

CITY OF BLOOMINGTON  
2215 WEST OLD SHAKOPEE ROAD  
HENNEPIN COUNTY, MINNESOTA 55431

CITY COUNCIL MEETING

Approved Minutes  
Regular Meeting  
Meeting #2

7:00 p.m.  
January 14, 2002  
Council Chamber

Call to Order and  
Pledge to Flag

Mayor Gene Winstead called the meeting to order at 7:23 p.m. and Boy Scout Troop #650 from Burnsville/Eagan led the Council and audience in the pledge of allegiance to the flag. At the Mayor's request, the scouts introduced themselves. (The regular council meeting began later than scheduled due to a prior meeting the Council held with the business tenants in the France Avenue and Old Shakopee Road redevelopment area that adjourned at 7:10 p.m.)

Roll Call

Present: Mayor Winstead, Councilmembers D. Abrams, S. Elkins, M. Fossum, H. Harden,  
and S. Peterson.  
Absent: V. Wilcox.

Proclamation Declaring  
February 2002 as  
Bloomington Loves Its  
Kids Month

Mayor Winstead read and presented a proclamation declaring February 2002 as Bloomington Loves Its Kids Month to Chad Duerkop, Parks and Recreation Division.

Chad Duerkop thanked the Mayor and announced that the kick-off for Bloomington Loves Its Kids (BLIK) is Thursday, January 31 at Knott's Camp Snoopy at the Mall of America beginning at 6:30 p.m. He added that the BLIK's carnival will be held on Saturday, February 23 from 12:30 - 3:00 p.m.

Proclamation Declaring  
January 21, 2002 as  
Martin Luther King, Jr.  
Day

Mayor Winstead read and presented a proclamation declaring January 21, 2002, as Martin Luther King, Jr. Day to Gary Boettcher, Chair of the Human Rights Commission.

On behalf of the Human Rights Commission, Gary Boettcher thanked the Mayor and Council for the proclamation commenting on the importance of continuing Martin Luther King, Jr.'s mission.

Accepted the Human  
Rights Commission's  
2001 Annual Report and  
Approved the 2002  
Proposed Work Plan  
Item 7.1

Motion was made by Peterson, seconded by Elkins, and all voting aye, to accept the Human Rights Commission's 2001 Annual Report and to approve the Human Rights Commission's 2002 Proposed Work Plan.

Gary Boettcher, Chair of the Human Rights Commission stated that the Commission had a great year in 2001 and that wonderful things are planned for 2002. He did not go into details regarding the 2001 Annual Report or the 2002 Proposed Work Plan but inquired if the Council had any questions.

Peterson thanked Boettcher and the Commission for all of their efforts.

Opened Public  
Comment Period

The Mayor declared the public comment period open for those wishing to address the Council on matters other than items included on the agenda.

Speaker #1: Lee Nelson, Upper River Services, LLC

As he was not present at the January 2, 2002, Regular/Organizational City Council meeting, Nelson thanked the Council for approving their proposal at that meeting to rent fleeting space on the river.

Speaker #2: Ed Sisola, 11001 Girard Curve

He stated that he is a 25-year Bloomington resident who lives across from the parking lot of the proposed Black Dog Amphitheater. He thanked the Mayor, City Council, and staff for all of their support over the past two years in opposing the proposed amphitheater and expressed a desire that the City and Council continue its opposition to the potential threat to their quality of life, especially during the concert season. He requested that the City keep the citizens' groups involved in this effort.

Public Comment  
Period continued

Winstead explained that the Council would be meeting in closed session after the Regular Meeting on February 4, 2002, not to take action but to discuss legal possibilities and to determine a date for a public hearing, of which the leadership of the citizens' groups would be notified.

Speaker #3: Brian Carlson

He also thanked the Council and City staff, particularly City Attorney Dave Ornstein, for his cooperation in providing materials requested by Carlson.

Adopted a Resolution  
Approving a Class B  
Lawful Gambling  
Premise Permit at VFW  
Post 1296 at 2731 East  
78<sup>th</sup> Street  
Item 4.1A  
R-2002-3

Motion was made by Peterson, seconded by Fossum, and all voting aye, to adopt a resolution approving a Class B (raffles, paddlewheels, tipboards, and pull-tabs) Lawful Gambling Premise Permit for MOC Pup Tent 51 Bloomington for use at VFW Post 1296 located at 2731 East 78<sup>th</sup> Street.

No public testimony was received.

