

**SPECIAL WORKSESSION OF THE ANOKA CITY COUNCIL  
ANOKA CITY HALL  
CITY COUNCIL WORKSESSION ROOM  
JUNE 20, 2023**

**1. CALL TO ORDER**

Mayor Rice called the worksession meeting to order at 5:03 p.m.

**2. ROLL CALL**

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

Staff present: City Manager Greg Lee, Community Development Director Doug Borglund, Senior City Planner Clark Palmer, Finance Director Brenda Springer, City Attorney Scott Baumgartner; Public Services Director Mark Anderson; Public Works Supervisor Jon Holmes; Police Captain Andy Youngquist; Liquor Store Manager Kevin Morelli; Golf Course Manager Larry Norland; Utility Director Del Vancura.

Absent: Councilmember Wesp.

**3. COUNCIL BUSINESS and/or DISCUSSION ITEMS**

**3.1 Discussion; Capital Improvement Plan (CIP).**

Finance Director Brenda Springer shared a staff report with background information stating annually the Council and staff reviewed the five-year capital improvement plan prior to adoption. The document is for planning purposes and allows staff to project future funding needs based on planned capital improvement projects. She said the plan was in draft form and impacted several governmental and business type funds.

**PARKING**

**Automated parking equipment for the Historic Rum River District (HRRD) - \$100,000**

Public Services Director Mark Anderson outlined the proposed automated parking equipment for the Historic Rum River District (HRRD) at a cost of \$100,000. He said the proposal would be to implement automated parking 3-4 days per week or longer if Council approved and confirmed the fee charged would be by parking space and could be accessed via cellphone.

City Manager Greg Lee said the goal would be charge by event and could be a funding source for the upcoming social district, estimated to be \$250,000 per year.

Mayor Rice suggested the concept be discussed with the Chamber of Commerce first but supported being able to charge for the ramp as it has been invaluable for the businesses in this area and benefits them directly and should be charged for.

Councilmember Weaver asked about the need for increased enforcement and staffing if implemented and how this could result in unintended consequences of potential drunk driving because people feel like they have to drive home and not be charged a high parking fee, adding if the businesses are successful so is the City.

Mayor Rice suggested charging a one-time fee no matter how long someone parks to avoid that scenario.

Councilmember Scott spoke about the current meter staff. Police Captain Andy Youngquist said parking enforcement would be another assignment and how the technology could help flag a person who has parked for follow-up.

Councilmember Skogquist supported charging as a user fee

Mr. Anderson suggested starting small to see how things go, adding he would not envision charging in 20-minute segments

Councilmember Scott noted with the software managing the entire system it could be implemented for special events only or during certain hours of high activity.

Councilmember Weaver confirmed the software would recognize when the lot is full and when someone leaves.

Mr. Lee agreed implementation should be done slowly and noted the Larsons were concerned about sufficient parking and suggested converting the lot to the south of them for their events or be open to leasing 100 stalls of the upper ramp to them to pass the cost on to the special event holder.

Councilmember Skogquist supported starting the parking changes sooner than later.

Mayor Rice said the potential problem is someone parks there anyway and may need enforcement. Public Services Administrator Lisa LaCasse suggested parking could be done as part of a reservation with signage or a valet.

#### HRRD Parking Facility – Add Fourth Parking Level - \$750,000

Ms. Springer spoke about the \$750,000 planning/design fees in 2024 and construction of \$4.5 million in 2025.

Councilmember Skogquist asked if we could refinance the existing debt and roll the fourth level in with it.

Councilmember Weaver asked about aesthetics and if cars would be visible above the façade. Discussion was held on the cost to repair the elevator.

Mayor Rice spoke about the current footings and suggested exploring the cost to add two stories instead of one.

Councilmember Scott referred to the building in Coon Rapids where Amazon Fresh was going to go and the recycled brick to be cost effective as a possibility.

Add Ingress/Egress to HRRD Ramp – \$20,000

Mr. Anderson spoke about the planning cost of \$20,000 in 2024 and construction of \$150,000 in 2025 then explained the project further which would help with closures on Jackson Street at a loss of three parking stalls.

Councilmember Weaver asked about the iron beam. Mr. Anderson noted the iron beam was only decorative and could be moved.

Mr. Lee said the additional ingress/egress would be helpful as part of the social district. Council supported this expenditure.

**BUILDINGS**

Public Services; Paint Building and Replace shop heaters - \$90,000

Mr. Anderson outlined the proposed public services building paint and replace shop heaters for \$90,000, stating this would be for the building at 501 Pierce Street and was a result of deferred maintenance that should be done now that the building will continue to be used for some time.

Mr. Lee added many of these items have been deferred for years.

Councilmember Skogquist supported these items to retain the Public Works building as we continue to consider future plans for the site.

