City of Blaine
City Council

June 2, 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 7:00PM by Mayor Sanders followed by the Pledge of Allegiance and the Roll Call.

2. Pledge of Allegiance

3. Roll Call

PRESENT: Mayor Tim Sanders, Councilmembers Terra Fleming, Chris Ford, Leslie Larson, Chris Massoglia, Tom Newland, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Assistant Community Development Director Sheila Sellman; Police Captain Mark Boerboom; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Director of Engineering Dan Schluender; Public Works Director Nick Fleishhacker; Community Development Specialist Elizabeth Showalter; Senior Parks and Recreation Manager Jerome Krieger; City Attorney Tom Loonan; and City Clerk Catherine Sorensen.

4. Awards - Presentations - Organizational Business

None.

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 Sanders opened the Open Forum at 7:04PM.

James DePoint, 2793 103rd Court NE, shared comments regarding the continued need for odor control for the Walter's property and asked that the city hold Walter's accountable. He reported he received three calls today regarding odor coming from the Walter's property and said he wanted to see the neighbors protected.

Cyrus Hernandez and Katie Kuchar, 11943 Lever Street, requested the city install wildlife crossing signs in order to protect the blanding turtles in the city. They commented on how these endangered species were in need of protection in the community and commented on how wildlife crossing signs would raise awareness for the residents of Blaine.

There being no input, Mayor Sanders closed the Open Forum at 7:10PM.

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.

Councilmember Massoglia requested the removal of consent agenda item 7.8 for further discussion.

Moved by Councilmember Newland, seconded by Councilmember Robertson, that the Consent Agenda be approved as amended removing Item 7.8 for further discussion.

Councilmember Newland said he would be abstaining from approval of Item 71.

Motion adopted 6-0-1 (Councilmember Newland abstained).

7.1. 2025-127 Schedule of Bills Paid

Sponsors: Jason Zimmerman, Finance Director

7.2. 2025-128 Approval of Minutes

Sponsors: Cathy Sorensen, City Clerk

7.3. RES 25-91 Resolution Approving a Temporary Road Closure for the 2025 Blaine Sizzling Summer Kickoff

Sponsors: Jerome Krieger, Sr. Recreation Manager

7.4. RES 25-92 Resolution Approving Temporary Road Closures for the 2025 Blaine Festival and Parade

Sponsors: Jerome Krieger, Sr. Recreation Manager

7.5. 2025-129 Motion Authorizing Payment to Tyler Technologies for Software License, Technical Support, and Maintenance for the City's New World Financial System

Sponsors: Jason Zimmerman, Finance Director

7.6. RES 25-93 Resolution Authorizing the City of Blaine to be a party to the Minnesota Water Agency Response Network (MnWARN)

Sponsors: Nick Fleischhacker, Public Works Director

7.7. RES 25-85 Resolution to Approve Plans and Specifications and Order Advertisement for Bids for the 2025 Street Rehabilitation Project, Improvement Project No. T2505

Sponsors: Daniel Schluender, Director of Engineering

7.8. RES 25-86 Resolution to Declare Cost to be Assessed, Order Preparation and Call for Hearing on Proposed Assessment for 2024 Northwest Area Street Reconstructions, Improvement Project No. T2405

Sponsors: Daniel Schluender, Director of Engineering

Moved by Councilmember Massoglia, seconded by Councilmember Fleming, to adopt a Resolution to Declare Cost to be Assessed, Order Preparation and Call for Hearing on Proposed Assessment for 2024 Northwest Area Street Reconstructions, Improvement Project No. T2405.

Councilmember Massoglia asked where the savings from this project will be reflected. Finance Director Zimmerman explained the remaining funds will be returned to the debt service fund.

Motion adopted unanimously.