Adopted a Resolution  
Approving a Class A  
Lawful Gambling  
Premise Permit at the  
VFW Post 1296 at 2731  
East 78<sup>th</sup> Street  
Item 4.1B  
R-2002-4

Motion was made by Peterson, seconded by Fossum, and all voting aye, to adopt a resolution approving a Class A (Bingo, raffles, tipboards, paddlewheels and pull-tabs) Lawful Gambling Premise Permit for VFW Post 1296 Bloomington for use at the VFW Post 1296 Bloomington located at 2731 East 78<sup>th</sup> Street.

No public testimony was received.

Adopted a Resolution  
Granting Final Approval  
of the McGlennen  
Addition Plat at 9725  
Toledo Road  
Case 10577A-01  
Item 4.2  
R-2002-6

Motion was made by Peterson, seconded by Elkins, and all voting aye, to approve the preliminary plat and adopted a resolution granting final plat approval and approval of the subdivision agreement, subject to the 10 conditions and a review of the title by the City Attorney, and receipt of the necessary documents and deposits, for McGlennen Addition, located at 9725 Toledo Road, Case 10577A-01, which is being platted from an existing two-family dwelling on a single lot into two lots for individual lot and unit ownership.

1. Show existing utilities and services locations on the preliminary plat.
2. Connection charges due - amount to be determined.
3. Provide right-of-way at intersection with 15' x 15' corner.
4. Provide drainage and utility easements: 15 feet along street frontages and 5 feet along internal lot lines up to building.
5. Provide 10-foot sidewalk/bikeway easement along street frontages.
6. Utility service additions/removals to be at developer's expense.
7. Easement across building on Lot 2 should be eliminated.
8. Provide proof of filing to the Manager of Building and Inspection of a private maintenance agreement and easement for sewer and water service 20-foot wide centered over each service across the yard of Lot 2 for the benefit of Lot 1 - if services are to be shared.
9. No park dedication required.

And subject to the following Code requirements:

10. Property be platted in accordance with the requirements of Chapter 16 of the City Code (Sec. 16.03).

No public testimony was received.

Adopted an Ordinance  
Amending Chapter 15 of  
the City Code Pertaining  
to Providing Access to  
Locked Buildings  
Item 4.3  
O-2002-1

Motion was made by Abrams, seconded by Peterson, and all voting aye, to adopt an ordinance amending Chapter 15 of the City Code as it relates to security devices and providing access to locked congregate lodging buildings by emergency services personnel.

Sandra Johnson, Associate City Attorney provided the staff report explaining that this ordinance was proposed by the Police Department in conjunction with the Legal Department. She stated that this ordinance would require multiple-tenant residential buildings to install a lock box and is directed at the buildings that most likely to have life-threatening situations, secured doors, and unattended doors. She explained that the lock box will allow emergency personnel to get rapid access into the building. The cost of the lock box is approximately \$200.00 and Johnson explained that the City has received some Federal grant money. The Fire Chief and police officers would be able to utilize the box. She added that codifying this requirement provides the City with three enforcement mechanisms: misdemeanor prosecution, civil penalties ordinance in Chapter 1 that assesses fines against the property owner, or a civil injunctive action.

Police Officer Jim Caauwe provided a sample of the lock box that Council passed around. He stated that he has worked with the Bloomington Crime Free Multi-housing Program for the past three years. He explained that because officers respond daily to medicals and disturbances at apartment buildings, the building managers as well as the police have expressed a need to improve quicker access into the buildings in order to respond to emergencies in a timely manner. He stated that a survey of 17 cities to see how they were addressing this problem revealed that they all have a variation of this proposed ordinance. He added that a survey of 100 apartment managers revealed that all but two of them were supportive of the box. He explained that it's a very safe box and that resident's security would not be compromised for safety. Caauwe stated that a limited number of keys would be issued and that all of them would be numbered and inventoried every month to make sure that all keys are accounted for. Regarding grant money, he stated that the City did receive some Federal grant money and some money from the Bloomington Crime Prevention Association so that the City would only have to pay half the cost of the box or approximately \$100 each for three-quarters of the buildings in Bloomington. Currently, there are 250 buildings that would meet the requirements for the box and the City would be able to assist in the purchase of approximately 150 of them.

Fossum stated that he supports the proposed ordinance.

No public testimony was received.

Closed Public  
Comment Period

The Mayor asked if anyone else wished to address the Council during the public comment period or it would be closed. No one came forward to speak and the public comment period was closed.

Adopted an Ordinance  
Amending Chapter 17 of  
the City Code Relating to  
the Proper Posting of  
Assigned Street  
Addresses  
Item 4.4  
O-2002-2

Motion was made by Peterson, seconded by Abrams, and all voting aye, to adopt an ordinance amending Chapter 17 of the City Code as it relates to the proper posting of assigned street addresses as revised by Council including the deletion of subsection (4) under Section 17.60.01 Specifications: "Be illuminated by reflectorization or an outside lighting source so as to be visible during the nighttime hours." Council directed staff to ...

