

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, MAY 11, 2009 - 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, May 11, 2009, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:30 p.m. Present were Council members Grannis, Madden, and Piekarski Krech; City Administrator Lynch, Assistant City Administrator Teppen, City Attorney Kuntz, Public Works Director Thureen, Community Development Director Link, Parks & Recreation Director Carlson, Finance Director Lanoue and Deputy Clerk Rheaume.

3. PRESENTATIONS:

A. Resolution Recognizing National Police Week

Mayor Tourville stated that the City of Inver Grove Heights officially recognized May 10th through May 16th, 2009 as National Police Week. He explained that National Police Week 2009 honors the service and sacrifice of those law enforcement officers killed in the line of duty.

Motion by Madden, second by Piekarski Krech, to adopt Resolution No. 09-87 authorizing the City of Inver Grove Heights to recognize National Police Week 2009

Ayes: 4

Nays: 0 Motion carried.

B. 2008 CAFR/MGMT Letter

Ms. Lanoue explained that each year the City contracts with an independent Certified Public Accounting firm to audit the City's Comprehensive Annual Financial Report. She stated the Kern, DeWenter, Viere, Ltd. performed the audit for 2008. She explained that the firm issued an unqualified (clean) opinion on the City's financial statements and noted that is the highest form of assurance that can be issued. She stated that an Auditor's Management Letter and Reports on Compliance with Government Auditing Standards and Legal Compliance were included in addition to the Comprehensive Annual Financial Report. She provided an overview of the components of the Comprehensive Annual Financial Report and reviewed various fund balances and financial statements. She added that the Comprehensive Annual Financial Report would be submitted to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting.

Steve Wischmann, Kern, DeWenter, Viere, Ltd., confirmed that the City was issued a clean report and noted that only 20% of cities receive a clean report. He stated that the City's financial records are very precise and commended the City for its internal control measures and processes.

Councilmember Grannis questioned how the golf course and community center operations compared to those of other cities.

Mr. Wischmann responded that the golf course market is difficult in the current economic conditions and a decrease in revenue has been seen in many cities. He stated that it is a positive sign that the City has managed to maintain very consistent operating expenses from year to year. He noted that the City also has debt service that is paid out of revenue. He stated that the financial situation of the City's community center is similar to that of other cities.

Mayor Tourville commented that the 80-85% of community center's revenue goes towards the bottom line and the remainder is used to pay off debt service. He noted that the audit information would be available for review on the City's website by the end of the week.

Motion by Piekarski Krech, second by Madden, to accept the Comprehensive Annual Financial Report, the Auditor's Management Letter and Reports on Compliance with Government Auditing Standards and Legal Compliance for the year ended December 31, 2008

Ayes: 4

Nays: 0 Motion carried.

C. City Engineer Introduction

Mr. Thureen introduced Tom Kaldunski as the new City Engineer.

4. CONSENT AGENDA:

Councilmember Grannis removed Item 4A, Minutes – April 27, 2009 Regular Council Meeting from the Consent Agenda

- B. **Resolution No. 09-88** Approving Disbursements for Period Ending May 6, 2009
- C. Final Compensating Change Order No. 3, Final Pay Voucher No. 5, Engineer’s Final Report and **Resolution No. 09-89** Accepting Work for City Project No. 2005-11, 65th Street East & Delaney Avenue East Street Improvements
- D. Authorize Advertisement for Request for Proposal for Contracted Custodial Services for City Facilities
- E. Approve Material Testing and Special Inspections Contract for Construction of Public Safety Addition/City Hall Renovation
- F. Approve Contract with Fireman’s Fund Insurance for Builder’s Risk Insurance for City Project No. 2008-18, Public Safety Addition/City Hall Renovation
- G. Approve Coca-Cola Beverage Agreement
- H. Accept Donations to the Inver Grove Heights Police & Fire Departments
- I. Personnel Actions

Motion by Madden, second by Piekarski Krech, to approve the Consent Agenda.

Ayes: 4

Nays: 0 Motion carried.

A. Minutes – April 27, 2009 Regular Council Meeting

Councilmember Grannis made a correction on page five, changing the percentage range from 15-20% to 15-30%.

Motion by Madden, second by Grannis, to approve the Minutes of the April 27, 2009 Regular Council Meeting with the change as noted by Councilmember Grannis

Ayes: 4

Nays: 0 Motion carried.

