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

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, November 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, City Attorney Kuntz, Community Development Director Link, Finance Director Smith, Chief Stanger, Chief Thill, Public Works Director Thureen, City Planner Hunting, and City Engineer Kaldunski

3. PRESENTATIONS: None.

4. CONSENT AGENDA:

A. Minutes – October 6, 2014 City Council Work Session

B. Resolution No. 14-182 Approving Disbursements for Period Ending November 5, 2014

C. Resolution No. 14-183 Providing for the Sale of $7,640,000 General Obligation Refunding Bonds, Series 2014B

D. Approve Custom Grading Agreement for 8858 Aviary Path (Lot 7, Block 2, Annistone Ranch)

E. Approve Encroachment Agreements related to Landowner with City Easement for Lots 1-4, Block 1 of the Argenta Hills 9th Addition

F. Resolution No. 14-184 Approving First Amended Joint Powers Agreement (JPA) with Dakota County for Preliminary Engineering and Final Design for City Project No. 2014-11, Argenta Trail at Trunk Highway 55

G. Approve Letter of Support for Regional Solicitation Grant Application

H. Resolution Nos. 14-185, 14-186, and 14-187 Establishing Utility Rates for 2015

I. Schedule Public Hearing

J. Resolution No. 14-188 Authorizing Payments to Churches Used as Polling Places for 2014 Elections

K. Personnel Actions

Motion by Madden, second by Bartholomew, to adopt the Consent Agenda

Ayes: 5
Nays: 0 Motion carried.

5. PUBLIC COMMENT: None.

6. PUBLIC HEARINGS: None.

7. REGULAR AGENDA:

COMMUNITY DEVELOPMENT:

A. MIKE THOMAS: Consider Resolution relating to a Conditional Use Permit to Allow an Outdoor Storage Facility for the property located at 7537 Concord Blvd.

Mr. Link reviewed the location of the property. The applicant proposed to operate an outdoor storage facility. The existing building would be used as an office and the paved area on the south and west sides of the property would be used for storage of automobiles, boats, trailers, personal, and recreational vehicles. One (1) of the existing access points onto the property would be closed. The existing fence would be expanded to enclose the entire outdoor storage area. The only other improvement to the property proposed by the applicant was the addition of nine (9) parking lot lights. The lighting plan that was submitted met the requirements of the City's zoning code. The application met the conditional use permit criteria and both staff and the Planning Commission recommended approval of the request.

Mike Thomas, 7537 Concord Boulevard, stated his intent was to put a viable business on the property that would be a benefit to the community.

Councilmember Piekarski Krech expressed concern with the proximity to a residential area and the visibility of high profile vehicles on the property.

Mayor Tourville questioned how many items could be stored on the property at one time.

Mr. Link explained staff did not inquire about the amount of storage. He stated staff's major concern was that the storage area be enclosed by a fence.

Councilmember Bartholomew questioned if the applicant would agree to store the higher profile vehicles in the center of the storage area away from the fence line.

Mr. Thomas state he would agree to a condition that no high profile vehicles would be parked along the fence line.

Councilmember Mueller questioned if it would be easier to park the high profile vehicles on the south side of the property.

Mr. Thomas replied in the affirmative. He stated he would not allow high profile vehicles to be parked on the west side of the property.

Councilmember Piekarski Krech stated one of the concerns from the neighborhood was the fact that the high profile vehicles would be visible over the fence line.

Mr. Link stated a condition of approval could be added that high profile vehicles be limited to the south side of the property.

Mayor Tourville suggested that the applicant work with staff to finalize the exact location where high profile vehicles would be allowed to make sure the safety and visibility for traffic are not compromised.

Councilmember Piekarski Krech reiterated the high profile vehicles needed to be at least two (2) rows away from any of the houses.

Mr. Thomas explained he understood the intent was to keep the taller, bigger vehicles on the south side of the property and the lower profile vehicles along the fence line.

Motion by Mueller, second by Bartholomew, to adopt Resolution No. 14-189 approving a Conditional Use Permit to allow an outdoor storage facility for the property located at 7537 Concord Boulevard with the added condition that all high profile vehicles be kept on the south side of the property.

Ayes: 5
Nays: 0 Motion carried.

B. CITY OF INVER GROVE HEIGHTS: Consider Resolution relating to a Vacation of part of East 47th Street and Drainage Easement

Mr. Kuntz explained the City was in the process of registering the title to the land that constituted Groveland Park. The title examiner suggested that the street located within the park be vacated because there were park amenities and park structures located within the roadway. He noted that the roadway was dedicated on the plat but was never opened. There was a portion of the roadway that would not be vacated as it abutted private lots and was being used. The engineering department determined what the radius of the cul-de-sac should be for safety purposes. He explained a dedicated drainage area was also on the plat and it was not the actual location of the drainage area as it currently existed.