Sandra Johnson explained that this ordinance was also initiated by the Police Department in conjunction with the Legal Department. The ordinance, she explained, sets up some basic requirements for building identification to help aid the City's efforts to respond to emergencies. She stated that the ordinance is an attempt to balance the need to rapidly identify buildings with the cost and inconvenience to property owners to comply with these requirements. She described the ordinance as requiring the following: the building address numbers be in Arabic numerals that are legible and large enough to be seen from the roadway, reflectorization or illumination to make them visible at night, consistent placement of the address on the building, posting of the address on the rear of the building or on an accessory structure if there is a public access road to the rear of the property, addresses on multiple tenant buildings having separate tenant addresses, addresses at construction sites, and supplemental address signage if the building is set too far from the roadway to be visible from the street.

Item 4.4 continued

Again, Officer Jim Caauwe illustrated the need for this ordinance by showing photograph example of existing buildings in Bloomington with poor or no address posted. The examples included primarily businesses, particularly those located in strip malls with unaddressed doors in the rear of the buildings. Responding to Winstead's inquiry about how to get the word out to residences and businesses about the new ordinance, Caauwe replied that the information would be provided to the businesses who are already in non-compliance with no address signage, the Sun Current, the CitizenObserver internet program that makes information available on-line, the Chamber of Commerce, etc.

Fossum stated that he did not believe reflectorized numerals would go with the exterior décor of most residential housing and that squad cars are equipped with spotlights to aid in illuminating the addresses. Therefore, he believes as long as there is a visible address on the house or the garage that can be illuminated by the police cars, that should be adequate and that residential property owners shouldn't be required to have reflectorized numbers on their homes as long as they adhere to the rest of the ordinance.

Elkins suggested that a stuffer inside the water bills could be another way to inform the public of the ordinance amendment.

Bernhardson suggested that the Bloomington Briefing could be a vehicle to spread the word also.

Peterson agreed with Fossum that requiring everyone to have reflectorized numerals on their house would be a costly inconvenience for homeowners and therefore requested more input from staff regarding the specific problems that have occurred in residential neighborhoods that prompted the desire to require all properties to have reflectorized numerals.

Harden inquired if the possibility of requiring residential addressing on the curb was studied as is required in some other communities.

Caauwe stated that curb addressing is not as effective in the wintertime with the snow, etc. and therefore was determined not to be a requirement of the ordinance.

No public testimony was received.

Approved the 2002  
Community  
Development Block  
Grant Rehabilitation  
Loan Program  
Item 6.1A

Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the 2002 Community Development Block Grant (CDBG) Rehabilitation Loan Program. The maximum loan amount is \$25,000. Maximum qualifying incomes are 80% of the metropolitan median income as adjusted by size. The program year begins July 1 and runs through June 30.

Regina Harris, Housing and Redevelopment Administrator commented that a summary of the activities that occurred during 2001 regarding the Community Development Block Grant Rehabilitation Loan Program. She stated that the City administers between 30-40 loans per year depending on the repayment of previous loans. She added that loan applications would be accepted from now until March and are geared toward low-income homeowners. She explained that the loans are for up to \$25,000 and that the applicant must make less than 80% of the median income for the area. There is approximately \$6 million in revolving funds for this program.

Approved a Mutual  
Agreement Between the  
City and the Housing and  
Redevelopment  
Authority  
Item 6.1B

Motion was made by Harden, seconded by Elkins, and all voting aye, to approve a Mutual Agreement between the City of Bloomington and the Housing and Redevelopment Authority (HRA) for the operation of the 2002 CDBG Rehabilitation and Acquisition/Substantial Rehabilitation programs. The Agreements sets forth the terms and conditions under which the HRA must operate its programs. Under the terms of the Agreement, the HRA may charge up to 12.5 percent for direct costs incurred in administering the program.

Approved a Contract for  
Services Between City  
and the Housing and  
Redevelopment  
Authority  
Item 6.1C

Motion was made by Harden, seconded by Elkins, and all voting aye, to approve a Contract for Services between the City of Bloomington and the Bloomington Housing and Redevelopment Authority.

