

**REGULAR MEETING OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
MARCH 15, 2021**

1. CALL TO ORDER

Mayor Rice called the regular meeting of the City Council to order at 7:02 p.m., followed by the Pledge of Allegiance.

ROLL CALL

Present at roll call: Mayor Rice, Councilmembers Barnett, Weaver, Skogquist, and Wesp.

Staff present: City Manager Greg Lee; Community Development Director Doug Borglund; City Planner Clark Palmer; Police Chief Eric Peterson; Public Services Director Mark Anderson; Finance Director Brenda Springer; Communications and Recycling Manager Pam Bowman; Electric Utility Director Greg Geiger; Police Captain Andy Youngquist; Engineering Technician Ben Nelson; and City Attorney Scott Baumgartner.

Absent at roll call: None.

3. COUNCIL MINUTES

- 3.1 Minutes of the February 22, 2021, Worksession.
Minutes of the March 1, 2021, Executive Session.
Minutes of the March 1, 2021, Regular Meeting

Councilmember Skogquist asked for corrections on the February 22 worksession, Page 2, Paragraph 1, clarifying the Council was referring to the Sign Station property and not Wright Tire; Page 3, Paragraph 7, stating the project concerns were at 2nd Avenue and Monroe Street and not Harrison Street; Page 4, Paragraph 1, the buffer referred to along the railroad tracks was along Johnson Street and not Highway 10; and Page 4, Paragraph 4, that he was not in favor of purchasing the Community Mission property.

Councilmember Barnett noted corrections were needed on Page 4, Paragraph 10, that should state that Councilmember Barnett said that with the project with David Weekley homes another local development on the Pierce site would motivate commercial buyers to make this first step and not see as much City spending overall.

Motion by Councilmember Skogquist, seconded by Councilmember Barnett, to waive the reading and approve the February 22, 2021, Worksession, March 1, 2021, Executive Session and March 1, 2021, Regular Meeting as amended.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

4. OPEN FORUM

4.1 Police Activity Update.

Police Chief Eric Peterson shared the spring flood forecast was minimal and that levels were below normal due to current conditions. He said staff was finalizing the annual report then shared about the new reporting system NIBRS and its benefits and how this data will be used to address crime. Chief Peterson spoke about the increase in catalytic converter thefts and shared ways to address this crime then shared an update on K-9 Bravo who continued to work with a therapist to heal from his injuries. He shared a COVID-19 update compared to this time last year and the current dialing back of restrictions that included increasing capacity in bars and restaurants and the hope of more police community events returning soon.

Councilmember Skogquist asked more about current state of K-9 Bravo and his recovery both physically and mentally. Chief Peterson agreed recovery was needed from both aspects and while he was still being evaluated observations were encouraging.

OTHER INFORMATION UNDER OPEN FORUM

None.

5. PUBLIC HEARING(S)

5.1 Proposal for Issuance of a Sports Facility Revenue Note, Series 2021 (Anoka Area Ice Arena Project).

Councilmembers Wesp and Weaver announced how both had family members on the Anoka Area Ice Arena Board and how these relationships had been deemed as having no conflicts of interest.

Finance Director Brenda Springer shared a background report stating the Anoka Area Ice Arena Association (the AAIAA), a 501(c)(3) non-profit corporation, is requesting that the City issue \$4 million of tax-exempt private activity revenue bonds (“conduit bonds”) on its behalf, and loan the bond proceeds to the AAIAA to fund the acquisition and installation of new refrigeration and dehumidification equipment, and related improvements, at the Anoka Ice Arena. The AAIAA has

distributed an RFP soliciting financing proposals from local and regional banks, they evaluated the proposals and recommended Premier Bank proposal to the AAIAA Board. Because these are purely conduit bonds, the City will bear absolutely no repayment and/or security obligation to Premier Bank or the AAIAA (the borrower). The AAIAA will be solely responsible to pay all bond principal and interest, and the bonds will be secured with a first mortgage on the Arena. The City will still have access to \$6 million of tax-exempt bonding in 2021. The \$4 million that AAIAA borrows does not count towards the City's total bonding/debt capacity.

