INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, MARCH 10, 2014 - 8150 BARBARA AVENUE

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, March 10, 2014, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:00 p.m. Present were Council members Bartholomew, Madden, Mueller and Piekarski Krech; City Administrator Lynch, Assistant City Administrator Teppen, City Attorney Kuntz, Public Works Director Thureen, Community Development Director Link, Finance Director Smith, Parks and Recreation Director Carlson, Chief Stanger, Fire Chief Thill, and Deputy Clerk Kennedy

3. PRESENTATIONS: None.

4. CONSENT AGENDA:

Mayor Tourville removed Item 4H from the Consent Agenda.

A. Minutes – February 24, 2014 Regular City Council Meeting

B. **Resolution No. 14-19** Approving Disbursements for Period Ending March 5, 2014

C. Change Order No. 1 for City Project No. 2006-08, Asher Water Tower

D. Accept Quote for Purchase of Traffic Counting Equipment

E. Approve Proposal for Update of Water System Model

F. **Resolution No. 14-20** Authorizing the Submittal of a Grant Application for the Community Conservation Partnership (CCP) with Dakota County Soil and Water Conservation District for City Project No. 2014-08, Bohrer Pond NW Pretreatment Basin Phase II

G. **Resolution No. 14-21** Authorizing the Submittal of a Grant Application for the Community Conservation Partnership (CCP) with Dakota County Soil and Water Conservation District for City Project No. 2014-09D, College Trail Reconstruction for Blaine Avenue Basin

I. Approve 2014 Seasonal/Temporary Compensation Plan

J. Personnel Actions

Motion by Mueller, second by Bartholomew, to approve the Consent Agenda

Ayes: 5
Nays: 0 **Motion carried.**

H. Resolution Accepting the Proposal for Engineering Services from Bolton & Menk, Inc. for the Feasibility Study for City Project No. 2014-13, Northwest Area Utility Extension – Argenta Trail Alignment

Mr. Lynch explained Council was asked to consider a request for engineering services that will help identify pathways for sewer and water extension into the Northwest Area to allow for further development. Additionally, staff requested authorization to start revisions to the City's financial analysis plan for the Northwest Area. In 2008 and 2010 the City's financial consultant, Ehlers and Associates, drafted a financial analysis of the costs for the sewer and water extension at that time to determine the plat and building connection fees that needed to be charged to pay for the infrastructure. He stated that analysis needed to be updated as well as analysis of the breakdown between the development types. He explained certain assumptions were made the last time the analysis was completed based on the market and because those circumstances had changed the City needed to revise the fees to reflect the current market and projected densities in the Northwest Area. He stated there had also been discussion regarding property that would need to be acquired to complete the utility extension and more definition was needed to determine the details involved with the extension. He noted at a future meeting the Council would be asked to authorize pre-design work to enable the City to prepare to move forward with property acquisition.
Councilmember Mueller questioned if all of that work could be completed within 30 days.

Mr. Thureen stated the engineering services could be completed by the end of March. He noted one item that was not included was an estimate of easement costs to construct whatever alignment would be recommended. He stated the preliminary design would allow the City to define the footprint that would be needed with legal descriptions. He noted he spoke to the engineering consultant to determine how much it would cost to add a determination of estimated cost ranges for the acquisition of easements to the scope of work. The consultant indicated their time would cost an additional $7,800 and they would also need to retain a sub-consultant from a land service firm to provide more definitive price estimates.

Councilmember Bartholomew question how long the pre-design work would take to complete.

Mr. Thureen stated that was more detailed work that would take approximately six (6) to eight (8) weeks. He explained the level of detail obtained from the pre-design work was needed to be able to negotiate property acquisitions.

Councilmember Bartholomew clarified that the pre-design work could not be started until the feasibility study was completed.

Mr. Thureen stated that was the ideal scenario. He noted if the Council wanted to accelerate that process he could ask the consultant to have a proposal ready for the next regular meeting.

Mr. Lynch stated there was a process that needed to be followed to ensure the City had everything in place with correct information so as not to jeopardize any property acquisition activity that may occur. He asked the Council to amend the language of number four (4) in the resolution to reflect that the funding would be determined by the revised Northwest Area Utility Connection Fees study to be provided by Ehlers and Associates.

Mr. Thureen stated if the scope of work was modified to include additional information related to estimated easement costs the schedule may be pushed slightly past the end of March.

Motion by Mueller, second by Piekarski Krech, to adopt Resolution No. 14-22 Accepting Agreement for Engineering Services from Bolton & Menk, Inc. for City Project No. 2014-13, Northwest Area Utility Extension – Argenta Trail Alignment with the revised language to number four (4)

Ayes: 5
Nays: 0 Motion carried.

