The purchase and sale of the Property hereunder shall be closed on or before April 30, 2025 at such time of day and place as the Parties shall agree.
5. ADDITIONAL EARNEST MONEY. Unless this Agreement is terminated pursuant to existing terms and conditions, Purchaser shall deposit Additional Earnest Money in the amount of Ten Thousand and No/100 Dollars (\$10,000) with Title Insurer on or before April 30, 2024. The Earnest Money deposited in June 2022 in the amount of \$10,000 and the Additional Earnest Money in the amount of \$10,000 to be deposited on or before April 30, 2024 shall be

applicable to the Purchase Price at Closing but are considered non refundable to Purchase in event of termination.

6. PAYMENT OF REAL ESTATE TAXES. Purchaser agrees to pay his prorata share (25%) of Sellers Property Taxes on Sellers property identified by Tax ID No: 113123110001 (Non Homestead) and Tax ID No: 11312312003 (Non Homestead) for the year of 2023 and 2024 with 1st half due on or before May 15th and 2nd half due on or before October 15th. The payment of Sellers taxes shall be applicable to the Purchase Price at Closing but are deemed non refundable to Purchaser.

7. NO OTHER CHANGES. Except to the extend amended by the terms of this Second Amendment, all other terms and conditions of the Contract are hereby affirmed to be unchanged by the terms hereof and shall remain in full force and effect.

8. MISCELLANEOUS. In the event of a conflict between the terms of the Contract and the First Amendment and this Second Amendment the terms of this Second Amendment shall prevail.

9. COUNTERPARTS. This Second Amendment may be executed in any number of identical counterparts which, taken together, shall constitute collectively one agreement: but in making proof of this Second Amendment, it shall not be necessary to produce or account for more than one such counterpart. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Second Amendment by be combined to form multiple fully-executed counterparts; and (ii) a facsimile signature or and electronically scanned signature shall be deemed to be an original signature for all purposes. All executed counterparts of this Second Amendment shall be deemed to be originals, but all such counterparts, when taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this Second Amendment on the dates shown below.

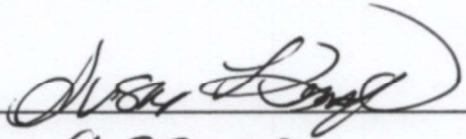
SELLER:

PURCHASER:

By: 

Name: Jeffrey Kempf, a married individual

Date: 9-29-23

By: 

Date: 9.29.23

Name: Susan Kempf, a married individual

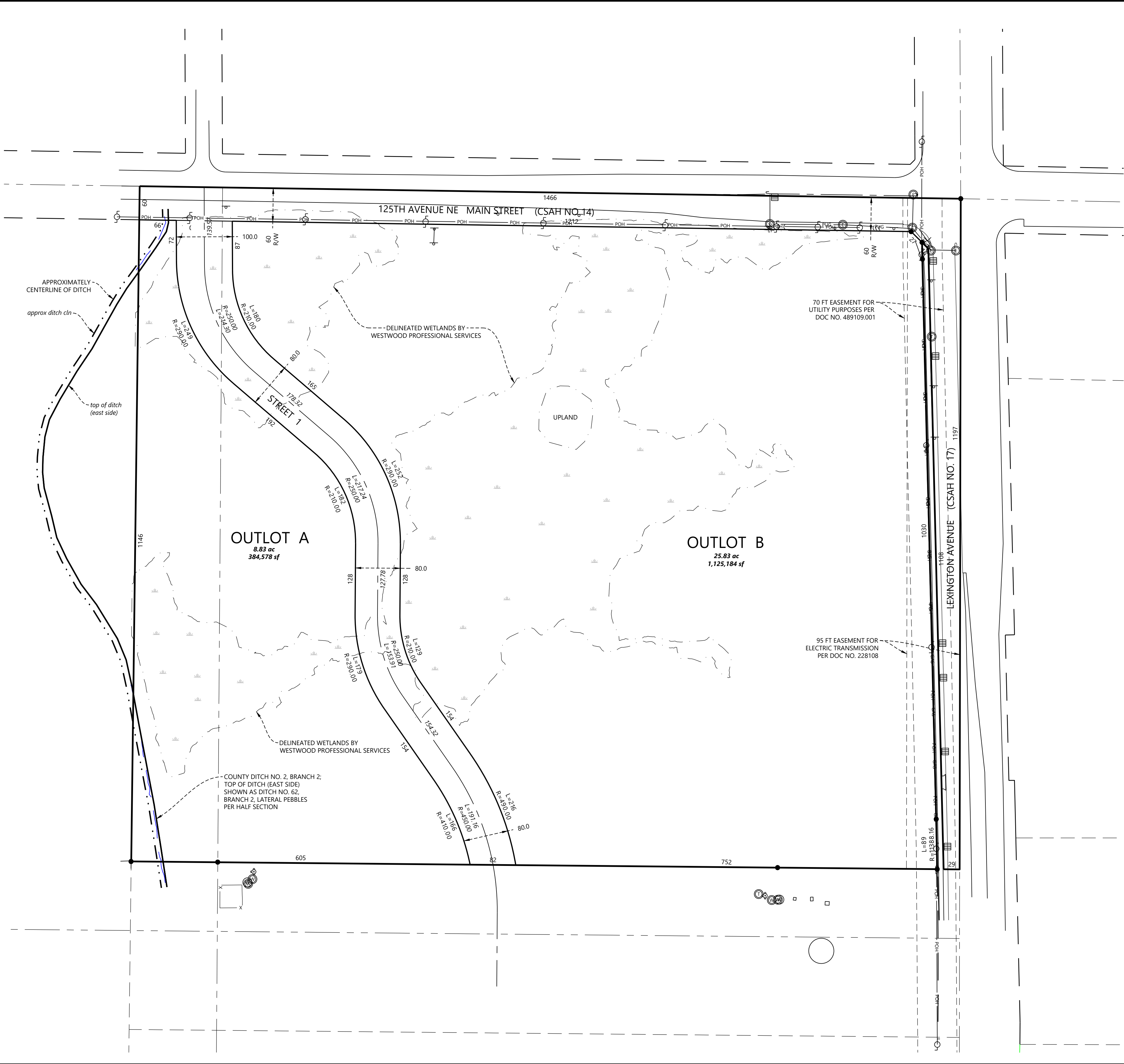
Name: Homer Tompkins

Its: _____

Date: _____



SITE DATA	
Total Site Area (AC.)	40.33
Lot Area (AC.)	17.98
Lot 1 - Grocery Store	7.89
Lot 2 - Retail / Restaurant	1.38
Lot 3 - Retail / Restaurant	1.40
Lot 4 - Automotive	0.77
Lot 5 - Office / Retail	1.57
Lot 6 - Apartments	3.25
Lot 7 - Daycare Facility	1.72
Outot Area (AC.)	15.31
Outlot A	10.45
Outlot B	1.06
Outlot C	3.36
Outlot D	0.44
ROW Area (AC.)	7.04



