

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, FEBRUARY 22, 2010 - 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, February 22, 2010, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:30 p.m. Present were Council members Grannis, Klein, Madden and Piekarski Krech; City Administrator Lynch, Assistant City Administrator Teppen, City Attorney Kuntz, Public Works Director Thureen, Parks & Recreation Director Carlson, Community Development Director Link, Finance Director Lanoue, Police Chief Kleckner, Fire Chief Thill and Deputy Clerk Rheaume.

3. PRESENTATIONS:

A. 2008 CAFR Award

Mayor Tourville presented Finance Director Lanoue and the finance department with the 2008 CAFR Award for excellence in financial reporting.

B. Introduction of New Police Officer

Police Chief Kleckner introduced Officer Chris Wagner, who recently began service in the police department.

4. CONSENT AGENDA:

Councilmember Grannis removed Item 4F, Approve Contracts for Cabling Infrastructure, AV Multimedia Equipment and Security Systems for the Public Safety Addition/City Hall Renovation, from the Consent Agenda.

Councilmember Klein removed Item 4G, Approve Purchase of Tables & Chairs for the VMCC, from the Consent Agenda.

Councilmember Madden remove Item 4N, Consider Purchase of Replacement Fire Duty Officer Vehicle, from the Consent Agenda.

A. Minutes – February 8, 2010 Regular Council Meeting

B. Resolution No. 10-16 Approving Disbursements for Period Ending February 17, 2010

C. Final Compensating Change Order No. 1, Final Pay Voucher No. 2, Engineer's Final Report and Resolution No. 10-17 Accepting Work for City Project No. 2008-09C, Mill and Overlay

D. Resolution No. 10-18 Accepting Individual Project Order No. 14A to Kimley-Horn & Associates, Inc. for As-built Services for City Project No. 2008-09F, Salem Hills Farm

E. Resolution No. 10-19 Calling for Hearing on Proposed Assessments and **Resolution No. 10-20** Declaring Costs to be Assessed and Ordering Preparation of Proposed Assessments for the 2009 Pavement Management Program – City Project No. 2009-09D, South Grove Street Reconstruction (Area 4)

H. Approve Purchase of Fitness Equipment for the VMCC

I. Approve 2010-11 Ice Rates at the VMCC

J. Confirm Thirty Day Suspension of Firefighter

K. Schedule Public Hearing – Liquor License Violation

L. Approve Service Station License Application – BPL, LLC dba Oasis Market

M. Approve Massage Therapist License Application – Stephanie Richter

O. Personnel Actions

Motion by Madden, second by Grannis, to approve the Consent Agenda

Ayes: 5

Nays: 0 Motion carried.

- F.** Approve Contracts for Cabling Infrastructure, AV Multimedia Equipment and Security Systems for the Public Safety Addition/City Hall Renovation

Councilmember Grannis stated he would not support this item because of the project labor agreement.

Motion by Madden, second by Klein, to approve contracts for Cabling Infrastructure, AV Multimedia Equipment and Security Systems for the Public Safety Addition/City Hall Renovation

Ayes: 4

Nays: 1 (Grannis) Motion carried.

- G.** Approve Purchase of Tables for the VMCC

Councilmember Klein stated he did some additional research on the internet and found a company that offered the equipment at a lower cost.

Mr. Carlson responded that he had not seen the product Councilmember Klein found and was not sure if the quality of the tables was similar to the commercial grade tables that staff received quotes on.

Councilmember Klein asked that staff look into other options to see if the same grade of tables may be offered by another vendor at a better price.

Mr. Carlson indicated that staff would look into other options and bring the information back to the Council at their next regular meeting.

No Action was Taken on this Item.

- N.** Consider Purchase of Replacement Fire Duty Officer Vehicle

Councilmember Madden asked if the vehicle purchase was included in the 2010 budget and if not, what fund the money would be taken out of to cover the cost.

Mr. Lynch responded that replacement of the vehicle was discussed during the 2010 budget process but was not a part of the adopted budget. He stated the purchase is proposed to be funded from the Central Equipment Fund.