<p>Approved Change Orders to the Public Works Facility Expansion Project Item 6.2</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the Change Orders to the Public Works Facility Expansion Project which are required to make the necessary construction modifications to the Public Works Facility. The Change Orders consist of 29 items and total \$130,911.83 for a total project amount of \$7,470,879.30. Funding is available in the Contingency Budget adopted as part of this project.</p>
<p>Approved Submission of Pay Equity Report to the Minnesota Department of Employee Relations Item 6.3</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the submission of Pay Equity Report to the Minnesota Department of Employee Relations. The Minnesota Local Government Pay Equity Act requires political subdivisions to submit a report every three years and Bloomington's report is due by January 31, 2002.</p>
<p>Approved Renewal Agreements for Professional Services with Multilingual Word and Heidi Gaibor Item 6.4</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the renewal agreements for Professional Services with Multilingual Word and Heidi Gaibor for interpreting and translating language for non-English speaking clients who receive public health services. Funding for this service is provided through grant dollars.</p>
<p>Approved Termination of Schedule A of the 2000-905 Storm Water Pond Maintenance Project Item 6.5</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the termination of Schedule A of the 2000-905 Storm Water Pond Maintenance Project due to the change of conditions that exist. The project will need to be reanalyzed based on the new information and a determination made as to its feasibility. It will be brought back to the Council for further consideration once such information is available. This project would not be undertaken until next winter at the earliest. The final payment for Schedule A will be \$10,481.00 which equates to 6% of the total bid of \$169,640 for Schedule A.</p>
<p>Accepted and Thanked Donors for Donations to Various City Activities Item 6.6</p>	<p>Bernhardson stated that this is the first time since he's been at the City that a project and a contract have been terminated and that it is recommended in this item.</p> <p>Motion was made by Harden, seconded by Elkins, and all voting aye, to accept and thank the following donors for their donations made to various City activities and to amend the revenue and expenditure budgets to facilitate the appropriate use of these funds: \$500 donated by Christopher &amp; Banks to the Fire Department for a thermal imager and for prints valued at \$100 donated by Ken Grindeland to Human Services in addition to the list of donors and donations received that was provided in the agenda materials.</p>
<p>Approved Purchase of Eleven Police Squads from Superior Ford, Inc. Item 6.7</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the purchase of eleven (11) 2002 Ford Crown Victoria Police Squads from Superior Ford, Inc. under State of Minnesota Contract #426133 for a total of \$258,358.00.</p> <p>Funding for the purchase of the vehicles is budgeted in the 2002 Equipment Replacement Fund, Activity 617-0618-499.70-42.</p>
<p>Awarded a Contract to Gephart Electric for Infrastructure Cabling at the James Avenue Public Works Building Item 6.8</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to award a contract for the installation of low-voltage communication wiring in the remodeled James Avenue Public Works Building to Gephart Electric in the amount of \$33,750.00.</p> <p>Funding is available in the 2002 Information Systems Budget, Activity 615-8601-418.63-24.</p>
<p>Approved the Specifications and Set the Bidding Schedule for Removal of Spent Lime from Holding Ponds at 110<sup>th</sup> Street and Nesbitt Avenue Item 6.9</p>	<p>Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the specifications and set the bidding schedule to secure the services of a qualified contractor for the removal of spent lime from the holding ponds at 110<sup>th</sup> Street and Nesbitt Avenue.</p> <p>Funding for this contract is budgeted in the 2002 Water Utility Budget, Activity 510-8111-433.63-24.</p>

Approved Agreement  
Between the City and the  
Bloomington Fine Arts  
Council  
Item 6.10

Motion was made by Harden, seconded by Elkins, and all voting aye, to approve an agreement between the City of Bloomington and the Bloomington Fine Arts Council for the period of January 1, 2002 through December 31, 2002, whereby the City of Bloomington agrees to provide financial assistance to the Bloomington Fine Arts Council through space and occupancy valued in the amount of \$33,000; cash funding in the amount of \$104,245 from the General Fund and \$35,000 from the Strategic Priorities Fund; and use of Creekside Community Center and Bloomington Ice Gardens not to exceed \$16,700.

Funds are budgeted in Program Budget 6503 - Cultural Arts Support.

Approved Change  
Orders for the  
Bloomington Family  
Aquatic Center Project  
Item 6.11

Motion was made by Harden, seconded by Elkins, and all voting aye, to approve the following change orders for the Bloomington Family Aquatic Center Project for a total of \$106,403:

Change Order #1 (Magney Construction) - Add \$44,346 to the contract for 14 construction items.  
Change Order #2 (Magney Construction) - Add \$19,939 to the contract for 4 construction items.  
Change Order #3 (Magney Construction) - Add \$30,000 to the contract as a not-to-exceed amount for additional winter construction costs.

Change Order #1 (Olympic Pools) - Add \$12,118 to the contract to increase the capacity of the pool filters (\$2,118) and for additional winter construction costs (not-to-exceed \$10,000).

Funding for the \$106,403 would come from the \$309,164 in the Project's Contingency Fund (560-8465-451.70-21), leaving \$202,761 available in contingency dollars for future change orders.

