

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, May 14, 2018- 8150 BARBARA AVENUE**

1. CALL TO ORDER 2. ROLL CALL:

The City Council of Inver Grove Heights met in regular session on Monday, May 14, 2018, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:00 p.m.

Present were Councilmembers Piekarski Krech, Hark, and Perry; City Administrator Lynch, City Attorney Kuntz, Community Development Director Link, City Engineer Kaldunski, City Clerk Tesser, Parks and Recreation Director Carlson, and Human Resources Manager Shefchik.

Absent were: Councilmember Bartholomew and Recording Clerk Yourczek.

Mayor Tourville mentioned that former Councilmember Sid Puppe passed away last week. He was a member of many local organizations. Thoughts and prayers go out to his family at this time.

3. PRESENTATIONS:

A. Special Presentation Recognizing Relay for Life IGH-SSP-WSP

Robin Ross, South St. Paul; Sandi Powers, South St. Paul; Shelly Forester, South St. Paul; Darlene Tinucci, Inver Grove Heights. Ms. Ross stated that this is the 14th year that they would be holding the Relay for Life event that takes place on August 11th at Fleming Field Airport from 3:00 p.m. until midnight. She stated that they have raised over one million dollars for the American Cancer Society from just within these Communities. She stated that they are looking for teams and survivors, as well as those to come and attend this event.

Ms. Powers stated that this event allows them to bring the three Communities together and that anyone is invited to participate. There is a silent auction, a luminary ceremony, the Survivor lap, and a Fight Back ceremony to cheer on the fight against Cancer. She stated that this will raise money to support cancer patients through research and programs that include a phone-in network, the Help Lodge, which provides free lodging, and free rides to Cancer patients.

Ms. Forester stated that this year's theme is Relay Through the Decades and that they will be having a purple mustache campaign throughout the month of May.

Purple mustaches were passed around to the Councilmembers to put on and show their support for Relay for Life. People are encouraged to take photos of themselves wearing the mustaches and include the hashtag #RelayISW and tell them why you would want to be a part of a team.

4. CONSENT AGENDA:

A. Minutes of April 23, 2018 City Council Meeting Minutes.

B. Resolution 18-82 Approving Disbursements for Period Ending May 9, 2018.

C. Approve the Addition of 1 Regular-Status Full-time Combination Building Inspector.

D. Approval of Kristi Smith's Employment Agreement Extension with the City of Inver Grove Heights.

E. Consider Authorization to Advertise for the Communication Manager and Communication Specialist Positions.

F. Resolution 18-83 Approving Application to Minnesota Department of Employment and Economic Development for Host Community Grant Funds.

G. Consider Approval of Contract with Becker Arena Products for West Rink Dasher Boards.

H. Consider Pay Request No 5 – Bid Package 1 – East Rink Floor Project – City Project 2017-05.

I. Consider Approval of the Dakota Communications Center Management Control Agreement.

J. Consider Acceptance of a Donation from the Inver Grove Heights Fire Department Auxiliary for an Unmanned Aerial Vehicle with Basic Accessories for the Fire Department.