Motion by Piekarski Krech , second by Mueller, to adopt Resolution No. 14-190 approving the Vacation of a part of East 47th Street and related Drainage Easement

Ayes: 5
Nays: 0 Motion carried.

C. JIM DEANOVIC: Consider the following requests for properties located in the Northwest Area:

i) A Comprehensive Plan Amendment to Change the Land Use Categories on Portions of the Parcels from:

a) Blackstone Vista: 40 acres from IOP, Industrial Office Park, CC, Community Commercial, MDR, Medium Density Residential to LDR, Low Density Residential

b) Blackstone Ridge: 40 acres from LMDR, Low-Medium Density Residential, MDR, to LDR

Plus these additional amendments:

c) Amend Sanitary Sewer Map to Show the Proposed Change in Routing of the Sanitary Sewer through the Argenta Sewer District

d) Change the MUSA Expansion Exceptions through the Leitch Estates Neighborhood with Routing of Public Street and Utility Improvements through the Neighborhood

e) Create New Districts for the MDR and LDR Categories to Address Financial Implications in the Northwest Area

ii) Rezoning of the Property from A, Agricultural to R-1C/PUD, Single Family Residential PUD and R-3B/PUD, Multiple Family Residential PUD

iii) A Preliminary Plat and Preliminary PUD Development Plan Approval for a Three Parcel Plan to be known as Blackstone Vista – 78 Unit Single Family, Blackstone Ponds – 104 Unit Townhome and Blackstone Ridge – 121 Single Family

Mr. Hunting discussed the 69th Street extension through the Ponds neighborhood. He stated a potential alternative was proposed at the last Council meeting for an emergency access onto 70th Street that could serve as a secondary access. The County and the Fire Marshal reviewed the proposed alternative and found it to be acceptable. If approved there would no longer be a need to extend 69th Street through the neighborhood. Planning staff recommended approval of the three phases with the conditions as proposed.

Mayor Tourville asked staff to review the three options related to the extension of utilities.

Mr. Thureen explained staff reviewed three (3) alternatives and the associated costs of each alternative. The first option was based on the potential extension of 69th Street and had an estimated cost of $1.7 million dollars. The second option involved running the trunk utilities to the east from the Blackstone Vista development south of 70th Street. In order to acknowledge the future expansion of the County Road the utilities would be kept out of the first 75 feet south of the center line and placed in a 50 foot area located south of that point. The utilities would run east, across Argenta Trail, and then north to the proposed Blackstone Ridge development. He noted the second option would require directional boring. The estimated cost of the second option was $2.6 million dollars. The third option was referred to as the 71st Street option and was considered in the feasibility study completed by Bolton & Menk.

Mr. Kaldunski reviewed the alignment proposed by option three. The utilities would run from the lift station near 70th Street, through the proposed Vista development, across undeveloped property and north to the proposed Ridge development.

Councilmember Piekarski Krech questioned if the utilities would be placed within the easement for the power lines to run north.

Mr. Kaldunski replied in the negative. He stated the utilities would be run adjacent to the power line easement. He noted the required depth of the sewer prevented them from getting too close to the power lines.

Mr. Thureen stated he inquired if Xcel would be willing to allow the City to acquire part of the easement for the trunk utility extension and he had not received a response.

Councilmember Piekarski Krech stated it would help to acquire a portion of the easement from Xcel.

Mr. Thureen stated the total estimated cost for the third option was just under $1.9 million dollars. Councilmember Bartholomew questioned why directional boring was necessary along the length of 70th Street.

Mr. Kaldunski stated there was a regional basin that needed to be preserved along the proposed alignment and directional boring would achieve that by going fifteen to twenty feet below the basin. Another segment of the proposed alignment had a large hill and it was more cost effective to use a directional bore due to the depth of the terrain.

Mayor Tourville clarified none of the options involved the extension of utilities through the 69th Street exception neighborhood.

Mr. Thureen responded in the affirmative.

Councilmember Madden questioned what the effect would be on the Joseph property if the first option was selected.

Mr. Kaldunski stated in order to put the sewer at a depth of 30 feet using directional boring the City would have to obtain an easement from the property owners.

Councilmember Piekarski Krech questioned if the Zachary property would be split because of the easement.

Mr. Kaldunski stated the property owner would be able to use the property in a manner similar to her current use but she would not be able to build on the easement.

Councilmember Piekarski Krech stated Ms. Zachary could never subdivide the property either.

Mr. Kaldunski clarified she could not currently subdivide her property because of the existing septic system.

Councilmember Piekarski Krech stated the only benefit of the utility extension to the property owners in the area would be the potential to subdivide their properties.

Mr. Kaldunski stated that was why the easements had to be negotiated with the property owners.

Mr. Kuntz questioned if the Council had to select or identify the best of the three options presented for the extension of utilities to move forward with the three plats.