PROPERTY DESCRIPTION

That part of the North Half of the Northeast Quarter of Section 11, Township 31, Range 23, lying East of the West 1170 feet of said North Half of the Northeast Quarter and North of the South 123.38 feet of said North Half of the Northeast Quarter, EXCEPT Parcel 49, Anoka County Highway Right of Way Plat No. 61

SITE DEVELOPMENT DATA

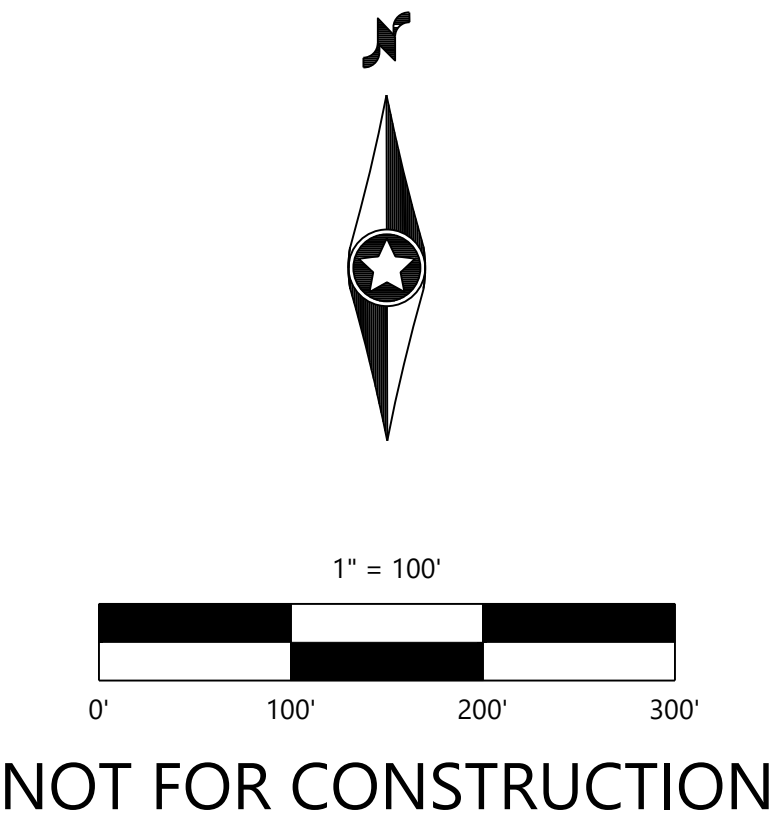
- EXISTING ZONING: B-5 - TOWN COMMERCIAL
- GROSS SITE AREA: 40.33 AC
- MAJOR R.O.W. (CSAH NO 14 & CSAH NO 17): 3.17 AC
- NET SITE AREA: 37.16 AC
- OUTLOT A: 10.04 AC
- OUTLOT B: 27.12 AC

DEVELOPMENT NOTES

- ALL LOT DIMENSIONS ARE ROUNDED TO THE NEAREST FOOT.
- ALL AREAS ARE ROUNDED TO THE NEAREST SQUARE FOOT.

LEGEND

	HYDRANT		BOUNDARY LINE
	WATER MANHOLE		RIGHT-OF-WAY LINE
	WELL		LOT LINE
	ELECTRIC BOX		EASEMENT LINE
	ELECTRIC MANHOLE		SECTION LINE
	GUY WIRE		CABLE TELEVISION LINE
	POWER POLE		GAS LINE
	TRAFFIC SIGNAL		POWER OVERHEAD
	TELEPHONE MANHOLE		POWER UNDERGROUND
	CABLE TV MANHOLE		STORM SEWER
	NATURAL GAS METER		TELEPHONE UNDERGROUND
	STEEL/WOOD POST		WATERMAIN
	SIGN		FENCE LINE
			CURB & GUTTER
			WETLAND
			FOUND MONUMENT (SEE LABEL)
			CAST IRON MONUMENT (SEE LABEL)



DESIGNED: _____
CHECKED: CLM
DRAWN: SRM
HORIZONTAL SCALE: 100'
VERTICAL SCALE: _____

INITIAL ISSUE: 10/07/2022
REVISIONS:
10/13/2022 ADJUSTED THE SOUTH LINE DISTANCE OF OUTLOT A (SRM)

PREPARED FOR:
TOMPKINS DEVELOPMENT, LLC
PO BOX 293
MARINE ON ST. CROIX, MINNESOTA 55047

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LANDSCAPE ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA
CORY L. MEYER
DATE: 10/07/2022 LICENSE NO. 26971

KEMPF PROPERTY
BLAINE, MINNESOTA

Westwood
Phone (952) 937-5150 12701 Whitewater Drive, Suite #300
Fax (952) 937-5822 Minnetonka, MN 55343
Toll Free (888) 937-5150 westwoodps.com
Westwood Professional Services, Inc.

PRELIMINARY PLAT

PROJECT NUMBER: 0036556.01

SHEET NUMBER:
1 OF 1
DATE: 10/07/2022



City of Blaine Staff Report

File Number: RES 25-56

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Administration - Erik Thorvig, Community Development Director

Agenda Item # 10.3

Resolution Approving a Cost Share Agreement with HJ Development

Executive Summary

Background

History

The property at the southwest corner of 125th Avenue and Lexington Avenue has been proposed for development. The 37.15-acre site is privately owned and was listed for sale. The property is under contract by two separate buyers, HJ Development (commercial development on the east side of future Zest Street), and Tompkins Development LLC (west side of future Zest Street).

HJ Development has proposed to develop five commercial buildings which include a grocery store, retail/restaurant, and a higher-end daycare/preschool. Significant portions of the site would be preserved for wetland, stormwater ponds and open space. Tompkins Development would purchase land west of the future Zest Street and worked with North Shore Development Partners to construct an apartment building on Lot 6 and would retain Lot 5 for future commercial development to be done by another developer.

