

**INVER GROVE HEIGHTS CITY COUNCIL MEETING  
MONDAY, JANUARY 24, 2011 - 8150 BARBARA AVENUE**

**CALL TO ORDER/ROLL CALL** The City Council of Inver Grove Heights met in regular session on Monday, January 24, 2011, 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, Finance Director Lanoue, and Deputy Clerk Rheaume.

**3. PRESENTATIONS:**

**A. Recognition of Sudden Cardiac Arrest Champions**

Chief Thill stated on Sunday, August 22, 2010 the Dakota Communications Center call taker, Tara Haley, received a call regarding a man that had collapsed and was not breathing. Based on the information provided, Ms. Haley dispatched Inver Grove Heights Police & Fire to the scene while she remained on the line to provide the caller with instructions on how to administer CPR. She noted that call takers play a very important role in the emergency response system. She stated Inver Grove Heights Police Officers Evelyn Duchene and Paul Schnepf, as well as Deputy Fire Chief Eric Bergum were the first responders to arrive at the scene and were subsequently joined by Lieutenants Jim Olund & Karl Luhr, Engineers Wade Hartley & Dave Talley, and fire fighters Jon Lerbs, Scott Oswald, and Gabe Yanez. She stated CPR was performed on the victim (Jim) and he was transported to the hospital. She explained during a quarterly Fire department meeting on October 17, 2010 the family attended to express their gratitude to the personnel who responded to the call and helped save Jim. She commended the police and fire departments on how well they work together.

Katie Kuenzi, Assistant Training Officer for EMS, stated every year approximately 325,000 people die of sudden cardiac arrest. She stated "Take Heart" is a non-profit organization whose main goal is to improve the survival rate of those who experience sudden cardiac arrest to 30%. She explained the organization provides training for bystanders, first responders, EMS personnel, and hospital staff. She recognized everyone that played a role in Jim's survival via the presentation of a pin and certificate to each individual.

**4. CONSENT AGENDA:**

Councilmember Piekarski Krech removed Item 4A, Minutes of January 10, 2011 Regular Council Meeting, from the Consent Agenda.

Citizen Frank Rauschnott requested that Item 4C, Approve Purchase of Replacement Equipment, from the Consent Agenda.

- B. Resolution No. 11-09** Approving Disbursements for Period Ending January 19, 2011
- D. Resolution No. 11-10** Accepting Individual Project Order (IPO) No. 17A from Kimley-Horn and Associates, Inc. for Design Services and Preparation of Preliminary Plans for City Project No. 2011-09D – South Grove Street Reconstruction – Area 6
- E. Resolution Nos. 11-11 and 11-12** Calling for Hearing on Proposed Assessments and Declaring Costs to be Assessed and Ordering Preparation of Proposed Assessments for 2010 Pavement Management Program, City Project No. 2010-09C – Blaine Avenue Mill and Overlay
- F.** Approve 2011 Seasonal/Temporary Compensation Plan
- G.** Approve Replacement of Golf Course Golf Car Fleet
- H.** Approve Temporary 3.2 Liquor License Request
- I.** Schedule Special City Council Meeting
- J.** Approve Contract with Dakota County for Sentence to Serve
- K.** Personnel Actions

**Motion by Madden, second by Klein, to Approve the Consent Agenda****Ayes: 5****Nays: 0      Motion carried.****A. Minutes – January 10, 2011 Regular Council Meeting**

Councilmember Piekarski Krech asked that the names of the reserve officers be included under Item 3B.

Councilmember Grannis stated that Mayor Tourville should be identified as the abstaining vote for Items 7C and 7E.

**Motion by Piekarski Krech, second by Klein, to approve the minutes of the January 10, 2011 Regular Council meeting****Ayes: 5****Nays: 0      Motion carried.****C. Approve Purchase of Replacement Equipment**

Frank Rauschnott, 6840 Dixie Avenue, opined too much money is being spent and the budgeted dollar amount could be scaled back. He suggested advertising the equipment for sale and taking bids on it from interested members of the public. He stated the City could receive more money for the used equipment if they sold it outright versus trading it in. He asked that more detailed information regarding the trade-in equipment be provided in future memorandums.

Councilmember Piekarski Krech stated the City did conduct public auctions in the past and recalled that there was a specific reason why they decided to stop auctioning equipment.

