

**BUDGET WORKSESSION OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL, COUNCIL WORKSESSION ROOM
AUGUST 15, 2022, 5:00 P.M.**

CALL TO ORDER

Mayor Rice called the Budget Worksession meeting to order at 5:04 p.m.

ROLL CALL

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

Staff present: City Manager Greg Lee, Finance Director Brenda Springer, Community Development Director Doug Borglund, Public Services Director, Mark Anderson, Electric Director Greg Geiger, Electric Utility Superintendent Del Vancura, Assistant Finance Director-Electric Financial Executive Officer Liz Douglas, Assistant City Engineer Ben Nelson, and Senior City Planner Clark Palmer

3.1. DISCUSSION ON ENTERPRISE FUNDS

Finance Director Brenda Springer reviewed the Enterprise funds with the Council. She advised that staff is looking at proposing in November a water increase of \$0.15 per 100 cu.ft. and a sewer rate increase of \$0.18 per 100 cu.ft. There are no electric rate increases being proposed at this time.

Springer requested the Council focus on:

Electric

1) Roof, Alarm, Gate (\$280k total)	\$126,000
2) HWY 10 Rebuild	\$800,000
3) Courthouse Project	\$500,000
4) Crooked Lake Substation	\$800,000
5) Add'l Circuits Garfield Substation	\$650,000
6) Electrician Truck #123	\$45,000
7) Pickup Truck #138	\$45,000
8) Bucket Truck #135	\$300,000
9) Track hoe #159	\$65,000
10) Reel Trailer #104	\$45,000

Water

1) Roof, Alarm, Gate (\$280k total)	\$28,000
2) Plant Exterior Repairs at Well 4 & 5	\$40,000

Sewer

1) Roof, Alarm, Gate (\$280k total)	\$28,000
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Storm

- | | |
|----------------------------------|-----------|
| 1) Rum River Stabilization | \$253,000 |
| 2) Trunk Storm Sewer Improvement | \$250,000 |

Liquor

- | | |
|-------------------------|-------------|
| 1) East Store Expansion | \$2,900,000 |
| 2) Upgrade POS System | \$15,000 |

Council gave direction to keep in improvements to 501 Pierce, there was much discussion regarding the length of time that Public Services would remain in their current location and additional options for outdoor storage on that location. Council discussed the “East Store Expansion” and the possibility of a new North Liquor store, council discussed the benefit of rebuilding the West Liquor Store prior to expanding the East store. Council gave staff direction to look into that change.

ADJOURNMENT

Mayor Rice adjourned the Worksession at approximately 6:12 p.m.

Approval Attestation:

Amy T. Oehlers, City Clerk

**CLOSED EXECUTIVE SESSION OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL WORKSESSION ROOM
AUGUST 15, 2022**

1. CALL TO ORDER

Mayor Rice called the Executive Session to order at 6:15 p.m. stating that the meeting is closed pursuant to Minnesota Statute § 13D.05, Subd 3(b) for Attorney-Client discussion on On-Love Housing vs City of Anoka, and pursuant to Minnesota Statute §13D.05, Subd 3(b) for Attorney-Client discussion on the negotiation and settlement in using Eminent Domain to acquire property for U.S. Highway 10/169 Improvement Project.

2. ROLL CALL

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

Staff present: City Manager Greg Lee, City Attorney Scott Baumgartner, Community Development Director Brenda Springer, Community Development Director Doug Borglund, Assistant City Engineer Ben Nelson and Senior City Planner Clark Palmer.

Other(s): Peter Mikhail, Attorney with LeVander, Gillen & Miller, PA.

3. COUNCIL DISCUSSION

- Pursuant to Minnesota Statute § 13D.05, Subd 3 (B) for Attorney-Client discussion on On-Love Housing vs City of Anoka.

- Pursuant to Minnesota Statute §13D.05, Subd 3(B) for Attorney-Client discussion on the negotiation and settlement in using Eminent Domain to acquire property for U.S. Highway 10/169 Improvement Project.

After discussion, the Executive Session adjourned at 6:52 p.m.

Approval Attestation:

Amy T. Oehlers, City Clerk

**REGULAR MEETING OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
AUGUST 15, 2022**

1. CALL TO ORDER

Following the budget worksession, Mayor Rice called the regular meeting of the City Council to order at 7:00 p.m., followed by the Pledge of Allegiance.

2. ROLL CALL

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

Staff present: City Manager Greg Lee; Public Services Director Mark Anderson; Police Chief Eric Peterson; Finance Director Brenda Springer; Director of Community Development Doug Borglund; Senior City Planner Clark Palmer; Assistant City Engineer Ben Nelson; and City Attorney Scott Baumgartner.

Absent at roll call: None.