- K.** Consider Approval of Request for Proposal for Professional Services for an Owner's Representative for the Bidding and Construction for Fire Station #2.
- L.** Receive Proposals and Accept Quote for Fire Hydrant Reconditioning.
- M.** Consider **Resolution 18-84** Accepting Proposal from SEH, Inc. for Design, Bidding and Construction Services for Replacement of Public Works Maintenance Facility HVAC System.
- N.** Consider **Resolution 18-85** Receiving Bids and Awarding Contract to Elevation Coating, LLC for Exterior Reconditioning of the Five-Million-Gallon Concrete Ground Storage Reservoir.
- O.** Approve Comment Letter to Dakota County for its 2019-2023 Capital Improvement Program (CIP).
- P.** Consider **Resolution 18-86** Awarding Contract for City Project No. 2017-09E – 93rd Street/Abigail Court Street Reconstruction.
- Q.** Consider **Resolution 18-87** Accepting Construction Engineering and Survey Services from Short Elliott Hendrickson, Inc. (SEH) and Geotechnical Services Proposal from American Engineering and Testing, Inc. (AET) for City Project No. 2017-09E – 93rd Street/Abigail Court Street Reconstruction.
- R.** Consider Approving **Resolution 18-88** and Certificate Pursuant to Minnesota Statutes § 429.061, Subd. 2, Memorializing Deferral of Special Assessment by the City of Inver Grove Heights for Property Owned by Dale B. Stoerzinger and Lynn B. Stoerzinger for City Project No. 201709E – 93rd Street/Abigail Court Area Reconstruction.
- S.** Consider **Resolution 18-89** Approving Permanent and/or Temporary Easement Agreements and Assessment Agreements for City Project No. 2017-09E – 93rd Street/Abigail Court Street Reconstruction.
- T.** Consider **Resolution 18-90** of Agreement for Award of Contract for City Project No. 2018-05 – Intersection improvements at T.H. 3 and Diffley Court (S.A.P. 019-630-020).
- U.** Consider **Resolution 18-91** Approving MnDOT Cooperative Agreement No. 1029710 for City Project No. 2017-03 – Watermain Improvements 65th Street Loop and City Project No. 2017-24 – T.H. 3 Intersection Improvements for the 65th Street Project (S.A.P. 178-010-011).
- V.** **Resolution 18-92** Receiving Feasibility Study, Scheduling Public Hearing, Authorizing Preparation of Final Plans and Specifications, and Approving the Geotechnical Proposal from American Engineering Testing, Inc. (AET) for City Project No. 2018-08 – Fire Station No. 2 Sewer and Water Improvements and Conduit for City Project No. 2018-11 – Fire Station No. 2 Fiber Optic Improvements.
- W.** Approval of a Limited Use Permit with the State of Minnesota Department of Transportation for the Placement and Utilization of a Public/Private Parking Area, Striped Parking Spaces, and Curb and Gutter in the Right-of-Way of Trunk Highway 3 at 65th Street. **Resolution 18-93**
- X.** Approval of a Negotiated Settlement Agreement between Thomas L. Peltier and the City of Inver Grove Heights related to the Acquisition of Easements for the Trunk Highway 3 Intersection Improvements for the 65th Street Project – City Project No. 2014-24 and for the Installation of Trunk Watermain in the NWA Area of the City on 65th Street between Trunk Highway 3 and Blackstone Ridge – City Project No. 2017-03. **Resolution 18-94**
- Y.** Approval of a negotiated settlement agreement between Source Land Capital, LLC, and Marilyn L. Murphy and the City of Inver Grove Heights related to the Acquisition of Easements for the Trunk Highway 3 Intersection Improvements for the 65th Street Project – City Project No. 2014-24 and for the Installation of Trunk Watermain in the NWA Area of the City on 65th Street between Trunk Highway 3 and Blackstone Ridge – City Project No. 2017-03. **Resolution 18-95**
- Z.** Approve Custom Grading Agreement for 9446 Aladin Trail.
- AA.** Approve Permanent Drainage Easement Agreement for 9165 Courthouse Boulevard.
- BB.** FRATTALONE'S DAWNWAY; Table action to the July 23 City Council meeting for a Resolution relating to an Amendment to the Non-Conforming Use Certificate allowing the Landfill to Operate for an Additional 15 years and Approving a Host Community Agreement among Frattalone's Dawnway, Inver Grove Heights and South St. Paul.
- CC.** Personnel Actions.

Councilmember Piekarski Krech requested to pull Agenda Item 4E.

Motion by Hark second by Perry to accept the Consent Agenda with the exception of Agenda Item 4E.

Ayes: 4

Nays: 0 Motion carried.

Councilmember Piekarski Krech stated that she was in agreement with the Communication Specialist position, but that she had an issue with the Communication Manager job description and would welcome separating the two.

Motion by Piekarski Krech second by Perry to approve to Consider Authorization to Advertise for the Communication Specialist Position.

Ayes: 4

Nays: 0 Motion carried.

Motion by Hark second by Perry to approve to Consider Authorization to Advertise for the Communication Manager Position.

Ayes: 3

Nays: 1 (Piekarski Krech) Motion carried.