Mr. Rauschnott commented that it would not take much staff time to advertise the equipment for bids in the newspaper. He opined that the general public would generate more revenue than the projected trade in values.

Councilmember Klein recalled that the City contracted with an independent firm for the auction of various items and questioned why the equipment was not being sold on that website.

Mr. Lynch confirmed that the City did contract with a firm to publically auction items, typically from the Police Department, on their website. He noted the City has not sold vehicles via this method for a number of reasons. He stated staff could investigate that option in the future.

Mr. Kuntz stated the City could use either method. He explained the law that governs the sale of equipment is the same law that governs the purchase of equipment and if the estimated value is between \$0-\$25,000 it can be sold on the open market.

Mayor Tourville clarified that staff had the proposed trade-in value of each piece of equipment.

Mr. Thureen confirmed staff had the appropriate paperwork from each vendor.

Mayor Tourville stated the City should look at the getting the best return.

Councilmember Klein opined that selling the equipment via a public auction would net a greater return than the trade-in value.

Councilmember Piekarski Krech stated she would consider different options for any future equipment, but does not want staff time spent on public auctions.

**Motion by Grannis, second by Madden, to approve the Purchase of Replacement Equipment****Ayes: 4****Nays: 1 (Klein)      Motion carried.**

Mayor Tourville agreed Council could consider a different process for future items.

**5. PUBLIC COMMENT:** None.

**6. PUBLIC HEARINGS:****A. CITY OF INVER GROVE HEIGHTS;** Consider Amended and Restated Resolution Establishing an Economic Development Authority for the City of Inver Grove Heights

Mr. Link explained Council directed staff to advertise for a public hearing to amend the enabling legislation establishing the Inver Grove Heights Economic Development Authority (EDA). He stated the resolution reaffirms the previous City Council resolution that established the EDA in 1992. He noted the amended resolution also retains the City Council as the EDA board.

Steve Bubul, Kennedy and Graven, stated Council is being asked to adopt an amended and restated resolution. He explained the Council did adopt a resolution creating an Economic Development Authority in 1992 although it has remained largely inactive since that time. He stated due to the inactivity of the group it was recommended that the resolution be updated and re-adopted. He explained if the amended resolution is adopted the Council would then schedule a meeting of the EDA, convene as that group, and establish by-laws and elect officers. He stated the City Council would be designated as the Board of Commissioners for the EDA and emphasized that it is a completely separate political subdivision of the state. He noted the EDA is not an advisory body and one of the recommendations was to remove some of the original items from the resolution which required separate action or approval by the City Council. He added that another change was that the President of the EDA would be elected on an annual basis.

Councilmember Piekarski Krech asked why the EDA was formed in 1992.

Mr. Kuntz stated the EDA was formed in 1992 because a land owner/developer came to the city proposing an initiative for a specific piece of property and the thought was that the EDA could go the State to act on behalf of the landowner/developer for the land use proposal. He stated an alternate proposal for the property was made by another party and the developer never came back, so the EDA remained inactive since that time.

Dian Piekarski, 7609 Babcock Trail, stated she attended the last work session at which the EDA was discussed. She explained there were several discussion questions presented by staff at that meeting and she was informed that they had elected to answer those questions after the EDA was formed. She expressed several concerns and opined that questions should be answered before an EDA is formed. She stated there are existing resources that could be utilized without an EDA and opined that there is not a lack of property available for development. She asked that the Council identify and consider what the tax implications of an EDA would be. She stated the City needs to get out of the way of businesses and look for ways to streamline processes such as permitting. She questioned how long it would take to recoup the dollars spent and commented that citizens deserve to know how the EDA would be funded. She asked for examples of what EDAs in other cities have done to benefit their communities. She asked how an EDA would benefit or partner with organizations such as Progress Plus or the Dakota County CDA. She summarized her inquiries as what is to gain, what could be lost and who will fund the EDA.

Frank Rauschnott, 6840 Dixie Avenue, opined that the Council does not have the qualifications necessary to act as the EDA. He suggested that the City is behind in Commercial and Industrial development because there are too many rules and regulations for developers and business owners. He stated there should be more discussions to look at ways to improve the procedures that are already in place and to find new ways to attract businesses to the City.