Mayor Rice opened the public hearing at 7:20 p.m.

Being no comments Mayor Rice closed the public hearing at 7:20 p.m.

NOTE: By motion from Councilmember Skogquist, which was seconded by Councilmember Wesp, and by a unanimous vote of the Council, agenda item 9.4 was moved up on the agenda and acted upon at this point.

Councilmember Skogquist said this will be a good project that will not expose taxpayers to any repayment.

Motion by Councilmember Skogquist seconded by Councilmember Weaver, to adopt a resolution giving preliminary approval to the proposed issuance of a sports facility revenue note, Series 2021 (Anoka Area Ice Arena Project) under Minnesota Statutes, Sections 469.152 through 469.1655, as amended.

Councilmember Weaver asked that the motion be amended to include the waiver of any administrative fees in the motion. Councilmember Skogquist agreed to the friendly amendment.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

6. CONSENT AGENDA

Motion by Councilmember Wesp, seconded by Councilmember Skogquist, to approve Consent Agenda 6.1 through 6.5.

- 6.1 Approve Verified Bills.
- 6.2 Revising and Setting Council Calendars.
- 6.3 U.S. Highway 10/169 Improvement Project; Approving Memorandum of Understanding and Access Rights Quit Claim Deed for Parcel 45.

- 6.4 Green Haven Parkway Phase II; Purchase of Permanent Easements at 2701 Fairoak Avenue for Right-of-Way and Drainage and Utility Purposes.
- 6.5 Acceptance of Resignation of Economic Development Commission; Joe Riley.

Mayor Rice thanked Mr. Riley for his contributions to the Commission.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

7. REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

7.1 Planning Items.

7.1.A. RES/Variances for Building Setback and Impervious Lot Coverage; 3721 Roseberry Place.

City Planner Clark Palmer shared a background report with Council stating Engineering Design & Surveying, Inc. on behalf of the property owner of 3721 Roseberry Place, is seeking to expand the existing home with a new building addition (168 SF, 4-season porch) and deck (168 SF) located at the rear of the property. The proposed building addition and deck, if approved, will replace an existing at-grade patio and wooden deck at the rear of the home. The subject property is located within the R-1 zoning district. The minimum rear-yard setback in the R-1 zoning district is 25 feet. The maximum impervious lot coverage in the R-1 zoning district is 35% of the total lot area. The size of the lot is fully conforming, at 15,777 SF. He outlined the variances being requested and said the applicant was proposing to reduce impervious lot coverage by removing the existing at-grade patio at the rear of the property. The impervious lot coverage proposed is 37% and upon staff's review finds 4 of the 5 criteria for granting of the variances met.

Councilmember Weaver asked questions regarding property depth and street width and how this lot has a narrower depth than others which makes it more difficult to work on the rear of the site.

Councilmember Skogquist agreed, stating a smaller porch would not be as feasible and the current rear patio would be removed. He said if the applicant was making the impervious surface better and completing the porch the property was being improved and this would be more in line with current code which he could support.

Councilmember Weaver asked if the area could be reduced further through pavers. Mr. Palmer said the amount would need to be approximately 300 square feet to meet that requirement.

Councilmember Barnett noted variances are in place for a reason and agreed with the Planning Commission that the applicant was not satisfying criteria and asked about any precedents being set if approved. Mr. Palmer noted this lot already exceeds the minimum lot size and the home was constructed facing this direction and that any precedent would come down to findings but noted each variance finding was unique and not really a concern.

Mayor Rice said he felt this lot was already full with accessory structures and agreed with the importance of maintaining setbacks and suggested moving the addition to the north a bit more.

Motion by Mayor Rice seconded by Councilmember Barnett, to deny a resolution approving variances for building setback and lot coverage for 3721 Roseberry Place.