5. PUBLIC COMMENT:

Ted Wolkerstorter, 2859 87th Street East stated that he lives on the corner of 87th and Brooks. He stated that he is in a wheelchair and in order for him to get to the pathway he would have to go down the street to get to the closest way to cross which is the crossway to the golf course. He stated that he is looking for them to cut out a section of the curb across the street so that he can cross safely.

6. PUBLIC HEARING:

A. Consider approval of Therapeutic Massage Business License, La Mei, LLC and individual Therapeutic Massage License for Mei Mei Mak.

City Clerk Michelle Tesser stated that this request is regarding a business license for La Mei, LLC. The applicant has lived in Minnesota since 2016 and has practiced in the Cities of Burnsville and Shoreview. She stated that the Applicant has leased a space at 2910 Upper 55th Street. The appropriate fees, insurance documents, and references have been received and the business was recognized by the Professional Therapeutic Massage Organization. She stated that background found no basis for denial. Staff recommends approval for the Application.

Motion by Piekarski Krech second by Perry to close the Public Hearing at 7:16PM.

Ayes: 4

Nays: 0 Motion carried.

Motion by Hark second by Piekarski Krech to approve the Therapeutic Massage Business License, La Mei, LLC and individual Therapeutic Massage License for Mei Mei Mak.

Ayes: 4

Nays: 0 Motion carried.

7. REGULAR AGENDA:

I.COMMUNITY DEVELOPMENT:

A. Consider Application for Chicken License at 2869 75th Street E.

Community Development Director Tom Link stated that this is a request to have six chickens on a property located at 2869 75th Street East. Notices were sent out to neighbors. He stated that the Ordinance reads that if there are no objections, staff can recommend approval, but if they receive objections the Application would need to go before the City Council. He stated that they have received two written objections but that one was withdrawn after they had spoken with the Applicant. There is still another objection expressing concern for noise, odors, and property value.

Liz Dilley, 2869 75th Street East stated that she owns the property and that Jeremy Moen (also present), rents from her and that he is the one that would like to raise the six chickens. She stated that they wish to follow all regulations and that the chickens will be all hens, no roosters.

Motion by Hark second by Piekarski Krech to approve the Application for Chicken License at 2869 75th Street E.

Ayes: 4

Nays: 0 Motion carried.

B. BEN & SARA WELNA; Consider a Resolution relating to a Variance from lot size and platting requirements in the Northwest Area. Property located at 8580 Alverno Avenue. (Tabled).

Community Development Director Link referenced the location on a map and stated that this request is to divide five acres off of the total property of 19 acres. He stated that the Applicant would like to utilize the existing farmhouse and outbuildings to re-establish a hobby farm. He stated that this is located in the northwest area that is scheduled to have sanitary sewer and municipal water in the future. He stated that the requirement for subdivisions is that the property must be at least 20 acres to subdivide and that the density would not be more than one house per 10 acres, and that the lot being created cannot be more than 1.5 acres in size, and this one is five acres in size. If approved, the properties would be platted and an outlot would be created. The outlot is prohibited from further subdivisions until the sanitary sewer is installed.

He stated that Staff is recommending denial of the Application. The Planning Commission recommends approval as there is no additional home on the property, and that the house and septic system are already there. This was on a vote of seven Ayes and two Nays.

Ben Welna, 8580 Alverno Avenue West stated that they understood the Ordinance, which is geared toward development, but stated that their request involves no development at all. He stated that the property dates back to the early 1900's and that it is their goal to preserve the rural heritage of the property. He stated that it is consistent in size and use to the surrounding properties.

Councilmember Piekarski Krech asked why they didn't divide the property in half.

Mr. Welna responded that was due to financial reasons and because ten wasn't allowable due to the regulation. He stated that he does not currently live there but would be either renting or buying depending on the agreement made with the property owner.

Director Link stated that the property owner may be different than the Applicant and that the property owner has signed off on the Application. He stated that the property owner has met with Staff and Mr. Welna and is involved in the process.

Councilmember Piekarski Krech asked if they could still build something on the 14 acres that remained. She commented that it would be better platted as an outlot so they do not get additional requests.

Director Link responded that they could build on the 14 acres, but they could not further sub-divide it.

Mr. Welna stated that there are no plans to build on it at this time. He responded that if it would go into an outlot, the land would be held hostage until the utilities go through.