5. <u>PUBLIC COMMENT:</u>

Chris Perrone, 5989 Babcock Trail, stated he has had an ongoing issue with his neighbor for eighteen years. He explained he spoke to Representative Atkins regarding the issue and it was suggested that he ask the City for permission to place boulders along his easement to prevent his neighbors from using his driveway. He asked the Council to help resolve the problem.

Mayor Tourville suggested that he provide his contact information to staff for further discussion to see if there was anything the City could do to address the problem.

6. <u>PUBLIC HEARINGS:</u> None.

7. <u>REGULAR AGENDA:</u>

COMMUNITY DEVELOPMENT:

A. MARY T'KACH: Consider Resolution relating to a Variance to allow a 42 Inch High Solid Fence within the Front Yard whereas City Code requires 75% Clear Visibility on Front Yard Fences for property located at 1987 80th Street

Mr. Link reviewed the location of the property. He explained the request was for two (2) fences to be constructed in the front yard. The fences would be 42 inches tall, would sit atop a 2-3 foot berm, and would be set back ten (10) feet from the front property line. He stated the proposal complied with all zoning requirements except one, the type of fence. The zoning ordinance states that fences in the front

yard must be 75% clear. He noted the reasons for the regulation were for traffic safety, public safety, and aesthetics. The applicant's request was for a solid fence to mitigate traffic noise on 80th Street and the light from the operation at the community center. Planning staff recommended denial of the application because no inherent practical difficulty could be identified, the variance was not necessary for reasonable use of the property, and there was concern that approval could set a precedent for future applications. The Planning Commission also recommended denial of the application.

Mary T'Kach stated she provided staff with three (3) photos containing renderings of what the proposed fence would look like. She explained her original idea was for a seven (7) foot fence along the property line. She noted a six (6) foot fence would be allowed without a variance 30 feet from the property line. She stated her request was for a 42 inch fence on top of a berm that would be setback approximately ten (10) feet from the property line. She explained there continued to be issues with traffic noise and light. She noted the community center was the only institutional use in the City that was in operation seven (7) days per week from early morning until late at night.

Councilmember Bartholomew questioned what the proposed setback was from the property line.

Ms. T'Kach stated the setback would be approximately ten (10) feet.

Mayor Tourville stated the proposal for the 42 inch fence at a setback of ten (10) feet provided more visibility from the driveway onto 80th Street. He opined he was inclined to approve the variance because he did not see the institutional use across the street changing. He stated there were not many residential properties in the City located across from an operation similar to that of the community center.

Councilmember Bartholomew stated he concurred with the applicant's contention that the institutional use across the street was unique in that the operation was almost 24/7.

Mayor Tourville questioned if the second fence requested was subject to the same criteria.

Mr. Link stated the second fence also required a variance because it was located within the front 30 feet of the property.

Mayor Tourville stated the second fence had less impact on traffic visibility.

Councilmember Madden stated he was still concerned with setting a precedent. He noted he did agree that the situation was somewhat unique due to the operation of the institutional use across the street.

Motion by Piekarski Krech, second by Mueller, to adopt Resolution No. 14-23 approving a Variance for two 42 inch high solid fences on top of a 2-3 foot berm with a 10 foot setback. The practical difficulty was the unique nature of the institutional use located across the street from the property.

Ayes: 5
Nays: 0 Motion carried.

FINANCE:

B. CITY OF INVER GROVE HEIGHTS: Approve Carryover of Unused Budget Appropriations

Ms. Smith explained the request was to carryover unused budget appropriations to the 2014 budget. The General Fund carryover requests include police, engineering, planning, fire, and streets for a total of $102,700. The Community Center requested a total of $80,000. The ADA Fund requested a total of $23,600. The Water Fund requested a total of $180,000. She explained in addition to the carryovers requested for the Community Center, authorization of potential transfers in 2014 up to $80,000 were also requested. She stated prior to the carryovers the General Fund estimated surplus of revenues over expenditures for 2013 was approximately $900,000.

Councilmember Piekarski Krech questioned if there were plans to remodel the front desk at the Community Center and the Parks and Recreation office space.

Ms. Smith explained the project was in the 2013 budget because it was a carryover from 2012.

Mr. Lynch stated there was discussion related to upgrading and changing the office space for Parks and Recreation staff as well as the front desk. Since that time discussions were held with private retailers for potential use of space at the Community Center and Mr. Carlson was asked to review operations to see if there were other parts of the Community Center that could be used in alternative ways. He stated the unused appropriations could be used for capital improvements that may be needed to accommodate other uses.

Councilmember Piekarski Krech suggested keeping the money in the Capital Facilities Fund and Community Projects Fund until such time that a specific use is identified.

Ms. Smith stated the Council could elect not to approve the carryover at this time and amend the budget at a later time if a specific project was brought forward.