Discussion was held about withdrawing the motion and replace with a motion for approval with conditions. Mayor Rice and Councilmember Barnett withdrew their motions.

Motion by Councilmember Weaver, seconded by Councilmember Wesp to adopt a resolution approving the rear-yard setback variance of 2.39 feet but not the impervious lot coverage variance unless the applicant could reduce the impervious surface setback to 35%.

Upon a roll call vote: Councilmembers Skogquist, Weaver, and Wesp voted in favor. Mayor Rice and Councilmember Barnett voted nay. Motion carried.

Mr. Palmer noted a revised resolution would be scheduled under the Consent Agenda at the next regular meeting for adoption.

8. PETITIONS, REQUESTS AND COMMUNICATION

None.

9. ORDINANCES AND RESOLUTIONS

9.1 ORD/Repealing Chapter 2, Article VI, Division 3; Human Rights Commission. (1st Reading)

City Manager Greg Lee shared a background report with Council stating at the March 1, 2021, the City Council discussed the structure of the Human Rights Commission. He said throughout the conversation Councilmembers expressed concerns about the goals/objectives that the HRC has presented them at the January Worksession. Multiple Councilmembers commented that they felt that the goals/objectives set forth by the HRC would best be handled by a non-profit organization and suggested that the HRC form themselves into a 501C3 non-

profit and not be under the guise and regulations of the City. He said after discussion a motion was made, seconded and passed to revise the structure of the HRC to an organization independent of the City of Anoka effective immediately and that first reading of that ordinance was before Council for consideration.

Motion by Councilmember Wesp seconded by Councilmember Barnett, to hold first reading of an ordinance repealing Chapter 2, Article VI, Division 3; Human Rights Commission.

Councilmember Skogquist shared about comments he heard from residents last year while attending protests that show conversations need to happen and that racism does occur in Anoka. He spoke about the importance of this Commission and the need to talk and the concerns raised at the last Council meeting regarding safety and while the police department's role was important it was only a part of the work and removing this forum is not the answer. He said this action shows the City does not want to be part of this and that he will continue to oppose this change.

Councilmember Barnett clarified that this organization should exist but not within the City as there were agenda items, she uncomfortable with having under the City of Anoka and that people should have these conversations but in an independent format. She said she was not fearful of the conversations but that they should occur outside of the City as they could divide the community.

Mayor Rice complimented both Councilmembers on their thoughtful remarks as this was a difficult issue and said the focus should remain positive then spoke about the importance of a non-profit agency continuing this work.

Upon a roll call vote: Councilmembers Barnett, Weaver, and Wesp voted in favor. Mayor Rice and Councilmember Skogquist voted nay. Motion carried.

9.2 RES/Accepting 2020 Donations and Contributions.

Ms. Springer shared a background report stating Minnesota Statute Section requires that municipalities accept all contributions, donations and grants through adoption of a resolution. Annually, the City Council will be presented with a resolution for adoption recognizing and accepting donations and contributions from various contributors for a variety of projects or expenditures, along with the conditions, if any, as established by the contributor.

Councilmember Barnett confirmed there were no contingencies included in any of these donations.

Motion by Councilmember Barnett seconded by Councilmember Skogquist, to adopt a resolution accepting donations received by the City of Anoka in 2020.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

9.3 RES/Budget Rollovers and Amendments.

Ms. Springer shared a background report stating the City Council has the authority to revise the 2020 budget by transferring unencumbered appropriations from one office, department or agency to another; by increasing the total appropriations to the extent of actual revenues, by appropriating for unexpected emergency expenses or by carryover for incomplete projects. After reviewing the actual activity for the year ending December 31, 2020 and speaking with department heads, the resolution describes the proposed amendments to the 2020 budget and the 2021 budget respectively. The resolution does impact the overall total budgeted expenditures in 2020 and also impacts the overall budgeted expenditures in 2021. Expenditure budgets in the general fund are being reallocated between departments within the fund. She reviewed the total budget requested for carry over consisted of \$710,800 and would be carried over for completion in 2021.