In 2021, the City Council identified this corner as a "Priority Area" during a city visioning process. A new zoning district was created for this area known as Town Commercial (B-5). The property was rezoned to B-5 and a comprehensive land use amendment to Planned Commercial (PC) was approved in August 2021. The property had previously been zoned Community Commercial (B-2) and guided commercial in the comprehensive plan.

On July 18, 2022, HJ Development presented a concept plan to the City Council at a workshop. The concept plan included commercial uses and two apartment buildings on the west side of Zest Street. Discussion also occurred about the City participating financially in off-site road improvements south of the development property and connecting to Lexington Avenue. Additional discussions regarding land

use and off-site road improvements occurred on June 5, 2023, August 21, 2023, and January 8, 2024. Minutes for those workshops are included.

Since being presented to the City Council in 2022, the concept plan has changed. Originally, two apartment buildings were shown on the concept plan. A revised plan was created that showed one 120-unit apartment building. The apartment developer also changed from when the plan was originally proposed in 2022. Additionally, Jerry's Foods has entered into a letter of intent with HJ Development to be the grocery anchor for the commercial portion of the project. Additional due diligence completed by the developer in the last two years has identified the overall site development costs, requirements from Anoka County regarding a signal at 125th Avenue and Zest Street (which is required regardless of whether an apartment is approved), and wetland challenges that exist on the property.

North Shore Development Partners submitted an application for a comprehensive plan land use amendment for the proposed apartment site. The current land use for the entire property is Planned Commercial (PC). Development of an apartment building required a land use change to high-density residential. The City Council considered this item at their November 4, 2024, meeting. Several council members expressed concern about the land use change and a motion was made to postpone this item to allow the City Council to consider options for the project that would not involve an apartment building.

On December 16, 2024, the City Council discussed potential options for the overall site that would allow for HJ Development to develop the commercial portion but not have an apartment included. Direction was provided by the City Council for staff to explore a city purchase of the portion of the site that would be acquired by Tompkins Development, LLC.

Purchase Agreement and Assignment

To facilitate the structure outlined above, the existing purchase agreement between the seller and Tompkins Development, LLC would need to be assigned to the City. A separate item on the April 7, 2025 agenda is to approve assignment of the purchase agreement.

Overall Site Development and Costs

HJ Development would construct all the infrastructure on the site including roads, utilities, traffic signal at Zest Street and 125th Avenue and site grading/preparation. The overall site development costs for roads, utilities, traffic signal at Zest Street and 125th Avenue, and site grading/preparation is estimated to be \$5,487,524. Developers of the sites west of future Zest Street would be responsible for approximately \$1,275,379 in infrastructure and site preparation costs, with HJ Development being responsible for approximately \$4,212,145.

As indicated above, the overall site development costs for roads, utilities, traffic signal at Zest Street and 125th Avenue, and site grading/preparation, are estimated to be \$5,487,524. The developer(s) of the sites west of future Zest Street would be responsible for approximately \$1,275,379 in infrastructure and site preparation costs with HJ Development being responsible for approximately \$4,212,145. If an apartment building is not approved, Tompkins Development, LLC would cancel their purchase agreement for the land west of Zest Street as they would not have a development partner for the apartment site and are not willing to fund the up-front infrastructure costs without a developer.

HJ Development needs a partner for the west development sites to help fund the up-front

infrastructure costs. If no developer exists for the west development sites, HJ Development would have to purchase the land for \$1,100,000 and carry an additional \$1,257,379 in infrastructure costs associated with the land. They are not financially willing or able to do this, which would in turn result in HJ Development abandoning the overall commercial project.

As proposed, the City would purchase the west development sites and, as a landowner, contribute to the overall infrastructure for the project. The City would be buying a 437,238-sf. parcel of land for \$1,100,000 (\$2.51/sf.) plus \$1,274,379 in infrastructure share (\$2,775,379 total). Once the overall site is prepared (roads, utilities, ponding, soil, etc.), the City will be delivered two, 3.25- and 1.57-acre, development-ready sites. Based on comparable development-ready commercial land values, the sites could be sold by the City to a commercial developer for \$15-\$20/sf., which equates to \$3,149,388 - \$4,199,184. As such, the value of the land increases from \$1,100,000 to over \$3,000,000 after improved.

Cost Share Agreement

The estimated cost share expense to the City is \$1,275,379. This was based on estimates HJ Development received from a reputable contractor. The project would be bid by HJ Development, and it's possible that costs could be lower. HJ Development has indicated multiple times that the estimates are conservatively high. HJ Development would be responsible for construction of all site improvements (ponding, grading, utilities, road, traffic signal, etc.), and the City would reimburse for their portion of said costs. Attached is a document identifying the cost share on a cost/acre breakdown. The City would place funds in an escrow account and various draws would occur. The escrow amount would be based on the actual bid cost of the project. This action authorizes up to \$1,275,379. If the bid amount and cost share are higher than preliminary estimates, the City Council would need to further consider the costs.

Attached is a draft agreement that is being revised after consultation with the city attorney. The City Council is asked to adopt a resolution approving the terms of the agreement but authorizes the city attorney, in consultation with staff, to finalize the document.

Funding Source

The estimated cost share expense is \$1,275,379. Staff would recommend that the City Council consider utilizing the Strategic Priorities fund, which was established in 2019. This account was funded by the dissolution of the North Metro Hospital District in which the City received funds that were held by the organization. A policy was created in 2022 around the use of said funds.

Per the policy, it is the intention of the City Council that the Strategic Priorities Fund be used only after careful deliberation and for two primary purposes:

- As a funding source for items considered to be of high priority for accomplishing established strategic initiatives.
- As a supplemental, levy-stabilizing funding source from which to draw to maintain basic service levels in the event of an economic downturn.

Additionally, expenditures or transfers from the Strategic Priorities Fund shall be made only after careful deliberation by the City Council. Use of funds for strategic initiatives must:

- Identify that the project has sufficient community-wide benefit which is consistent with established strategic initiatives, city goals, or programs.
- *The project will advance or achieve one or more of the strategic initiatives identified in the City's adopted Strategic Plan.*

The policy also requires the specific project to be funded and the amount of funds to be appropriated for the project be incorporated into an authorizing resolution adopted by an affirmative vote of at least five council members. Staff believe this project satisfies the requirements outlined within the Strategic Priorities policy as noted by the italicized and underlined text above. The current balance of the strategic priorities fund is \$3.2 million. Any future land sale proceeds would be used to reimburse the fund.