Council Reviewed and  
Suggested Changes to  
the Draft 2002  
Legislative Policies  
Item 7.3

Council reviewed the Draft 2002 Legislative Policies and made the following suggestions for inclusion and deletion. Revised Policies will be brought back on February 4.

Bernhardson explained that Item 7.3 is Draft Legislative Policies that the Council would be adopting at some point in advance of or near the start of the Legislative Session. He stated that in response to feedback provided to staff by Council, the policies reflect that information as well. He stated that one of the issues in the policies relates to stormwater and that it's covered under the phosphorous-free fertilizer. In 2001, he explained that an effort was undertaken by several cities to ban the use of phosphorous fertilizers and tried to get the State to support that. Although the City could adopt an ordinance locally, it would like to see a more statewide effort.

Speaker #1: Neal Blanchett, Larkin, Hoffman Law Firm, 7900 Xerxes Avenue South  
He stated he is representing the Water Quality Partnership, an organization made up of local governments, watershed maintenance organizations, and concerned citizens. He stated that their focus during this next Legislative session is phosphorous fertilizer. He explained that 70-80% of the soil types in Minnesota have enough phosphorous to sustain plant and vegetation growth. In addition, however, most fertilizers also contain phosphorous which creates too much phosphorous for the soils to hold and the excess runs off. He stated that phosphorous is one of the main contributors to the algae blooms that collect in lakes and areas that collect stormwater, making them too nutrient rich. He described the Partnership's efforts as trying to create a statewide set of restrictions on phosphorous. The Partnership believes this organization is an efficient way for cities to become involved as the cost of cleanup, if nothing is done, can be very costly to cities. He explained that within the Water Quality Partnership, there is a steering committee that has adopted a policy of asking each city for \$.10 per city resident. For Bloomington, with approximately 85,000 residents, the cost would be approximately \$8,500 for the lobbying efforts. To date, the Partnership has spent \$30,000 and believes it will take an additional \$30,000 in order to get the legislation passed in the House and Senate. In conclusion, he stated that he was requesting that the City of Bloomington contribute \$8,500 or whatever it deemed appropriate to the mission.

Responding to Winstead's inquiry as to who would oppose this legislative effort to ban phosphorous, Blanchett replied that it is the fertilizer industry and the many phosphorous miners in Florida who do not want to see a large market for their product be eliminated. He stated it's difficult to enforce the ban of phosphorous in fertilizer at the City level and that is why they are working on a statewide effort. A Senate File 1841 was introduced last year and it still is current for this session.

Bernhardson stated that if the Council is supportive of the policy it would be included and that options could be presented to Council at a later date regarding the request for a contribution and the amount of such a contribution.

Speaking from experience regarding his own lawn, Elkins commented that he had his soil tested by the University of Minnesota and they reported very high phosphorous levels, therefore, he concluded that Bloomington soil does not need fertilizer with phosphorous.

Winstead concluded that as a result of his working on other wetland issues, he is supportive of the effort and believes it should be a statewide effort. He would support an ordinance in Bloomington but also believes the City should support the effort and determine exactly how much it wants to contribute at a later Council meeting.

Discussion continued regarding the Legislative policies and Abrams suggested that the resolution recently adopted by the City Council regarding the design of the Crosstown/35W be included as well as any other resolutions or recommendations that the Council has put in place. Abrams also requested that the 84<sup>th</sup> & Normandale Improvement item be deleted from the list of the City's primary needs for State funding due to its controversial nature with the surround neighbors, etc.

Elkins agreed with Abrams regarding the 84<sup>th</sup> & Normandale Improvement.

Winstead stated that because he believes the 84<sup>th</sup> & Normandale area needs attention, it should be included under funding needs, just not specifically a grade-separated interchange or a bridge. He would like to see an improvement that would divert traffic to the Ring Route and would like to see that included.

It was agreeable to Council that it could be left in if stated generally, "improve traffic movements from 84<sup>th</sup> Street to 494/Normandale Boulevard."

Peterson suggested the following: Oppose any efforts that Minneapolis is involved in to restrict future capacity increases on 35W, i.e. reconstruction of the Lake Street connection to 35W and add the airport noise mitigation issues regarding funding.

Winstead reported that it was learned while attending the MLC Breakfast, that regarding transportation funding, the Governor is putting forth plans with budget cuts and possible tax increases, and that Chairman Workman of the Transportation Funding Committee indicated that the third lane on 494 from Normandale to 212 is being pulled under his recommendation.

