



**INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY AGENDA
SPECIAL MEETING
MONDAY, JUNE 8, 2020
REMOTE MEETING
6:00 P.M.**

NOTICE TO RESIDENTS: If you are interested in participating in the meeting, please contact Kim Fox prior to this meeting via telephone (651) 450-2545 or email (kfox@invergroveheights.org) to inform her - your name, address and to what you wish to speak on. Individuals may submit written public comments in advance of the meeting by emailing comments to Kim Fox (kfox@invergroveheights.org). Comments received prior to 4:00 p.m. on Friday, June 5, 2020 will be provided to the EDA at or before the June 8, 2020 meeting.

Phone Number to Reach Meeting: 651-450-2471

1. CALL TO ORDER

2. ROLL CALL

3. REGULAR AGENDA

- A. Consideration of New Inver Grove Heights Affordable Housing Development Policy and Related Program (continued from the May 26, 2020 Regular EDA Meeting)
- B. Consideration of Resolution Accepting Transfer of Authority Over TIF District No. 4-1
- C. Executive Director's Report – Heather Rand

4. NEXT MEETING – August 10, 2020

5. ADJOURN

CITY OF INVER GROVE HEIGHTS

REQUEST FOR EDA ACTION

RESOLUTION ADOPTING AFFORDABLE HOUSING DEVELOPMENT PROGRAM POLICY

Meeting Date: June 8, 2020
 Item Type: EDA
 Prepared by: Heather Rand,
 Community Development Director
 Contact: 651-450-2546

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| ☐ | None |
| ☐ | Amount included in current budget |
| ☐ | Budget amendment requested |
| ☐ | FTE included in current complement |
| ☐ | New FTE requested – N/A |
| ☒ | Other (Decertified TIF 4-1) |

PURPOSE/ACTION REQUESTED:

EDA approve resolution adopting an Inver Grove Heights affordable housing development program policy that will guide EDA and city staff actions to advance the creation and retention of affordable housing in the community. This request for action is a continuation of May 26, 2020 resolution discussion to which EDA Commissioners requested additional legal information from the city's bond/TIF legal counsel. Such additional information is attached for commissioner edification. A companion resolution to this EDA resolution is also on city council agenda for continued consideration on June 8, 2020.

SUMMARY:

The City's TIF District 4-1 was decertified in 2019 and is no longer capturing tax increment. However, there is a cash balance in the District of approximately \$4.1 million. These funds may still be used by the City, but due to limitations under State law and the city adopted TIF Plan, the funds may either be used to assist affordable housing projects throughout the City or be turned back to the County for proportional redistribution to the County, City, and School District.

If the City opts to use the TIF District 4-1 balance to assist the development of affordable housing, city staff in consultation with Ehlers the city's financial advisor, recommend the EDA and City Council establish an affordable housing development program policy with criteria and a process for awarding funds to specific development projects. Toward this end, the attached Affordable Housing Development Program Policy is proposed for EDA consideration.

Key provisions of the policy are summarized below.

Affordable Housing

Funds may be used to assist development of multi-family rental housing for families and/or seniors that reserve either 20% of the units for residents at or below 50% of the median income, or 40% of the units for residents at or below 50% of the median income. The chart below shows the current (2020) affordable housing income and rent limits:

2020 Income Limits		
Family Size	50% of Median Income	60% of Median Income
1	\$36,200	\$43,440

2	\$41,400	\$49,680
3	\$46,550	\$55,680
4	\$51,700	\$62,040
2020 Rent Limits		
Bedroom Size	50% of Median Income	60% of Median Income
1	\$970	\$1,164
2	\$1,163	\$1,396
3	\$1,344	\$1,613

Housing that meets these criteria markers in Minnesota is labeled “workforce housing.” To further illustrate with an example, a single parent with one child making \$23.88 per hour is at 60% of median income. Senior housing development projects, (age 55 or older) would also be potentially eligible. The housing may be located anywhere within the City that complies with existing zoning codes and restrictions.

City/EDA Funds Used for Gap Financing

In certain situations, the cost of utilities, streets, public improvements, City fees, environmental remediation or site acquisition may make an affordable housing project financially infeasible. In any of these situations, the City may consider providing financial assistance from the Affordable Housing Development Fund to fill a demonstrated financial gap in the project.