7.9. 2025-130 Motion to Approve the 2025-2026 Liquor License Renewals

Sponsors: Cathy Sorensen, City Clerk

7.10. 2025-131 Motion to Approve a Tobacco and Tobacco Products License for Shell Blaine located at 9850 Polk Street NE, Blaine, MN

Sponsors: Cathy Sorensen, City Clerk

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

8.1. RES 25-88 Resolution Authorizing the Issuance of a $6,000,000 Recreational Facility Revenue Note, Series 2025 (National Sports Center Project) by the Blaine Economic Development Authority

Sponsors: Jason Zimmerman, Finance Director

Mr. Zimmerman stated the National Sports Center (NSC) has requested the city of Blaine/EDA act as the conduit debt issuer of a recreational revenue note not to exceed $6,000,000. To preserve tax-exempt status, the law requires approval by the issuer and elected representative upon conducting a public hearing. For this transaction, the EDA as an appointed body is proposed to be the issuer, thus necessitating approval from the city council as an elected body. It was noted a separate action item will subsequently be presented for consideration to the EDA, assuming the city council approves the enclosed resolution. Staff commented further on the proposed revenue refunding note and requested the Council hold a public hearing, receive input and approve the issuance of the note.

Mayor Sanders opened the public hearing at 7:19PM.

There being no public input, Mayor Sanders closed the public hearing at 7:19PM.

Moved by Councilmember Robertson, seconded by Councilmember Newland, to adopt a Resolution Authorizing the Issuance of a $6,000,000 Recreational Facility Revenue Note, Series 2025 (National Sports Center Project) by the Blaine Economic Development Authority.

Councilmember Massoglia asked if there would be any risk to the city if the NSC were to default on the note. Mr. Zimmerman explained the city's AAA bond rating would not be used for this note and therefore the full weight of the debt issuance would be the full responsibility of the borrower or the NSC. He reported the indemnification process would ensure under no circumstances would the city be held liable for the repayment of the debt that would be issued.

Motion adopted unanimously.

9. Development Business

9.1. RES 25-74 Resolution Granting a One-Year Extension to a Conditional Use Permit to Allow 11 Single Family Lots in the Development Flex (DF) Zoning District at 9240 W 35W Service Drive NE. Boulder Villas (Boulder Contracting) (Case File No. 24-0022/SLK)

Sponsors: Sheila Sellman, Assistant Community Development Director

Assistant Community Development Director Sellman stated the applicant is requesting a one-year extension to a conditional use permit (CUP) to allow the development of 11 single-family homes. It was noted the applicant has been working with the Department of Natural Resources (DNR) concerning the presence of rare species of plants within the proposed development. She commented further on the request and reported staff recommends approval with two conditions.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt a Resolution Granting a One-Year Extension to a Conditional Use Permit to Allow 11 Single Family Lots in the Development Flex (DF) Zoning District at 9240 W 35W Service Drive NE. Boulder Villas (Boulder Contracting).

Motion adopted unanimously.

9.2. RES 25-71 Resolution Granting a Conditional Use Permit to Construct a Bank and a Zero Lot Line for a Shared Drive on the East and South Property Lines in a Planned Business District (PBD) Zoning District at 10777 Austin Street NE. Ideal Credit Union (Case File No. 25-0015/SLK)

Sponsors: Sheila Sellman, Assistant Community Development Director

Ms. Sellman stated the applicant is requesting a conditional use permit to construct an Ideal Credit Union and zero lot line on the east and south property lines for access and parking. Staff commented further on the request and reported the planning commission recommended approval with conditions.

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to adopt a Resolution Granting a Conditional Use Permit to Construct a Bank and a Zero Lot Line for a Shared Drive on the East and South Property Lines in a Planned Business District (PBD) Zoning District at 10777 Austin Street NE.

Motion adopted unanimously.

9.3. RES 25-73 Resolution Granting Preliminary Plat Approval to Subdivide 10.34 acres into two lots, to be known as Cat Pumps Addition at 1681 94th Lane NE. Cat Pumps Corporation (Case File No. 25-0012/ACK)

Sponsors: Sheila Sellman, Assistant Community Development Director

Ms. Sellman stated the applicant is requesting preliminary plat approval to subdivide 10.34 acres into two lots, to be known as Cat Pumps Addition. Staff commented further on the request and reported the planning commission recommended approval with conditions.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt a Resolution Granting Preliminary Plat Approval to Subdivide 10.34 acres into two lots, to be known as Cat Pumps Addition at 1681 94th Lane NE.