Bernhardson added that the Governor's proposal will include a \$.05 gas tax, however, this money will most likely be put back into the General Fund as the Governor's reduction in tab fees has been back-filled with General Fund monies. In response to Elkins' inquiry as to whether the City has discussed congestion pricing and possible user fees, Bernhardson replied that 4-5 years ago there was discussion regarding a toll road along 494 but it was voted down by the Council. He added that language could be added to the policies for Council's review on February 4.

Elkins stated that user fees are the most efficient way to fund transportation needs. He stated that a place to start would be to experiment with congestion pricing on the "sane lane" on 394 and that he personally would support it.

Item 7.3 continued

Honchell stated that there has been discussion of a possible toll road at the Crosstown/35W location as a way to fund the current gap of \$50-\$60 million, which he stated he would support if it was looked at metro-wide. He believes a user fee is a fair way to pay for transportation improvements to a facility that they use. However, he wouldn't recommend it for any one particular state freeway.

Regarding Item #5, Improved transit, Elkins stated that he spoke with the transit planner for the Bloomington/Sector 5 and stated that he would be attending the Stakeholder's Kick-off Meeting on Wednesday, January 16 for the redesign of all of the transit service in Sector 5 (southern metro area) since the Legislative meeting was cancelled. He reported that if the Legislature approves adequate funding for transit, there is a good chance that east/west transit service along the Ring Route and to other suburbs would be addressed.

Bernhardson added that Bloomington's Met Council Representative Phil Riveness has been working on earmarking money for east/west transit improvements and improvement of service along 494.

Peterson suggested that the City's Transportation Policies be reviewed by Council within the next year or so to see if there are changes that need to be changed.

Bernhardson stated that staff will incorporate Council's suggestions into the 2002 Legislative Policies for their review on February 4. He stated that it is unlikely that the Council would be able to meet with the Legislative Delegation before the session begins and staff may look at meeting with them over at the State Office Building once the session has started to make it more convenient for them.

Adopted a Resolution  
Providing for the  
Prepayment and  
Redemption of Certain  
Outstanding General  
Obligation Bonds  
Item 4.5A  
R-2002-7

Motion was made by Peterson, seconded by Fossum, and all voting aye, to adopt a resolution providing for the prepayment and redemption of certain outstanding General Obligation Bonds of the City on August 1, 2002.

Terri Heaton, Chief Financial Officer explained that routinely the City looks for opportunities to prepay debt to save interest costs whenever possible. She explained the following two opportunities: Fund 359, Public Improvement Revolving Fund, with a first opportunity to call the debt would be in early August, 2002. It would save approximately \$138,000 in interest costs and then future levies of approximately \$10,000 for several years could be cancelled. She explained the attached resolution would provide for the prepayment and redemption of certain outstanding General Obligation Bonds of the City and to transfer approximately \$125,000 of cash on hand in excess of outstanding principal and redirect future special assessments currently pledged to this debt to Capital Strategic Priorities Fund 420.

The second opportunity Heaton explained is Fund 325, Highway Bonds and that \$1.5 million could be transferred to the Capital Strategic Priorities Fund 420 as there is no debt outstanding. She stated that staff recommends adoption of both resolutions. She stated that after the transfer, Fund 420 would have a new balance of \$2.8 million.

Adopted a Resolution  
Designating Public  
Improvement Revolving  
Debt Service Fund  
Balance  
Item 4.5B  
R-2002-8

Motion was made by Peterson, seconded by Elkins, and all voting aye, to adopt a resolution designating Public Improvement Revolving Debt Service fund balance. The approval transfers \$125,000 plus interest and redirects future special assessment collections related to this from Fund 359, Public Improvement Revolving Fund, and redirects future special assessments currently pledged to this debt to Capital Strategic Priorities Fund 420, and transfers \$1,503,600 from Fund 325, Highway Bonds, to Capital Strategic Priorities Fund 420.

Adopted a Resolution Adopting the 2002 Facilities Replacement and Maintenance Fund, Center for the Arts Capital Fund, Pension Residual Asset Fund, Aquatics Facilities Fund, and the Public Safety Radio Fund Budgets and Approved the Hiring of Four Additional Police Officers  
Item 4.6  
R-2002-5

Motion was made by Abrams, seconded by Harden, and all voting aye, to adopt a resolution adopting the 2002 Facilities Replacement and Maintenance Fund, Center for the Arts Capital Fund, Pension Residual Asset Fund, Aquatics Facilities Fund and Public Safety Radio Fund Budgets and approved the hiring of four additional police officers.