Mr. Kaldunski stated the Council could consider an amendment to the Comprehensive Plan that would identify a corridor for the extension of utilities within which multiple alternative alignments could be identified. He stated from a construction perspective there was time to further consider the alternatives and look at the variables involved including the negotiation of easements. He noted the sooner Council authorized staff to start negotiating easements along several alignments the sooner the best, most feasible alignment could be selected.

Mayor Tourville stated that would allow for further discussions with the neighborhood, the developer, and the County.

Mr. Kuntz stated the Council could adopt the revised sewer map prepared by the engineering department to amend the Comprehensive Plan and keep all three alignment alternatives open for further discussion and exploration.

Mr. Kaldunski replied in the affirmative.

Ian Peterson, Ryland Homes, discussed the resolution related to approval of the preliminary plat. He questioned if action would be taken on the item related to the application of credits for shortfalls in connection fees prior to action on the preliminary plat. He stated if the resolution related to the application of credits was approved the developer wanted item 12 removed from the resolution approving the preliminary plat because it contradicted the resolution related to credits.

Mr. Kuntz stated if the Council approved the comprehensive plan change for the plats, staff recommended that a resolution be adopted that would make the comprehensive plan designation as requested as a PUD. He explained the PUD called for a payment of density shortages but at the same time a separate item was prepared that set up a structure for the application of credits against the shortage. He suggested that language be added to item 12 indicating that the amount to be paid for the shortage shall be subject to the resolution granting the credits.

Mr. Peterson stated item 18 had been discussed at great length over several meetings. The developers' desire was to design and construct all of the utilities within their plat boundaries subject to potential over sizing, extra depth, and pipe material credits offset against the trunk fees. The City would only be responsible for designing and constructing the gap from Argenta Hills 9th Addition to the Blackstone Vista plat, the lift station, and the piece connecting to the Ridges plat.

Mr. Thureen stated the City had experienced situations in the past, depending on the size of the development, where a pipe larger than eight (8) inches was needed for the lateral connection. He noted staff wanted confirmation that an eight (8) inch pipe would be adequate to serve the development.

Mr. Peterson stated it was understood that staff and the developer would determine the correct size, depth, and material for the pipe to serve the development.

Mr. Kuntz stated within the boundaries of the plat the developer wanted to construct the trunk line. The City would require the developer to follow a design specification. He explained with respect to the City reimbursing the developer for trunk over sizing, staff had a number of guidelines and formulas that did not necessarily match up with what was suggested by the developer. He stated a provision could be added to item 18 to reflect that the developer would install the trunk line within the plat subject to a reimbursement to be determined by an agreement between the City and the developer.

Mr. Peterson referenced item 29 and discussed the transportation plan and the realignment of Argenta Trail. He stated specific dates had been discussed and the developer wanted a sunset date identified by which the City would take action regarding the comprehensive plan and the realignment of Argenta Trail.

Councilmember Piekarski Krech questioned when the study would be completed.

Mr. Thureen stated the study would be completed by February 27, 2015 and was tentatively scheduled for discussion at the Council work session in March of 2015.

Mr. Kuntz stated it was believed that action could be taken by the Council on or about April 27, 2015. He reviewed the proposed schedule for the actions that would need to occur prior to consideration by the Council. He suggested adding a sentence to item 29 indicating that the City would use its best efforts to hold a public hearing regarding the Comprehensive Plan Amendment on April 27, 2015.

Mr. Peterson agreed with the suggested language. He stated the developer needed a date certain and could not go beyond the end of May to know for certain what would happen. He reviewed item 34 and noted that the paragraph should reference Blackstone Ridge, not Blackstone Ponds. He requested that items 40, 41, and 42 be amended to reflect "final plat" as the condition rather than just "plat". He discussed item 32 and proposed language to reflect the developer's willingness to dedicate right-of-way for 65th Street, construct 67th Street, and dedicate the northern half of the eastern portion of 67th Street in lieu of any potential future collector fees that may be imposed.

Mr. Thureen stated the information provided to the developer was not provided in terms of a fee. It was provided as information on the overall estimated cost of the construction of the collector system in the Northwest Area and the expansion of the two County roads. That dollar amount was then equated to a per acre cost and was not intended to be a fee. He recommended language be added to address the cost of at least half of a local street in the right-of-way for 65th Street and the half right-of-way the developer proposed to provide as well.

Councilmember Piekarski Krech clarified that cost would be in addition to the dedication.

Mr. Thureen replied in the affirmative.

Councilmember Bartholomew questioned if the City would be responsible for the additional cost to construct it as a collector street.

Mr. Thureen replied in the affirmative.

Mayor Tourville questioned how similar situations had been handled in the Northwest Area.

Mr. Thureen stated the only other situation was the construction of Alverno Avenue through Argenta Hills. The developer dedicated the right-of-way and paid for the construction costs for a local street. The City covered the additional cost to upgrade the street to a collector street.