Motion adopted unanimously.

9.4. RES 25-79 Resolution Granting Preliminary Plat Approval to Create Two Lots to be Known as Uram Addition at 8634 Central Avenue NE. Scott Uram (Case File No. 25-0014/SAS)

Sponsors: Sheila Sellman, Assistant Community Development Director

Ms. Sellman stated the applicant is proposing a two lot subdivision within a preliminary plat. It was noted development is not proposed at this time. Staff commented further on the request and reported the planning commission recommended approval with conditions.

Moved by Councilmember Newland, seconded by Councilmember Larson, to adopt a Resolution Granting Preliminary Plat Approval to Create Two Lots to be Known as Uram Addition at 8634 Central Avenue NE.

Motion adopted unanimously.

9.5. RES 25-72 Resolution Granting a Conditional Use Permit Amendment to Allow the Expansion of Outside Storage for Residential Carts, Commercial Containers and Roll-Off Boxes in the Heavy Industrial (I-2) Zoning District at 10191 Xylite Street NE. Walter's Recycling & Refuse, Inc. (Case File No. 25-0011/SLK)

Sponsors: Sheila Sellman, Assistant Community Development Director

Ms. Sellman stated Walters is requesting a conditional use permit (CUP) amendment to allow the expansion of outside storage on the north side of their site for residential carts, commercial containers, and roll-off boxes. Staff commented further on the request and reported the planning commission recommended approval with conditions.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Granting a Conditional Use Permit Amendment to Allow the Expansion of Outside Storage for Residential Carts, Commercial Containers and Roll-Off Boxes in the Heavy Industrial (I-2) Zoning District at 10191 Xylite Street NE.

Councilmember Robertson stated she would like to ensure that all containers being stored onsite were empty and void of refuse. In addition, she recommended privacy slats be added to the remaining portion of the fence.

Amendment motion moved by Councilmember Robertson, seconded by Councilmember Larson, to add condition language that would require the applicant to ensure all containers stored onsite remain empty and void of trash, and to require the applicant to add privacy slats to the remaining portion of the fence.

Amendment motion adopted unanimously.

Amended motion adopted unanimously.

9.6. ORD 25-2577 Second Reading
Adopt an Interim Ordinance for a Moratorium on Accessory Dwelling Units (Case File No. 25-0018/SAS)
Sponsors: Sheila Sellman, Assistant Community Development Director

Ms. Sellman stated an interim ordinance is being proposed to temporarily prohibit the construction and approval of both attached and detached Accessory Dwelling Units (ADUs), in order to allow time for the completion of zoning research and the development of appropriate long-term policies.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt the Second Reading of Ordinance No. 25-2577, adopting an Interim Ordinance for a Moratorium on Accessory Dwelling Units.

Motion adopted unanimously.

10. Administration

10.1. RES 25-84 Request to Reconsider Resolution to Approve a Premise Permit for Lawful Gambling Activity for Community Charities of Minnesota at X-Golf located at 298 Northtown Drive NE
Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen stated council is being asked to reconsider their denial of a premise permit for lawful gambling for Community Charities of Minnesota at X-Golf located at 298 Northtown Drive NE. She explained the applicant had submitted an application that was heard at the May 19 city council meeting and the permit was denied by the council. She reported representatives from the applicant were in attendance at this meeting should the council have comments or questions.

Moved by Councilmember Ford, seconded by Councilmember Fleming, to request to Reconsider a Resolution to Approve a Premise Permit for Lawful Gambling Activity for Community Charities of Minnesota at X-Golf located at 298 Northtown Drive NE.