Ellen Waters, Progress Plus, stated her organization strongly supports the establishment of an EDA because it would be another tool they could utilize to attract businesses and development to the City and it would put Inver Grove Heights at the same level as neighboring cities that are able to offer similar services. She noted there have been signs of a rebound in the industrial development sector.

Councilmember Grannis asked if the Convention and Visitors Bureau or Progress Plus serve the same function as an Economic Development Authority.

Ms. Waters responded that the Convention and Visitors Bureau primary function is to attract visitors and promote tourism in the City. She explained Progress Plus primarily markets the City to potential developers or business owners. She noted an EDA has much more power and authority to put the deals

together.

Councilmember Grannis questioned if property values typically increase when they are put back on the tax rolls?

Ms. Waters stated the property values often increase substantially and noted they are not typically taken off the tax rolls for very long.

Councilmember Piekarski Krech asked how an EDA would help businesses when they already have a number of sites in the City that are not developed.

Ms. Waters stated the EDA would get involved based on the market and what is trying to be accomplished.

Ms. Piekarski questioned how the Council would be trained to serve as the EDA. She reiterated that they should have a plan or purpose before reestablishing the EDA.

Mayor Tourville stated the EDA is able to serve some functions that the City Council cannot. He noted an EDA does not typically intervene on properties already owned by developers. He explained there are tools that are not available to cities without a functioning EDA or HRA.

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

**Ayes: 5**

**Nays: 0      Motion carried.**

Councilmember Klein stated the EDA would be another tool available to the City.

Councilmember Piekarski Krech stated she thinks it may be useful but would like to know what the tools are, how they will use them and what the priorities will be.

Councilmember Grannis clarified funding is proposed to come from Host Community fees.

Mr. Lynch stated \$500,000 could be used to fund projects. He noted there are no projects planned at this time.

Ms. Waters clarified that most Economic Development Authorities are used regularly.

**Motion by Klein, second by Grannis, to adopt Resolution No. 11-13 Amending and Restating Resolution Establishing an Economic Development Authority for the City of Inver Grove Heights**

**Ayes: 4**

**Nays: 1 (Piekarski Krech)      Motion carried.**

## **7. REGULAR AGENDA:**

### **COMMUNITY DEVELOPMENT:**

#### **A. GERTENS GREENHOUSES;** Consider the following actions for property located at 5500 Blaine Ave.:

- i) An Ordinance Amending Ordinance No. 946 to Rezone Additional Land to Commercial Planned Unit Development District and to Change the Site Plan and Allowed Uses for the Greenhouse Expansion
- ii) Resolution Approving a PUD Amendment to Change Resolution No. 98-210 to Allow for the Greenhouse Expansion

Mr. Link stated Gertens is proposing to add approximately 300,000 square feet of greenhouse on the property on the east side of Blaine. He explained the addition would consist of 250,000 square feet of new greenhouse structure located on the southerly portion of the lot and the remainder would be filling in the gaps between the existing greenhouses. He noted the greenhouse addition would be completed in phases. He explained the property is located in the Southeast Quadrant PUD and the ordinance would be amended to add the greenhouse expansion to the PUD as well as a new site plan. He stated only the land under the new greenhouse addition would be rezoned to the Southeast Quadrant PUD, and the

balance of the growing field area would remain outside the Southeast Quadrant PUD boundaries.

Mr. Link explained the Gerten property is guided Regional Commercial in the 2030 Comprehensive Plan, and the intent for this area is to provide for a broad range of goods and services, employment and a broad tax base. He stated the balance of the property fronting along Upper 55<sup>th</sup> Street that is currently used for growing fields is covered by two zoning districts: A, Agricultural and Commercial PUD. Staff recommended that Council consider initiating a change of zoning for the corner property along Upper 55<sup>th</sup> Street and Blaine Avenue to Commercial PUD in order to stay consistent with the goals of the Regional Commercial land use designation. He noted the applicant indicated a willingness to explore this request with the City.

Mr. Link stated the proposed greenhouses would meet the performance standards of the Southeast Quadrant PUD. He explained the applicant proposed to construct a storm water pond to address storm water on site as well as in the area. He stated staff is working with MnDOT and the applicant on storm water design. He noted the Engineering division proposed several detailed conditions to be included with the PUD resolution because there are several outstanding issues to be resolved with respect to the storm water design. He stated both Planning staff and the Planning Commission recommended approval of the requests.