Mr. Kuntz questioned if the property within the plat would be assessed at a future point in time for construction costs to upgrade the local street to a collector street.

Mr. Thureen stated that had not yet been discussed or contemplated. He noted a collector street policy would be discussed with the Council in early 2015.

Mr. Peterson stated the developer would agree to pay for half the cost of the local street in addition to the dedication, but not subject to future assessments. He referenced item 44 and a later item on the Council agenda related to development fees in the Northwest Area. He requested that the development fees for the Blackstone plats be locked for a period of three years so they would not be subject to any potential fee increases or decreases in the fee schedule.

Mr. Lynch stated staff recommended that those fees considered to be “one-time only” not be included and that the plat connection fees would be considered at the 2014 rate. He requested that those fees related to building permit connections be allowed to be adjusted to the fees in place at the time of connection. He explained that was the practice followed for the Argenta Hills development. The City issued debt for the extension of sewer and water and the City needed the fees to cover the cost of the debt service payments. He noted Mr. Peterson was in attendance at a meeting in June when the City’s financial consultant reviewed and discussed the need to increase the fees for the Northwest Area by 5-9% to cover density shortfalls.

Mr. Peterson stated he had asked in June for the City to consider a study to examine the time value of money if the Blackstone development moved forward in 2015, 2016, and 2017 as it related to paying down the debt service sooner. He requested that the fees as outlined in item 44 be locked for a period of three (3) years. He stated he had received a lot of feedback from individuals interested in buying homes in Inver Grove Heights but they are unable to because the only lots available are in Argenta Hills. He opined the Blackstone development needed to move forward.

Councilmember Bartholomew questioned if staff knew what the cost would be if the building permit connection fees designated by the City Administrator were not frozen.

Mr. Peterson stated the building permit water connection fees would be an additional $74,400. The sanitary sewer building permit connection fee would be an additional $118,800.

Mr. Lynch questioned if the developer was willing to pay all of the fees upfront if the Council agreed to freeze the fees at the 2014 rates.

Mr. Peterson replied in the negative.

Mr. Lynch clarified the developer proposed to pay the connection fees at the 2014 rate at the time the building permit was pulled and at the time the plat was received.

Mr. Kuntz stated up to this point the City had consistently increased the fees being discussed on an annual basis, but not at the 9% being proposed. He questioned if the developer objected to any increase in fees or to an increase of 9%.

Mr. Peterson stated they were used to seeing fee increases of 2-3% across the metro area. He explained the frustration was largely due to the fact the developer was unaware that the increases were being considered. He opined the best thing the City could do to get money in the door would be to get development going and the developer believed that the Blackstone plats would spur other development on

surrounding properties.

Mr. Kuntz reviewed the changes proposed to item 32 and clarified that the developer's proposal was to dedicate right-of-way and pay half of the cost of a local street in lieu of future assessments for the costs associated with upgrading to a collector street.

Mr. Peterson replied in the affirmative.

Deborah Van, 6660 Argenta Trail, opined it was disheartening to hear the amendment negotiated before it had been voted on and it was disheartening to be a landowner next to the proposed development. She questioned why there had been no discussion regarding the concerns outlined by the City Engineer with respect to storm water.

Mayor Tourville stated the amendments to the resolution were discussed so the Council and the developer would have a clear understanding of what was being voted on.

Dick Roberts, 1655 68th St. W., expressed concerns regarding the long term impacts of the connection fee shortages and the projected negative cash flow in 2022. He questioned if the proposed increase in development fees would offset the shortfall projected for 2022.

Mr. Lynch stated the study was completed by Ehlers to identify the shortfall and determine possible solutions. He noted there were a number of factors involved that were outside of the City's control such as the type of development that would be supported by the current market and the number of units related to that type of development. He explained the original plans for the Northwest Area included many more multiple family units than what can be supported by the current market. He stated the proposed 9% increase was a one-time adjustment and annual increases thereafter would reflect a typical practice of 3-5%. If those increases continued the 2022 deficit would be addressed.

Mr. Roberts opined the developer had demonstrated a consistent resistance to following best practices for low impact development designs. He stated the engineering reports continue to reflect the opinion that the developer had not met the guidelines of the Northwest Area storm water manual.

Ed Joseph, 1735 70th St. W., stated the easement that was previously discussed in relation to the sewer alignment along 69th Street would run directly underneath his garage, through his septic system and drain field, and would be approximately 35 feet from his well. He opposed the first option for the alignment of trunk utilities. He referenced the density shortage and questioned if there were other options besides a townhome development. He opined the proposed townhome development would negatively affect the property values in his neighborhood.

Councilmember Bartholomew questioned what the current zoning designation was for the area on the comprehensive plan.

Mr. Hunting explained the comprehensive plan showed a LMDR zoning designation with a density of three (3) to six (6) units per acre.