The Fund may be used for:

- Extending or relocating utilities or constructing utility infrastructure
- Street improvements or street assessments
- Site improvements such as sidewalks and streetscaping
- Other eligible public improvements
- Site acquisition
- Clearance and demolition expenses
- Environmental remediation
- City fees including park dedication, utility connection, or storm water fees

Gap financing may be provided in the form of a grant, deferred or forgivable loan, or interest-bearing loan. It is possible in future the EDA and City Council could amend this policy to create additional affordable housing programming beyond the provision of gap financing to support the creation of affordable housing in the city.

Demonstrated Financial Need and Formal Review Process

A developer requesting City or EDA assistance from the Affordable Housing Development Fund would need to demonstrate that the project is financially infeasible without the assistance. To accomplish this objective, the developer would submit a financial assistance application with a fee and a financial *proforma* that would be reviewed by the City’s staff and financial advisor. After review of the financial assistance application, the amount and form of assistance recommended by staff would be the minimum needed to make the project feasible without unduly enriching the developer.

EDA Approval of Specific Projects

Each award of funds from the Affordable Housing Development Fund shall be considered and approved by the EDA. The EDA is not obligated to award funds to any project and may impose additional restrictions on a project. For example, the EDA can require a higher level of exterior finishes, a larger dedication of land for a park, or other public benefit as part of the assistance package.

EDA Program Administration

It is contemplated that the City's EDA will administer the Affordable Housing Development Program Fund. Because TIF 4-1 is a City tax increment district, the City Council will need to authorize the EDA to administer this program. Such authorization will be requested at the June 8, 2020 Council meeting via a separate resolution; however, a companion resolution approving the affordable housing development policy has been placed on the city council's May 26, 2020 agenda for consideration as interim step in establishing this new city framework, and this resolution action was carried over for further consideration by council at the June 8, 2020 meeting.

Loan Repayments

If the EDA provides financial assistance from the Affordable Housing Development Program Fund in the form of a loan, the loan repayments are still considered to be Tax Increment and must be segregated from other funds per state law. As such, the loan repayments would go back into the Affordable Housing Development Program Fund to assist future affordable housing development within the city of Inver Grove Heights.

Affordable Housing Development Program Policy Amendments

It is possible that over time, this affordable housing development program fund policy would be amended by the EDA and City Council to continue to be remain relevant over time and meet the emerging affordable housing needs of the city.

Decertified TIF 4-1 Fund Usage Legal Parameters

Attached, please find additional information clarifying legal parameters for usage of the decertified TIF district 4-1 funds via a memo from Jason Aarsvold and Jessica Cook, Ehlers Public Financial Advisors and a memo from Bond/TIF legal counsel Jennifer Boulton, Kennedy & Graven Law Firm.

Recommendation

Staff recommend EDA approval of the affordable housing development program policy.

MEMORANDUM

TO: EDA Commissioners, City of Inver Grove Heights
FROM: Jessica Cook and Jason Aarsvold
DATE: June 8, 2020
SUBJECT: Affordable Housing Development Program Policy

At its May 26, 2020 meeting the EDA considered an Affordable Housing Development Program Policy. The proposed source of funds for assisting future affordable housing developments is all or a portion of the \$4.1 million cash balance in the City's TIF District 4-1, which was decertified in 2019 and is no longer capturing tax increment. The EDA expressed concern about committing all the funds to affordable housing development. The purpose of this memo is to clarify how TIF 4-1 may be used, and at what point it becomes fully committed to affordable housing, assuming the EDA and Council choose to use some of it for that purpose.

The cash balance in TIF 4-1 Fund may only be used in two ways:

- 1) To fund affordable rental housing developments anywhere within the City; or
- 2) Be returned to Dakota County for redistribution to the City, the County, and the School District. If the funds are returned, the City would receive approximately \$2,134,000 back from Dakota County which may be used for any governmental purpose.

It is not necessary to make an irrevocable decision about how to allocate the cash balance at this time. The funds will remain in the City's TIF 4-1 Fund until they are either allocated to a specific housing project and disbursed at closing or returned to the County.

In addition, we anticipate the legislature may consider allowing flexibility for the use of existing TIF balances to help cope with the COVID-19 pandemic. For this reason, we would advise the City and EDA to wait to make a decision about returning TIF proceeds to the County until after the proposed special legislative session.

The purpose of adopting an Affordable Housing Development Program Policy at this time is to accomplish the following:

- 1) Provide an alternative to establishing new tax increment districts or tax abatements to assist with affordable housing;

- 2) Indicate to developers that the EDA is willing to consider using a portion of the TIF 4-1 proceeds to provide financial assistance to affordable housing developments within the City that meet the City's overall development goals;
- 3) Provide a set of criteria that establishes which projects are eligible and against which the EDA staff and Commissioners can evaluate projects; and
- 4) Provide a means of funding City infrastructure associated with affordable housing development.