5. PUBLIC COMMENT:

Greg Sampson, 7540 River Road, stated that they have had problems in the past with graffiti on the bridge at 77th Street. He explained that they have requested help to abate the problem and were told by staff that they are waiting for permission from the railroad and liability information from League of Minnesota Cities Insurance Trust. He asked for reassurance that the graffiti will be cleaned up as soon as possible.

Mr. Lynch explained that the City has asked the party interested in removing the graffiti to participate in an adopt-a-bridge program, but the City needs to see if that can be done legally and investigate what the liability implications may be. Mr. Lynch stated that staff is still working on the project and acknowledged that it is taking more time than originally anticipated.

Mr. Sampson clarified that the City Code does not include any regulation regarding graffiti.

Mr. Lynch explained that the Police department is developing a graffiti ordinance.

Mr. Sampson requested that he be notified when the ordinance is placed on a City Council agenda.

Clarence Sampson, 7540 River Road, stated that he volunteered to paint the bridge and is disappointed with the amount of time it is taking to get something done.

6. PUBLIC HEARINGS:

A. CITY OF INVER GROVE HEIGHTS; Consider Request to Transfer Off-Sale Intoxicating Liquor License to Yager Group, Inc. for Arbor Pointe Liquors, 9084 Buchanan Trail

Ms. Rheaume explained that Arbor Pointe Liquors is in the process of being sold and transfer of the current liquor license to the new owner, Yager Group, Inc., is required. She stated that the applicant submitted the necessary license fees and a current liquor liability insurance certificate. She added that a background investigation was conducted by the Police Department, and no basis for denial of the transfer request was found.

Tom Harris, applicant, was present to answer questions.

Motion by Piekarski Krech, second by Madden, to close the public hearing

Ayes: 4

Nays: 0 Motion carried.

Motion by Piekarski Krech, second by Madden, to approve the transfer of the Off-Sale Intoxicating Liquor License for Arbor Pointe Liquors, 9084 Buchanan Trail, to Yager Group, Inc.

Ayes: 4

Nays: 0 Motion carried.

B. CITY OF INVER GROVE HEIGHTS; Consider a Resolution Ordering Improvements, Approving Plans & Specifications and Authorizing Advertisement for Bid for City Project No. 2008-09F, Salem Hills Farm Reconstruction/Mill and Overlay

Mr. Thureen reviewed the neighborhood meetings that were held and stated that one of the issues raised was whether a 500 foot segment of 63rd Street East needed to be reconstructed. He explained that the updated feasibility study includes an alternative treatment, Option B, for that section of the street. He noted that the engineer's report indicates that the alternative treatment would be expected to have a poorer long-term performance than the full reconstruction treatment proposed for 63rd Street. He explained that a number of residents asked that the cost of any work on 63rd Street be assessed to all of the properties in the subdivision because they feel that 63rd Street serves as a neighborhood collector. He stated that the Pavement Management Program funding policy takes that into consideration as the City contribution is considered to be the contribution for use by those who do not live on the street.

Mr. Thureen explained that the project design was slightly modified to include a drain tile with a discharge line. He added that there is also a question on if there is desire in the neighborhood for sidewalks to be replaced. He stated that the total estimated project cost for Option A is \$1,467,475 with the mill and overlay portion being \$346,922 for the 1.01 miles of roadway and the reconstruction portion being \$1,120,552 for the 0.49 miles of roadway. He further stated that the total estimated project cost for option B is \$1,359,768 with the full depth mill and repave section being \$72,627 for 0.09 miles; mill and overlay portion being \$346,922 for the 1.01 miles of roadway and the reconstruction portion being \$940,219 for 0.40 miles of roadway. He noted the funding sources include the pavement management fund, water connection fund and special assessments. He explained that staff retained a property appraiser to conduct a benefit analysis for properties in the project area and it was the appraiser's opinion that an assessment of up to \$6,000 per parcel could be sustained for this project. He stated that if the City followed that recommendation, approximately 80% of the total project costs would be paid by the City and the remaining 20% would be specially assessed.

Mayor Tourville confirmed that if the sidewalk was replaced it would be at the City's expense.

Councilmember Piekarski Krech asked if the width of the shoulder on the side of the road could be increased in lieu of replacement of the sidewalk.

Mayor Tourville stated that the sidewalk serves a purpose and is safer for the residents.