Mayor Tourville stated one of the major contributing factors for the townhome development was to be able to meet the density projections in order to collect enough in connection fees to be able to pay for the utility infrastructure that was financed. He noted a final decision had not been made on the alignment of the trunk utility extension.

Mr. Joseph stated he would be forced to connect to City utilities if the first alignment option was chosen. He opined that single family homes in the area would be a bigger benefit to the City than townhomes.

Pat Simon, 1636 69th St. W., expressed concern that the potential extension of 69th Street was still being discussed. She stated staff supported an alternative secondary access. She requested that the item related to the MUSA exception neighborhood be removed from the agenda. She reiterated the concerns that the developer still had not addressed the concerns related to storm water as outlined in the report from Emmons and Olivier.

John Todd, 6689 Argenta Trail, questioned how the developer was dedicating right-of-way for 65th Street when it ran through existing properties.

Mayor Tourville stated the developer would dedicate right-of-way within their plat.

Mr. Todd stated he thought a different section of 65th Street was being discussed.

Jim Abbott, 6720 Argenta Trail, questioned why there was only one option presented for the realignment of Argenta Trail. He stated he used his property for more than just a location for his home. He opined that the realignment of Argenta would wipe out a whole neighborhood.

Mayor Tourville stated the realignment of Argenta Trail had not been decided by the County.

Nikki Abbott, 6720 Argenta Trail, discussed the proposed 67th Street and questioned who would benefit from running the street through people's homes. She opined that the entire neighborhood would be destroyed. She stated the alignment of Argenta Trail should be decided before any decisions were made about the proposed development. She questioned how long she would be able to stay in her home because if the road went on the west side of the existing power line it would go right through her home.

Mayor Tourville stated the County's position had been that no decision was needed regarding the realignment of Argenta Trail if there was no development in the area. He noted every property owner would be afforded due process by the County if they were directly impacted by the realignment of Argenta Trail.

Councilmember Piekarski Krech stated the problem was that the City did not have control over all the variables.

Mark Van, 6660 Argenta Trail, asked for clarification regarding 67th Street and questioned who would be responsible for paying for the potential collector street extending from the end of the developer's property to Argenta Trail.

Mr. Thureen stated it was unknown at this point. He reiterated the Council would discuss a collector street policy in early January to determine the best approach. He explained the City may decide to wait to construct the collector street as development occurs beyond the current proposed development.

Mr. Van stated it would not be fair to assess the property owners for a road that they did not need.

Mr. Roberts referenced the project schedule that was advertised by the County for Argenta Trail and stated it did not seem to match up with the expectations previously discussed by Council. He questioned what formula was used to calculate the proposed credits for the developer. He asked the Council to also consider the noise standards for highway traffic and how the noise would be mitigated.

Mr. Hunting explained the County would address the noise issues related to their road.

The Council recessed at 9:58 pm and reconvened at 10:02 pm.

Mr. Thureen stated there were a number of conditions in the resolution that related to storm water. He explained it was not uncommon to still have work that needed to be done to finalize the plans in preparation for consideration of a final plat. The conditions were set up to give staff and the developer the opportunity to continue to work through the storm water issues to create a development plan that would meet the standards for the Northwest Area. He noted overall staff felt the conditions outlined in the resolution provided what was necessary to arrive at a plan set that would be approved by staff.

Mrs. Van questioned why a regional basin was proposed to be filled when it was noted that preservation of regional basins was a goal in the Northwest Area storm water manual.

Mr. Thureen acknowledged that preservation of regional basins was one of the primary criteria in the storm water manual. He explained staff also looked at impacts in the area and coming up with plans to mitigate the impact so that the overall function of the system was adequate. He stated the regional basin provided storage for runoff and the goal was to ensure that with the proposed grading that level of volume and the ability to infiltrate was maintained.

Mr. Roberts requested that item 29 be removed from the resolution.

Mr. Kuntz stated item 29 was not a predetermination of what the study was. He explained staff would recommend that the item be kept in the resolution because it simply recognized that there would not be a final plat for Blackstone Ridge unless the Council determined that the realignment was not going on that plat. If the realignment did go on the Blackstone Ridge plat the financing would not work. He reiterated it was not meant to reflect a predetermination. At some point there had to be a vote by the City regarding the realignment of Argenta Trail. He referenced the previous discussion related to items 32 and 44 in the resolution. For item 32 he suggested that if the dedication existed as proposed on the plat, and if the construction of the full street occurred, and if there was payment for the half streets on a local road standard for 65th Street and 67th Street segments, that contribution would be in lieu of any assessment for a local street matter. He clarified it would not be in lieu of any assessment for a collector roadway at some future date or the construction of a collector roadway if that occurred initially.

Mr. Peterson stated he agreed with and understood Mr. Kuntz's statement regarding item 32.