Each project would come to the EDA for individual approval, and TIF 4-1 proceeds would only be disbursed on an as-needed basis for approved projects.

Policy for Available Tax Increment

One question that arose at the May 26 meeting was whether the City should adopt a general policy about how to use available tax increment from its TIF Districts. We would suggest that a general policy is unnecessary at this time because the policy direction is already provided within the state statutes and the TIF Plan. For all future districts TIF must be used in accordance with the specific purposes and budget in the TIF Plan within five years of establishing the district or excess TIF must be returned to Dakota County for redistribution.

In 2018 the City Council established policy direction by modifying TIF 4-1 to allow the proceeds to be used for affordable housing. The policy question the EDA was asking at its May 26 meeting was whether the EDA should continue with this policy direction or return TIF proceeds to the County. We would contend that this is not an "either/or" situation. Unless the EDA and City know that they want to return 100% of the proceeds to the county for redistribution, the EDA can consider using a portion of the TIF 4-1 proceeds for affordable housing on a case-by-case basis and retain the ability to return the remaining portion to the County at any time. The City's TIF attorney, Jenny Boulton of Kennedy & Graven, has provided a memo confirming that approving an Affordable Housing Program Policy does not irrevocably commit all of TIF 4-1 proceeds to affordable housing but rather indicates a willingness to consider using TIF 4-1 for that purpose and provides policy direction for staff when evaluating affordable housing projects that do come forward.



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TO: EDA Board and City Council, City of Inver Grove Heights
FROM: Jenny Boulton, Kennedy & Graven, Chartered
DATE: June 4, 2020
RE: Affordable Housing Development Program Policy Questions

A. Introduction

At its May 26, 2020 meeting the EDA considered an Affordable Housing Development Program Policy, the proposed source of funding for which is all or a portion of the cash balance in the City's TIF District 4-1. I have been asked to address certain questions that were raised at that meeting.

B. Discussion

1. The remaining funds (a cash balance of approximately \$4.1 million dollars) in the decertified TIF District 4-1 are not, under current law, required to be spent by a certain deadline. Please note however, that the Office of the State Auditor sometimes inquires about large unspent TIF fund balances so it is beneficial to have contemplated the intended purpose for retaining those funds.
2. If the City determined to return the cash balance from TIF District 4-1 to the County for distribution to the appropriate taxing jurisdictions, the distribution would be based on local tax rates. The City's tax rate is .51037; therefore, if all \$4.1 million were returned the City's share would be approximately \$2,134,000.
3. The tax increment financing laws apply limits on the amount of tax increments that can be spent after 5 years and outside of the TIF district. In addition, tax increments cannot be spent outside the underlying project area for the TIF district except for the limited purpose of affordable rental housing meeting specified requirements. TIF District 4-1 was established under special laws which defined the underlying project area as the area of the TIF District 4-1 plus surrounding roads and without the ability to expand that area because of the special circumstances under which it was allowed to be established. As a result, effectively the only use of the remaining funds is for affordable housing meeting specified requirements or returning the funds to the County for redistribution. The use for affordable rental housing can be for acquisition, site improvement and building construction costs of the housing facility or infrastructure costs to the extent directly related to the affordable rental housing facility. The draft Affordable Housing Development Program Policy identifies proposed costs that the City and EDA would consider using the remaining tax increments for.

4. The City Council could determine to allocate a portion of the \$4.1 million balance for Affordable Housing Development Fund now and also allocate a portion to be returned the funds to the County for redistribution. Furthermore, the City Council could later determine to return additional funds to the County for redistribution if the Council determines at that time that the City prefers to use such remaining funds for a different purpose. There is not currently any deadline under the tax increment financing laws for the City to determine to return an additional portion of those funds to the County for redistribution if not used for affordable housing purposes.
5. The City would typically adopt a resolution stating how the funds are to be allocated. Or if the City determines to transfer administration of TIF District 4-1 to the EDA, the EDA could adopt that resolution. There is not currently any deadline under the tax increment financing laws for the City to determine how to allocate the funds; however as mentioned in Section 1 above, it is beneficial to have contemplated the intended purpose for retaining those funds in order to be able to respond to inquiries from the Office of the State Auditor.
6. There was recently proposed legislation that would have provided significant new authority for the use of tax increment fund balances. That legislation was not adopted during the last regular session of the Minnesota Legislature, but may come back up during special session so the Council may wish to consider waiting a little longer to make a decision on the allocation of funds remaining in TIF District 4-1 to see if any additional opportunities arise. I do not have any insight regarding the likelihood of the proposed legislation being adopted.