Chief Thill added that the vehicle is eleven years old with approximately 66,000 miles. She noted the vehicle has responded to an average of 1,000 emergency calls per year since its purchase. She explained the new vehicle would have additional safety devices, better handling performance and stability due to a wider wheel base, and would include side impact air bags. She stated the suspension on the current vehicle is in need of repair.

Councilmember Klein opined that replacement of the vehicle was not warranted because it still has relatively low mileage and is still able to successfully respond to emergency calls.

Motion by Madden, second by Piekarski Krech, to approve purchase of replacement fire duty officer vehicle

Ayes: 4

Nays: 1 (Klein) Motion carried.

5. PUBLIC COMMENT:

Ed Gunther, 6671 Concord Boulevard, questioned if proposed improvements to Dawn Way were still included in the phasing of the Concord Boulevard construction project.

Mayor Tourville responded that improvements on Dawn Way have been delayed.

Mr. Thureen responded it was difficult to sort out the cost sharing and staff felt they needed more time.

6. PUBLIC HEARINGS:**A. CITY OF INVER GROVE HEIGHTS;** Consider Resolution Ordering Project, Approving Plans and Specifications, and Authorizing Advertisement for Bids for the 2009 Pavement Management Program, City Project No. 2010-09D – Urban Street Reconstruction Project (South Grove Area 5)

Mr. Kaldunski reviewed the proposed project area and explained the project would involve: roadway reconstruction, curb and gutter removal & replacement, driveway reconstruction, sidewalk removal & replacement, drainage improvements, and water main improvements. He reviewed the additional improvements that are proposed to be done in conjunction with The Oaks townhome association to resolve water main issues, as well as the proposed improvements to Dehrer Court.

Councilmember Klein questioned if the sidewalks along 75th Street would be replaced.

Mr. Kaldunski responded in the affirmative and noted it is more cost effective to replace the sidewalks.

Mr. Kaldunski stated the total estimated project cost is \$4,681,000 with 426 parcels proposed to be assessed a total of \$1,530,892.49. He explained the estimated assessment for street reconstruction is \$3,832.61 per single-family residential parcel. He noted when the assessment for drainage is added the estimated total increases to \$4,120 to \$15,540 per parcel. He stated the estimated street assessment for multi-family homes is estimated at \$1,561.32 per unit and when drainage assessments are added the total increase to \$2,396 to \$4,491 in the Oaks. He explained the commercial property street assessments range from \$1,578.93 to \$64,446.30, and the estimated storm sewer assessments range from \$58.84 to \$2,442.17. He stated the proposed Dehrer Court improvements would be assessed 100% to benefitting properties because it would be a new street improvement project. He noted the proposed assessments were calculated as per City policy.

Mr. Kaldunski reviewed the results of the benefit analysis that was completed by Metzen Appraisals and stated it was determined that an average assessment amount of \$4,000 per single-family residential parcel and \$2,000 per townhome parcel could be sustained in this area of South Grove. He explained the proposed commercial property assessments were determined to be fair and equitable if the amount is less than \$1.00 per square foot. He stated the appraisal opinion indicated that Dehrer Court could be assessed \$6,110.80 for residential properties and \$13,692 for commercial property. He noted if Dehrer Court was not constructed, the residents would be assessed \$4,000 for the street improvements on 75th St. E. He explained if the benefit analysis recommendations were followed the proposed total project assessment would be reduced to \$1,215,055.98. He noted the proposed assessment term would be ten (10) years at a projected interest rate of 5.8%. He suggested that other funding sources, such as the City Pavement Management Fund, Host Community Fund or the Closed Bond Fund could be used to fund the difference between the policy-based estimated assessment amounts and the appraiser's recommendation.

Mr. Kaldunski reviewed the proposed project schedule and stated construction would occur between May and October of this year. He discussed the various neighborhood meetings that were held and provided feedback from residents that were in attendance at each meeting.

Councilmember Klein asked about the current bid climate.

Mr. Kaldunski responded they anticipate receiving favorable bids on the project.

Councilmember Klein asked if the estimated costs were conservative.