Mr. Kuntz discussed item 44 related to the payment of fees. He stated the fees to be paid at the time of plat would be locked in at the 2014 rates for a period of three (3) years through November of 2017. The remaining fees related to the water building permit connection fee and the sanitary sewer building permit connection fee. He suggested that the building permit connection fees continue to increase during the three year period referenced, but in an amount not to exceed the traditional 3.5% annual increase.

Mr. Peterson agreed with the suggestion as proposed regarding item 44 and the payment of fees.

Mrs. Simon questioned what would happen to the development as a whole if the plat for Blackstone Ridges did not move forward due to the realignment of Argenta Trail. She stated none of the three (3) developments were meant to stand alone.

Mr. Kuntz stated if that point was reached the Council would have to contemplate a number of issues, including the tree preservation requirement. The City would expect the developer to come back to address the remaining two (2) plats. From an engineering standpoint the Vista and Ponds developments would operate independently of the Ridges development.

Mrs. Simon questioned if the impervious surface requirements would be impacted if one of the developments was removed.

Mr. Peterson stated all of the developments stood alone to meet the impervious surface requirements.

Mr. Kuntz suggested the Council should first address Item 7C(i)(c) to make a decision regarding an amendment to the sewer map.

Councilmember Piekarski Krech stated her issue with the 69th Street alternative was that the MUSA exception neighborhood would be changed. She expressed support for changing the sanitary sewer map if the MUSA exception changes were not approved.

Councilmember Bartholomew clarified the changes reflected on the sewer map would be the 70th Street and 71st Street alternatives.

Councilmember Piekarski Krech replied in the affirmative.

Mayor Tourville questioned if there was an issue keeping 69th Street as one of the options on the sewer map.
Councilmember Piekarski Krech stated she had an issue changing one MUSA exception neighborhood and not the others.

Councilmember Bartholomew questioned why changes to the MUSA Expansion Exceptions through Leitch Estates had to be contemplated at all. He stated if the 69th Street alternative was eventually chosen the City could let the property owners in the exception neighborhood choose whether or not to connect to City utilities.

Mr. Kuntz explained the language in the Comprehensive Plan stated changes to the MUSA Expansion Exception neighborhoods had to be the result of either failed systems or requests from the property owners in those neighborhoods.

Mayor Tourville questioned if there was an advantage to keeping the 69th Street alternative as an option.

Mr. Thureen stated from a cost perspective the 69th Street alternative appeared to be the least expensive option.

Dan Krenz, 6912 Argenta Trail, stated the developer previously agreed to remove the 69th Street alternative.

Mayor Tourville stated leaving the alternative in did not mean that was the alignment that would be chosen but the City needed to have options to explore.

Mrs. Simon stated the price difference between two of the alternative alignments was approximately $182,000 and opined the City just negotiated credits to the developer that far exceeded that cost.

Councilmember Bartholomew clarified that an exception neighborhood could not have utilities extended through it unless the neighborhood requested it or the systems in the area were failing.

Mr. Kuntz replied in the affirmative.

Councilmember Madden stated he would not support the 69th Street alternative.

Motion by Piekarski Krech, second by Bartholomew, to adopt Resolution No. 14-191 approving the Change in the Sanitary Sewer Map to show the proposed change in routing of the sanitary sewer through the Argenta Sewer District with alignment options 2 & 3 as outlined by the Public Works Director

Ayes: 5
Nays: 0 Motion carried.

Mr. Kuntz stated Council did not need to take action on Item 7C(i)(d) because it was suggested by staff. He stated there were two versions of the resolution approving the comprehensive plan amendment. He explained staff recommended taking action on the resolution that addressed all three (3) plats.

Motion by Piekarski Krech, second by Bartholomew, to adopt Resolution No. 14-192 approving a Comprehensive Plan Amendment to Change the Land Use Designation for Blackstone Vista, Blackstone Ponds, and Blackstone Ridge and a Text Amendment Creating New Land Use Categories

Ayes: 5
Nays: 0 Motion carried.

Motion by Madden, second by Piekarski Krech, to adopt Ordinance No. 1289 rezoning the property from A, Agricultural to R-1C/PUD, Single Family Residential PUD and R-3B/PUD, Multiple Family Residential PUD

Ayes: 5
Nays: 0 Motion carried.

Motion by Bartholomew, second by Madden, to adopt Resolution No. 14-193 authorizing the application of credits for the plats of Blackstone Vista, Blackstone Ponds and Blackstone Ridge with respect to the obligation of the developer and owner for payment of connection and hook-up fees stemming from the shortage of density in such plats

Ayes: 5
Nays: 0 Motion carried.

Mr. Kuntz noted that with respect the resolution related to the preliminary plat and preliminary PUD development plan for all three plats a motion to approve should include the changes previously agreed upon to items 12, 18, 29, 32, 34, 40, 41, 42, and the addition of item 44.