ADA Accessibility Evaluation - \$35,000

Mr. Anderson said this cost was for the assessment which was still in progress and the actual improvements would be separate and include other City buildings such as City Hall and the liquor stores.

Mr. Lee spoke about the need to identify all ADA issues then have a plan to repair but not necessarily all right away.

Public Works - Alarms, Roof, Card Access, Power Gate - \$280,000

Mr. Anderson outlined the project in detail, stating the gate is 40 years old and needs to be replaced. He noted the request was for one gate and the item had been delayed for one year.

Senior Center – Flooring - \$30,000

Ms. LaCasse said the senior center flooring was installed in 1980 and needs to be replaced due to chipped tiles.

Councilmember Skogquist said it was important to minimize trip hazards in the senior center.

CEMETERY

Decorative Fence - \$175,000

Ms. LaCasse outlined the decorative fence for the cemetery for \$175,000. She said half of the fence borders as part of the Highway 10 project were being replaced so this will tie all the fencing together and be funded from the cemetery fund. Discussion was held the cost of plots and columbarium burial for residents and nonresidents at the cemetery and how the City doesn't allow for organizations such as churches to purchase a large number of plots as they must be purchased individually.

Mayor Rice suggested considering people buying a number of plots to create a family columbarium. Discussion was held on the cost of burial versus columbarium.

ELECTRIC

Substation Infrastructure Repair - \$900,000

Utility Director Del Vancura explained this project started with the former director and was backlogged due to current equipment and noted the cost has increased significantly and said the current transformer could be sold. He spoke about dual voltage options.

Councilmember Weaver confirmed all would be funded through the electric utility fund and asked if staff has analyzed revenues and expenditures to see where were going to need to increase rates for funding and reserves. He said it was important to have the base rate established and not change rates all the time, adding we have many challenges in the City and would like to see the study soon because the utility has been great funding source in the past.

Ms. Springer said staff will do a rate study to confirm and be done sometime next year.

Mr. Vancura noted the goal for rates is to be just under Xcel and we are there now.

Mr. Lee noted Assistant Finance Director Liz Douglas has been assigned to monitor rates/expenditures and have that financial analysis which will be helpful going forward.

Mayor Rice cautioned if we are not on top of rates, we could have trouble in our utility especially as new equipment comes online and the need to generate more electricity.

Ms. Springer said if we can do the rate study this year it could be included in the fund balance policy to ensure enough reserve is kept. She said we already are below the recommendation then noted Statute allows utilities to limit up to 4% of the utilities revenue and can actually say no to some wanting to implement alternative energy.

Mr. Vancura said the costs include security measures as well, including cameras as part of the design then shared more about other security measures that would be implemented.

#### SCADA Hardware Update - \$70,000

Mr. Vancura explained the need for the hardware update for Enterprise and Crooked Lake.

#### Highway 10 Rebuild - \$500,000

Mr. Vancura explained the \$500,000 cost each in 2024 and 2025 in detail and said the cost was due to price increases and the need for coverage. He noted no settling has occurred on Garfield then spoke about the backlog to obtain transformers.

Councilmember Skogquist confirmed the rebuild would cover Ramsey as well.

#### Conversion to AMI metering - \$100,000

Mr. Vancura outlined the cost in 2024 for planning/designing then construction of \$5 million over the next two years. He said with the available grants the City cannot pay for anything up front so this is just a placeholder as staff work on the grants. He said AMI would help identify where the peaks are and charge accordingly.

Councilmember Skogquist said staff has done a great job balancing the projects but then equipment can be incompatible but said we need to charge when the electricity costs more, including electric vehicles. He spoke about the need for grants both at the State and Federal levels as there is a lot of money that could be used for projects.

Mr. Vancura agreed, adding MMUA can help us with a matching-type grant.

Mayor Rice said there are apps that will show the best time to use energy.

Mr. Vancura said apps will be helpful to customers too, especially businesses, then spoke about utilizing grant writers to assist.

## ENGINEERING

Ms. Springer stated many items refer to change orders and were included to inform the Council then reviewed the other items.

### Entrance Monument - East Main Street - \$5,000

Mr. Anderson said the \$5,000 would be for design then \$65,000 in 2025 for construction. He said the property location has likely been identified on Federal Cartridge property.

Mayor Rice shared concerns with the high cost of such a structure.

Mr. Lee suggested partnering with Federal Cartridge and allowing them to pay for the sign and include their name as they are interested in becoming more known in the community.

### SSIP Project – McKinley Park - \$1,546,000

Mr. Anderson outlined the design cost and construction of \$1.5 million for 1.4 miles.

Councilmember Weaver supported the project but noted there needs to be discussion about the assessment and have it added as a funding source.

Mr. Lee said staff is looking at what other cities are doing but will be suggesting 25% or \$1,600 per lot.