Councilmember Piekarski Krech corrected condition number eight (8) to read “plant” instead of “plan”. She asked about condition number six (6).

Mr. Link recommended deleting condition number six (6) because the buildings do not currently meet the state building code for retail uses, but could be modified to meet the standards. He also corrected condition number 14 to read “prior to commencement of construction”.

Councilmember Grannis asked that the applicant confirm for the record that they would not object to the rezoning of the corner property along Upper 55<sup>th</sup> Street and Blaine Avenue.

Mayor Tourville questioned if the pond on 494 was governed by the watershed or by MnDOT.

Mr. Thureen informed the Council that the property, and the pond, is owned by MnDOT. He noted a permit is required to change the amount of discharge to that basin. He explained that the pond flows into the state’s 494 storm water system.

Councilmember Klein questioned if pond “SE” had an overflow to the pond across the street on Blackshire.

Mr. Thureen stated pond “SE” flows to a pond on the south side of Upper 55<sup>th</sup> Street and to the west of Blackberry Trail.

Councilmember Klein asked if Gertens could use that holding pond as a watering resource.

Mr. Thureen responded it could be used for irrigation if Gertens so chooses.

Lewis Gerten, applicant, asked Council to table consideration of the requests. He stated they need to understand what is being proposed with respect to the drainage issues and the ramifications of what they would be agreeing to. He stated he is comfortable with the proposed zoning change for the corner property along Upper 55<sup>th</sup> Street and Blaine Avenue, provided they get a workable project.

Peter Coyle, Larkin Hoffman, stated no agreement has been reached regarding the drainage issues. He stated the technical information needs to be reviewed and understood by Mr. Gerten to make sure the project is workable.

Mayor Tourville confirmed the applicant agreed to delete condition number six (6).

Mr. Coyle added he would also like to work with staff to reduce conditions 15, 16 and 17 down to a couple sentences.

Councilmember Madden clarified timing is important and they would like to start construction in the spring.

Councilmember Piekarski Krech questioned if the required approvals from MnDOT were the only things delaying the process.

Mr. Gerten stated the drainage issues are complex and there is some disagreement regarding infiltration. He noted MnDOT’s response has been slow and that they may have to sit down at a work session meeting to get everyone at the table to work through the issues.

Mr. Kuntz suggested that the applicant extend the deadline another sixty days and the item could be brought back sooner if it is ready.

Mr. Coyle stated he would submit an extension request in writing.

**Motion by Klein, second by Madden, to table consideration of the requests to February 28, 2011**

**Ayes: 5**

**Nays: 0      Motion carried.**

**Motion by Grannis, second by Klein, directing Planning staff to initiate the rezoning of corner parcel on Upper 55<sup>th</sup> St. and Blaine Avenue to Commercial PUD**

**Ayes: 5**

**Nays: 0      Motion carried.**

The City Council took a five minute break.

**B. CITY OF INVER GROVE HEIGHTS;** Consider the following actions:

- i) The Third Reading of an Ordinance Establishing Standards Regulating Dynamic Display Billboards
- ii) An Ordinance Creating Dynamic Display Billboard Overlay District to Allow such Signs

Mr. Link stated Council approved the second reading of the ordinance on January 10 and did not make any changes. He noted no changes to the ordinance are proposed.

**Motion by Madden, second by Klein, to adopt Ordinance No. 1228 Establishing Standards Regulating Dynamic Display Billboards and Ordinance No. 1229 Creating Dynamic Display Billboard Overlay District**

**Ayes: 4**

**Nays: 1 (Grannis)      Motion carried.**

**ADMINISTRATION:**

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

Ms. Teppen stated the contract amount is reflected to increase \$40,206.00 for a revised contract total of \$11,942,558.10. She noted the project contingency fund balance is \$161,232.90.

Councilmember Grannis questioned why the revisions for the in-floor heat piping layout were not taken into consideration by the architect when the basement bid alternate was included in the project. He stated items PR 114, PR 136, PR 137, & PR 139 should also be added to the list for negotiation at the end of the project. He explained none of the items referenced were required because of fault on the City’s behalf and should have been included or planned for in the original design. He opined that he understands the change orders that result because of conditions in existing City Hall that were unknown prior to construction, but does not see why the City should have to pay for items were forgotten, or built and/or designed incorrectly.