Paul Johnston, 2170 63rd Street East, questioned why his one block area could not be a mill and overlay section. He stated he is not in favor of the installation of drain tile. He questioned why everyone in the neighborhood could not be assessed equally.

Mayor Tourville questioned if the drain tile would cause a change in grade.

Mr. Thureen explained that drain tile would be installed along the edges of the reconstruction areas and would tie into the existing storm sewer.

Mayor Tourville asked if the ponds could be made more efficient with the equipment that would be used for the project.

Mr. Thureen responded that the City could have the equipment be used to take out what can be reached.

Bill McMenemy, 2180 63rd Street, stated that the neighborhood does not want such a drastic repair. He asked that the City reconsider the project to determine a way to deal with the water issues in the development. He stated that the residents are requesting that the City obtain a certified hydrological engineering study to address concerns regarding water management issues. He added that he is opposed to the installation of drain tile because the impact of the additional water that will be added to the storm sewer system is unknown.

Motion by Madden, second by Grannis, to receive petition requesting a hydrological study.

Ayes: 4

Nays: 0 Motion carried.

Dave Retner, American Engineering Testing, stated that the geotechnical investigation was completed last summer. He discussed the results of the soil borings and stated that the soil is a mixture of clay, sand and gravel.

Councilmember Grannis asked if additional soil borings would be beneficial and if they would provide any more information that they do not already have.

Mr. Retner responded that the only advantage would be if the City wanted to delineate between reconstruction segments and sections where there would only be pavement removal.

Ryan Wilson, 6310 Beckman Avenue, objected to the proposed assessment amounts. He stated that the road was built in 1991 and he does not think that the proposed work does not need to be done. He also expressed concern regarding the proposed diversion of water into the storm sewer.

Mayor Tourville noted that the assessment amounts are estimates at this point and reiterated that the sustainable amount was found to be \$6,000 per parcel. He stated that if the Council approves the project the City will have to contribute more money towards the project than they ever have. He explained that the diversion of water is being proposed because the water issues have been contributing to the wear and tear of the roads.

Mr. Wilson commented on the lack of street maintenance and questioned at what point the City stopped allocating tax dollars for street maintenance.

Mr. Thureen responded that it is a function of being able, from a staff time perspective, to maintain all of the streets in the City.

Ken Perusek, 2150 63rd Street East, questioned what the lifespan of the road would be if a full-depth mill and overlay was done versus a full reconstruction. He stated that he does not believe reconstruction of the segment stretching from Lots 28-32 is necessary.

Mr. Retner responded that they would expect a mill and overlay to last 18-20 years, with performance similar to what currently exists.

Mr. Thureen added that they would expect a full reconstruction to last approximately 50 years, with a couple of mill and overlay projects incorporated into that time span.

Mayor Tourville suggested that multiple options be bid to provide the City with some alternatives.

Peter Matthews, 6301 Barclay, questioned if there would be any sort of guarantee that his property would not experience water issues if drain tile is installed. He explained that he does not currently have water issues, but his neighbors all pump water daily. He stated that he supports Option A and wants to make sure that no new water issues will be created.

Mr. Thureen stated that he cannot guarantee anything, but the improvements would allow the water to be moved out of the area. He added that his experience is that the drain tile actually dries things out and does not create problems.

Mayor Tourville questioned if property owners could voluntarily pay more because of the use of 63rd Street.

Mr. Kuntz responded that the City would ask those property owners that volunteer to pay an additional amount to sign a waiver of appeal because it changes the assessment policy.

Mike Hoffman, 6304 Ballantine Avenue, stated that when his property was excavated, water came up. He explained that his concern is that there may be an increase in the water flow into the properties once the street is dug up. He noted that he is in favor of the project but would like further work analysis done regarding the potential water issues.

Councilmember Madden expressed concern with the water levels once the digging starts. He suggested that further analysis be done so the problem is not made worse.

Councilmember Piekarski Krech asked if they know how many of the homeowners have basement water issues.

Mayor Tourville asked what the cost would be for a hydrology study.

Mr. Retner responded that he did not know what the cost would be for a hydrology study. He stated that he did not think the problem would get worse because the goal is to capture the water and put it in the ponds.

Mayor Tourville asked if staff would be able to gather information regarding the hydrology study and present it to the Council at the May 26th meeting.