Strategic Plan Relationship

The Economic Development section of the Strategic Plan identifies a target for groundbreaking of this project in 2026 and an initiative for implementation of the commercial project. Completion of this project also works towards the goal of 60,000 sf. of new retail space to be added by December 26.

Board/Commission Review

Not applicable.

Financial Impact

The action authorizes and up-to amount of \$1,275,379. Staff recommend City Council utilize the Strategic Priorities Fund, which currently has a balance of \$3.2 million, to facilitate the purchase. Any future land sale proceeds would be used to reimburse the fund.

Public Outreach/Input

Not applicable.

Staff Recommendation

Approve the attached resolution.

Attachment List

1. Draft Agreement
2. Cost Exhibit
3. Use of Strategic Priorities Fund Policy



City of Blaine

Signature Copy

Resolution: RES 25-56

Resolution Approving a Cost Share Agreement with HJ Development

WHEREAS, the City of Blaine has entered into a purchase agreement with Jeff and Susan Kempf for approximately 10.3 acres of land located at the southwest corner of 125th Avenue and Lexington Avenue; and

WHEREAS, HJ Development has entered into a purchase agreement with Jeff and Susan Kempf for approximately 28 acres of land located at the southwest corner of 125th Avenue and Lexington Avenue; and

WHEREAS, HJ Development desires to construct a commercial development with a grocery store and other commercial buildings; and

WHEREAS, certain public infrastructure and site improvements need to occur prior to development of land to be owned by HJ Development and the City of Blaine; and

WHEREAS, as a landowner, the City of Blaine will contribute financially to said infrastructure and site improvements to the overall site; and

WHEREAS, HJ Development has received preliminary estimates of the overall site development costs and has proposed a cost-share agreement; and

WHEREAS, the Blaine City Council, in May 2019, established the city's Strategic Priorities Fund; and

WHEREAS, on September 7, 2022, the Blaine City Council approved the city's Use of Strategic Priorities Fund Policy; and

WHEREAS, the adopted policy provides for the use of Strategic Priorities funds for projects or expenditures that have sufficient community-wide benefit consistent with established strategic initiatives, city goals, or programs; and the project or expenditure will advance or achieve one or more of the strategic initiatives identified in the City's adopted Strategic Plan; and

WHEREAS, after careful deliberation, the Blaine City Council has determined that the use of Strategic Priorities for the cost share agreement with HJ Development meets the requirements of the Use of Strategic Priorities Fund Policy, in that Economic Development has been identified as an outcome in the City of Blaine Strategic Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine hereby authorizes the use of up to \$1,275,379 from the Strategic Priorities Fund to facilitate the proposed cost share agreement with HJ Development.

BE IT FURTHER RESOLVED by the City Council of the City of Blaine hereby approves the terms of a cost share agreement in the amount up to \$1,275,379 with HJ Development and hereby authorizes the city attorney to finalize said document and authorizes the mayor and city manager to execute the agreement.

PASSED by the City Council of the City of Blaine this 7th day of April, 2025.

**MEMORANDUM OF AGREEMENT FOR
REAL ESTATE SITE IMPROVEMENT FOR
BLAINE, ANOKA COUNTY, MN**

This Memorandum of Agreement for Real Estate Site Improvement and Private Assessment Agreement for Blaine, Anoka County, MN (this “**Agreement**”), is made and entered into this ____ day of April, 2025, by and between H.J. Development, L.L.P., a Minnesota limited liability partnership, or its assigns (“**HJ**”), and the City of Blaine, a Minnesota municipal corporation (the “**City**”). HJ and the City are referred in this Agreement each as a “**Party**” and collectively as, the “**Parties**”.

Recitals:

- A. Jeffrey P. Kempf and Susan Lorraine Kempf, husband and wife, as joint tenants (collectively, “**Seller**”) owns 40.62 gross acres of commercial land located in the City of Blaine, Anoka County, Minnesota as legally described in the attached Exhibit A (the “**Land**”).
- B. Seller and HJ entered into certain Purchase Agreement dated as of July 26, 2022, by and between Seller and HJ, as further amended by that certain First Amendment to Purchase Agreement dated October 6, 2023, as amended by that certain Second Amendment to Purchase Agreement dated March 22, 2024 by and between Seller and HJ, and as further amended by as amended by that certain Third Amendment to Purchase Agreement dated April ___, 2025 (as amended, collectively, the “**HJ Purchase Agreement**”), whereby Seller agreed to sell to HJ and HJ agreed to purchase from Seller approximately 14.34 buildable acres of the Land as shown in the attached Exhibit A-1 attached to this Agreement and fully incorporated into this Agreement by reference as the “**HJ Property**”).
- C. Seller and Homer Tompkins Development LLC (“**Tompkins**”) entered into certain Purchase Agreement dated as of June 3, 2022, by and between Seller and Tompkins, as further amended by that certain First Amendment to Purchase Agreement dated February 13, 2023, and further amended by that certain Second Amendment to Purchase Agreement dated September 29, 2023 by and between Seller and Tompkins, as thereafter assigned by Tompkins to the City pursuant to the certain Assignment and Assumption of Purchase Agreement dated April ___, 2025 (as amended and assigned, collectively, the “**City Purchase Agreement**”), whereby Seller has agreed to sell to the City and the City agreed to purchase from Seller approximately 10.3 acres of the Land containing 4.9 buildable acres as shown in the attached Exhibit A-1 attached to this Agreement and fully incorporated into this Agreement by reference as the “**City Property**”).
- D. In order to develop the Land for commercial uses as contemplated by the Parties there will be site improvements (collectively, the “**Site Improvements**”) that will be required to be completed to the Land and the actual costs incurred to complete the Site Improvements that are set forth and identified in the attached Exhibit B (collectively, the “**Site Improvement Costs**”); and the Parties acknowledge and agree that the Land will benefit from the Site Improvements, and that completion of the Site Improvements to the

entirety of the Land under a single contract will be cost beneficial, will benefit the value of the Land and will be required by the City of Blaine in connection with improving the Land for commercial uses.