Motion by Hark second by Perry to approve to Consider a Resolution relating to a Variance from lot size and platting requirements in the Northwest Area. Property is located at 8580 Alverno Avenue.

City Attorney Tim Kuntz stated that drainage and utility easements may be needed. This would need to be added and worded as “the landowner grants the City the drainage and utility easements determined by the Director of Public Works”.

Councilmember Piekarski Krech stated that the Resolution is worded as “the existing land use would not change, the only change is that the house and buildings would be on their own five-acre lot, no new house would be built and no new septic system would be created.” She asked how you could build on the other 14 acres with that type of wording.

Director Link responded that only applied to the five acres.

Mr. Welna stated that when this was before the Planning Commission the easements were not a part of the discussion. He stated that it was his understanding that it was something Engineering would request at the time of development of the properties when the utilities were extended down there.

Director Link stated that if a third addition was added this evening, the landowner could refuse to create the five-acre lot or ask that the condition be amended.

Attorney Kuntz stated that one of the elements of the Resolution is that City Planner Allan Hunting will have to send the County a letter splitting the tax parcel. He will not be able to do that until the easements have been recorded. He stated that the five-acre piece being split again, is remote, and that the opportunity for that owner to grant easements on the five-acre goes away when the five-acres is created now.

Mayor Tourville stated that if the owner has a problem with the drainage or utility easements, we can table this item now so you can have further discussion with him regarding this.

Mr. Welna commented that it would be better to table it.

Motion by Hark second by Perry to WITHDRAWAL the Motion to approve a Resolution relating to a Variance from lot size and platting requirements in the Northwest Area. Property located at 8580 Alverno Avenue.

Motion by Hark second by Perry to Table this item until the next regular meeting.

Ayes: 4

Nays: 0 Motion carried.

C. GRIES ARCHITECTURAL GROUP (Toyota); Consider a Resolution relating to a Conditional Use Permit Amendment to add an addition to the existing auto sales building located at 4600 Akron Avenue. Resolution 18-96.

Community Development Director Link stated that this proposal is for an addition to the existing building located on the West side of Robert Street and north of Highway 110. They will demolish some of the existing building to add on a two-story building at 34,000 square feet. He stated that part of the parking lot would be replaced, retaining walls will be added, and the impervious surface will be reduced. There will be a need for a storm water facilities maintenance agreement and an improvement agreement, and that

those items would come back before the City Council at a later date. He stated that the Planning staff recommends approval of the request and that the Planning Commission also recommends unanimous approval. He stated that as a Conditional Use Permit this does require a 4/5 vote from the City Council. Jeff Stearns, General Manager of Inver Grove Toyota and Brannin Gries, 500 North Commercial Street, Neenah, Wisconsin, introduced themselves to the Council.

Motion by Piekarski Krech second by Perry to Approve a Resolution 18-96 relating to a Conditional Use Permit Amendment to add an addition to the existing auto sales building located at 4600 Akron Avenue for GRIES ARCHITECTURAL GROUP (Toyota).

Ayes: 4

Nays: 0 Motion carried.

D. AMERICINN; Consider a Resolution relating to an Interim Use Permit to allow for a park-and-ride facility to be operated on the AMC movie theater property at 5567 Bishop Avenue. Resolution 18-97.

Community Development Director Link stated that the area we will be discussing is located on the AMC Movie Theater property. He stated that the AmericInn has been leasing 250 parking spaces from the theater in the northeast corner of the parking lot and using it as a park and fly operation. Several years ago, the theater did a renovation that reduced the maximum capacity of the theater, so they had excess parking available. He stated that the secondary use of the park and fly operation does not impact the theater or overflow parking for B52's. He stated that there are no changes proposed to the parking lot or property and that AmericInn has said that they will have a security guard overnight. He stated that City staff recommends approval of the Interim Use Permit and the Planning Commission also recommends unanimous approval. The Permit would expire if the AmericInn expands their current hotel parking lot or within five years, whichever occurs first.

Councilmember Hark questioned Item four in the Conditions regarding violations and asked if that is done administratively or if that comes before the City Council.

Director Link responded that would come before the City Council.