Councilmember Madden suggested that the item be tabled and the public hearing be left open so that more information regarding the water issues could be obtained.

Mayor Tourville suggested that staff beginning gathering information regarding the number of households that use a sump-pump and the frequency with which they pump.

Mr. Perusek stated that staff should also ask residents to indicate how deep their basements are.

Motion by Madden, second by Piekarski Krech, to table consideration of the item and continue the public hearing on May 26, 2009 at 7:30 p.m. in the City Council Chambers

Ayes: 4

Nays: 0 Motion carried.

7. REGULAR AGENDA:

FINANCE:

- A. CITY OF INVER GROVE HEIGHTS;** Consider Resolutions Awarding the Sale of General Obligation Capital Improvement Bonds, Series 2009A

Ms. Lanoue explained that Ehlers and Associates have solicited bids for General Obligation Capital Improvement Bonds, Series 2009A. She stated that the City applied to Standard and Poor's for a rating on the bond issue and the City was upgraded to an "AA" rating.

Jonathan North, Ehlers and Associates, explained that bids were received for the \$9,900,000 bond that was authorized to be sold by the City Council to finance the construction of the Public Safety Addition and City Hall Remodeling Project No. 2008-18. He reiterated that the City received an upgraded "AA" rating from Standard and Poor's. He stated seven bids were received and the low bid was submitted by UBS Financial Services, Inc. with a true interest cost of 4.0334%. He added that the projected total interest expense was \$8,405,495.00 and the actual total interest expense is \$6,678,294.00 for a savings of \$1,727,201. He noted that the upgraded bond rating contributed to the receipt of strong bids.

Motion by Madden, second by Piekarski Krech to adopt Resolution No. 09-90 Awarding the Sale of General Obligation Capital Improvement Bonds, Series 2009A to UBS Financial Services, Inc. in the amount of \$9.9 million dollars

Ayes: 3

Nays: 1 (Grannis) Motion carried.

COMMUNITY DEVELOPMENT:

B. CITY OF INVER GROVE HEIGHTS; Consider Resolution Authorizing Submittal of the Inver Grove Heights Comprehensive Plan to the Metropolitan Council

Mr. Link stated that the City Council preliminarily approved the Comprehensive Plan on November 24, 2008. He explained that the Comprehensive Plan was distributed to surrounding cities, counties, and other agencies for review and comment. He stated that the mandatory six month review and comment period ended on April 8th, and the City received comments from five municipalities, Dakota and Washington Counties, the MN Department of Transportation and the Gun Club Lake Watershed Management Organization. He noted that additional language was inserted regarding the study of a future Mississippi River bridge crossing as a result of comments received from Cottage Grove and Washington County, and clarifications were made to the transportation chapter based on comments received from Dakota County and the MN Department of Transportation.

Motion by Madden, second by Piekarski Krech, to adopt Resolution No. 09-91 Authorizing Submittal of the Inver Grove Heights Comprehensive Plan to the Metropolitan Council

Loren Scherff, 1320 105th St. E., asked for clarification regarding the procedure going forward.

Mr. Link responded that the Comprehensive Plan would be submitted to Metropolitan Council within the next couple of weeks. He indicated that review by the Metropolitan Council would take approximately two to four months and he would expect to receive their response by August or September. He stated that after the Metropolitan Council's response has been received, the Comprehensive Plan would be brought back to the City Council for formal adoption.

Mr. Scherff asked to be notified of meetings at which the Comprehensive Plan would be discussed.

Ayes: 3

Nays: 1 (Grannis) Motion carried.

C. OLI SMITH; Consider a Resolution relating to a Variance to exceed the maximum allowed impervious surface coverage for a porch addition for property located at 10857 Andes Circle

Mr. Link explained that the applicant is requesting a variance to construct a 196 square foot porch addition onto the back of the existing home. He stated that the lot is 14,434 square feet and City Code allows for a maximum of 20%, 2,886 square feet, of impervious coverage. He explained that the house, driveway, patios and sidewalks cumulatively account for 3,204 square feet of impervious coverage, and the proposed porch addition would increase the impervious coverage to 23.5% of the lot. He stated that the property does not have any conditions that make it unique for the zoning district in which it is located, and

the applicant is not being denied reasonable use of the property. He added that staff recommended denial of the request due to lack of hardship and potential for a precedence being set if the variance request were to be approved. He noted that the Planning Commission voted to send the application to City Council without a recommendation on a 5-3 vote.