Mr. Kaldunski stated a 10% contingency is always built into the numbers.

Councilmember Madden commented on trouble in past projects with the quality of material being put on the surface of the road and asked if those problems have been resolved.

Mr. Kaldunski stated the design mixes have been improved.

Mr. Thureen added this area has a more free-draining sub grade. He stated cracks will still develop over time, but noted the sub grade in this area should be less prone to tenting.

Dean Dally, 7649 Concord Blvd., expressed concern with the proposed assessment for his commercial property. He stated the drainage flows towards Concord and he does not see the benefit to his property.

Jim Knowlton, 7537 Concord Blvd., stated he is opposed to his assessment for the Dehrer Court project because he cannot use the road to access his property. He stated he is already being assessed for the work on Concord Boulevard and will be assessed for the work on 75th Street. He also commented on the fence he installed to screen his property from that neighborhood. He suggested that the property owners in that area may want to consider hiring an independent contractor to put asphalt down because it may be cheaper than having it done as a part of this project.

Mr. Kaldunski explained that there is a fence that was installed along the East side of the property 25 to 30 years ago as a condition of the use on the property at that time. He clarified that the road is available for Mr. Knowlton's use and there was no condition found to the contrary.

Councilmember Klein commented that Dehrer Court is currently a private road and it may be more cost effective for the property owners to hire a contractor independently. He suggested that the Dehrer Court improvements be bid as an alternate and a Council can make a decision whether or not to proceed after the actual costs are known.

The council discussed bidding the water main improvements in The Oaks neighborhood as an alternate to the project.

Motion by Klein, second by Madden, to close the public hearing.

Ayes: 5

Nays: 0 Motion carried.

Motion by Klein, second by Madden, to adopt Resolution No. 10-21 Ordering the Project, Approving Plans and Specifications, and Authorizing Advertisement for Bids for the 2009 Pavement Management Program, City Project No. 2010-09D – Urban Street Reconstruction Project (South Grove Area 5) with the Dehrer Court and The Oaks water main improvements bid as alternates

Ayes: 5

Nays: 0 Motion carried.

B. CITY OF INVER GROVE HEIGHTS; Consider Application of J&J Vogt, Inc. dba Gold Palace Liquor for an Off-Sale Liquor License at premises located at 1330 Mendota Road

Ms. Rheaume explained this is an existing establishment in the City and the current owner is selling the business to Mr. Vogt. She stated Mr. Vogt would be taking over operations on March 1, 2010. She stated the police department completed a background check on the applicant and nothing was found that would warrant denial of the license. She noted the applicant submitted the required insurance documentation and paid the necessary license fees.

Councilmember Klein asked if Mr. Vogt owns any other liquor establishments.

Mr. Vogt responded in the negative.

Councilmember Klein confirmed that Mr. Vogt was aware of the new alcohol server training requirements.

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

Ayes: 5

Nays: 0 Motion carried.

Motion by Klein, second by Grannis, to approve application of J&J Vogt, Inc. dba Gold Palace Liquor for an Off-Sale Liquor License at 1330 Mendota Road for the period beginning March 1, 2010 and ending December 31, 2010.

Ayes: 5

Nays: 0 Motion carried.

C. CITY OF INVER GROVE HEIGHTS; Consider Application of BPL, LLC dba Oasis Market for a 3.2 Off-Sale Liquor License for premises located at 3240 57th St. E.

Ms. Rheame stated the applicant has purchased the Oasis Market service station and noted this location did not previously have a 3.2 liquor license. She explained the applicant would begin operating on March 1, 2010. She stated the police department completed a background check on the applicant and nothing was found that would warrant denial of the license and indicated that the applicant submitted the required insurance documentation and paid the necessary license fees.

Councilmember Piekarski Krech verified that the applicant was informed of and understood the alcohol server training requirements.

Motion by Klein, second by Grannis, to close the public hearing.

Ayes: 5

Nays: 0 Motion carried.

Motion by Klein, second by Grannis, to approve application of BPL, LLC dba Oasis Market for a 3.2 Off-Sale Liquor License at 3240 57th St. E. for the period beginning March 1, 2010 and ending December 31, 2010

Ayes: 5

Nays: 0 Motion carried.