Mayor Rice stated that Council met earlier in closed session pursuant to Minnesota Statute § 13d.05, subd 3(b) for attorney-client discussion on One-Love Housing vs the City of Anoka and pursuant to Minnesota Statute § 13d.05, subd 3(b) for attorney-client discussion on the negotiation and settlement in using eminent domain to acquire property for U.S. Highway 10/169 improvement project.

City Attorney Scott Baumgartner explained reasons per Statute for the purpose of closed sessions and the authority governing bodies have in which to close.

3. COUNCIL MINUTES

- 3.1 June 21, 2022, Special Worksession.
June 27, 2022, Worksession.
July 14, 2022, Joint Meeting with Anoka County.
August 1, 2022, Budget Presentation and Regular Meeting.

Councilmember Weaver commented how the Anoka County Board had not met the requirements of open meeting law by having the doors locked to the Government Center so the public could not attend the joint meeting and requested that this not occur again.

Councilmember Skogquist noted the doors were unlocked once that fact was pointed out and clarified the meeting was not closed but could have been addressed differently.

Motion by Councilmember Barnett, seconded by Councilmember Weaver, to approve the June 21, 2022, Special Worksession, June 27, 2022, Worksession, July 14, 2022, Joint Meeting with Anoka County, August 1, 2022, Budget Presentation and Regular Meeting minutes as presented.

Vote taken. All ayes. Motion carried.

4. OPEN FORUM

4.1 Police Activity Update.

Police Chief Eric Peterson shared Officer James Aase recently started field training then shared his background that included former security officer with Anoka and that after training will be introduced to Council. He said this hire brings the force to full strength which is a good thing, adding that was not necessarily true throughout many agencies in Minnesota. He said the department attended 27 Night to Unite parties and stated the interactive was very positive then spoke about use of force training beginning soon and the importance of learning de-escalation techniques. Chief Peterson shared an update on the June 4 carjacking incident and the aggressive stance by prosecution that resulted in an indictment of the suspect with several charges. He thanked the many agencies involved and reiterated the need to safeguard communities. He concluded his report by sharing about the upcoming Food Truck Festival on August 20 and invited the public to the annual Cook Out with Cops on August 23.

Councilmember Barnett shared how well attended the Cook Out with the Cops event was last year and said it was a great experience with lots of interaction with the officers.

4.2 Highway 10 Anoka Construction Update.

Assistant City Engineer Ben Nelson shared an update on construction status that included the project's hotline contact information then reviewed current and upcoming closures, temporary signals, and further communications regarding construction projects.

OTHER INFORMATION UNDER OPEN FORUM

Dave Bonthuis, 712 River Lane, shared concerns regarding points outlined in campaign literature he received and asked Councilmember Skogquist to respond to those points that included open meeting law violations, lack of transparency and allowing public input on items, unanswered emails by City Council, and other issues then referred to his actions and behavior with City staff during a situation that involved tree removal at a City park.

Councilmember Skogquist responded that he would be happy to speak with Mr. Bonthuis regarding his concerns but that these discussions should not occur at a Council meeting.

Jeff Lee, 706 River Lane, commended Chief Peterson and his staff for a wonderful ride-a-long experience that was eventful and eye-opening. He said he was impressed with the outstanding professionalism of Officer Fischer, Officer Algiers, CSO, Antigua and Sgt. Hagen and their ability to defuse situations. Mr. Lee said he learned how officers spend most of their time with a small fraction of people who do not follow the law or need help and thanked those who serve on the police force. He noted he had wanted to post about his experience on Anoka's community Facebook page but had been blocked by the administrator and requested the ability to do so.

Chief Peterson thanked Mr. Lee for his positive comments and agreed that shift experienced an eventful evening that most times the public does not get to see.

Councilmember Barnett said Mr. Lee is running against Councilmember Skogquist in the upcoming election and as the community Facebook moderator is allowed to remove, ban, and respond to posts. She shared concerns with Councilmember Skogquist blocking Mr. Lee from posting as it lacks transparency and provides him a platform not allowed to Mr. Lee. She said this was very concerning and suggested this action be considered a code of ethics violation.

Councilmember Skogquist said the Council has discussed social media in the City many times and how this is an account of the City and how private groups and individuals can post but were told this is not our purview. He commented on the amount of politics occurring this evening and said he would not engage in the discussions further as these topics should not be on the agenda.

Councilmember Wesp said Council does not take formal action during open forum but listens to the community and said he finds the campaign literature very offensive as it implied the Council holds private meetings and that Councilmember Skogquist's group is stating the Council is conducting themselves in an unethical or illegal manner and agreed this topic needs further discussion. He shared concerns regarding Councilmember Skogquist's being a moderator on social media and said that was inappropriate.

5. PUBLIC HEARING(S)

None.