Oli Smith, 10857 Andes Circle, stated that the addition would be constructed on the existing deck which has an area underneath that would remain open for water drainage. He explained that the existing deck has been there for eight years was designed to comply with the previous impervious coverage requirements. He stated that the City's current impervious coverage standards were too restrictive and have a negative effect on property values. He noted that if the Council were to considering raising the maximum allowed impervious coverage percentage that the proposed addition would likely comply with those standards. He stated that the back of his property is a designated conservation easement that he is not allowed to mow and is classified as a wetland so there are a lot of mosquitoes present in the summer. He added that he has planned to install a rain garden to handle additional runoff.

Mayor Tourville questioned where the proposed rain garden would be located on the property.

Mr. Smith responded that the City Engineer identified several possible locations on the property. He stated that the ordinance seems to be directed towards smaller lots and reiterated that the neighborhood was designed to comply with the previous standard of 30% maximum allowed impervious coverage. He explained that his neighbors support his plans for the addition.

Councilmember Madden asked when the impervious surface standards were going to be reviewed by staff and brought back to the Council for further discussion.

Mr. Thureen explained that engineering staff have had discussions with various consulting firms and are in the process of collecting the necessary information.

Councilmember Madden commented that the 20% maximum is too restrictive, especially on a larger lot. He stated that he favors the applicant's request, but would have a hard time approving it without a hardship.

Mayor Tourville agreed that the current percentage is too restrictive and suggested that the hardship may be that the request is being considered under the current impervious surface regulations when the applicant is only replacing the existing deck with a screen porch and is not proposing to add anything that is not already there. He stated that the rain garden is a good amenity.

Councilmember Piekarski Krech noted that the applicant's inability to mow in the conservation area may contribute to the health and safety issue.

Councilmember Grannis stated that it would be a hard to approve the request without a legal hardship. He suggested that Council direct staff to send the ordinance back to the Planning Commission to consider increasing the maximum allowed impervious surface coverage on an interim basis.

Councilmember Piekarski Krech stated that she would be willing to support an interim percentage of 25%.

Councilmember Madden agreed that he would support an interim increase to 25%.

Mr. Kuntz suggested that perhaps the Planning Commission should consider an allowable percentage range and landowners that request impervious coverage outside of, or beyond that range would need to obtain a Conditional Use Permit.

Motion by Madden, second by Piekarski Krech, to extend the sixty-day deadline and table the item to July 27, 2009

Ayes: 4

Nays: 0 Motion carried.

Motion by Madden, second by Grannis, to direct the Planning Commission to consider changing the maximum impervious surface coverage standards to a percentage within a range of 20-30% and to consider that requests not meeting the revised standards would require a Conditional Use Permit.

Ayes: 4

Nays: 0 Motion carried.

D. MGT DEVELOPMENT; Consider a PUD Amendment to the Site Plan for Lot 1, Block 1, Argenta Hills located on the north side of Hwy 52/55, west of Hwy. 3

Mr. Link stated that MGT Development submitted a revised plan for Lot 1, Block 1, of Argenta Hills. He explained that the revised plan consists of reducing size of the Target Store from 176,409 to 134,800 square feet, changing the location of the main pedestrian walkway one parking aisle to the south, and changing the elevation of the building to reflect the smaller store. He stated that the floor ratio area of the PUD would be reduced from 20% to 17%. He explained that the reduction in building size, reduced FAR, and changes to the parking lot and building exterior do not have a negative impact on the overall PUD or to the Northwest Area Quadrant as a whole. He added that stormwater design and management would not be affected. He noted that would be no financial impact with the reduced building size because permit fees were paid based on the larger footprint and no refund of fees is being requested. He stated that both Planning staff and the Planning Commission recommended approval of the PUD Amendment.

Councilmember Piekarski Krech questioned how the proposed building size would compare to the store located in West St. Paul.

Greg Munson, MGT Development, responded that the West St. Paul store is approximately 175,000 square feet.

Mayor Tourville clarified that the Target corporation feels that the revised footprint will work better in this area.

Councilmember Piekarski Krech expressed concerns regarding job impact and reductions to product lines offered because of the scaled down version of the store. She stated that people would continue to shop at the West St. Paul location if the new location did not offer the same amenities.