Brett Rose, 5861 Blaine Avenue, introduced himself to the City Council and stood by for questions.

Councilmember Perry asked if the security guard would be there all night or if they were rotated in and out.

Mr. Rose responded that there would be security there all night.

Motion by Perry second by Piekarski Krech to approve a Resolution 18-97 for AMERICINN relating to an Interim Use Permit to allow for a park-and-ride facility to be operated on the AMC movie theater property at 5567 Bishop Avenue.

Ayes: 4

Nays: 0 Motion carried.

II. PARKS AND RECREATION:

E. Consider Future of River Heights Park.

Parks and Recreation Director Eric Carlson shared a short presentation regarding River Heights Park. He stated that the concept of selling park land was brought up in the past and that River Heights Park, located at 8780 Inver Grove Trail, was one of the parks up for discussion.

He stated that the park is 7.5 acres in size, with 2.5-acre residential lots surrounding the park. It is a natural area with open space and contains a mowed trail.

He stated the following options for future use of the park:

- Develop the property as a public park and keep it as a City owned public park.
- Sell the park land to allow for development of three 2.5-acre residential lots.
- Sell park land to a private party and allow the property to be protected as “open space”. City owned.
- Leave park “as is”. City owned.
- Other suggestions.

Director Carlson stated that they have considered how much open space was enough in the area. He referenced the Trust for Public Land that has a website that calculates how many people live within a 10-mile radius of public parks.

He stated that at the Park and Recreation Commission meeting in April they recommended to keep River Heights Park as a public park and consider having a Park ID-sign, parking, a playground, and other park amenities and that the park should stay City-owned as a public park. He stated that the Motion was recommended to the City Council on a 5-2-1 vote.

Director Carlson stated that if the City Council voted to sell the park it would be recommended to sell the 7.5 acres of park land and create three 2.5-acre residential lots served by well and septic. They would bid the properties with the proceeds going into Fund 402.

He stated that if the City Council votes to keep River Heights Park, the Council would direct Staff to order and install a park ID sign, park rules sign, a single park bench, a picnic table, and a garbage can. He stated that they would authorize funding for those items out of Fund 402 not to exceed \$12,000 and to re-evaluate the need for additional parking after one-year. He stated that they do not need to provide a portable toilet, and to make no other improvements to the park. They would then take River Heights Park off the “Excess Public Property” list.

Councilmember Piekarski Krech stated that in 1982 there was an Application for Grant Funding and that she was unsure if that Grant was ever allocated. She commented that if there was a Grant, that park should have been developed.

City Clerk Michelle Tesser stated that the information became available from a data request from Mr. Wilkens. She stated that it was from a Resolution that was found from 1983 and that it discussed a Grant from MnDOT but did not disclose the amount.

Director Carlson stated that he did see that information but that he did not see any Grant dollars or that they were required to do anything with the property.

He stated that awhile back he contacted the Minnesota Department of Natural Resources to see if there were any dollars or Grants that the City received for that property and was told that they did not have any agreements with the DNR in place for the property. He stated that he did not check with the Department of Transportation but could check with them to see if they have any information.

Mayor Tourville stated that during their Work Session they received a petition, two letters from the Friends of the Mississippi River, and a letter from the United States Department of Interior.

Motion by Piekarski Krech second by Perry to receive the items as listed by Mayor Tourville.

Ayes: 4

Nays: 0 Motion carried.

Bob Roloff, 8800 River Heights Way stated that he and his wife are opposed to the sale of the property and felt it should be kept natural and undeveloped.

Tom Wilkens, 8959 Inver Grove Trail stated that the sale of this park property, or any park property, is short-sighted. This park lies within the Mississippi National River and Recreation Area and that in keeping with that Regional spirit, he feels that this park should be preserved and protected for residents.

Alicia Uzarek, Friends of the Mississippi River, 101 East 5th Street, St. Paul stated that Friends of the Mississippi River (FMR) support Option 2 to install a Park ID sign, bench, etc. She stated that the open space enhances Community livability and human health, just as the patrons of this park have stated. She stated that River Heights Park is located within the Mississippi River National Park and provides habitat for wildlife, birds, pollinators, and more.