7. REGULAR AGENDA:

COMMUNITY DEVELOPMENT:

A. WADE & JESSICA SHORT; Consider Variance to eliminate screening of rooftop mechanical equipment on new commercial building for property located at 9332 Cahill Avenue

Mr. Link explained the applicants are requesting a variance to eliminate the condition related to the screening of rooftop mechanical equipment. He noted the applicants have indicated that the rooftop equipment would not be visible from Cahill Avenue. He stated City Code requires all rooftop mechanical equipment to be screened from public view. He explained both Planning staff and the Planning Commission recommended denial of the variance because property does not have any special conditions that make it unique and the applicant is not being denied reasonable use of his property. He added approval of the variance could establish a precedent for future developments.

Wade Short, 7595 Cahill Court, questioned the intent of the City Code screening requirements.

Mayor Tourville explained that approximately ten years ago it became a building standard across the United States in an effort to make buildings more appealing.

Mr. Short displayed pictures of other commercial properties in the area that do not have rooftop mechanical units fully screened. He noted the buildings are not more than ten years old and clearly have not complied with the screening condition.

A representative of Sheehy Construction explained there are three units that are not visible from any public streets, except Highway 52 and noted that one larger unit was partially visible. He stated that Mr. Short has made an effort to provide screening.

Mr. Link stated he is not aware of any variances being approved for screening in the past and reiterated that the ordinance states rooftop mechanical units have to be screened from public roads.

Councilmember Klein stated there are a lot of buildings that are not in compliance with City Code.

Mr. Link indicated staff would research the examples that were presented by the applicant.

Mayor Tourville suggested sending this back to staff to see if something could be worked out with the applicant.

Motion by Piekarski Krech, second by Klein, to table item until April 12, 2010.

Ayes: 5

Nays: 0 Motion carried.

FINANCE:

B. CITY OF INVER GROVE HEIGHTS; Approve Carryover of Unused Budget Appropriations and Approve Transfers

Ms. Lanoue stated the general fund ended with a surplus of \$458,059 prior to carryovers and transfers. She explained the Council had determined that a transfer of \$500,000 from the Closed Bond Fund was warranted to prepare for the possible unallotment of Market Value Homestead Credit. She stated the surplus was achieved without making that transfer. She noted the 2009 budget included a transfer of \$504,400 from the Host Community Fund to cover the expected deficit in the Community Center Fund at year end, and the actual transfer of \$385,000 is \$119,400 less than the budgeted amount. She reviewed the proposed carryovers and transfers.

Councilmember Piekarski Krech asked how much the pressure washer is used.

Mr. Thureen stated the wash bay has been disassembled, so this is a smaller washer that would be used frequently.

Councilmember Grannis commented on the decreasing deficit at the Community Center and commended staff on their efforts to improve the operations and efficiency at the facility.

Motion by Klein, second by Grannis, to adopt Resolution No. 10-22 approving the carryover of unused budget appropriations and approving transfers

Ayes: 5

Nays: 0 Motion carried.

ADMINISTRATION:

C. CITY OF INVER GROVE HEIGHTS; Consider Change Order No. 5 for City Project No. 2008-18, Public Safety Addition/City Hall Renovation

Ms. Teppen stated Change Order No. 5 is comprised of 15 items totaling \$26,835. She noted three credits were included in the change order. She explained change orders are funded from the project contingency which started at \$613,601 and is now at \$412,523 including this change order.

Councilmember Piekarski Krech opined that there are items that should have been anticipated and better dealt with by staff. She commented that the contingency budget is decreasing.

Councilmember Grannis agreed that several items should have been caught and the extra cost could have been avoided.

Motion by Klein, second by Piekarski Krech, to approve Change Order No. 5 for City Project No. 2008-18, Public Safety Addition/City Hall Renovation

Ayes: 5

Nays: 0 Motion carried.