Councilmember Klein questioned why the Owner’s Representative did not catch some of the items when the original plans were reviewed.

Mr. Lynch responded that the Owner’s Representative team was able to extensively review the plans for Phase II of the project but did not have the opportunity to review the plans for Phase I to the same extent due to the construction schedule. He noted the architect is aware of the oversights that have occurred throughout the course of the project and that the City has a number of areas of concern that need to be

negotiated.

Ms. Teppen explained the Owner's Representative team conducts site visits several times a week. She stated she believes the City is getting a better product because of the work being done by the Owner's Representative team.

Councilmember Klein asked that the City Council be provided with a list of items the Owner's Representative team has submitted to the City throughout the course of the project.

Councilmember Madden questioned how much of the project has been completed.

Mr. Lynch stated as of January 20, 2011 the project is 85% complete.

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

**Ayes: 4**

**Nays: 1 (Grannis) Motion carried.**

**D. CITY OF INVER GROVE HEIGHTS; Consider Change Order No. 19 for City Project No. 2008-18, Public Safety Addition/City Hall Renovation Project**

Ms. Teppen explained this change order is for main level insulation and gyp board replacement as a result of moisture damage that was discovered at the main level exterior walls after wall covering was removed during demolition. She stated the work is being required by the Building Official for occupant health and safety reasons. She noted the work would include new moisture resistant insulation, vapor barrier, and gypsum board. She stated the total for the work is \$18,917, for a revised contract of \$11,961,475.10 and a project contingency balance of \$142,315.90.

**Motion by Klein, second by Madden, to approve Change Order No. 19 for City Project No. 2008-18, Public Safety Addition/City Hall Renovation Project**

**Ayes: 5**

**Nays: 0 Motion carried.**

**E. CITY OF INVER GROVE HEIGHTS; Consider Award of Bid for Re-Roof of Existing City Hall**

Ms. Teppen explained during the design phase of the project the replacement of the roof at existing City Hall was value engineered out of the project in an effort to keep project costs low. She stated because the roof developed several leaks throughout the course of last winter and because bids came in lower than anticipated; the topic of roof replacement has been revisited. She explained following an inspection of the roof by an independent testing firm, Inspec, it was determined that further repair of the roof would not extend the life of the roof. Given the age of the roof membrane and the interior remodel Inspec recommended replacement of the roof. She stated seven bids were received, with the base bid calling for completion of the work within 60 days of notice to proceed and an alternate bid for installation on or about March 15, 2011 and completion by May 13, 2011. She explained BB Sheetmetal Roofing submitted the low bid in each instance with a cost of \$149,000 for the base bid and \$134,000 for spring construction. She noted the Architect, Owner's Representative, Inspec, and City staff recommended that Council award the bid with the alternate for spring construction. Staff also recommended that the funds to pay for the new roof come from the City Facilities fund.

**Motion by Piekarski Krech, second by Grannis, to Award Bid for Re-Roof of Existing City Hall with Bid Alternate No. 1 to BB Sheetmetal Roofing in the amount of \$134,000 to be paid out of the City Facilities Fund**

**Ayes: 5**

**Nays: 0 Motion carried.**

**F. CITY OF INVER GROVE HEIGHTS; Approve Agreement for Periodic Construction Observation Services for Roof and Related Sheet Metal Services for the Re-Roof of Existing City Hall**

Ms. Teppen stated it is recommended that Council approve the agreement with Inspec to provide inspection services for the re-roof of existing City Hall. She stated the cost is \$3,960 and funds are proposed to come from the City Facilities fund.

**Motion by Madden, second by Grannis, to approve Agreement with Inspec, Inc. in the amount of \$3,960 for Periodic Construction Observation Services for Roof and Related Sheet Metal Services for the Re-Roof of Existing City Hall**

**Ayes: 5**

**Nays: 0      Motion carried.**

**8. MAYOR & COUNCIL COMMENTS:**

**9. ADJOURN:** Motion by Piekarski Krech, second by Madden, to adjourn. The meeting was adjourned by a unanimous vote at 10:06 p.m.