

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, JULY 27, 2015 - 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, July 27, 2015, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:00 p.m. Present were Council members Bartholomew, Hark, Mueller and Piekarski Krech; City Administrator Lynch, City Attorney Kuntz, Community Development Director Link, Parks and Recreation Director Carlson, Finance Director Smith, Public Works Director Thureen, Chief Stanger, Chief Thill, and Recording Secretary Fox

3. PRESENTATIONS:

A. Presentation of New Police and Fire Employees

Chief Stanger introduced the three newest Inver Grove Heights Police Officers, Ryan Rose, Katie Wagoner, and Ben Bidon.

Chief Thill introduced five new Fire Department recruits, Nelson Skoglund, Anthony Mickelson, Joshua Kadrowsky, Timothy Berres, and Christopher Anderson. She noted that each of the recruits were residents of Inver Grove Heights.

The City Council welcomed the new staff members and thanked them for their service.

B. MRPA Award of Excellence for the Walk with Ease Arthritis Program

The Parks and Recreation Department was presented with the Minnesota Recreation and Park Association Award of Excellence in the sponsorships and partnerships category for the Walk with Ease Program.

4. CONSENT AGENDA:

Councilmember Piekarski Krech removed Item 4C from the Consent Agenda.

Mr. Thureen removed Item 4H from the Consent Agenda.

A. Minutes of June 22, 2015 Regular City Council Meeting

B. Resolution No. 15-117 Approving Disbursements for Period Ending July 21, 2015

D. Approve Appointment of Golf Course Superintendent

E. Approve Appointment of Assistant Golf Course Superintendent

F. Change Order No. 1, Pay Voucher No. 2, and the Amended Community Conservation Partnership Grant Agreement for City Project No. 2015-09e, 47th Street Area Reconstruction and City Project No. 2015-14, 47th Street Area Water and Sewer Improvements and Rehabilitation

G. Change Order No. 2 and Pay Voucher No. 2 for the 2015 Capital Improvement Program, City Project No. 2015-10, NWA Trunk Utility Improvements - Argenta District (Alverno to Blackstone Vista Development) and City Project No. 2015-11, NWA 70th Street Lift Station – Argenta District

I. Resolution No. 15-118 Authorizing Right of Entry for Geotechnical and Environmental Investigation and Wetland Delineation per Minnesota Statute 117.041

J. Resolution No. 15-119 Receiving the Petition and Ordering Geotechnical Investigation for City Project No. 2016-09E, Bancroft Way Neighborhood Street Improvements

K. Personnel Actions

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

Ayes: 5

Nays: 0 Motion carried.

C. Approve Replacement of Lap Pool Heat Exchanger

Councilmember Piekarski Krech questioned how many heat exchangers the community center had and if they all needed to be considered for replacement.

Mr. Carlson stated the City recently replaced the heat exchanger for the dive pool. He explained it was difficult to estimate how long the remaining heat exchangers would last and staff tried to get as much life out of each unit as possible.

Motion by Piekarski Krech, second by Mueller, to approve replacement of lap pool heat exchanger

Ayes: 5

Nays: 0 Motion carried.

H. Accept Quote for Storm Sewer Replacement

Mr. Thureen explained the quote was to replace the culvert that ran under 49th Street. He stated the quote was under \$25,000 but assumed a hard closure of the street while replacement occurred. An additional cost was proposed to allow one lane of the street to remain open at night. This caused the estimate to exceed the \$25,000 threshold. Staff recommended tabling the item to obtain an additional quote unless the Council was amenable to hard closure of the street.

Councilmember Piekarski Krech questioned how long the street would be closed.

Mr. Thureen estimated two to three days.

The Council agreed they would rather proceed with the work now versus delaying the project further.

Motion by Piekarski Krech, second by Hark, to accept quote for storm sewer replacement and allow hard closure of the street.

Ayes: 5

Nays: 0 Motion carried.

5. PUBLIC COMMENT: None.

6. PUBLIC HEARINGS:

A. CITY OF INVER GROVE HEIGHTS: Consider Application of Inver Wood Golf Course for On-Sale Intoxicating Liquor License for premises located at 1850 70th St. E.