Mayor Tourville stated the money could be earmarked for use at the Community Center but final approval would not come until an actual plan is in place to use the money.

Mr. Carlson stated staff was actively seeking bids for the project to remodel the front desk area at the Community Center. He explained the proposed project would need Council approval before any money was spent.

Motion by Bartholomew, second by Madden, to adopt Resolution No. 14-24 Authorizing and Directing the Carryover of 2013 Budget Appropriations by Amending the 2014 Budget

Ayes: 5
Nays: 0 Motion carried.

C. CITY OF INVER GROVE HEIGHTS: Approve Transfers and Fund Closings

Ms. Smith reviewed the proposed transfers. She stated the transfer from the Host Community Fund to the Community Center Fund was reduced to $394,191.78. She noted the estimated operation expenses as a percentage of revenues for the Community Center was approximately 85%. The operational audit that was conducted in 2007 set a goal of 90%. A transfer from the Community Project Fund to the Community Center Fund was also requested in the amount $309,746.24 specifically for the capital outlay projects completed at the Community Center last year. A transfer of $500,000 was requested from the Host Community Fund to the Pavement Management Fund as previously discussed by Council. A transfer of $150,000 was requested from the Host Community Fund to the Doffing Avenue Project fund. She noted there were several requests related to project funding and closing out specific projects. She explained aside from the transfers being requested, residual equity transfers effective December 31, 2013 were also requested to close out Funds 422 and 351. She stated a transfer from the Host Community Fund to the EDA in the amount of $300,000 was requested for property acquisition. She noted funds would be transferred at the time of purchase.

Councilmember Piekarski Krech questioned if the transfer to the EDA involved funds that were already encumbered for a specific purchase. She explained her understanding was that transfers would be considered when a purchase was finalized and the exact amount being requested was known.

Ms. Smith stated the transfer was requested now so the authorization would be in place to transfer the funds at a later date once a purchase is finalized. She noted if a purchase did not go through the money would not be transferred.

Mr. Lynch explained the funds would not be placed in the EDA Fund until the City was prepared to make a purchase.

Ms. Smith stated the money would not be transferred until a check has been issued for a purchase.

Councilmember Mueller questioned if the money was for specific acquisitions already in progress.

Mr. Link stated it was for ongoing acquisition activities. He noted there was no specific purchase agreement in place at this time.

Councilmember Piekarski Krech stated she thought the decision was made that the EDA would not ask for

money unless the specific use and amount was known.

Mayor Tourville questioned if it would feasible to request approval of transfers to the EDA as money is needed for specific uses.

Ms. Smith stated they could bring back a transfer request at a later date for separate approval.

Motion by Bartholomew, second by Piekarski Krech, to adopt Resolution No. 14-25 approving 2013 and 2014 Transfers without the $300,000 transfer from the Host Community Fund to the EDA

Ayes: 5
Nays: 0 Motion carried.

D. CITY OF INVER GROVE HEIGHTS: Approve Transfers to Resolve 2013 Golf Course Cash Deficit

Ms. Smith stated the Golf Course Fund reflected a cash deficit of $78,075.03 at the end of 2013. In previous discussions with the Council it was determined that any cash deficits that existed would be resolved on an annual basis. The request was for a transfer from the Central Equipment Fund for approximately $65,000, an amount equivalent to the loan that was repaid from the Golf Course to the Central Equipment Fund for equipment purchases made three (3) years ago. The remaining amount was proposed to be taken from the Host Community Fund.

Councilmember Bartholomew stated he understood the need to resolve the cash deficit in a clear and transparent manner. He proposed setting up the transfer as a non-interest bearing loan to be repaid by the golf course. He stated the golf course was an enterprise fund that was supposed to support itself and he was unwilling to simply characterize the action as a transfer.

Mayor Tourville suggested adding language that would address what would happen to the loan if the management of the course was outsourced in the future.

Councilmember Bartholomew suggested if that occurs the Council would have to consider the appropriate action to take at that time to forgive the debt or take the money from another source.

Ms. Smith cautioned the Council against setting up the transfer as a loan. She explained in previous years the transfer was set up as a one-day interfund loan that grew to a balance of over $3 million. She suggested if the Council chose to proceed with the loan that a date stipulation be added by which the loan needed to be resolved.

Councilmember Bartholomew clarified that Ms. Smith proposed if the course was not able to repay the loan by a specific date that the deficit would be resolved through a transfer from another funding source.

Ms. Smith replied in the affirmative.

Mayor Tourville suggested having a two or three year payback period.

Mr. Lynch stated a one year payback period would put a financial burden on the golf course operation. He noted a three year payback period would reduce the burden incurred by the course in a single year.