Motion by Councilmember Skogquist seconded by Councilmember Barnett, to adopt a resolution authorizing revision of 2020 budget department and carryover to 2021.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

9.4 RES/Conduit Bonding for Ice Arena; (Preliminary Approval).

ACTED UPON AFTER PUBLIC HEARING

9.5 RES/Mississippi River Community Park Riverbank Stabilization Project; Approve Plans and Specifications, Authorize Advertisement for Bids and Set a Bid Date.

Engineering Technician Ben Nelson shared a background report stating on March 16, 2020 City Council adopted a resolution approving a grant agreement, ordering the project and authorized the preparation of plans and specifications for the Mississippi Community Park Riverbank Stabilization Project. This project will address the eroding riverbank along the Mississippi River over the past decades. He shared about the virtual open house that reviewed the project including background information, project scope & plans, project fact sheet, and input/feedback comment forms and how the open house was meant to further educate the public on project and solicit input/feedback from the public which included only one comment. He said project information was included on message boards and signs along the walking trail in the park. Mr. Nelson reviewed the riverbank improvements in detail and would consist of the removal

of mature trees and vegetation and stabilize the bank by regrading, cover of filter cloth and rip-rap at the toe of the slope. He said after the work was completed, the riverbank would be restored with a variety of native grasses and erosion control blanket. Mr. Nelson shared the total estimated project cost for the Mississippi Community Park Riverbank Stabilization Project is \$1,080,010, which includes 10% for construction contingency for engineering, legal, administration, and finance then reviewed the bid alternates.

Councilmember Weaver shared his concerns about using granite and limestone due to cost and said he would prefer large, natural boulders instead for better fish habitat. Mr. Nelson responded these materials were chosen due to their strength, availability, and ability to lock together better.

Mr. Lee suggested including boulders as a bid alternate for consideration at award of bid.

Motion by Councilmember Weaver seconded by Councilmember Wesp, to adopt a resolution Mississippi River Community Park Riverbank Stabilization Project; Approve Plans & Specifications, Authorize Advertisement For Bid, And Set Bid Date with addition of alternate for boulders.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

9.6 RES/Law Enforcement Training Center/Animal Containment Facility; Authorize Preparation of Plans and Specifications, Revised.

Public Services Director Mark Anderson shared a background report stating the 2012 Greens of Anoka study identified certain areas of the City as Future Development Sites, with the Park Service Center at 641 Jacob Lane is one of those sites. Since that time, the Gramercy Group has entered into a purchase agreement and is busy marketing the American Club at the Jacob Lane site. Construction of the American Club is tentatively scheduled to begin in spring of 2021 pending sales of additional units. Because of this anticipated construction, City Council previously gave direction to construct the new Golf Maintenance building at 400 Green Haven Road. The new Golf Maintenance building was constructed in 2020 and the Golf operation has moved into the new Building. The Bid Documents for this project included an Alternate to repurpose some of the equipment storage area into Animal Containment area as described in Bid Alt 2. Bid Alternate #2 was accepted in the amount of \$116,450 and would provide an interim solution for Animal Containment before moving to the new Law Enforcement Training Center/Animal Containment building on Third Avenue. He shared how in recent months, discussions have been held regarding the importance of Law Enforcement Training and connection of the Animal Containment Facility. Mr. Anderson shared history of project development to date, proposed financing, and project schedule and outlined the estimated cost to

be approximately \$2,640,000 then outlined financial impact to typical homeowners.

Councilmember Barnett thanked staff for the summary that outlined the length of planning of this project and explained how discussions have been held the last month about leaving the animal facility in the park maintenance building but how there were many reasons to move it to the law enforcement facility such as decreased square footage, the need for indoor park equipment storage, smaller footprint than before resulting in 40% less space allocation, construction costs only continuing to rise while interest rate remains low, and time efficiencies having the site combined.