She stated that the Council should have received their letter that expresses their commitment and willingness to work with the City and the Parks Department to restore and enhance this open space which includes finding non-City funds to complete restoration work.

Greg Bauer, 8955 Inver Grove Trail stated that in 1981 they were told by a Parks Board Member that land for the park was mandated for the development from Falcon Ridge and Broadmoor Ponds. He asked if that fact was ever found.

Mayor Tourville responded that the land was dedicated as part (1/2 acre) of the plat. He stated that they have not been able to find out any further information than that.

Councilmember Piekarski Krech stated that the City Clerk located information from the minutes of the City Council meeting back then that stated that .97 acres was required to be dedicated by the development. Then the City purchased six acres from the developer.

Tom Wilkens stated that he received the information they were talking about from the City Clerk regarding the acquisition and said that while he is satisfied with the information he has received, he felt that it wasn't the whole story. He stated that he visited the Dakota County Historical Society and found artist concepts from MnDOT and the Great River Road Project for that property on how the viewing platform and visitor center would look. He also stated that the Park Commission at the time suggested the City Council purchase the additional acreage.

Councilmember Piekarski Krech commented that there may have been a concept, but that it didn't seem like they had received the Grant to do the concept.

Steve Cook, 9250 Inver Grove Trail stated that this wasn't just a park for River Heights residents, but the entire City and that having signs at both entrances would be helpful, as would minimal parking. He doesn't suggest a port a potty, and felt that the trails could just be mowed, as some of the residents have offered to help with. He suggested to preserve this park.

Sheila Tatone, 3764 74th Street East stated that she doesn't understand why they are selling park land that is used by the neighborhood. She suggested that they put up signs, so people know how to find it. She stated that it should be kept as parkland.

Karen and Al Meyman 8915 River Heights Way. Mr. Meyman stated that they have a petition that has 140 signatures representing 94 households that surround River Heights Park. He would like the park left unchanged. He stated the park is the gateway to their Community and is the main reason many of them have built there.

Cheryl Svobodny, 7953 Conroy Way stated that she is in support of the neighborhood.

Kerry Hoffner, 8715 River Heights Way stated that he has lived there for 30 years and that this is a Community park that people are using.

Rex Schultrich, 4923 Bisset Lane stated that he moved here from the City of St. Paul six months ago. He commented that a park like this is a blessing to the City and the people. He encouraged them to keep the park as it is.

Linda Ahrens, 8810 Bacardi Avenue stated that she felt the park was more like a bird sanctuary as it was quiet and peaceful and due to that, it should be kept as a conservation area and never developed.

She asked how much undeveloped city-owned land is left in Inver Grove Heights with the money being used for City funds. She stated that when undeveloped land runs out they will have to think of other ways of funding things. She offered an example of a funding opportunity such as a themed license plate and having the funds go toward certain projects.

Councilmember Hark stated that this park should be taken off the excess property list and that it was a piece of property that the Council needed to look at and consider the options. He is in favor of taking it off the list. He stated that this wasn't just a park for their neighborhood, it's a park for the City. He felt it needed signage out front as most do not know that it's public land. He felt garbage cans and bags for the dogs could be useful. He stated that there are a lot of properties on the list of excess property that are not just parks and that some of those properties needed to be looked at to see if they can generate tax revenue. He thanked everyone for coming out.

Councilmember Piekarski Krech stated that she was impressed with the number of people that showed up to talk about saving open space and nature.

She stated that she was in favor of having a port-a-potty out there because there is not a public space nearby for those that are coming here from farther away.

She stated that there is a meeting with the County on Wednesday at 7:00 p.m. at Simley. If you have a well and live in Inver Grove Heights and Rosemount, you are welcome to attend the meeting to find out about water issues.

Mayor Tourville stated that this is an active neighborhood park serving the neighborhood for the functions that they want. He suggested that the Parks Director, two Park Commission members, neighborhood members, and the Friends of the Mississippi form a group and get together and discuss what they would like to have out there, whether it's signs, benches, dog bags, etc.

Councilmember Hark stated the Motion would be to take it off the excess property list but asked if there was anything else they should add such as adding a park sign.