Mr. Munson reiterated that Target feels the amended footprint will better serve the area. He explained that the main difference will be that bakery and deli products will be brought in rather than prepared onsite. Jackie Bell, Target Development Manager, explained that the proposed layout has been studied extensively and it has tested and been received very well by Target customers. She stated that there will be an appropriate mix of items suited for the consumers in the area and that Target will continue to be the one-stop shopping experience that their customers want.

Mr. Madden stated that the Target Corporation wants a store to be located in Inver Grove Heights and he trusts that they understand the market know which products to provide to make the store successful.

Councilmember Piekarski Krech stated that she wants to make sure that the residents of the City are being served and that they will not view the changes as that the City is getting a lesser product.

Mr. Munson stated that they want to see the project continue to move forward and to that end have continued to meet every condition in the development contract even though construction was delayed.

Councilmember Piekarski Krech asked when the store would be built if the PUD Amendment was approved.

Ms. Bell responded that the store would be scheduled to open in October of 2010.

Councilmember Madden stated that getting the project started would increase the tax base and start to create jobs.

Mayor Tourville agreed that supporting the amendment would get development started again and feels

it would be positive for the City.

Motion by Madden, second by Tourville, to adopt Resolution No. 09-92 approving a PUD Amendment to the Site Plan for Lot 1, Block 1, Argenta Hills, located on the north side of Hwy. 52/55, west of Hwy. 3

Councilmember Grannis stated that he would be voting against the PUD Amendment because he feels that the developer promised the City everything to get what they wanted and now they are changing what was originally promised.

Ayes: 3

Nays: 1 (Grannis) Motion carried.

ADMINISTRATION:

E. CITY OF INVER GROVE HEIGHTS; Consider Resolution Authorizing the City Administrator to Approve Change Order Requests for Public Safety Addition/City Hall Renovation Construction in an Amount up to \$15,000

Ms. Teppen explained that in order to facilitate the construction of the Public Safety addition and the remodeling of City Hall, staff recommended that the City Administrator be authorized to approve change order requests in an amount of up to \$15,000. She stated that any delay by the City will give the contractor the ability to request additional time as it relates to the liquidated damages clause of the contract. She added that the Architect and the Owner's Representative both indicated that they have seen this level of authority issued in similarly sized public projects. She noted that staff intends to compile all change order requests that fall below the \$15,000 threshold and present them to the City Council for informational purposes.

Councilmember Piekarski Krech stated that she would like to impose a cap of \$50,000 on requests approved by the City Administrator.

Ms. Teppen responded that the staff is very aware of the sensitive nature of change order requests and stated that any request from the contractor would be carefully reviewed by the Architect and Owner's Representative before it is presented for approval.

Mayor Tourville suggested that staff update the City Council regarding the status of the project at every regular Council meeting.

Councilmember Grannis commented that the Council could also be informed of change order requests via the Friday update memo.

Motion by Grannis, second by Piekarski Krech, to adopt Resolution No. 09-97 authorizing the City Administrator to approve change order requests in an amount not to exceed \$15,000 without City Council approval upon the City Administrator making a reasonable determination that the proposed change order needs to be approved before the next subsequent City Council meeting for City Project No. 2008-18, Public Safety Addition/City Hall Renovation

Ayes: 4

Nays: 0 Motion carried.

PUBLIC WORKS:

F. CITY OF INVER GROVE HEIGHTS; Consider Resolution Accepting Bids and Awarding Contract for 2009 Pavement Management Program, City Project No. 2009-09D, South Grove Urban Street Reconstruction, Area 4

Mr. Thureen stated that thirteen bids were received for the project and the low base bid of \$2,337,229.24 was submitted by Arcon Construction Co., Inc. He explained that four bid alternates were considered for the project and staff recommended proceeding with bid alternate number three in the amount of

\$43,400.00. He stated that the combined low bid (base bid and bid alternate three) was submitted by Arcon Construction, Co., Inc. with a total cost of \$2,380,629.24. He noted that the combined low bid was 23% less than the engineer’s estimate was \$3,100,242.00.

Councilmember Grannis asked if a rain garden could be added at Oakwood Park at a later date to potentially save money.

Mr. Thureen responded that it would be a good opportunity to have City staff attempt to build the raingarden rather than utilizing the services of an outside source.

Mayor Tourville clarified that bid alternates 1 and 4 were related and could be done in the future.