D. CITY OF INVER GROVE HEIGHTS; Consider Second Reading of Ordinance Amending Title 4, Chapter 7 of the City Code relating to Charitable Gambling Requirements

Mr. Kuntz stated no changes were made since the first reading. He reiterated the amendments would bring City Code into compliance with state statute. He noted a policy change reflected is the increase in trade area expenditures from 20% to 60%.

Mayor Tourville commented that most surrounding communities have a 100% expenditure requirement.

Motion by Piekarski Krech, second by Grannis, to approve second reading of an Ordinance Amending Title 4, Chapter 7 of the City Code relating to Charitable Gambling Requirements

Ayes: 5

Nays: 0 Motion carried.

PUBLIC WORKS:

E. CITY OF INVER GROVE HEIGHTS; Resolution Approving Joint Powers Agreement between Dakota County Soil and Water Conservation District for Technical Services on the Rain Garden Project included in City Project No. 2010-09D

Mr. Thureen explained rain gardens were utilized starting with the 2008 South Grove reconstruction project. He stated the agreement would provide assistance with the inspection of rain gardens during construction and would include neighborhood planting events to educate residents on planting and caring for rain gardens. He stated the program would be funded via the Pavement Management Fund.

Motion by Piekarski Krech, second by Grannis, to adopt Resolution No. 10-23 approving a Joint Powers Agreement between Dakota County Soil and Water Conservation District for Technical Services on the Rain Garden Project include in City Project No. 2010-09D

Ayes: 5

Nays: 0 Motion carried.

F. CITY OF INVER GROVE HEIGHTS; Resolution Receiving Feasibility Report and Scheduling Public Hearing for the 2010 Improvement Program, City Project No. 2010-12, 59th Street Reconstruction

Mr. Kaldunski presented the feasibility study for 59th Street and stated full-depth street reconstruction is proposed. He explained an informational meeting was held with the neighborhood and residents generally spoke in support of the project. He stated the total project cost is estimated at \$118,443.36. He noted this would be a new street construction project with 100% assessment to benefitting properties. He explained for the street improvements the City would provide a contribution for corner credit relief in accordance with City policy, and the estimated corner contribution of \$52,411 is proposed to be funded from the Pavement Management Fund. He reviewed the proposed project schedule and noted the goal would be to perform the improvements in conjunction with the Concord Boulevard project.

Councilmember Piekarski Krech asked if there is a benefit to the City to perform the improvements.

Mr. Kaldunski stated the improved drainage is a significant benefit to the City.

Mayor Tourville discussed the reconstruction of Concord and the effect of gravel washouts from 59th Street on the new pavement.

Mr. Kaldunski responded there are also cost savings related to performing the improvements in conjunction with the Concord Boulevard project.

Ed Gunther, 6671 Concord Boulevard, asked if the alley would be widened.

Mr. Kaldunski responded in the negative.

Mr. Gunther stated his concern is the corner property that has vehicles in the yard.

Mr. Kaldunski responded that because the width of 59th Street would be increased, the property owner would have room to park vehicles on the boulevard.

Motion by Klein, second by Grannis, to adopt Resolution No. 10-24 receiving feasibility report and scheduling public hearing for the 2010 Improvement Program, City Project No. 2010-12, 59th Street Reconstruction

Ayes: 5

Nays: 0 Motion carried.

G. CITY OF INVER GROVE HEIGHTS; Resolution Authorizing the City of Inver Grove Heights to Enter into Agreement No. 92316 for Railroad Crossing Signals with Mn/DOT and the Union Pacific Railroad Company

Mr. Thureen stated he would like to bring this item back to another meeting because he received new information from Mn/DOT.

No Action was Taken on this Item.

8. MAYOR & COUNCIL COMMENTS:

Councilmember Grannis reminded citizens that appointments to the various commissions would be made in May and also that the filing period would begin in May for those interested in running for Mayor or Council.

Mayor Tourville said they will be meeting in executive session to discuss property acquisition and the only thing they will do when they come back is adjourn.

9. EXECUTIVE SESSION:

A. Discuss Property Acquisition

10. ADJOURN: Motion by Piekarski Krech, second by Grannis, to adjourn. The meeting was adjourned by a unanimous vote at 10:00p.m.