Councilmember Massoglia said he would prefer that organizations requesting a charitable gambling permit be locally-based. He noted the two organizations that received waivers were from Andover and Ham Lake, which were neighboring communities.

Councilmember Ford explained the organization is within the state and was based out of Mankato. He was of the opinion this organization served a good cause, and he would be offering his support for the premise permit.

Chris Steward, President and Founder of Heroes Helping Heroes, shared more about his organization which worked to support active and retired first responders throughout the state, including Blaine. He discussed how a growing number of first responders were dealing with PTSD and other traumas. He commented on how his events work to communicate with and heal these individuals while also helping to save and improve the lives of first responders. He indicated the proceeds from this event would assist the first responders in the Blaine service area.

Miranda Quandt, Community Charities gambling manager, stated if approved, she would provide all transparent documentation to show how donations would be made locally and a portion would be given back to the community, including Blaine.

Mayor Sanders asked what percentage of the dollars from this event would remain in the community. Ms. Quandt reported 85% of the proceeds would remain in the community.

Councilmember Newland shared that he would prefer the charitable gambling organizations to be more local and suggested the council consider a charter amendment in order to increase the current 4-location limit to allow current organizations to be in more locations in Blaine. He asked if Captain Boerboom had heard of this organization. Captain Boerboom explained he had heard of this organization and understood this was a very powerful organization that was doing great work for first responders.

Councilmember Larson explained she supported the organization's request.

Councilmember Ford stated he believed it was important to have local charitable groups in the community and encouraged the council to not be closed off to outside organizations that were working on behalf of a great cause.

Councilmember Fleming indicated she has been on the fence regarding this request. She understood this organization was not doing all of their events in Mankato, but rather was holding events in Blaine, which benefited Blaine police officers. She commented she supported the organization's request.

Councilmember Massoglia explained there were hundreds of thousands of good non-profits in the state of Minnesota. He stated if the door was opened for outside organizations, the council may be setting a precedent and could be receiving more requests similar to this in the future. He expressed concern with the fact this request was being made by Community Charities and not Heroes Helping Heroes. He reported if Heroes Helping Heroes had a local chapter in Blaine he would be able to support this request, but this was not the case.

Mr. Steward reported the request came through Community Charities because he was 100% blind. He explained 100% of the donations received would be going directly back to his members and not a single person collects a paycheck. He stated he could not hire a gambling manager at this time, which was why a third party was used to run the gambling aspect for them.

Motion adopted 5-2 (Councilmembers Massoglia and Newland opposed).

10.2. RES 25-89 Resolution Approving Relocation Assistance Agreements for Tenants Located at 10500 Nassau Street

Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated on December 16, 2024, the city council approved entering into a purchase agreement for 10500 Nassau Street. Since the meeting, the seller and city attorney have been negotiating a purchase agreement to proceed to closing. There are two existing tenants in the building. They are Wheeler Racing and Clark Copper Head Gaskets. Both tenants are currently on month-to-month leases. The seller has indicated they are unwilling to sign the purchase agreement unless an agreement is approved assisting the tenants with relocation expenses. A closed session was held on May 5, 2025, to discuss potential relocation assistance. Direction was provided to the city attorney, who has since negotiated agreements with both tenants. The terms of the agreements are as follows:

<u>Wheeler Racing</u>

- The tenant shall vacate by July 31, 2025.
- The total relocation amount shall not exceed $140,000, of which $100,000 would be paid within ten days of execution of the agreement. Thereafter, the City shall reimburse tenant for any expenses greater than the initial amount provided not to exceed an additional $40,000. The tenant will provide actual invoices of incurred costs. Estimates have been provided showing expenses to be $136,000.

<u>Clark Gaskets</u>

- The tenant shall vacate by June 30, 2025.
- The total relocation amount shall not exceed $40,000, of which $10,000 would be paid upon the tenant vacating the property. Thereafter, the City shall reimburse tenant for any expenses greater than the initial amount provided not to exceed an additional $30,000. The tenant will provide actual invoices of incurred costs.