Terri Heaton began the budget presentation by explaining that there are three activities within the Facility Replacement & Maintenance Fund: Administration and Maintenance (Repair and maintenance of all facilities in the City, managed by Public Works), Facilities Replacement (replacement fee is charged to all departments), and Public Works Replacement (garage and office). In the Maintenance Fund, the revenues equal expenditures. She explained the Facilities Replacement Fund as follows:

1. City Hall/Police/Arts Center Project:
  - Estimated costs were \$38,060,000 (\$37,813,500 is the current construction estimate including the \$1.1 million of contingency or 5.4% of the construction).
  - Construction is scheduled to be complete by April 2003.
  - Reminded Council of the lease revenue bonds that were issued by the Port Authority and stated that the activity will repay the Port Authority who issued the bonds on an annual basis equal to principal and interest. She stated that the bond proceeds of \$8.4 million were transferred to this fund to help complete the construction and first year interest of \$339,000 and in 2002 the Debt Service levels out to \$707,000 from now until 2021 when the last payment will be made.
2. Public Works Expansion
  - Estimated costs were \$10,150,000 (\$8.5 million construction estimate).
  - Planned expansion plan (\$1 million earmarked).
3. Center for the Arts
  - Estimated costs are \$7,249,619 (including the add alternate for additional space).
  - Contingency of \$350,381 for a total project cost of \$7,600,000.
  - Scheduled completion in 2003.

Joe Huss, Finance Manager continued the presentation by explaining that the Pension Residual Asset Fund was established after the City received a reimbursement from the State as a result of the consolidation of the Local Police and Fire Pension Funds. He highlighted the changes to this fund since the Conceptual Budget was adopted in 2001 as follows:

1. Reduction in interest earnings of \$200,000.
2. Increase in expenditures of \$167,000 for four additional police officers.
3. Working Capital goal is \$0 by the year 2019.
4. Depletion of fund is planned over a long period of time as the money was accumulated over a long period of time and that it be designated for the capital improvement of the Police facility.

Winstead inquired if that fund could be tapped sooner if needed, as public comments during the Truth In Taxation Hearing suggested that it might be prudent to spend down larger reserves now rather than later.

Bernhardson stated that the Council could use it sooner, however, if it's depleted sooner than scheduled, it would have to be made up at some point in the future. He cautioned of the risk in spending down a fund prematurely by using the State as an example. The State gave tax rebates for a few years in a row and now they're talking about needing to cut back and possibly raise taxes.

Item 4.6 continued

Cindy Rollins, Budget Coordinator concluded the presentation of the Aquatics Fund as the Council had previously requested staff to look at the fee schedule for the Valley View Pool. She highlighted the changes to the 2002 Budget from the Conceptual 2002 as follows:

1. Use of the family-friendly option reduces revenues by \$43,000 and a \$24,000 decrease in swimming lessons, picnic reservations, food sales, and pool rental, however, there is an increase in interest earnings of \$97,000.
2. Expenditures include a shift in pool capital from 2001 to 2002 of \$2.2 million (resulting in a decrease in working capital of \$2.183 million to \$554,000 to end the year) with a working capital goal of \$400,000.

Regarding operating costs for the new pool, Randy Quale, Parks and Recreation Manager stated that there will be some added costs because a larger facility will require more staff and the City will take over the concessions that were previously contracted out. The projected operating costs have been built into the budget, however, the actual costs won't be known until the pool has been in operation for one season.

Huss continued with the Public Safety Radio Fund that has been amended since the Council adopted it in October, 2001. He stated that internal charges were reviewed in the General Fund and thus affected the Radio Fund. He summarized the changes as follows:

1. Revenues: Departmental charges decreased by \$72,000 and a decrease in fees that would come from the Mall of America of \$36,000.
2. Working Capital is increased by \$241,000.
3. Fund is projected to have a working capital of just over \$2 million at the end of 2002.

Huss restated that the request before Council is to adopt the budgets as presented and to amend the Public Safety Radio Fund, and authorize the hiring of four additional police officers.

No public testimony was received.

At this point, Winstead inquired what items a resident in the audience had come to the meeting for. The individual replied that he was interested in the Black Dog Amphitheater and so the Mayor explained that the matter was discussed earlier in the evening and that residents Sisola and Carlson had appeared before the Council during the Public Comment Period. He stated that the Council would be discussing the Met Council's actions and the legal ramifications resulting from them in a closed session after the Regular Council Meeting on February 4, but that no formal action would be taken at that time. He stated that a public hearing to take citizen input would be scheduled in the future at which time the Council may take action.

Status of Action Items  
Item 7.2

Bernhardson stated that the City Council would be meeting in an executive session after the regular Council meeting on February 4, 2002, to determine the City's next steps in the Black Dog Amphitheater process and to determine a date during which the City Council would be taking public testimony. He also mentioned that the Council's Strategic Planning Session scheduled for Saturday, February 9, 2002, would be held in the Board Room of Virchow, Krause & Company located in the Northwest Financial Center at 7900 Xerxes Avenue South from 8:30 a.m. - 2:00 p.m.