6. CONSENT AGENDA

Motion by Councilmember Skogquist seconded by Councilmember Weaver, to approve Consent Agenda Items 6.1 through 6.3 as presented.

- 6.1 Approve Verified Bills.
- 6.2 Revising and Setting Council Calendars.
- 6.3 Temporary On-Sale Liquor License; Anoka Lions Club/Nearly Naked Ruck March September 10, 2022.

Vote taken. All ayes. Motion carried.

7. REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

- 7.1 Planning Commission.
 - 7.1.A. RES/Variance for Standing Seam Metal Roof; 402 Rice Street.

RESOLUTION

Councilmember Weaver said he would be abstaining from this item as the applicant was his cousin and neighbor.

Senior City Planner Clark Palmer stated Tom and Kelly Weaver, owners and occupants of 402 Rice Street, are seeking approval of a building permit for the installation of a standing seam metal roof on their home and garage. Current City Code prohibits standing seam metal roofs on single family homes and townhomes. Other types of metal roof designs are allowed including slate, shake, tile or similar design prefinished metal roofs. City Code does allow standing seam metal roofs on detached garages. The applicants are requesting a variance permitting a standing seam metal roof on the single-family home and noted the ordinance that prohibited the use of this type of roof design on single family homes was first adopted in January 2015. Mr. Palmer said the issue was raised in 2014 after a few commercial redevelopments included the use of standing seam metal roofs, including US Bank located along West Main Street, the Public Safety Center, and the cooperative/condo building at the corner of 2nd Avenue and Van Buren Street. He stated while metal roofs that meet certain standards are allowed in all districts, the rationale/reasoning for prohibiting standing seam metal roofs on single family homes was that metal roof designs should mimic the look of shingles; this is why metal roof designs in the form of slate, shingle, shake or tile are allowed but not standing seam. Since the use of a standing seam metal roof is not allowed, approval of such a roof design can only be authorized by the City Council through a variance process. Mr. Palmer said the Planning Commission reviewed the application and held a public hearing at their August 2, 2022, regular meeting and that no members of the public spoke. He said the Planning Commission voted to recommend approval of the variance and also requested that the City reconsider the ordinance prohibiting this type of roof on single family homes, which will be included at their August 16 Planning Commission work session.

Councilmember Skogquist inquired about how this came about and how standing seam and corrugated roofs are different as they are becoming more popular and look is getting better. Mr. Palmer responded the ordinance was adopted in 2015 to allow metal roofs with the exception of metal seams on single family and other homes, noting the concern was raised as result of commercial developments use of metal roofs. He said the reasoning was metal roofs should mimic shingles and that some existing homes had metal roofs in place before the ordinance was established.

Tom Weaver, applicant, said they needed a new roof as the current one was rolled asphalt but said did not last and was not attractive. He said the metal roof was expensive but would last longer and was recyclable and said this was the best solution for them as it was visually appealing and their neighbors had no concern.

Councilmember Skogquist asked why the allowed type of metal roof would not work. Mr. Weaver explained this type was recommended by their contractor because the other type would not include any warranty because of the home's roof slope.

Councilmember Wesp said this type of roof is popular and appealing and agreed the ordinance should be reconsidered.

Motion by Councilmember Wesp seconded by Councilmember Barnett, to adopt a resolution approving a variance for a standing seam metal roof on the single-family home located at 402 Rice Street.

Councilmember Skogquist suggested including a condition that referred to the home's roof slope. Mr. Palmer said the slope is included in the findings and that staff concluded the criteria for a variance was met and recommended approval.

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

8. PETITIONS, REQUESTS AND COMMUNICATION

None.

9. ORDINANCES AND RESOLUTIONS

- 9.1. RES/Granting a Recreational Vehicle and Public Trail Easement to be Located in Riverfront Park.

RESOLUTION

Mr. Nelson stated on July 17, 2017, the City Council adopted a resolution for the designation of snowmobile operation locations in the City of Anoka. Pursuant to

this resolution the snowmobile corral north of Anoka City Hall was designated for the purpose of snowmobile parking and Freeburg Landing was designated for the purpose of the access to the snowmobile corral from the Rum River. On July 25, 2022, the City Council at its regular scheduled work session meeting discussed and directed staff to bring forward a recreation vehicle easement to encompass the area the snowmobile corral occupies during the winter months to memorialize the situation and use with the understanding that if the restaurant pad north of City Hall is ever sold, the property would have to be platted to finalize the restaurant pad and/or lot. The proposed easement could then be amended at that time to accommodate a proposed development scheme for the pad. Prior to the City considering selling the subject restaurant site property, a Recreational Vehicle and Public Trail Easement located in Riverfront Park should be considered. Mr. Nelson outlined the proposed easement area that includes 16,437 square feet mostly through the center portion of Riverfront Park north of Anoka City Hall and bounded by Second Avenue to the east and the Rum River to the west. The easement will incorporate the existing snowmobile corral north of Anoka City Hall and provide adequate space for the future restaurant between Second Avenue and the Rum River. He said granting and conveyance of the easement via a quit claim deed is in the best interest of the City to memorialize an easement for recreational vehicles and trail purposes to be used by the general public.