City of Inver Grove Heights, Minnesota

AFFORDABLE HOUSING DEVELOPMENT PROGRAM POLICY

I. PURPOSE

The purpose of this policy is to establish the criteria and procedures by which TIF #4-1 funds may be used as an “Affordable Housing Development Program Fund” to incent and support the development of affordable housing in the City.

In 2018, the City modified its Tax Increment Financing District #4-1 to allow the use of tax increment for affordable housing projects throughout the City. In particular, the plan was modified to allow for an additional 10% pooling for affordable housing pursuant to Minnesota Statutes, Section 469.1763 subd. 2(d).

TIF District #4-1 was decertified at the end of 2019 and the properties in the districts are no longer capturing tax increment. The remaining balance of tax increments that have been captured in the district fund are restricted for affordable housing projects, unless the city council elects to distribute funds to the respective tax jurisdictions that were impacted by the creation of TIF #4-1. Toward this end, the EDA/City is creating the Affordable Housing Development Program Fund (the “Fund”) to incent the development or rehabilitation of affordable rental housing within the City of Inver Grove Heights utilizing TIF District #4-1’s fund balance.

In certain situations, the cost of utilities, streets, eligible public improvements, City fees, environmental remediation or site acquisition may make an affordable housing project financially infeasible. In any of these situations, the City may consider providing financial assistance from the Fund to fill a demonstrated financial gap in the project. This policy shall be used as a guide in reviewing applications for financial assistance from the Affordable Housing Development Fund.

II. POLICY

It is the policy of the City of Inver Grove Heights to establish a TIF #4-1 Affordable Housing Development Fund to provide financial assistance to affordable housing projects to assist with certain development costs. Eligible projects must consist of rental housing that meets the income and rent qualifications for the Low Income Housing Tax Credit Program as defined under section 42(c) of the Internal Revenue Code.

The Affordable Housing Development Program Fund shall be used to provide financial assistance to eligible projects to pay for the following eligible project costs:

- a. Extending or relocating utilities or constructing utility infrastructure
- b. Street improvements or street assessments
- c. Site improvements such as sidewalks and streetscaping
- d. Other eligible public improvements
- e. Site acquisition
- f. Clearance and demolition expenses
- g. Environmental remediation
- h. City fees including park dedication, utility connection, or storm water fees

III. PROCEDURE

A developer may request assistance from the Fund by submitting an financial assistance application and supporting documentation, together with the non-refundable application fee to the Inver Grove Heights EDA. Significant additional information may be requested at any time by the City and its Economic Development Authority ("EDA") and may be in addition to the materials outlined in the financial assistance application. The Applicant shall be required to submit any and all information as requested by the City/EDA.

City staff and, as appropriate, the City's financial advisor shall review the application materials and make a preliminary recommendation to the EDA/City. The staff recommendation will include:

- a. The proposed amount of the financial assistance
- b. The proposed structure and terms of the financial assistance.
- c. A rationale for the recommendation
- d. Eligible affordable housing project costs and the estimated cost thereof

The EDA/City may either deny or grant approval of a grant, deferred or forgivable loan, or interest-bearing loan utilizing the Fund or other available resources as the funding source. Once the EDA/City has completed preliminary due diligence and financial review of the application, the developer applicant shall deposit additional funds in an amount established by the City/EDA, but not less than \$10,000 as an initial escrow, to cover attorney and consultant costs incurred as part of drafting and negotiating a development agreement, and conducting any fiscal analysis that may be required to meet the requirements of utilizing any public financing to support the affordable housing project proposed. If additional expenses are incurred beyond the initial deposit, prior to the execution of a development agreement,

the City/EDA shall notify the applicant in writing and the applicant will be required to deposit additional funds into the escrow upon notice. Unused applicant escrow funds on deposit shall be returned to the developer applicant.

IV. GENERAL TERMS AND CONDITIONS

The project must comply with the rent and income restrictions for 20 years and report the rents and incomes to the EDA/City for the term of the restrictions on an annual basis.

Any repayments of financial assistance made from this Fund are considered tax increment and shall be redeposited in the Fund to be used for future affordable housing purposes.