Motion by Piekarski Krech, second by Madden, adopt Resolution No. 09-93 Accepting Bids and Awarding Contract to Argon Construction, Co. for the 2009 Pavement Management Program, City Project No. 2009-09D, South Grove Urban Street Reconstruction, Area 4 in the amount of \$2,380,629.24

Ayes: 4

Nays: 0 Motion carried.

G. CITY OF INVER GROVE HEIGHTS; Consider Resolution Accepting Proposal from American Engineering Testing, Inc. for Geotechnical Testing Services for the 2009 Pavement Management Program, City Project No. 2009-09D, South Grove Urban Street Reconstruction, Area 4

Mr. Thureen explained that a proposal for geotechnical testing services was submitted by American Engineering Testing in the amount of \$26,930. He noted that the prices included geotechnical services for Alternate 3, Oakwood Park Parking Lot.

Motion by Madden, second by Grannis, to adopt Resolution No. 09-94 accepting the proposal from American Engineering Testing, Inc. in the amount of \$26, 930.00 for Geotechnical Testing Services for the 2009 Pavement Management Program, City Project No. 2009-09D, South Grove Urban Street Reconstruction, Area 4

Ayes: 4

Nays: 0 Motion carried.

H. CITY OF INVER GROVE HEIGHTS; Consider Resolution Accepting Proposal from Gorman Surveying, Inc. for Construction Staking Services for the 2009 Pavement Management Program, City Project No. 2009-09D, South Grove Urban Street Reconstruction, Area 4

Mr. Thureen explained that due to the amount and complexity of work involved with a reconstruction project of this magnitude, the City Engineering Division is not staffed to perform the work in-house. He stated that Gorman Surveying, Inc. submitted a proposal in the amount of \$21,520.15 for construction staking that would include the Oakwood Park parking lot.

Motion by Madden, second by Piekarski Krech, to adopt Resolution No. 09-95 Accepting the Proposal from Gorman Surveying, Inc. for Construction Staking Services for the 2009 Pavement Management Program, City Project No. 2009-09D, South Grove Urban Street Reconstruction, Area 4 in the amount of \$21,520.15

Ayes: 4

Nays: 0 Motion carried.

I. CITY OF INVER GROVE HEIGHTS; Consider Resolution Receiving the Feasibility Report and Scheduling a Public Hearing for City Project No. 2009-11, Concord Boulevard Improvement, from 65th Street East to the Corporate Boundary with the City of South St. Paul

Mr. Thureen explained that Concord Boulevard is proposed to be upgraded by Dakota County from Corcoran Path to I-494 in South St. Paul. He stated that the City entered into an agreement with the County for engineering, right-of-way acquisition and highway construction for the third and final phase of

the project, located in both Inver Grove Heights and South St. Paul. He explained that the Council authorized preparation of a feasibility study to identify non-reimbursable City project costs and potential funding sources

Motion by Piekarski Krech, second by Grannis, to adopt Resolution No. 09-96 receiving the feasibility report and scheduling a public hearing for City Project No. 2009-11, Concord Boulevard Improvement, from 65th Street East to the Corporate Boundary with the City of South St. Paul

Ayes: 4

Nays: 0 Motion carried.

J. CITY OF INVER GROVE HEIGHTS; Golf Course Audit

Councilmember Grannis asked where staff would advertise the Request for Proposals.

Mr. Carlson responded that staff would advertise in the Southwest Review and actively seek different consultants. He noted that the request would also be posted on the City's website.

Councilmember Grannis clarified that this would be a performance or operational audit, not a financial audit.

Motion by Grannis, second by Piekarski Krech, to authorize advertisement of RFP for an operational audit of Inverwood Golf Course

Ayes: 4

Nays: 0 Motion carried.

8. MAYOR AND COUNCIL COMMENTS:

Councilmember Grannis asked if a special meeting should be scheduled to interview the Citizen Advisory Commission applicants.

Councilmember Piekarski Krech suggested that the Council could meet the applicants starting at 7:00 p.m. on May 26, 2009.

Mayor Tourville requested that the item be added to the work session agenda.

Councilmember Grannis asked that all of the applications be sent to the Council on Friday, May 15th.

9. ADJOURN: Motion by Grannis, second by Piekarski Krech, to adjourn. The meeting was adjourned by a unanimous vote at 12:10 a.m.