Mr. Thorvig reported both tenants have reviewed the agreements and are comfortable executing them based on the proposed terms. Upon execution of the agreements, the seller will execute the purchase agreement with the goal of closing on the purchase of the property on or before June 13, 2025.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt a Resolution Approving Relocation Assistance Agreements for Tenants located at 10500 Nassau Street.

Councilmember Larson explained she would not support this action and felt profits from the sale should be used in another manner. She expressed concern with the fact not all tenants were offered relocation assistance. She was of the opinion the relocation assistance should be worked out between the tenant and the property owner and this should not be the responsibility of Blaine taxpayers. Mr. Thorvig reported the city has purchased 16 or 17 properties in this district and there has been one or two others where relocation assistance was offered. City Attorney Loonan stated negotiations on this property have been difficult and have taken a great deal of time to achieve. He explained that at the last minute, the property owner said she would agree to the terms if the tenants were taken care of. He indicated the city has paid relocation fees for other properties. He commented on how Wheeler Racing has been in the building for decades and has a significant amount of equipment that has to be moved. He commented on how the city would only be reimbursing the fees for moving these two tenants.

Councilmember Larson reported this property owner was receiving money for her property and was not having to be responsible for the tenant relocation fees and did not believe this was fair.

Motion adopted 6-1 (Councilmember Larson opposed).

10.3. RES 25-77 Resolution Authorizing an Application for the Livable Communities Policy Development Program for Floodplain Policy Development
Sponsors: Elizabeth Showalter, Community Development Specialist

Community Development Specialist Showalter stated Coon Creek Watershed District and city staff identified a need for research and policy development to address manufactured homes located in the floodplain. The Metropolitan Council's Livable Communities Policy Development program offers grant funding for the city to hire a consultant to develop that policy with no required match. Staff commented further on the funding opportunity and recommended authorization of the application to the grant program.

Moved by Councilmember Fleming, seconded by Councilmember Larson, to adopt a Resolution Authorizing an Application for the Livable Communities Policy Development Program for Floodplain Policy Development.

Motion adopted unanimously.

10.4. RES 25-81 Resolution to Authorize Parking Restrictions on 122nd Lane NE, Baltimore Court NE, and Chisholm Street NE
Sponsors: Daniel Schluender, Director of Engineering

Director of Engineering Schluender stated it has been brought to the attention of both the Blaine Police and Engineering Departments that there are certain times when large numbers of vehicles park on both sides of 122nd Lane, Chisholm Street and Baltimore Court in the area between Aberdeen Street and Davenport Street. Generally, this occurs every Friday from around 11 AM to approximately 3 PM. City staff have received complaints that parked cars block mail delivery, hinder the free flow of traffic and present a safety issue. City staff have made field observations during the times this parking tends to occur and concur that when large amounts of cars are parked on both sides of the street it is a hindrance to two-way traffic and potentially to emergency vehicle access.

Mr. Schluender reported staff sent a mailing to twenty-seven property owners on 122nd

Lane, Chisholm Street and Baltimore Court asking for feedback from property owners on the streets for a proposal to implement certain parking restrictions to ensure two-way traffic can be maintained. Twelve responses were sent back. Residents were able to select which side of the street they felt would be best for the parking restrictions and whether the restrictions should be Monday thru Friday, 11 AM to 4 PM or only Friday from 11 AM to 4 PM. Two property owners on Baltimore Court responded with one respondent favoring no parking on the east side of Baltimore Court and one favoring no parking on the west side. Ten property owners on 122nd Lane/Chisholm Street responded with four respondents favoring no parking on the south side of 122nd Lane and east side of Chisholm Street, five respondents favoring no parking on the north side of 122nd Lane and the west side of Chisholm Street and one respondent having no preference. The majority of all respondents favored the parking restrictions be on Friday from 11 AM to 4 PM.