Councilmember Piekarski Krech stated that a portable facility and some signage would be nice. She stated that she would like to have the Friends of the Mississippi, the DNR, people from the neighborhood and the Parks department to do some improvements there.

Mayor Tourville stated that if it is not sold, the group should get together to discuss what they would like to see there, and then come back to the City Council with that information.

Motion by Hark second by Tourville to take River Heights Park off the excess property list. To have the Park and Recreation Department, Friends of the Mississippi, the DNR, and the neighborhood get together and come up with ideas for the area and then come back in two months with information regarding signage, benches, etc.

Ayes: 4

Nays: 0 Motion carried.

Councilmember Perry commented that as an option for parking, they could put some gravel there versus paving.

Ms. Tatone asked if this information will be posted somewhere so they know the end result. She stated that she would like those that don't live in the area to know about this park.

Mr. Wilkens asked if this park will be removed from the sell list today.

City Administrator Joe Lynch stated that the Title of the information is now excess public property, not saleable. River Heights Park will be removed.

III. FINANCE DEPARTMENT:

F. Accept and Approve the Comprehensive Annual Finance Report for the Year Ended December 31, 2017, Management Letter and Other Required Report.

Finance Director Kristi Smith stated that the Comprehensive Annual Finance Report for 2017 is before you this evening, and along with that is a management letter and other required report. She stated that there are three reports up for approval. The first is to obtain an Independent Certified Public Accounting firm to complete the Audit, so they have chosen the firm Abdo, Eick & Meyers, LLP to perform one. She also thanked the Finance Department and other City Staff that put in time and effort to put this together.

Steve McDonald from Abdo, Eick & Meyers stated that he has a power point presentation for them this evening. He stated that the Audit is meant to give an opinion on the financial statements and provides assurance that the financial statements are materially correct. They have met the objective of the audit. He stated that the City has achieved an unqualified (clean) opinion on the City's financial statements, which is the highest form of assurance a Certified Public Accounting firm can issue. He stated they looked at the internal control of the City and didn't have any comments or findings. He stated that there were no disagreements or difficulties during the process and that City staff did a good job of addressing their list. He highlighted the following categories:

- General Fund - Unassigned Fund Balance as a Percent of Next Year's Budget
- General Fund - Budget versus Actual. Things have been consistent in the General Fund with revenue and expenditures over the last three years.
- General Fund – Expenditures and Transfers Out
- Special Revenue Funds
- Capital Projects Funds
- Governmental Debt Service Funds
- Internal Service Funds
- Water Fund Cash Flow and Cash Balance
- Sewer Fund Cash Flow and Cash Balance
- Golf Course Fund Cash Flow and Cash Balance

Mr. McDonald stated that there are good reserves in the operating funds of the City and positive trends.

Councilmember Hark had a question on Page 14 regarding the water fund cash. He asked if he could explain what the green segment of the disbursement meant.

Mr. McDonald responded that the green indicates the debt service payments, bond principle, and interest from a cash flow perspective.

Mayor Tourville stated that they need to continue to review and prioritize the Cities CIP over the next couple of years.

Motion by Piekarski Krech second by Perry to Accept and Approve the Comprehensive Annual Finance Report for the Year Ended December 31, 2017, Management Letter and Other Required Report.

Ayes: 4

Nays: 0 Motion carried.

IV. ADMINISTRATION:

G. Approve the Implementation of the Classification and Compensation Plan and Salary Structure and Authorize Staff to Negotiate with Collective Bargaining Units on Wages.

Human Resources Manager Janet Shefchik stated that the City is required under Minnesota Pay Equity laws, to utilize an approved compensation system to evaluate job classifications and pay them based on their comparable worth. She stated that in February 2017, the City hired Bjorklund Compensation Consulting (BCC), to conduct a comprehensive study of the City's Compensation and Classification system. The study included:

- An evaluation of position description questionnaires completed by staff and reviewed by management
- Over 70 staff interviews
- A 15-city market study of benchmark positions
- The creation of up-dated job descriptions for all regular City positions
- Determination of job points for each job classification
- Development of a pay plan with corresponding pay grades
- Preliminary Pay Equity compliance testing.