- E. HJ agrees to act as the “lead developer” to negotiate, finalize and enter into the necessary contracts with contractors to complete the Site Improvements to the Land, subject to each Party paying for its applicable share of the cost of the Site Improvements, on the terms and conditions set forth in this Agreement.
- F. The Parties agree to share in the Site Improvements Costs in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the benefits to the Land, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Recitals. The Recitals are fully incorporated into this Agreement.
2. Site Improvement Costs. The Parties agree that the Site Improvement Costs for the Land shall be allocated to the HJ Property and the City Property based on the percentage that each of the HJ Property and City Property bears to the total buildable acres of the Land consisting of 19.24 buildable acres. It is estimated that the HJ Property’s proportionate share of the Site Improvement Costs will be equal to 74.532% [*i.e.* 14.34 buildable acres/19.24 buildable acres] (the “**HJ Share**”), and the City Property’s proportionate share will be equal to 25.468% [*i.e.* 4.9 buildable acres/19.24 buildable acres] (the “**City Share**”), as set forth in detail in the attached Exhibit B. The parties agree that the HJ Share and City Share prorations shall be finalized based on the final plans and final Plat of the Land.
3. Completion of Site Improvements. HJ shall enter into the contracts to complete the Site Improvements to the Land. The contracts and all costs and pricing for the Site Improvements shall be shared between the Parties on an “open-book” basis with invoices, bids and costs shared so all Parties are provided with complete information regarding the Site Improvements to be completed and the final amount of the Site Improvement Costs based on the bids received and contractor selected by HJ to complete the Site Improvements (the fully signed contract for the Site Improvements is referred to as the “**Contract**”). The Parties will cooperative with each other and work together to timely complete any necessary City submittals to obtain permits required for the Site Improvements and to finalize the Contract and Site Improvement Costs. The Parties acknowledge that the Site Improvements are being constructed by HJ post-closing of the purchase by the City of the City Property and will require HJ to enter the City Property to complete. The City hereby grants to HJ, its contractors, agents and employees a temporary license to enter upon the City Property for the purpose of construction of the Site Improvements. This temporary license is at no cost to HJ and shall automatically terminate upon completion of the Site Improvements.

4. Insurance. Prior to commencing any work, HJ or its Contractor shall, at its cost, carry and maintain a policy of commercial general liability insurance with respect to the Site Improvements in which the per occurrence combined single limit of liability shall not be less than Two Million Dollars (\$2,000,000). The policy shall name the City as an additional insured. The above described limit of liability shall be adequate so long as HJ also maintains an excess or umbrella policy of insurance with per occurrence limits of liability of not less than Two Million Dollars (\$2,000,000). Upon request from the City, HJ shall deliver to The City a certificate of insurance issued by the insurance carrier for each policy of insurance required to be maintained by HJ under this Agreement. The cost of any insurance policy required under this Section shall be included as a Site Improvement Cost.
5. Consideration. The City and HJ agree that the City and HJ shall each escrow with Land Title, Inc. (the “**Escrow Agent**”) their respective Share of the Costs based on the final Contract entered into for the Site Improvements. The Site Improvements shall be paid for in the following manner: (i) HJ shall submit invoices with the costs to the City and Escrow Agent for payment of the City’s Share to be paid as HJ receives invoices for the Site Improvements. HJ shall be responsible to fund and pay for HJ’s Share concurrently with the City. Unless the City makes objection to the Escrow Agent within ten (10) days after such invoices are submitted, the Escrow Agent shall thereafter be permitted to pay the invoices from the City’s escrowed Share and HJ’s Share advanced for payment and Escrow Agent shall obtain a mechanic’s lien waiver from the Contractor for payments then made to the Contractor. After the Contract is signed, if there is any change, addition or alteration in the Site Improvements (a “**Change Order**”), any such Change Order shall be subject to written approval by both Parties, which approval shall not unreasonably be withheld or delayed. Upon request of a Change Order HJ shall promptly give the City written notice that includes (a) the cost of any design services needed to prepare the Change Order in accordance with such request, and (b) the increase or decrease in the Site Improvement Costs as a result of the Change Order. Within five (5) business days following the City’s receipt of HJ’s written notice, the City shall notify HJ in writing whether it approves the Change Order or if it has issue with the proposed change then it shall state in writing the objection or if the City fails to respond within the 5-business day period then the Change Order shall be deemed approved. Once the Change Order is approved (or deemed approved), HJ will execute the Change Order and cause the work to be performed in connection therewith and if the Change Order increases the cost of the Site Improvements then each Party will be responsible to fund into the escrow with the Escrow Agent its Share of the cost shown in the Change Order. In the event that the escrowed funds held by the Escrow Agent are not sufficient to pay the Site Improvement Costs due to any Change Orders then each of the City and HJ shall submit their Share of the Change Order costs within five (5) business days after the execution of a Change Order so there are sufficient funds to pay the Site Improvement Costs. If a Party fails to timely submit payment for its Share then the other Party may, but shall not be obligated, to pay the other Party’s Share, which shall then bear interest at the rate of 8% per annum until fully paid by the non-paying party to the Party that paid said cost. If a Change Order results in a reduction of Costs then after completion of the Site Improvements and receipt

of a full and final lien waiver from the Contractor then the Escrow Agent is authorized to return to the City and HJ their Share of the Costs escrowed by said Party and the Escrow Agreement shall then terminate. The Parties agree to enter into a separate escrow agreement with Escrow Agent to memorialize the terms of the escrow by the Parties for the Site Improvement Costs.

6. Ownership and Maintenance of Site Improvements. Ownership of a Site Improvement shall vest in the party owning the land upon which the Site Improvement is located, except in the event that (a) the Site Improvement is a public improvement, in which the City shall be the owner of the Site Improvement, or (b) the Site Improvement is only benefitting a specific owner and not shared (i.e. storm water pond utility lines for property only located within another's lot), in which the owner benefitting shall be the owner of the Site Improvement. The owner of the Site Improvement shall, at its cost, be responsible for the maintenance of the Site Improvement.
7. Notices. Any notice required or permitted under this Agreement shall be in writing and shall be deemed given if addressed to the party intended to receive the same, at the address of such party set forth below, (i) when delivered at such address by hand or by nationally recognized, reputable overnight courier, or (ii) two (2) days after its deposit in the United States mail as certified mail, return receipt requested; or (iii) when given by transmittal over electronic transmitting devices, such as telecopier machine or E-mail with a printed confirmation and thereafter a copy deposited in the United States mail First Class mail delivery. Any party may change its address for the service of notice by giving notice of such change ten (10) days prior to the effective date of such change. The attorneys for the respective parties hereto have the authority to send any notice that may be sent by any party hereto.