Councilmember Weaver disagreed and shared reasons that included borrowing money that taxpayers will have to pay back and how the cost will likely be higher than estimated due to change orders. He spoke about how revenue sources in 2020 only received \$600 in fines and the year prior was not much more which shows these fees all trending down, including dog licenses, which should be included in a future worksession. He said while this was an important service to the community, he felt the current facility has been more than adequate for the past 40 years then shared photos of the current facility. Councilmember Weaver said he cannot support spending the money and said the funding should be directed to road improvements instead.

Councilmember Wesp agreed then added further reasons that included concerns about views from the neighborhood, stating while he supported the training facility, he could not support the animal containment facility and that funding would be better served to improve City streets.

Councilmember Skogquist explained the City sold the land that met the needs of the facility a few years ago which when made the Council understood the facility would have to be replaced. He said if the Council wanted to move to provide more developable land, they would have to replace the loss and the decision was made to move forward with the facility as it was the most efficient model.

Councilmember Barnett confirmed the existing facility's improvements would be relocated with the exception of the dividing blocks and that the decrease of use was likely due to COVID-19 and would increase again after people returned to work. She said the building would exist for 80 years and would ultimately house more than 180 animals per year cumulative over the building's lifetime.

Grant Riemer, 2326 3rd Avenue, shared support for the training facility but not the animal containment facility and spoke about how the City subsidized yard waste a few years ago which he understood as it was a City-wide service but how this service only assisted a few residents and should be contracted out instead.

Sheri Riemer, 2326 3rd Avenue, thanked Councilmembers and staff for listening to their concerns and said she was very supportive of the additional training facility as it would benefit the entire community but not the animal containment facility. She spoke about Maple Grove's facility that was a cooperative measure for a total of seven communities and how Andover's facility assisted 14 communities. She said once constructed there would be no opportunity to change direction and that any responsible pet owner would willing drive a few miles to pick up their pet and how police could still follow-up on the impounded animals just a few miles away.

Mayor Rice said this was a difficult decision but was supportive of having the animal containment facility because the officers would not be available for calls when out of the City. He said while the facility may serve only a small portion of residents many other services do as well and that this would be for the convenience of both residents and officers. He said streets will still need to be improved and that this amount of money would not go very far and that he feared we would end up spending the money on a facility anyway and that this would be the best time to do so.

Motion by Councilmember Weaver seconded by Councilmember Wesp, to adopt a resolution approving a law enforcement training center/animal containment; approve plans and specifications and authorize ad for bid and set bid date as presented without the proposed animal containment facility and direct the funds to mill and overlay projects instead.

Ms. Springer clarified the motion could not allow GO bonding funds to be used for mill and overlay projects.

Upon a roll call vote: Councilmembers Weaver and Wesp voted in favor. Mayor Rice, Councilmembers Barnett and Skogquist voted nay. Motion failed.

Motion by Councilmember Skogquist seconded by Councilmember Barnett, to adopt a resolution approving a law enforcement training center/animal containment; approve plans and specifications and authorize ad for bid and set bid date as presented.

Councilmember Wesp noted the animal services have been conducted for the past 40 years in a facility that had very little done for improvements and that this action would remove a brand-new facility to construct another new facility for \$800,000 more.

Mayor Rice said we are taking space from maintenance to address a solution and were now making it permanent, adding we have to replace what we took and that this funding was the least expensive option.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett and Skogquist voted in favor. Councilmembers Weaver and Wesp voted nay. Motion carried.

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1 U.S. Highway 10/169 Improvement Project; Consideration of Approving City of Anoka Road Right-of-Way Plat No. 1 for Easement and Right-of-Way Dedication.