Appointed Doug Bruce  
as Alternate to the I-35W  
Solutions Alliance  
Item 3.1

Motion was made by Harden, seconded by Elkins, and all voting aye, to appoint Doug Bruce as the Alternate (Business Representative) to the I-35W Solutions Alliance.

Elkins stated that he spoke with Cynthia Hunt, current Business Representative, and she has no problem turning over the Business Representative position on the I-35W Solutions Alliance to Doug Bruce if he is interested.

Harden stated that she had spoken with Doug Bruce and he affirmed that he would accept the position if appointed.

<p>Appointed Duane Larson to the Advisory Board of Health Item 3.2</p>	<p>Motion was made by Peterson, seconded by Elkins, and all voting aye, to appoint Duane Larson (provider) to a two-year term expiring on December 31, 2003, on the Advisory Board of Health. The vote was as follows: Duane Larson (Peterson, Harden, Elkins and Fossum) and Mary Prentnieks (Winstead and Abrams).</p> <p>Abrams requested that the minutes reflect the voting detail in addition to the motion made to appoint.</p>
<p>Added James LaLonde to the List of Nominees and Appointed Douglas Vincent to the Local Board of Appeal and Equalization Item 3.3</p>	<p>Motion was made by Peterson, seconded by Elkins, and all voting aye, to nominate James LaLonde for consideration to the Local Board of Appeal and Equalization.</p> <p>Motion was made by Peterson, seconded by Elkins, and all voting aye, to appoint Douglas Vincent to a two-year term expiring on December 31, 2003, to the Local Board of Appeal and Equalization. The vote was as follows: Douglas Vincent (Peterson, Harden, Elkins and Abrams) and James LaLonde (Fossum and Winstead).</p>
<p>Continued Appointment to the Housing and Redevelopment Authority to February 4 Item 3.4</p>	<p>Motion was made by Peterson, seconded by Fossum, and all voting aye, to continue the appointment to the Housing and Redevelopment Authority to the February 4, 2002, Regular Council meeting in order to advertise for more applicants.</p>
<p>Item 3.5</p>	<p>Item was deleted as there were no openings on the Human Rights Commission.</p>
<p>Appointed Suzanne Kienietz to the Parks, Arts and Recreation Commission Item 3.6</p>	<p>Motion was made by Peterson, seconded by Elkins, and all voting aye, to appoint Suzanne Kienietz to a three-year term expiring on December 31, 2004, to the Parks, Arts and Recreation Commission. The vote was as follows: Juanita Kauffman (Harden) and Suzanne Kienietz (Peterson, Elkins, Fossum, Abrams, and Winstead). Staff will continue to solicit applications for the youth opening.</p>
<p>Appointed Eldon Spencer to the Planning Commission Item 3.7</p>	<p>Motion was made by Elkins, seconded by Abrams, and all voting aye, to appoint Eldon Spencer to a three-year term expiring on December 31, 2004, to the Planning Commission. The vote was as follows: Chip Groth (Peterson), Eldon Spencer (Harden, Elkins, Abrams, and Winstead), and Joseph Yenkosky (Fossum).</p>
<p>Continued Appointment to the Traffic &amp; Transportation Advisory Commission to February 4 Item 3.8</p>	<p>Motion was made by Peterson, seconded by Abrams, and all voting aye, to continue to the February 4, 2002, Regular Council meeting, the appointment of a Citizen-At-Large to the Traffic &amp; Transportation Advisory Commission. Council conducted one round of voting as follows before making a motion to continue the appointment to February 4: Patrick Conboy (Fossum), Thomas Oldham (Peterson and Elkins), and Andrew Tasi (Harden, Abrams, and Winstead).</p> <p>Bernhardson suggested that Council could make a motion for the individual that garnered the most votes or postpone the appointment to the February 4 meeting.</p> <p>Elkins offered to change his vote to Tasi to create a majority of votes for Tasi.</p> <p>Peterson suggested that based on what could happen with the appointment to the Housing and Redevelopment Authority, an additional opening could be created on the Traffic &amp; Transportation Advisory Commission that could affect the nominations in certain categories. Therefore, he suggested that the appointment be continued to the February 4 meeting.</p>
<p>Approval of Minutes</p>	<p>Motion was made by Fossum, seconded by Peterson, to approve the minutes of the December 17, 2001, Council meeting, as presented. Motion passed 5-0-1 (Elkins abstaining).</p>
<p>Adjourn Meeting</p>	<p>Mayor Winstead adjourned the meeting at 9:17 p.m.</p>

Barbara Clawson  
Council Secretary