If to HJ:	H.J. Development, L.L.P. Attn: Jeff Carriveau and Chris Moe 2655 Cheshire Avenue North Plymouth, MN 55447 Email: Jeff@HJDevelopment.com Email: CMoe@HJDevelopment.com Fax: (952) 476-9401
Copy to:	Gerstein-Timm, PLLC Attn: Beth G. Timm, Esq. 100 Prairie Center Drive, Suite 210 Eden Prairie, MN 55344 Email: Beth@Timmlegal.com Fax: (952) 932-9787
If to City:	
Copy to:	

8. Default and Remedies. If either the City or HJ fails to perform or comply with any term, condition or obligation of this Agreement, and the failure continues for a period of ten (10) days after receiving written notice from the other party of such failure, then the party failing to perform or comply shall be in default of this Agreement. The rights and remedies available in the event of default are cumulative and shall survive any termination of this Agreement.
9. Termination. This Agreement shall automatically terminate upon the completion of the Site Improvements in accordance with this Agreement. Upon request by a party, the parties agree to execute a termination of this Agreement in recordable form.
10. Severability. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Agreement is for any reason held invalid, such decision shall not affect the validity of the remaining portions of this Agreement.
11. Waiver. Failure of a Party to require performance of any provision of this Agreement shall not affect its right to require full performance of this Agreement at any time thereafter and the waiver by a Party of a breach of any such provision shall not be a waiver of any subsequent breach and shall not nullify the effectiveness of such provision.
12. Assignment. The Parties each acknowledge and agree that no Party may assign this Agreement without the prior written notice given to all Parties to this Agreement, and such assignment shall contain the acknowledgement by the assignee of that the obligations of the Parties to this Agreement shall run with the Land and be binding on all successors and assigns.
13. Successors and Assigns. Provisions of this Agreement shall be binding upon and enforceable against the Parties and each of their successors and assigns including but not limited to all purchasers and owners of all or any part of the City Property and their successors and assigns.
14. Enforcement. The Parties shall reimburse the other Party (ies) for all costs and expenses, including without limitation, attorneys' fees paid or incurred by a Party in connection with the enforcement by a Party of the terms of this Agreement.
15. Governing Law. This Agreement shall be controlled by the laws of the State of Minnesota. Venue and jurisdiction for any action, suit or proceeding arising out of this Agreement shall be only in the courts of Anoka County, Minnesota or the federal courts for the United States for the District of Minnesota, without conflicting law provisions governing.
16. Entire Agreement. The entire agreement of the parties is contained herein. This Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments,

deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the Parties, unless otherwise provided herein.

17. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed, either by the Parties hereto or by any third party, to create the relationship of principal and agent or to create any partnership, joint venture or other association between HJ and the City.

18. Electronic Signatures and Copies. Each Party agrees that any electronic signature of a party to this Agreement, whether digital or encrypted, is intended to authenticate the execution of this Agreement by the party and shall bind the party to its terms and conditions with the same force and effect as an original signature. Electronic signature may include DocuSign or other similar electronic signatures. A copy of a signature of a Party to this Agreement, including a scanned, PDF, facsimile, electronic or other copy, shall bind the Party to this Agreement's terms and conditions with the same force and effect as an original signature. All Parties shall execute originals of this Agreement upon request of a party.

[Signature Page to Memorandum of Agreement for Real Estate Site Improvement for Blaine, Anoka County, Minnesota]

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement for Real Estate Site Improvement for Blaine, Anoka County, MN on the date on the first page.

HJ:

H.J. DEVELOPMENT, L.L.P.,
a Minnesota limited partnership

By: _____
Name: Jeffrey J. Carriveau
Title: a Managing Partner

Date: _____, 2025

CITY:

CITY OF BLAINE, a Minnesota municipal corporation

By: _____
Name:
Title:

And

By: _____
Name:
Title:

Dated: _____

EXHIBIT A

That part of the North Half of the Northeast Quarter of Section 11, Township 31, Range 23, lying East of the West 1170 feet of said North Half of the Northeast Quarter and North of the South 123.38 feet of said North Half of the Northeast Quarter, EXCEPT Parcel 49, Anoka County Highway Right-of-Way Plat No. 61, Anoka County, Minnesota. [need to confirm that comprises the fully 40.62 acre legal]

DRAFT

EXHIBIT A-1

SITE PLAN SHOWING THE LAND AND THE CITY/TOMPLINS PROPERTY AND HJ
PROPERTY LOCATIONS
(attached)

DRAFT

EXHIBIT B
SITE IMPROVEMENT COSTS
(Attached)

DRAFT

Entire Project		Lots 1-4 & 7		%	Lots 5 & 6		%	Buildable Lot Total	
Parcel	Size								
Outlot A	10.45								
Outlot B	1.06								
Outlot C	3.36								
Outlot D	0.44								
Lot 1	7.89		7.89					7.89	
Lot 2	1.38		1.38					1.38	
Lot 3	1.4		1.4					1.4	
Lot 4	0.77		0.77					0.77	
Lot 5	1.57					1.57		1.57	
Lot 6	3.25					3.25		3.25	
Lot 7	1.72		1.72					1.72	
ROW	7.04								
Lex & Main			13.16	0.73192436		4.82	0.26807564	17.98	
Total	40.33								
Street A/Zest		Design, Engineering, & Permitting							
Total Cost	\$	1,263,225.00	Total Cost	\$	300,000.00				
Commercial	73% \$	924,585.15	Commercial	73% \$	219,577.31				
Apartments	27% \$	338,639.85	Apartments	27% \$	80,422.69				
Wetland Impact		Street B							
Total Cost	\$	650,000.00	Total Cost	\$	955,056.00				
Commercial	73% \$	475,750.83	Commercial	100% \$	955,056.00				
Apartments	27% \$	174,249.17	Apartments	0% \$	-				
Endangered Species Mitigation		Stop Light @ 125th and Zest							
Total Cost	\$	350,000.00	Total Cost	\$	300,000.00				
Commercial	73% \$	256,173.53	Commercial	73% \$	219,577.31				
Apartments	27% \$	93,826.47	Apartments	27% \$	80,422.69				
EarthWork		125th & Zest Utilities							
			Total Cost	\$	300,000.00				
Commercial East of Zest	\$	398,048.00	Commercial	73% \$	219,577.31				
Commercial Daycare	\$	77,273.87	Apartments	27% \$	80,422.69				
Lots 5 & 6	\$	175,255.13							
West Of Zest Total	\$	252,529.00	Deceleration Lane						
Zest	\$	92,528.00	Total Cost	\$	200,000.00				
Total	\$	743,105.00	Commercial	73% \$	146,384.87				
			Apartments	27% \$	53,615.13				