Mr. Nelson shared a background report stating on April 20, 2020, Council adopted a resolution authorizing approval of appraised value, offer of compensation, and acquisition by eminent domain for the subject parcels requiring partial acquisition. On December 21, 2020, Council made a motion to approve the purchase agreement for Parcel 40 located at 1121 Highway 10. The U.S. 10/169 Improvement Project requires the dedication of both permanent and temporary easements and fee title road right-of-way (ROW). The permanent ROW from Parcel 40 requires the subject Torrens parcel to be split. Recently, the project team was made aware that for Torrens parcels the Title Examiner at the Anoka County Register's office requires the parcel to be platted (register land survey or ROW plat) for "non" simple lot splits. So, the best solution for the city was to prepare the road right-of-way plat for parcel 40.

Motion by Councilmember Skogquist, seconded by Councilmember Barnett, to approve the City of Anoka Road Right-of-Way Plat No. 1 for Parcel 40 and accepts all easements and road right-of-way that will be dedicated with the plat for the U.S. Highway 10/169 Improvement Project.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

12. UPDATES AND REPORTS

12.1 4th Quarter Financial Report.

Ms. Springer shared the City's fourth quarter financial report that included general fund highlights, fund balance used of \$150,000 that came in \$484,000 under budget which will go to increase fund balance. She shared a breakdown of general fund expenses and expenditures and general fund revenues then reviewed assets of \$26.9 million and \$24 million in liabilities. Ms. Springer shared details of the enterprise funds with income in all with the exception of recycling then reviewed proprietary funds, internal service fund highlights, and cash and investments which was down about \$2.3 million with a current yield of 1/8%. She stated the City continues to have a solid financial health.

12.2 Tentative Agenda(s).

The Council reviewed the tentative agendas of the upcoming Council meetings.

12.3 COVID-19: City Operations, Changes, and Impacts – Questions, Comments, and Discussion.

Mr. Lee said there were no COVID-19 updates at this time.

Councilmember Skogquist noted the City will be receiving the next round of stimulus funding and asked if stipulations will be similar from the last round. Ms. Smith responded there will be more flexibility in spending these funds that included loss of revenue but would still include the ability to provide business grants as well as rent and utility losses.

12.4 Anoka Area County and State Project Updates

Mr. Nelson shared updates on the following Anoka area County and State projects that included County State Aid Highway 7 (7th Avenue) Mill and Overlay Improvements, Highway 47 and County Road 116/Bunker Lake Blvd Intersection Improvements, Bunker Lake Blvd (CSAH 116) Improvements from Armstrong Blvd (CSAH 83) to Sunfish Lake Blvd (CSAH 57), Highway 47/169 (Ferry Street) Resurfacing Project, and Highway 10 Rum River Bridge Replacement and Corridor Improvements.

Councilmember Skogquist asked about the possibility of temporarily closing accesses and a temporary signal to see how the area could function in the future if Highway 47 was redone. Mr. Nelson said since there was no temporary signal at this location it would not be representative of the project. Councilmember Skogquist said he would still like to advocate for this prior to permanent improvements.

Councilmember Weaver shared concerns about the resulting one lane going eastbound into downtown and significant traffic delays during rush hour. Mr. Nelson confirmed the one lane would only be temporary during construction and was a recommended mitigation for one construction season, adding there would be one lane in each direction the entire time.

Mayor Rice suggested additional signage regarding turning movements during this time and suggested closing ramp off Highway 10 onto West Main Street as one alternative. Mr. Lee said staff would have a discussion with MnDOT on some alternatives of lane configurations during the morning and afternoon periods.

12.5 Staff and Council Input.

Councilmember Wesp spoke about the possibility of reconsidering the recent petition from the Van Buren Street neighborhood as he had learned the one property owner who was opposed was selling his building and was open to the conversation. Mayor Rice said since that would be in contradiction to Council direction, he suggested the neighborhood bring the petition forward again instead.

ADJOURNMENT

Councilmember Wesp made a motion to adjourn the Regular Council meeting. Councilmember Skogquist seconded the motion.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

Time of adjournment: 9:25 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

Approval Attestation:

Amy T. Oehlers, City Clerk