Motion by Bartholomew, second by Mueller, to adopt Resolution No. 14-26 approving an interest free loan to the golf course with a 3 year payback period

Ayes: 5
Nays: 0 Motion carried.

PARKS AND RECREATION:

E. CITY OF INVER GROVE HEIGHTS: Parks and Recreation Department Organization

Mr. Carlson stated Council was asked to make a final determination regarding the organizational structure of the Parks and Recreation department. He explained staff reviewed and discussed the structure of the department in response to a Council directive to save $60,000 in the golf course budget for 2014. Two options were presented for Council's consideration. The first option involved the elimination of the Golf Course Manager position. In this option the City and the affected employee would work towards an

amicable separation. The Clubhouse Coordinator position, currently a 0.75 FTE, would be elevated to 1.00 FTE and would be responsible for the clubhouse operations of the golf course. The position would report directly to the Parks and Recreation Director. He noted the Golf Course Superintendent would also report directly to the Parks and Recreation Director.

The second option involved elimination of the Golf Course Manager position and a reassignment of the affected employee to the position of Maintenance Manager to oversee the Parks Maintenance and Golf Course Maintenance functions. The Maintenance Manager position would report directly to the Parks and Recreation Director. The Clubhouse Coordinator would be elevated to a 1.00 FTE. He explained the Park Superintendent's job responsibilities would change slightly, however the employee's current pay and benefits would remain the same. He noted the affected employee would report directly to the Maintenance Manager.

Mayor Tourville clarified that the position of Golf Course Manager would be eliminated in either option.

Mr. Carlson stated that was correct.

Mayor Tourville clarified that in the first option the City would try to work towards a separation agreement with the existing Golf Course Manager and in the second option the employee in that position would be reassigned to a different position and would retain their salary and benefits.

Mr. Carlson replied in the affirmative.

Councilmember Mueller opined he was in favor of the first option and stated any negotiated settlement agreement would have to come back to the Council for approval.

Councilmember Bartholomew supported the first option because the golf course was an enterprise fund that had to run on its own. He opined he did not have the stomach for shifting employees to another government vocation and he did not want to see that happen.

Mayor Tourville supported the second option as presented because no employee would lose their job or benefits and it still achieved the Council's directive to save $60,000. He opined the main objective was to save $60,000 in the golf course budget and that figure may not be realized if a separation agreement is negotiated.

Councilmember Piekarski Krech questioned what the benefit was, other than all employees retaining their jobs, of having another position in Parks and Recreation.

Mr. Carlson stated when staff was asked to find a way to save $60,000 at the golf course the first thing he attempted to do was come up with a plan that would achieve that directive without any employee losing their job with the City. He explained he also had to consider what the organization of the department may look like in the future as positions are affected through potential retirements. One of the ideas he came up with to streamline operations and eventually provide more frontline workers was to combine the Golf Course Superintendent and Parks Superintendent positions into one. He stated in the short term, trying to preserve all employees' jobs, the second option made sense because it provided an opportunity to make the department run as efficiently as possible.

Mayor Tourville questioned if the second option would allow Mr. Carlson to manage the department better than the first option.

Mr. Carlson stated the second option put all employees in positions that matched their individual strengths.

Mayor Tourville questioned if there were open positions within the department.

Mr. Carlson stated there were vacant positions in both the Recreation and Park Maintenance divisions.

Mayor Tourville questioned if the vacant positions would be filled in the second option.

Mr. Carlson stated the vacant Recreation position would not be filled and the Park Maintenance position would not be filled in the short term.

Councilmember Bartholomew questioned who would manage programming and develop future plans for the golf course in the second option.

Mr. Carlson stated the Golf Course Supervisor would be responsible for all clubhouse operations in both options.

Councilmember Bartholomew stated he appreciated the fact that staff attempted to save positions. He explained he still supported option #1 for the reasons previously stated and because he would like to see operations streamlined with less oversight and quality employees. He stated the first option also achieved the original Council directive to save $60,000 and reduced the number of employees by 0.75 FTE.

Mayor Tourville stated the financial savings was the same in either option.

Motion by Bartholomew, second by Mueller, to approve Option #1 for the organization of the Parks and Recreation Department

Ayes: 3 (Bartholomew, Mueller, Piekarski Krech)
Nays: 2 (Madden, Tourville) Motion carried.

8. MAYOR & COUNCIL COMMENTS:

Motion by Madden, second by Bartholomew, to schedule special City Council meeting on April 3, 2014 at 6 pm to discuss the organization of the Administration department and the Mission/Vision statements

Ayes: 5
Nays: 0 Motion carried.

9. ADJOURN: Motion by Mueller, second by Bartholomew, to adjourn. The meeting was adjourned by a unanimous vote at 8:14 pm