Mr. Kuntz restated item 44 would read "for a period of three (3) years ending in November of 2017 the following fees related to the plats will be the same fees in effect for the year 2014, namely the park dedication fee, water plat connection fee, water treatment plant fee, water core connection fees, sanitary sewer plat connection fees, sewer core connection fees, storm water plat connection fees. The water building permit connection fee and the sanitary sewer building permit connection fee shall be paid at the time of building permit for the fee amounts then in effect over the three (3) year period, save and except the increases each year after 2014 shall not exceed 3.5% per year".

Motion by Bartholomew, second by Piekarski Krech, to adopt Resolution No. 14-194 approving a Preliminary Plat and Preliminary PUD Development Plan for Blackstone Vista, Blackstone Ponds, and Blackstone Ridge with the changes as outlined by the City Attorney.
Ayes: 5
Nays: 0 Motion carried.

Motion by Piekarski Krech, second by Bartholomew, to accept all emails and written correspondence related to Item 7C

Ayes: 5
Nays: 0 Motion carried.

D. CITY OF INVER GROVE HEIGHTS: Discuss Complaint regarding Dawnway Landfill Exceeding the Approved Demolition Debris Limits

Mr. Hunting explained a resident submitted an inquiry regarding potential violations at the Dawnway Landfill related to exceeding the landfill limits and excavation issues. He stated the areas in question were generally located on the western and southern sides of the landfill. He explained the pit was approved under the NCUC set of plans that showed straight line boundaries of the debris limits. The operators were allowed to excavate and mine the material out at steeper grades than what was depicted by the straight lines on the plans. He stated the question was if excavation should be allowed outside of the limits. He explained staff visited the site on multiple occasions and asked Frattalone to provide additional profile information to determine what was occurring at the landfill. Following discussions with the City Attorney it was determined that based on the NCUC there was no excavation limits set on the plans. The amount of material allowed to be removed was equal to the amount of material approved for the landfill. The NCUC did not specifically state that the operator was required to stay within the limit areas because they had to excavate out in a less shallow area. Because there was nothing that specifically stated that was not allowed, staff did not see it as a violation. He noted Dakota County also reviewed the information and concurred with the opinion that there was no violation. Staff did not find evidence that the operators exceeded the debris limit boundary. The excavation beyond the debris limit boundary was not a violation of the NCUC and the County confirmed that the landfill was operating in accordance with its permits. Staff recommended writing a letter to Frattalone Companies detailing the results of the investigation and closing the matter.

Joe McBride, 4055 59th St. E., opined the debris limit line most recently submitted by Frattalone Companies was not accurate and he discussed the methodology used to determine the debris limit. He argued that the most recent profiles showed that the operators were 40 feet beyond the debris line and the 2011 information from Dakota County contradicted the most recent profile.

Mayor Tourville explained the information from the County indicated the landfill had been inspected quarterly and that most landfills do excavate beyond the debris limit boundaries. He suggested Mr. McBride may want to meet with staff from the city and the county to review all of the information.

Mr. McBride opined it was alarming that the debris line was in the wrong spot and at the wrong angle on the various documents. He showed aerial photos of the landfill from 2012 to demonstrate that the edge of the excavation area was extremely close to the center line of Henry Avenue. A photo from the fall of 2013 showed that the area that had previously been excavated was filled in with material.

Mayor Tourville questioned if it was possible to have all parties involved meet to go through the information provided by Mr. McBride.

Dale Stoerzinger, Dakota County, stated he had been inspecting the Dawnway Landfill site.

Councilmember Piekarski Krech questioned what the discrepancy was between the information provided by Mr. McBride and the information from the County.

Mr. Stoerzinger explained there was confusion between what was being filled and what was being excavated. He stated the operators had to over-excavate in order to put the fill line where it was needed. He noted OSHA required the operators to have a certain level of setback to the slope so it did not cave in. He explained when he visited the site a few weeks ago the operators were working on the south end of the fill, bringing in loads of demolition debris, and pushing it to the edge of the line where it should go. The space that had been over-dug was then backfilled with clean soil. He noted someone could not look at the excavation area and assume it was all going to be fill.

Councilmember Piekarski Krech questioned if the soil had been tested to verify that it was not all demolition debris and that some of it was clean fill.

Mr. Stoerzinger stated his information was based on visual inspection and observation.

Mr. McBride questioned if the landfill had been inspected between the spring and fall of 2013.

Mr. Stoerzinger stated he did not have the exact dates he performed inspections in 2013 with him but he could provide the information. He noted he generally inspected around the whole area. He explained the operators did demo filling at the site and they also recycled concrete. He stated they did build up large piles of concrete on a regular basis to be crushed and shipped out for use as roadbed. He explained some of the material in Mr. McBride's photos could have been concrete that was being stored.