Mr. Carlson explained recent legislation and subsequent ordinance amendments would now allow for the sale of intoxicating liquor at Inver Wood. He stated the proposal would provide for the sale of intoxicating liquor at the course Monday through Saturday. Sunday sales would continue to be limited to the on sale of 3.2 malt liquor. He noted all documentation had been updated and the City had liquor liability insurance in place.

Mayor Tourville questioned why Sunday sales were still being limited to 3.2 beverages.

Mr. Kuntz explained the special legislation provided for the issuance of an on-sale intoxicating liquor license to the golf course. The special legislation applied to sales taking place Monday through Saturday. A special license to allow the sale of intoxicating liquor on Sundays can only be issued to a restaurant. He noted the standards and the statute were being reviewed to determine if Inver Wood met the standard for a restaurant.

Councilmember Bartholomew opined that the alcohol server training was extremely important. He stated the expectation would be that the City set the standard for training employees on the responsible service of alcohol.

Matt Moynihan, Inver Wood, explained responsible server training had been a standard practice at Inver Wood since 2002. He stated the City contracts with an outside entity to provide the training to all employees. He added the course also had extra internal controls in place to prevent issues from

occurring.

Motion by Piekarski Krech, second by Bartholomew, to close the public hearing.

Ayes: 5

Nays: 0 Motion carried.

Motion by Madden, second by Piekarski Krech, to approve the application of Inver Wood Golf Course for an On-Sale Intoxicating Liquor License for the premises located at 1850 70th St. E.

Ayes: 5

Nays: 0 Motion carried.

7. REGULAR AGENDA:

FINANCE:

A. CITY OF INVER GROVE HEIGHTS: Pre-Sale Reports for 2015A and 2015B Bond Sales

- i) Resolution Providing for the Sale of \$7,960,000 General Obligation Bonds Series 2015A
- ii) Resolution Authorizing the City to Enter into a Credit Enhancement Program Agreement with the Minnesota Public Facilities Authority
- iii) Resolution Providing for the Sale of \$4,460,000 General Obligation Sewer Revenue Bonds, Series 2015B

Steve Apfelbacher, Ehlers and Associates, stated the Council had been discussing the financing of various capital projects in 2015 and a recommendation was prepared to move forward with the issuance of two separate debt issues. The first issuance, series 2015A, was for the street reconstruction and pavement management programs. He noted both projects had previously been authorized by the Council. He explained staff projected the assessments that would be levied against the individual projects and estimated the City's annual debt service to be \$660,000. The repayment of the debt issues were setup over a 15 year period. The second debt issuance related to the extension of sewer and water for the Northwest Area. The Council had already authorized various projects for the extension of the sewer. The issuance was primarily a pledge of revenues from the Sewer utility, specifically the user charges from the Northwest Area and other revenues would be used to retire the debt. He explained bids would be taken on August 24, 2015. He reviewed the pre-sale reports that were provided to Council. He recommended that the City take advantage of the State's credit enhancement program for the second debt issue because it would provide for a credit rating one notch higher than what the City currently had. He stated this would be cost effective and would result in receiving a lower interest rate.

Motion by Bartholomew, second by Mueller, to adopt Resolution No. 15-120 providing for the sale of \$7,960,000 General Obligation Bonds Series 2015A

Ayes: 5

Nays: 0 Motion carried.

Motion by Bartholomew, second by Hark, to adopt Resolution No. 15-122 providing for the Sale of \$4,460,000 General Obligation Sewer Revenue Bonds, Series 2015B

Ayes: 5

Nays: 0 Motion carried.

Motion by Mueller, second by Bartholomew, to adopt Resolution No. 15-121 authorizing the City to Enter into a Credit Enhancement Program Agreement with the Minnesota Public Facilities Authority

Ayes: 5

Nays: 0 Motion carried.

COMMUNITY DEVELOPMENT:

B. ATHLOS ACADEMIES: Consider the following requests for property located at 9725 South Robert Trail:

- i) Resolution relating to a Comprehensive Plan Amendment to Change the Land Use Designation of the property from LI, Light Industrial to P/I, Public Institutional
- ii) Ordinance Rezoning the property from I-1, Limited Industry to P, Institutional

Mr. Link reviewed the location of the property. The request was to change the comprehensive plan land use designation from Industrial to Institutional. If approved, the applicant would tear down the existing building and replace it with a 90,000 square foot school. Planning staff recommended denial of the request because historically the City has hesitated to rezone commercial and industrial properties, and the City had a strong interest in economic development with respect to tax base, employment, and the ability to provide additional goods and services. He noted the current designation was consistent with that of neighboring properties. The Planning Commission recommended approval of the request because the conversion of the vacant building into a school would constitute a reinvestment into the property that would provide jobs and be an appropriate land use for the residential developments to the north and to the west. He explained if the requests were approved a site plan would be presented to the Council at a later date for consideration and to provide an opportunity to address the questions and concerns of the neighborhood.