Lots 1 - 4 & 7 Breakout

Design, Engineering, & Permitting	\$	219,577.31
Earthwork	\$	398,048.00
Zest Earthwork	\$	67,723.50
Zest Road & Utilities	\$	924,585.15
Street B Road & Utilities	\$	955,056.00
Wetland Impact Fees	\$	475,750.83
Endangered Species Mitigation	\$	256,173.53
Stop Light @ 125th and Zest	\$	219,577.31
125th & Zest Utilities	\$	219,577.31
Deceleration Lane	\$	146,384.87
10% Contingency	\$	329,691.43
Total	\$	4,212,145.24
Infrastructure Per Buildable Acre	\$	320,071.83
Infrastrucer Per Buildable SF	\$	7.35

Lot 5 & 6 Breakout

Design, Engineering, & Permitting	\$	80,422.69
Earthwork	\$	252,529.00
Zest Earthwork	\$	24,804.50
Zest Road & Utilities	\$	338,639.85
Street B Road & Utilities	\$	-
Wetland Impact Fees	\$	174,249.17
Endangered Species Mitigation	\$	93,826.47
Stop Light @125th and Zest	\$	80,422.69
125th & Zest Utilities	\$	80,422.69
Deceleration Lane	\$	53,615.13
10% Contingency	\$	96,447.17
Total	\$	1,275,379.36
Infrastructure Per Buildable Acre	\$	264,601.53
Infrastructure Per Buildable SF	\$	6.07

USE OF STRATEGIC PRIORITIES FUNDS POLICY

Adopted September 7, 2022

History of the Strategic Priorities Fund

On December 15, 2016, the Blaine City Council adopted a resolution accepting the determination of the North Suburban Hospital District (NSHD) to dissolve and petitioned the NSHD to proceed with the requirements of dissolution. In early 2019 the NSHD adopted a formal dissolution plan and a resolution directing the transfer of NSHD funds.

On April 1, 2019, pursuant to the dissolution plan and resolution, the City Council accepted a check for \$2,648,000 from the NSHD, representing Blaine's share of funds remaining after the dissolution of the hospital district. At the May 6, 2019 Workshop, the Council consensus regarding these funds was to (1) create a separate fund to be used pursuant to Council priorities as established at a later date and (2) set aside \$100,000 of the proceeds to be used as a matching grant to assist in funding for the new Veterans Memorial Park. Per this direction, the City's Strategic Priorities Fund was established and on October 7, 2019 a payment of \$100,000 to Veterans Memorial Park was approved.

In 2021, the City Council directed that \$325,000 of the city's general tax levy be allocated to the Strategic Priorities Fund and in December 2021, the council authorized the transfer of \$4.2 million of unrestricted General Fund reserves to the Strategic Priorities Fund. For 2022, Council directed that \$250,000 of the city's general levy be allocated to the fund. At the adoption of this policy, the Strategic Priorities Fund has a balance of roughly \$7.3 million.

Since the inception of the Strategic Priorities Fund, the City Council has expressed its intent to develop a policy that governs expenditures from the fund. Per Council discussions, it was intended that the fund be used only for items that the Council considers to be of high priority for accomplishing established strategic initiatives. Additionally, Council has expressed a desire to establish a strategy whereby, in the event of an economic downturn, the City would have a funding source from which to draw to maintain basic service levels without putting undue pressure on the tax levy. This policy incorporates the above parameters and is modeled after the City's Capital Improvement Fund Policy, including the requirement that expenditures from the fund must be supported by at least five (5) affirmative votes of the Council.

Policy Statement

It is intention of the city council that the Strategic Priorities Fund be used only after careful deliberation and for two primary purposes:

- As a funding source for items considered to be of high priority for accomplishing established strategic initiatives
- As a supplemental, levy-stabilizing funding source from which to draw to maintain basic service levels in the event of an economic downturn

Strategic Initiatives

Expenditures or transfers from the Strategic Priorities Fund shall be made only after careful deliberation by the City Council. Use of funds for strategic initiatives must:

1. Identify that the project has sufficient community-wide benefit which is consistent with established strategic initiatives, city goals, or programs.
2. The project will advance or achieve one or more of the strategic initiatives identified in the City's adopted Strategic Plan

The specific project to be funded and the amount of funds to be appropriated for the project shall be incorporated into an authorizing resolution adopted by an affirmative vote of at least five councilmembers.

Supplemental Levy Stabilization

Use of funds to supplement the General Fund Budget to avoid large fluctuation in the city's property tax levy shall be **considered** only when conditions of an economic downturn exist as established in this policy and measured by:

- A decline in the City's overall taxable property value of 0.5%
- A decline in non-property tax revenue equal to 5% of annual budgeted revenue
- A mid-year decline in revenue to the extent that the General Fund's reserves would be depleted but for a transfer from the Strategic Priorities Fund.

The specific amount to be appropriated for use a supplemental General Fund revenue source shall be incorporated into an authorizing resolution adopted by an affirmative vote of at least five councilmembers.

In addition to funds currently on hand in the Strategic Priorities Fund, the city council may at any time and at its discretion, direct that funds be deposited into the fund. Once placed into the Strategic Priorities Fund, the funds shall be subject to the requirements of this policy.



City of Blaine

Staff Report

File Number: RES 25-63

Agenda Date	Status
April 7, 2025	
In Control	File Type
City Council	Resolution

Administration - Jason Zimmerman, Finance Director

Agenda Item # 10.4

Resolution Declaring the Official Intent of the City to Reimburse Certain Expenditures Related to Costs Associated With the Purchase Agreement and Infrastructure Cost Share at the Southwest Corner of 125th Avenue and Lexington Avenue

Executive Summary

Immediately preceding this item, Council considered two resolutions which would authorize the assignment of an existing purchase agreement currently controlled by Tompkins Development, LLC to the City of Blaine and a cost-share agreement with HJ Development for the construction of all infrastructure on the site, including roads, utilities, traffic signals at Zest Street and 125th Avenue as well as site grading/preparation.