### 2024 Street Maintenance - \$275,000

Mr. Anderson reviewed this project in detail that included everything but sealcoating.

Councilmember Skogquist asked if fog sealing is actually effective. Public Works Supervisor Jon Holmes explained fog sealing helps seal the blacktop, similar to driveway seal.

Mayor Rice noted West Main Street was very bad five years ago. Mr. Holmes said part of the reason was rain during construction and not sealing up after.

Anoka Agricultural Improvements - \$250,000

Mr. Holmes said the cost would repair the parking lot and sewer infrastructure, landscaping, etc.

Mayor Rice said we'll be seeing dramatic changes in this area soon and suggested waiting on this project.

Mr. Lee said staff has been working with Kevin Larson to finalize the master plan of the area and noted the phasing hasn't been identified and this project would likely be one of the last phases during construction and will be postponed.

Councilmember Skogquist agreed to wait and spoke about this not being part of the general fund and included in the purchase/sale instead, adding we could float funds in the interim. He asked about placing lime in the nearby parking lots for special events or just for the larger events, even at the Larsons.

Mr. Lee said it would be better to allow parking on the grass for the few times so we aren't parking on the gravel and prepping the area, similar to the Anoka County Fair.

Mayor Rice said parking on the grass could work unless it rains.

Mr. Holmes noted another area near the Police Department could be bolstered for parking.

2025 SRP - Jackson Street Downtown Area - \$343,000

Mr. Holmes said this cost would be for the design/planning with construction in 2025 of \$3.9 million.

Councilmember Skogquist supported this project as we work on the social district details.

2024 Street Renewal – Franklin Area Phase II - \$341,000

Mr. Holmes said this cost would be for the design/planning with construction in 2024 for \$2.6 million then reviewed the other change orders for the Highway 10 project.

Castle Field Signal - Flashing Yellow Arrow - \$2,500

Mr. Lee said this would accomplish the feasibility study to say if the \$32,000 implementation was feasible for a flashing yellow arrow on eastbound Bunker Lake Boulevard going left into Rum River Shores. He noted the light now is currently set at its maximum green time as part of construction and likely will reset after the project.

Rum River Dam Modification Project - \$2,000,000

Ms. Springer noted if approved would result in a 29% increase in levy.

Councilmember Skogquist asked how much will cover the study.

Ms. LaCasse said \$500,000 covers the study for design/redesign with the GO bonds at a 50% project max, which could be less. She said the project is estimated at \$11,900,000.

Councilmember Weaver said we haven't received the Barr Engineering assessment yet which could generate funds and asked about other funding sources.

Ms. LaCasse agreed but said until we have a feasibility study we can't apply for grants.

Councilmember Skogquist asked if we have to identify this project in our CIP for support then noted he did not want to see this project paid for from the general fund.

Ms. LaCasse said we just need a resolution of support but won't know the amounts until next year then spoke about components of the project that could be done with the DNR.

Councilmember Weaver said we need to discuss what matching grants may be available.

Ms. LaCasse said there could be grant funds for the hydro program too.

Ms. Springer noted the CIP is an internal document so Council just needs to adopt the resolution of support in July then we can move this item to 2025 and borrow funds if needed to be done sooner then levy for repayment of our portion.

Mr. Lee said we need to identify all possible funding sources as part of the feasibility study.



Councilmember Weaver said this could be a gamechanger project if we can get this accomplished.

Ms. LaCasse said we just need to show the City and community support of the project.

West Main Street Mill and Overlay - \$305,000

East Main Street Mill and Overlay - \$240,000

Councilmember Weaver said he was still disappointed in not obtaining funding for detours as part of the two-year Highway 10 project and said we need to include restoration funds on any future MnDOT projects such as Highway 47 then spoke about the increased hazards with the traffic detours and speeding.

Councilmember Skogquist noted 20 years is a normal life cycle of a street and asked if the west side needs to be replaced or are we just doing the top layer.

Mr. Holmes said we are just doing the top layer as the sealing didn't work then noted the road sees a lot of traffic regardless of construction.

2024 Mill and Overlay Program - \$1,138,000

Councilmember Skogquist confirmed MSA funds can be used for this program.

## LIQUOR

East Store Expansion - \$4,650,000

Relocated East Store – 7<sup>th</sup> and Main - \$10,965,000

Ms. Springer shared the East Store expansion for \$4,650,000 which included planned acquisition and suggested taking over the bond payments from the HRA and build one for the store and lease the other building as they felt the corner of 7<sup>th</sup> and Main will be the best location for the store.

Councilmember Skogquist suggested the City build something that was more than a strip mall and create residential condos on the top floor and retain one bay for the liquor store. He said just building the store seems like an underutilization of the site and could be used as an example for future developments.