Aaron Carroll, Athlos Academies, explained because the school would own the property it would be removed from the tax roll. He noted the current taxes being paid for the property were relatively small when compared to other industrial properties. He proposed to connect the building to City utility services, which equated to approximately \$160,000 in connection fees. He noted the new building would also require approximately \$60,000 to be paid for building permit fees. Met Council employment projections for the property estimated the creation of 28 to 38 jobs. He stated the school would create approximately 100 jobs. He opined the proposed use would provide a good buffer between the residential properties to the north and the commercial uses to the south. He explained a neighborhood meeting was held and he felt they would be able work with the neighborhood to design a site plan that would be acceptable. He added the hours of operation for the proposed use would be more conducive to the neighboring residential properties versus an industrial use.

Councilmember Hark questioned if the projected connection fees and building permit fees were accurate.

Mr. Link stated he would check with staff and report back to the Council.

Mr. Carroll stated the estimates were provided by the Chief Building Official.

Councilmember Piekarski Krech if the building would be serviced by Eagan's utilities.

Mr. Link confirmed this area was covered by a joint powers agreement between the two cities.

Mr. Lynch clarified the connection fees and the building permit fees would go to the City. The ongoing operational and maintenance costs would be paid to the City of Eagan.

Motion by Piekarski Krech, second Mueller, to receive email correspondence from Mr. Brown

Ayes: 5

Nays: 0 Motion carried.

Councilmember Bartholomew clarified that approximately \$48,000 would be taken off the tax roll if the rezoning was approved.

Mr. Lynch stated that was correct.

Councilmember Bartholomew stated he was hesitant to rezone the property because he felt the City already had a shortage of industrial property.

Councilmember Piekarski Krech stated she had similar concerns with rezoning industrial property.

Councilmember Mueller stated he would not support changing the comprehensive plan at this time.

Councilmember Bartholomew stated there was also a risk with rezoning the property to institutional if the project did not go forward.

Mr. Carroll noted the property had been actively marketed for ten (10) years and no viable buyers had stepped forward. He explained the building was outdated and would be very difficult to rehab the existing structure. He stated the Department of Education had already approved the Charter and they had already submitted the site plan review to move the project forward.

Councilmember Piekarski Krech stated she also had concerns with building a school for grades K-8 in that location. She opined it was not an ideal site for children.

Councilmember Hark opined the Council had to maintain the integrity of the tax base and find ways to expand the tax base. He questioned if there would be any consideration of a payment in lieu of the lost tax revenue.

Mr. Carroll stated it would be difficult from a budgetary standpoint to consider such a payment. He added they were willing to look into it and consider the possibility.

Mayor Tourville explained he was also concerned about the loss of tax base. He questioned if the applicant would like to have the Council table the item to look at some of the concerns further.

Mr. Carroll stated he did not want to delay the schedule, but would not be opposed to additional discussion to try to work through some of the issues.

Mayor Tourville stated the accessibility concerns off of South Robert Trail should be looked at before getting too deep into the process.

Mr. Kuntz suggested extending the timeframe to October 2, 2015. The item would come before the Council before that date.

Mr. Carroll consented to extending timeframe as proposed.

Motion by Bartholomew, second by Piekarski Krech, to table resolution relating to a Comprehensive Plan Amendment to Change the Land Use Designation of the property from LI, Light Industrial to P/I, Public Institutional and an Ordinance Rezoning the property from I-1, Limited Industry to P, Institutional to September 14, 2015

Ayes: 5

Nays: 0 Motion carried.