Mayor Tourville clarified the County's opinion was that the landfill operations had been legal, within the established debris limits, and performed in a safe manner.

Mr. Stoerzinger replied in the affirmative.

Mayor Tourville stated it appeared that further discussion was needed between Mr. McBride, the City and the County.

Councilmember Bartholomew questioned if there was proof of what was actually in the fill.

Mr. Stoerzinger stated the landfill operators had a State permit that required them to only take certain types of waste. He explained his inspections included examining the fill material being brought in to ensure the operators were not bringing in prohibited materials. He noted this particular site was only allowed to take in demolition waste.

Councilmember Piekarski Krech stated she would like to know why there was such a discrepancy between Mr. McBride's information and the information from the City and the County. She opined it would be in everyone's best interest to come to determine where the discrepancy lied.

Mr. Stoerzinger stated Mr. McBride would have to discuss the discrepancies with the engineer that drafted the maps. He explained he used the map associated with the State permit to perform his inspections.

Councilmember Piekarski Krech suggested that a copy of the map associate with the State permit be provided to Mr. McBride to see if that would resolve the discrepancies.

Mayor Tourville suggested the item be brought back to the first regular meeting in January for further discussion.

Motion by Mueller, second by Bartholomew, to place the item on the agenda for discussion at the first regular meeting in January, 2015

Ayes: 5
Nays: 0

FIRE DEPARTMENT:

E. CITY OF INVER GROVE HEIGHTS: Consider Request of the Inver Grove Heights Fire Department

Relief Association to Raise the Retirement Benefit Level

Joe Weber, Fire Relief Association President, requested that the Council consider raising the retirement benefit level from $5,900 to $6,800. He noted the request would be in compliance with the five-year plan the City previously agreed to.

Mr. Lynch explained the City was responsible for increases to relief associations in the event that the association was not able cover the increased liabilities. He noted the Inver Grove Heights Fire Relief Association had performed very well and had been able to support the increases thus far. The association would remain 113% funded if the proposed increase was approved.

Motion by Mueller, second by Piekarski Krech, to approve request of the Inver Grove Heights Fire Department Relief Association to Raise the Retirement Benefit Level

Ayes: 5
Nays: 0 Motion carried.

FINANCE:

F. CITY OF INVER GROVE HEIGHTS: Consider First Reading of an Ordinance Amending City Code Title 3, Chapter 4, Sections 3-4-2-2 and 3-4-2-3 and 10-3-8 Adjusting Development Fees for 2015

Ms. Smith explained a 9% rate increase was proposed for the water and sewer connection fees in the Northwest Area. The rate increase followed the recommendations previously presented by Ehlers and Associates in June as related to the potential density reduction of 600 units. She noted if the density had not been reduced the proposed rate increase would have been 3.5% for water and 5% for sewer. She explained the City Planner requested a new fee be added for a conditional use permit related to impervious surface for a single family residential property. The proposed fee was $250 with an escrow of $1,500.

Mayor Tourville questioned if there was a way to review the mechanism for calculating the connection fees and determine if the projected densities in the Northwest Area needed to be revised.

Councilmember Bartholomew agreed that the densities for the Northwest Area had to be reevaluated.

Mr. Link stated there had been a fair number of developers that had expressed similar opinions that the only thing that was viable in the current market was single family development. Staff has to inform the developers that the density was needed to prevent the City from losing money on connection fees. He explained the current market was somewhat unusual in that it was focused on single family development. He stated the issue was dealt with by staff on a weekly basis. The density was needed to pay for the utility infrastructure but it was not supported by the market.

Mayor Tourville stated the market for multi-family housing was generally located along the light rail lines.

Councilmember Piekarski Krech questioned if the Council wanted to proceed with the ordinance amendment and consider reviewing the density projections for the Northwest Area.

Mayor Tourville opined the ordinance amendment was needed because it was a stop-gap to cover the current shortfall in connection fees.

Councilmember Piekarski Krech stated the solution may be giving staff the ability to negotiate the densities with the developers as they submit applications.

Mr. Link stated the difficulty was that when a shortfall occurred in the density the money had to be made up somewhere to cover the cost of the utility infrastructure.

Councilmember Piekarski Krech questioned if the shortfalls could be offset by the revenue generated from the extra development.

Ms. Smith recommended that each of the amounts in the ordinance amendment be rounded to the nearest $5 increment.

Motion by Piekarski Krech, second by Mueller, to adopt first reading of an Ordinance amending City Code Title 3, Chapter 4, Sections 3-4-2-2 and 3-4-2-3 and 10-3-8 adjusting development fees for 2015

Ayes: 5
Nays: 0 Motion carried.

8. MAYOR & COUNCIL COMMENTS:

9. ADJOURN: Motion by Bartholomew, second by Madden, to adjourn. The meeting was adjourned by a unanimous vote at 11:40 pm