Councilmember Weaver said since 2007 it became very popular for snowmobilers to park and walk to the downtown restaurants and that the City saw a need for a permitted use. He said the area was marketed and provided a big economic impact for the restaurants and said this was how the Mayors Trail Ride began. He said the need to memorialize this came from the restaurants and to ensure that the area remains should restaurants sell in the future it is important to create this easement for use well into the future.

Mr. Baumgartner noted City Charter refers to property sale and the need for a 4/5 vote to accomplish but noted this action was not disposing of property but granting an easement and did not require a 4/5 vote.

Councilmember Skogquist clarified because this action is not disposing of property but just recording an easement to the City the 4/5 vote was not needed.

Motion by Councilmember Skogquist seconded by Councilmember Wesp, to adopt a resolution granting a recreational vehicle and public trail easement to be located in Riverfront Park.

Councilmember Wesp spoke about winter activities and how most communities along the Rum River do not use areas like this. He said it is important to provide ways for people to come downtown and a wonderful use for snowmobiling riding and said he fully supports this action to ensure the easement is memorialized into the future.

Councilmember Weaver shared how people can snowmobile to Leech Lake from this location and how important this snowmobile corral is to the City.

Councilmember Barnett asked about past discussions about allowing the public to park snowmobiles and trailers at a landing in this area. Public Services Director Mark Anderson said staff would have an update on that proposal soon.

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

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1 Consideration of Appointment to Planning Commission.

City Manager Greg Lee said currently the City has one opening on the Planning Commission to fill the vacant seat left by the resignation of James Cook. He said this was a partial term with an expiration date of December 31, 2022, and that staff advertised for applications according to City policy. He said the City received three applications: Colin Campbell, Jeffrey Nelson, and Katerena Mell. He said as there is only one vacancy staff has prepared ballots for the Council to use if they wish then outlined current vacancies on other City Boards and Commissions.

Councilmember Weaver stated the City received applications from three amazing candidates for a Commission that does a lot of work and said he would like to appoint by motion instead of ballots.

Councilmember Weaver made a motion to appoint Colin Campbell to the Planning Commission for a term to expire December 31, 2022. Councilmember Barnett seconded the motion.

Vote taken. All ayes. Motion carried.

11.2 Consideration of Appointment to Economic Development Commission.

Mr. Lee said the City has one opening on the Economic Development Commission which is a partial term that expires December 31, 2023. He said after advertising for applications according to City policy they received one application from Bryan Beaudoin.

Councilmember Weaver said this is an important Commission as they think outside the box and provide unique opportunities for the City. He said he takes

great interest in their recommendations and said Mr. Beaudoin will be a great addition to the Board.

Councilmember Wesp made a motion to appoint Bryan Beaudoin to the Economic Development Commission for a term to expire December 31, 2023. Councilmember Barnett seconded the motion.

Vote taken. All ayes. Motion carried.

12. UPDATES AND REPORTS

12.1 Second Quarter Financial Report.

Finance Director Brenda Springer shared the second quarter financial report that included assets of \$16 million, liabilities of \$12.4 million, fund balance of \$3.7 million and \$11.4 million restricted for a negative fund balance of \$7.5 million. She reviewed the governmental fund reserves stating the largest changes occurred in reserves compared to June 2021 with the general fund up \$4.8 million due to the advance levy payment and ARPA funds. Ms. Springer said building improvements were up, State aid construction up \$839,000, and TIF funds were down \$1.9 million due to Green Haven Parkway. She showed a chart of governmental fund reserves then reviewed the general fund was up \$1 million over 2021 with property taxes, licenses, permits, charges for services, and transfers then reviewed general fund expenditures which had increased \$435,000 over 2021 due to personal services, professional services, capital spending, and contractual services. She reviewed the enterprise funds totaling \$92 million with liabilities of \$19 million then reviewed operating income showing the electric utility was up, water/sewer down, and golf was even compared to 2021. She reviewed the internal service funds in detail and said the City continues to provide responsible financial management.

Councilmember Skogquist asked if we were starting to see an increase in investments. Ms. Springer said interest rates were starting to increase even on short-term investments which was slightly over 1%.

12.2 Tentative Agenda(s).

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

12.3 Staff and Council Input.

None.

ADJOURNMENT

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

Vote taken. All ayes. Motion carried.

Time of adjournment: 8:15 p.m.

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

Approval Attestation:

Amy T. Oehlers, City Clerk