C. CARIBOU COFFEE COMPANY: Consider the following requests for property located at 5743 Blaine Avenue:

- i) Ordinance Amendment to the Bishop Heights PUD Ordinance adding 3,160 square feet of restaurant with drive-through for Lot 3, Block 1, Bishop Heights 4th Addition and allocating traffic volumes
- ii) Resolution relating to a Variance to allow the drive-through lane with a setback of six feet whereas 10 feet is required

Mr. Link reviewed the location of the property. The request was to add a drive through onto the south side of the existing coffee shop and expand the restaurant space to the north into a vacant space. He provided an overview variance request. He stated the properties to the west all had a smaller setback to begin with because the right-of-way was not as wide. Both Planning staff and the Planning Commission recommended approval of the requests.

Jerry Roper, Caribou Coffee Company, he stated the plan was to undertake a joint venture with Einstein Bros. bagels.

Motion by Piekarski Krech, second by Hark, to adopt Ordinance No. 1298 amending the Bishop Heights PUD Ordinance adding 3,160 square feet of restaurant with drive-through for Lot 3, Block

1, Bishop Heights 4th Addition and allocating traffic volumes and Resolution No. 15-123 approving a Variance to allow the drive-through lane with a setback of six feet whereas 10 feet is required

Ayes: 5

Nays: 0 Motion carried.

D. CHURCH OF ST. PATRICK/CEMETERY: Consider an Ordinance Amending the Zoning Code to allow Columbariums as a Permitted Use Associated with a Cemetery

Mr. Link explained current zoning code requirements allow a mausoleum as part of a cemetery. A columbarium would be a similar use associated with a cemetery, except it would be considered a structure and would have to comply with zoning regulations. Both Planning staff and the Planning Commission recommended approval of the request.

Motion by Hark, second by Piekarski Krech, to suspend the rules and consider approval of the ordinance amendment in one reading

Ayes: 5

Nays: 0 Motion carried.

Motion by Piekarski Krech, second by Mueller, to adopt Ordinance No. 1299 amending the Zoning Code to allow Columbariums as a Permitted Use Associated with a Cemetery

Ayes: 5

Nays: 0 Motion carried.

ADMINISTRATION:

E. CITY OF INVER GROVE HEIGHTS: Consider First Reading of an Ordinance Amending City Code Title 5, Chapter 6 related to the Use of Firearms and Bows and Arrows

Ms. Calvert presented the proposed amendments to the ordinance, including revisions to the bow hunting map. She noted that the proposed changes to the map were not recommended at this time because it would be too difficult for the Police to discern the boundaries for the current and planned areas of development in 2015.

The City Council discussed amending the map to identify the current and planned areas of development as areas where bow hunting is not allowed.

Chief Stanger explained the police would have difficulty enforcing the boundaries in those areas.

Mayor Tourville stated the map needs to be updated as the City develops and changes.

Ms. Calvert reviewed the proposed process to address special exception requests on an annual basis.

Councilmember Piekarski Krech suggested it be made clear that there was a process for special exceptions in areas that have been designated as no hunting.

Ms. Calvert explained staff recommended that the City not require registration for all bow hunters in 2015 with a recommendation to revisit the topic in early 2016 to allow for proper notice and education to the public.

Motion by Mueller, second by Bartholomew, to approve the First Reading of an Ordinance Amending City Code Title 5, Chapter 6 related to the Use of Firearms and Bows and Arrows with the changes as discussed

Ayes: 5

Nays: 0 Motion carried.

F. CITY OF INVER GROVE HEIGHTS: Consider the First Reading of an Ordinance Amending City Code Title 4, Chapter 7 related to Charitable Gambling Requirements

Mr. Lynch explained the Inver Grove Heights Soccer Association made a request to obtain a premises permit for a third charitable gambling site in the City. Current ordinance requirements do not allow one organization to hold premises permits for more than two sites within the City. Following discussion with staff it was thought that the organization's comments with respect to the size of the premises made sense and should be further considered. The proposed ordinance amendment would allow a licensed organization to hold more than two premises permits, provided that two of them were at premises that were less than 1,000 square feet in size.

Mayor Tourville questioned if staff had notified the other license holders of the change.

Mr. Lynch replied in the negative.

The Council directed staff to notify the other charitable gambling license holders of the proposed changes as well as the on-sale liquor establishments.

Motion by Piekarski Krech, second by Mueller, to table consideration of the ordinance amendment to August 24, 2015

Ayes: 5

Nays: 0 Motion carried.

8. MAYOR & COUNCIL COMMENTS:

9. ADJOURN: Motion by Piekarski Krech, second by Hark, to adjourn. The meeting was adjourned by a unanimous vote at 8:56 pm.