While the aforementioned actions before Council contemplated the utilization of the Strategic Priorities Fund to finance project costs, the enclosed resolution will provide maximum flexibility to the City should it choose at some point in the future to issue tax-exempt bonds for partial or full reimbursement of incurred costs.

When a city decides to undertake a new capital project, one of the most important decisions it will make is choosing what kind of financing method to use. A common option is to issue tax-exempt bonds, which are obligations of a state or political subdivision, the interest on which is exempt from federal income taxation. For some projects, tax-exempt bonds are issued before any spending has begun on the project, but at other times, a borrower may wish to commence, or even complete work, before debt is incurred and reimburse itself for such spending with the proceeds of a later tax-exempt debt issue.

Background

For the City to spend money in the present, but reimburse itself from the issuance of debt obligations in the future, a reimbursement resolution is required by federal law. A reimbursement bond is tax-exempt, the proceeds of which are allocated to prior expenditures originally paid from sources other than bond proceeds. A proper reimbursement allocation results in the proceeds being treated as spent

for the governmental purpose of the original expenditures, even though the actual moneys are used to replenish the funds originally used to pay for the expenditures.

The current reimbursement regulations arose largely as a response to the potential abuse of arbitrage-motivated reimbursement transactions. Essentially, an issuer could identify old governmental expenditures paid out of its general funds and then issue tax-exempt bonds to “reimburse” those funds. Since the tax-exempt proceeds would be deemed spent on those governmental purposes, the moneys could be freely invested for the purpose of generating arbitrage profits.

The proposed resolution authorizes the City to reimburse itself for any project-related expenditures associated with the purchase agreement and infrastructure cost share at the southwest corner of 125th Avenue and Lexington Avenue that occurs prior to any bonding related to this project, should the Council authorize the issuance of tax-exempt bonds. The general requirements of tax regulations relating to the reimbursement of expenditures are as follows:

- The Declaration must be made no later than sixty days after payment of project costs, except the following expenditures:
 - Costs of bond issuance;
 - Costs not in excess of the lower of \$100,000 or five percent of the bond proceeds;
 - Preliminary expenditures include architectural, engineering surveying, soil testing, and similar costs that are incurred prior to commencement of construction, rehabilitation or acquisition of a project. Preliminary costs do not include land acquisition, site preparation, and similar costs incident to the commencement of construction. Preliminary expenditures, however, cannot exceed 20% of the issue price of the related reimbursement bond issue
- The Declaration must contain (a) a reasonable description of the project, and (b) the maximum principal amount of bonds expected to be issued for the project;
- The bonds must be issued within the later of (a) 18 months after the payment, or (b) the date the project is placed in service, but not more than three years after the payment.

While a reimbursement resolution doesn't bind the City to issue bonds, failure to adopt a reimbursement resolution and to comply with the reimbursement rules could preclude the reimbursement of project expenditures from the bonds.

Strategic Plan Relationship

The Economic Development section of the Strategic Plan identifies a target for groundbreaking of this project in 2026 and an initiative for implementation of the commercial project. Completion of this project also works towards the goal of 60,000 sf. of new retail space to be added by December 26.

Board/Commission Review

N/A

Financial Impact

The attached resolution allows the city to reimburse itself for certain expenditures from the proceeds of bonds. While current financing is proposed to be from the Strategic Priorities Fund, this action will preserve the Council's right to reimburse the City for expenditures with tax-exempt bonds, should they be needed and authorized.

Public Outreach/Input

N/A

Staff Recommendation

Staff recommends the City Council adopt the attached resolution allowing the city to reimburse itself for certain expenditures from the proceeds of bonds.

This resolution will only be necessary if the City Council authorizes the purchase agreement and/or infrastructure cost share at the southwest corner of 125th Avenue and Lexington Avenue.

Attachment List

None



City of Blaine

Signature Copy

Resolution: RES 25-63

Resolution Declaring the Official Intent of the City to Reimburse Certain Expenditures Related to Costs Associated With the Purchase Agreement and Infrastructure Cost Share at the Southwest Corner of 125th Avenue and Lexington Avenue

WHEREAS, the Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations") under the Internal Revenue Code of 1986, as amended (the "Code"), providing that proceeds of tax-exempt bonds used to reimburse prior capital expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Blaine, Minnesota, a municipal corporation and a political subdivision of the State of Minnesota (the "City"), expects to incur certain expenditures that may be financed temporarily from sources other than tax-exempt bonds, and later reimbursed from the proceeds of tax-exempt bonds; and

WHEREAS, the City has determined to make a declaration of its official intent (the "Declaration") to reimburse certain capital costs from the proceeds derived from the sale of tax-exempt bonds issued by the City or another political subdivision in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Blaine as follows:

1. The City may incur certain capital expenditures in connection with the acquisition and infrastructure costs of property located at the southwest corner of 125th Avenue and Lexington Avenue (collectively, the "Project").
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of tax-exempt bonds in a principal amount currently estimated not to exceed \$2,800,000. All reimbursed expenditures related to the Project will be capital expenditures, costs of issuance of the tax-exempt bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of tax-exempt bonds, except for the following expenditures: (a) costs of issuance of tax-exempt bonds; (b) costs in an amount not in excess of the lesser of \$100,000 or 5% of the proceeds of the tax-exempt bonds; or (c) "preliminary expenditures" up to an amount not in excess of 20% of the aggregate issue price of the tax-exempt bonds that are reasonably expected by the City to finance the Project. The term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, bond issuance and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Project, excluding land acquisition, site preparation, and similar costs incident to commencement of construction.

4. A reimbursement allocation with respect to tax-exempt bonds will be made not later than 18 months after the later of: (i) the date the original expenditure is paid; or (ii) the date the Project is placed in service or abandoned, but in no event more than 3 years after the original expenditure.

5. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the tax-exempt bonds described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of tax-exempt bonds are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such expenditures for which bonds are issued.

6. The action is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

PASSED by the City Council of the City of Blaine this 7th day of April 2025.