WORKSESSION OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
AUGUST 24, 2020

1. CALL TO ORDER

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

2. ROLL CALL

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

Staff present: City Manager Greg Lee; Housing and Redevelopment Manager Darin Berger; Finance Director Brenda Springer; and City Attorney Scott Baumgartner.

Absent: None.

3. COUNCIL BUSINESS and/or DISCUSSION ITEMS

3.1 Discussion; CARES Act Business Program.

Housing and Redevelopment Manager Darin Berger shared a staff report with background information stating the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. The CARES Act provides for payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak and the City of Anoka was awarded $1.4 million in CARES funds. Payments from the Coronavirus Relief Fund can only be used to cover expenses that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), were not accounted for in the budget most recently approved as of March 27, 2020, and were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020. The City’s Finance Director has determined Anoka would have approximately $800,000 available to earmark towards the CARES Act Business Program and if approved funds would be administered through a third-party vendor. Staff shared a draft version of the program guidelines for review and feedback based on Anoka County’s program.

Finance Director Brenda Springer shared CARES eligible expenses to date totaling $92,624 and projected expenses totaling $227,000 which would leave a balance of approximately $890,000 available for this program. She reviewed other eligible and projected costs in detail such as PPE for fire and personnel costs.

Councilmember Barnett asked what time period the funds would cover. Ms. Springer explained the process stating all funds had to be spent by October 31.
Councilmember Skogquist said he understood the restrictions did not include utility costs but suggested allocating funds to non-profit organizations for use for utility bills then referred to Discover Anoka’s request as another way to extend the program length. Ms. Springer said she contacted Anoka County Community Action Program (ACCAP) who stated they would not be able to administer such a program and stressed the need for a third-party vendor then stated when funds are given to an outside organization an audit still occurs and the guidelines must be followed.

Councilmember Wesp confirmed Discover Anoka would be a qualifying organization for funding as well as the City’s Round Up Program recipients and asked what the City of Champlin intended to contribute towards the fire department. Ms. Springer reviewed the criteria noting it applied to non-profit organizations as well and could be included if Council directed then explained there would be equity with Champlin regarding fire department expenses.

Discussion was held regarding the potential for non-profits to use funds such as food shelves. Councilmember Skogquist confirmed businesses could apply to Anoka County’s program if not eligible for the City’s program and suggested out of the total funds allocate a separate portion to organizations such as Discover Anoka for use in advertising for example.

Councilmember Barnett stated keeping the grant program as proposed and break out an additional amount based on need and encourage any business to apply to the County as well then would work with Anoka Business and Landowners Association (ABLA) to determine a detailed line item total for the program.

Ms. Springer suggested including an additional $300,000 for the program and if monies are available closer to October extend the time period for application.

City Manager Greg Lee noted QCTV had experienced a loss of $100,000 and if approved would divide any funds received between their four member cities.

Councilmember Barnett asked for parameters as an application process would be needed and did not want to be viewed as cherry picking organizations and suggested qualifications such as those for the Round-Up Program be included. Ms. Springer suggested including non-profit organizations in the loan program then identify other entities such as ABLA and Anoka Area Chamber of Commerce that Council may wish to provide CARES funds to cover additional expenses from March to October and said while open to all non-profits for new purchases suggested imposing a limit.

Councilmember Wesp noted applying for the City’s program would not preclude others to apply for the grant program. Mayor Rice stated any group that supports Anoka businesses should be eligible.

Ms. Springer said she would contact ABLA to review possible expenses for inclusion and confirmed the amount brought forward for the program would total $300,000. Mr. Berger said program approval would be included in the Council’s next agenda for program application and launch September 9.
Councilmember Skogquist inquired about the process. Ms. Springer said staff intended to work with a third-party vendor and likely would create a first come, first served process.

Mr. Berger summarized the Council’s direction to create a $300,000 grant program and separate funding for ABLA, Chamber of Commerce and fire department for example with a maximum grant amount of $10,000 and application period September 9 through October 9 that allows non-profit organizations to be eligible with a maximum employee count of 50.

Councilmember Skogquist asked if we allocate all funding or provide a second tier. Mayor Rice said we should know more as time goes on and can decide about allocating a percentage or use first come first served.

Discussion was held regarding applicants who already received funds from other avenues and prioritizing businesses that received no funding and to encourage businesses to apply for County funding first.

Community Development Director Doug Borglund said the County’s program went live today and the intent was for the City’s program to follow up to stretch funds as long as possible.

3.2 Discussion: Fire Board.

Mr. Lee shared a staff report with background information stating the Anoka City Council conducted a joint meeting with the Champlin City Council on August 20, 2020. He said based on discussions that transpired the Anoka City Council would like to conduct further discussion regarding the Fire Board and its structure. He shared the August 31 meeting scheduled to begin the hiring process for the new fire chief would instead be an operation committee meeting to prepare for the full Fire Board meeting on September 15 and said the topic of fire chief hiring would be included in that meeting instead and televised.

Councilmember Skogquist said there has been a lot of confusion during this process which gives the appearance of backroom conversations and said changing the meeting scope at this late date adds to those negative impressions and encouraged all meetings be open.

Councilmember Barnett agreed and confirmed no other Board member would attend but the public could. Mr. Lee said the operating committee meetings are crucial prior to Board meetings in order to fully prepare for the Fire Board meetings and noted meetings are public and necessary.

Councilmember Barnett suggested minutes of the operating committee meetings be made available. Mr. Lee offered meeting recordings could be made available as well.

Councilmember Skogquist asked why the meeting focus changed and agreed more transparency was needed and open communication with the City of Champlin as well. Mr. Lee explained how the meeting focus changed and clarified.

Mayor Rice agreed it appears an agenda is in place to influence the Fire Board which has been dysfunctional in its operation. Councilmember Wesp noted Champlin agreed with the proposed hiring process and was confused how Anoka has been accused of not respecting the
joint powers agreement (JPA) and said the first priority was to hire a fire chief and if we want a different Fire Board structure that is our choice.

Mayor Rice agreed but said we need to resolve any dysfunction otherwise we could potentially eliminate good applicants for the chief’s position. Mr. Lee suggested stepping down as voting member of the Board to allow an elected official to participate as one way to change its structure.

Discussion was held regarding Fire Board structure and how it could be changed with the goal of having separate operations committee and Fire Board and not have members on both and promote change and encourage Champlin to do the same. The Council cautioned against changing now prior to hiring to avoid a stalemate and include the suggestion of a super majority to avoid one city selecting a candidate over the other city.

Councilmember Barnett confirmed if Mr. Lee stepped down it would only be as a voting member and not for administrative functions. Mr. Lee said the member change could occur at the next Council meeting and that he would recommend appointing Police Chief Eric Peterson. Discussion was held on Board composition as outlined in the JPA and how both City Councils appoint the two representations to the Fire Board.

Council consensus was to include this direction on the next Council agenda in the form of a resolution.

4. **ADJOURNMENT**

Motion by Councilmember Freeburg, seconded by Councilmember Wesp to adjourn the Worksession at 6:44 p.m. Motion carried.


Approval Attestation:

Amy T. Oehlers, City Clerk