Councilmember Weaver spoke about the lots next to the former A&W and asked for lot values for comparison.

## PARKS AND RECREATION

Paint Aquatic Center - \$25,000

Ms. LaCasse said painting was needed and last done in 2011.

Sorenson Park – Rehab Project - \$30,000

Ms. LaCasse said this cost would be for master planning to allow the Park Board to re-envision the park with the neighborhood and eventually rebuild.

Planting Trees - \$10,000

Ms. LaCasse said this would be for additional tree planting in the boulevards.

Rum River Trail – Rail Crossing \$80,000

Ms. LaCasse said the cost would include easement acquisition, planning and design in 2024.

John Ward Park Drainage Enhancement Project - \$30,000

Ms. LaCasse said this project would make the pond deeper and not flood the park.

Councilmember Skogquist inquired about irrigation on the east side of the park as the area was very dry.

Mr. Holmes said there are some breaks that needs to be completed, adding the park was still on well but could go to City water if so chosen.

EAB Removal - \$40,000

Ms. LaCasse said this would be ongoing cost and with grant funds be expanded at the end of 2024 to help mitigation in parks. She noted they were only buying Minnesota species and that no maple replanting can be done due to the DNR's direction.

Councilmember Weaver said if there was no rain were we expecting the residents to water the new trees.

Ms. LaCasse said the City waters twice per week then spoke about the condition of the trees along Green Haven Parkway and staff's intent to hire a contractor to replace the trees and charge back the project this fall. She noted the contractor's subcontractor did a poor job and will no longer be working in the City.

Councilmember Skogquist referred to trees from last year's street renewal project that were starting to look bad and should be addressed.

Mayor Rice suggested using water bags as an alternative.

Rice Street – Gazebo Replacement - \$40,000

Ms. LaCasse said the gazebo was out of date and in need of replacement with something sturdy.

Sunny Acres Tennis/Pickleball Courts - \$300,000

Ms. LaCasse spoke about the need to do a full reclamation on the courts and noted construction of one new court was \$55,000.

Professional Services - Grant Writing – \$30,000

Ms. LaCasse said with the growing need for funding it was important to write successful grants, adding all engineering firms have them on staff and help ensure grant awards.

EAB Tree Treatment - \$30,000

Ms. LaCasse said EAB treatment has helped prolong the life of good trees and is done every other year for boulevard and park trees as well as the golf course with good results.

Public Services - Maintenance Employee – \$72,000

Ms. LaCasse said this was part of a request for three fulltime staff over 2024 and 2025 in response to the increased level of maintenance as well as seasonal employees not be sufficient anymore for training with all the new and revamped parks.

Councilmember Weaver suggested hiring a full-time gardener with the amount of landscaping we have in the City.

Ms. LaCasse said we actually need a horticulturist who does the work too.

Councilmember Weaver said he would support hiring a horticulturist as the boulevards haven't been mowed as well.

Councilmember Skogquist noted the parks are used by many and the level of maintenance is no longer enough.

Disc Golf – Summer Course - \$21,000

Ms. LaCasse said staff was still working on identifying a location and this cost would be for planning, design, equipment and furnishings.

Mr. Lee suggested the former golf course as a potential location.

Councilmember Weaver referred to the need to obtain the 80 acres on the Rum River to redevelop into a park and increase tax base.

Ms. LaCasse noted the land had been transferred to the military as she's been working with them on approvals to rebuild the trail.

Multi-Park Beautification Project - \$125,000

Ms. LaCasse said this funding would be used by the Park Board to focus on as many projects as possible, including the senior center, park signage, and plantings at Aikin Park.

Ms. LaCasse reviewed projects for boulevard maintenance to rehab the medians, and plant hardier plantings that will thrive better than reviewed sidewalk extension carryover projects from Johnson to Grant on 7<sup>th</sup>, Randall to Garfield, and top wash the driveway entrance to Roosevelt.

Councilmember Skogquist suggested adding cabanas at the pool and volleyball.

Councilmember Weaver suggested moving funds from the bandshell to the park structure.

Ms. LaCasse shared that move was done to reallocate from the bathrooms to the roof structure.

3.2 Discussion; Equipment Replacement Plan (ERP).

Ms. Springer said the five-year equipment replacement plan needs to be reviewed yet prior to adoption as well as Green Haven. Golf Course Manager Larry Norland said once the consultant presents the golf course study that should clarify items included in the ERP for Council review and input.

**UPDATES/REPORTS/COUNCIL SUGGESTIONS FOR TENTATIVE  
FUTURE AGENDA ITEMS**

None.

**4. ADJOURNMENT**

Motion by Councilmember Weaver, seconded by Councilmember Scott to adjourn the Worksession at 7:03 p.m. Motion carried.

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

Approval Attestation:

Amy T. Oehlers, City Clerk