She stated that the BCC developed a new performance evaluation rating system and performance review forms. The new system BCC evaluated jobs and assigned a point value based on factors such as Knowledge and Skills, Supervisory Authority, Public Relations, and Working Conditions. BCC then slotted them into 32 proposed pay grades, each with a range spread of 26% to 27% and 10 steps from minimum to maximum pay.

She stated that if the proposed Classification/Compensation Plan and pay structure is approved, staff will request meetings with the Unions to negotiate the proposed pay plan into their wage structures and will begin to incorporate the changes into the non-union pay structure. The plan is to implement all changes with an effective date of 7/1/18, thereby utilizing money already budgeted in 2018 for plan implementation. She stated that as a part of the implementation, staff will be placed at the next highest step (based on their 2018 pay) in the corresponding pay grade of the new structure and that employees will have the option to request an appeal of the grade placement of their job classification.

Mayor Tourville stated that the compiling of this document has been taking place under Executive Session for several meetings. He stated that they are now looking at having it become a public document that will look at the process to review set salaries and performance. He stated that the most important asset to the City of Inver Grove Heights are its people and this is taken very seriously by the City Council.

Councilmember Piekarski Krech asked what part of it was proprietary.

HR Manager Shefchik responded that it was the methodology for rating and evaluating the jobs.

City Administrator Lynch stated that the City Council needs to adopt the policy and plan as presented and authorize both the HR Manager and himself to begin negotiations with the Unions so they can incorporate this into the contract. He stated that they will return that information to the Council as soon as possible with a potential effective date of July 1st, 2018.

Motion by Hark second by Perry to Approve the Implementation of the Classification and Compensation Plan and Salary Structure and Authorize Staff to Negotiate with Collective Bargaining Units on Wages.

Ayes: 4

Nays: 0 Motion carried.

8. MAYOR & COUNCIL COMMENTS:

Councilmember Hark stated that he was at the Board of Directors meeting for the May Day 5K and stated that it was a success. He commented that a lot of that success goes to the Chief of Police, the Fire Chief, Tracy Petersen from the Parks Department, as well as Parks and Recreation Director Eric Carlson and his group that all helped out.

Councilmember Piekarski Krech reminded residents that if they have a well, there will be a meeting on Wednesday at 7:00 p.m. at Simley.

City Engineer Kaldunski stated that they have begun work on 149 and Ann Marie Trail and they will continue in the first phase for 40 days and then continue down by Rich Valley Boulevard.

Councilmember Piekarski Krech stated that there didn't seem to be any road closing warning signs coming from the direction of Diffley Road. She mentioned that she would like to see signage when the work on 70th Street begins.

City Engineer Kaldunski stated that the project on 70th should begin around late June and that construction on 65th Street will take place after July 18th. Information is available on the City website.

Mayor Tourville stated that due to Memorial Day, the next City Council meeting will take place on Tuesday, May 29th at the same time and place.

9. EXECUTIVE SESSION:

Executive Session Pursuant to Minn. Stat. SS 13D.05, Subd. 3(c)2 & 3:

A. Discuss NW Area Park Property Acquisition Strategy.

City Attorney Tim Kuntz stated that Minnesota Statute SS 13D.05, Subd. 3(c)2 & 3 allows the City Council to meet in a closed-door Executive Session with the purpose of considering offers and counteroffers with respect to the purchase of real estate and to consider non-public appraisal data. He stated that the Council is availing itself of that Statute this evening and is being asked to go into a closed-door session to discuss offers and counter offers and non-public appraisal data with respect to two parcels in the City. One parcel is owned by James Peltier, at 7250 Argenta Trail, Tax Parcel 20-00700-06-012. The other parcel is owned by Joe Fleming, 1230 70th Street West, Tax Parcel 20-00700-08-013. He stated that both parcels will be discussed with respects to possible parkland in the northwest area considered by the Council previously, and that this is a continuation of that consideration. He asked that the Council make a Motion to go into a closed-door session for the purposes that were outlined and the Statute that was referenced in dealing with the parcels that were identified.

Motion by Piekarski Krech second by Perry to move into Executive Session.

Ayes: 4

Nays: 0 Motion carried.

11. **ADJOURN**: The meeting was adjourned at 9:30 p.m.