Mr. Schluender explained with a lack of a clear consensus on which side of the street, staff is recommending no parking restrictions be placed on the east side of Baltimore Court as all mail boxes are located on that side of the street. For 122nd Lane/Chisholm Street, staff is recommending that no parking restrictions be placed on the south side of 122nd Lane and east side of Chisholm Street. There are twelve driveways and mailboxes on the south and east sides versus five on the north and west sides. Staff is in agreement with the consensus view that the parking restrictions be only on Fridays from 11 AM to 4 PM. These parking restrictions will aid in ensuring two-way traffic flow and emergency vehicle access can be maintained at all times while still allowing parking on both sides of all streets outside the specific time when parking issues tend to occur. Installation of regulatory stop, no parking and speed limit signs requires authorization by the City Council. The regulatory signs proposed meet warrants established in the Minnesota Manual of Uniform Traffic Control Devices and/or Minnesota State Statutes. The proposed Council action will prohibit parking on the east side of Baltimore Court, the south side of 122nd Lane and the east side of Chisholm Street from 11 AM to 4 PM on Fridays.

Moved by Councilmember Fleming, seconded by Councilmember Massoglia, to adopt a Resolution to Authorize Parking Restrictions on 122nd Lane NE, Baltimore Court NE, and Chisholm Street NE.

Councilmember Massoglia asked if this would just push parking onto Davenport, Chisholm, 122nd Avenue or 121st Avenue and suggested involving members of the mosque in the discussion. He recommended staff continue to monitor the impacts and allow for resident parking, mail delivery, etc. Mr. Schluender stated he had not discussed his issue at length with the mosque, but staff would continue to work with the mosque to address the parking concerns.

Councilmember Massoglia indicated he believed it made sense to have parking on one side of the road for traffic flow purposes.

Councilmember Newland stressed the need for the mosque to continue to work to address the impact of their services on nearby parking. He commented on how it appears the current parking solutions are not working. Mr. Thorvig stated the hope is that limiting on-street parking will increase the use of the shuttle service.

Motion adopted unanimously.

10.5. 2025-132 Motion to Authorize the Mayor and City Manager to Enter into a Contract with WSB, LLC for Final Design and Construction Services for the Jim Peterson Parking Lot Expansion and Hockey Rink, Improvement Project No. P2345

Sponsors: Jerome Krieger, Sr. Recreation Manager

Senior Parks and Recreation Manager Krieger stated council is requested to approve a contract with WSB, LLC for professional engineering services for final design and construction services for the Jim Peterson Parking Lot Expansion and Hockey Rink, Improvement Project P2345, in the amount of $63,000. Staff commented further on the proposed project and reportedthe park board recommended approval of the request.

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to Authorize the Mayor and City Manager to Enter into a Contract with WSB, LLC for Final Design and Construction Services for the Jim Peterson Parking Lot Expansion and Hockey Rink, Improvement Project No. P2345.

Motion adopted unanimously.

10.6. 2025-133 Motion Accepting Quotes and awarding the contract to Starry Electric, Inc. in the Amount of $93,320.00 for the Blaine Baseball Complex Field #5 Lighting System Installation Project (P2412)

Sponsors: Jerome Krieger, Sr. Recreation Manager

Mr. Krieger requested the council accept quotes for the Blaine Baseball Complex Field #5 Lighting System Installation project and award a contract in the amount of $93,320 to Starry Electric, Inc. Staff commented further on the request and reported the park board recommended approval of this project.

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to accept quotes and awarding the contract to Starry Electric, Inc. in the amount of $93,320 for the Blaine Baseball Complex Field #5 Lighting System Installation Project (P2412).

Councilmember Massoglia asked if this project included new scoreboards. Mr. Krieger stated the old scoreboards were donated in the mid-2000s by the Blaine Baseball Association and the city was looking to update these at some point in the future.

Motion adopted unanimously.

11. Other Business

None.

12. Adjournment

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to adjourn the meeting at 8:27PM.

Motion adopted unanimously.

Signed by ______________________________

Tim Sanders, Mayor

Signed by ______________________________

Catherine M. Sorensen, CMC, City Clerk