The City/EDA reserves the right to deny any application for financial assistance at any stage of the proceedings prior to adopting the resolution approving the affordable housing financial assistance. The Applicant is not entitled to rely on any preliminary actions by the City/EDA or its staff prior to the adoption by city/EDA of a final resolution of approval of the financial assistance, and all expenditures, obligations, costs, fees, or liabilities incurred by the Applicant in connection with the Project are incurred by the Applicant at its sole risk and expense and not in reliance on any actions of the City/EDA.

Any applicant who is not in good standing with the City/EDA, in regard to licenses, fees, taxes or other specific charges, will not be considered for receiving financial assistance.

The Applicant shall hold the City/EDA, its officers, consultants, attorneys, and agents harmless from any and all claims arising from or in connection with the project or financial assistance application, including but not limited to, any legal or actual violations of any State or Federal securities laws.

The City/EDA shall have the option of amending or waiving sections of this affordable housing development policy when they determined a change necessary or appropriate to continue to advance its affordable housing goals.

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

RESOLUTION ADOPTING AN AFFORDABLE HOUSING DEVELOPMENT FUND POLICY

WHEREAS, the City of Inver Grove Heights (the “City”) has previously established Tax Increment Financing District 4-1 (the “District”) and modified the District in 2018 to allow the use of tax increment for affordable housing projects;

WHEREAS, the District was decertified in December 2019 and the remaining balance of tax increments in the District may be used to assist affordable housing projects throughout the City; and

WHEREAS, the Inver Grove Heights Economic Development Authority (the “EDA”) desires to increase the availability of affordable housing in the City;

NOW, THEREFORE BE IT RESOLVED that the EDA adopt the Affordable Housing Development Fund Policy that establishes a loan and grant program to provide financial assistance to affordable housing developments.

BE IT FURTHER RESOLVED that such approval is subject to the City’s approval of transferring control of the administration of the City’s Tax Increment Financing District 4-1 to the EDA pursuant to Minnesota Statutes 469.094 subd 2.

NOW, THEREFORE BE IT RESOLVED that the Economic Development Authority adopt an Affordable Housing Development Program Fund Policy that establishes a loan and grant program to provide financial assistance to affordable housing developments; provided, however that the City Council may, by resolution adopted at any time before the final expenditure of such funds from the District, determine to return such tax increments to Dakota County for redistribution to the applicable taxing jurisdictions in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”).

Res No. _____

Adopted by the Board of Commissioners of the Inver Grove Heights Economic Development Authority
on June 8, 2020.

Ayes:

Nays:

Rosemary Piekarski-Krech, President

Attest:

Heather Rand, Executive Director

CITY OF INVER GROVE HEIGHTS

REQUEST FOR EDA ACTION

**RESOLUTION ACCEPTING TRANSFER OF AUTHORITY OVER TAX INCREMENT
FINANCING DISTRICT NO. 4-1 FROM THE CITY OF INVER GROVE HEIGHTS**

Meeting Date: June 8, 2020
 Item Type: EDA
 Prepared by: Heather Rand,
 Community Development Director
 Contact: 651-450-2546

Fiscal/FTE Impact:

☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other (Decertified TIF #4-1)

PURPOSE/ACTION REQUESTED:

EDA approve resolution accepting transfer of authority over tax increment financing district #4-1 from the city of Inver Grove Heights for the purpose of utilizing such funds for the development of affordable housing in the city. A companion resolution to this EDA resolution will be placed on the city council agenda on June 8, 2020.

SUMMARY:

At the June 8, 2020 city council meeting, it is anticipated that the city council will approve a resolution transferring authority over tax increment financing district #4-1 to the EDA. The reason for such change is to enable the EDA to take guardianship of the funds and accept responsibility for advancing the development of affordable housing in the city of Inver Grove Heights. EDA's (Economic Development Authority) are able to focus on development and redevelopment opportunities to a greater extent than a city council that has a much broader policy purview. For this reason, staff recommends approval of the pre-emptive EDA resolution accepting this transfer of authority.

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. ____

RESOLUTION ACCEPTING TRANSFER OF AUTHORITY OVER TAX INCREMENT
FINANCING DISTRICT NO. 4-1 FROM THE CITY OF INVER GROVE HEIGHTS

BE IT RESOLVED By the Board of Commissioners of the City of Inver Grove Heights Economic Development Authority (the “EDA”) as follows:

Section 1. Background, Findings.

1.01. The City Council (the “Council”) of the City of Inver Grove Heights (the “City”) previously adopted a resolution (the “Enabling Resolution”) providing for the creation of the EDA pursuant to Minnesota Statutes, Sections 469.090 to 469.1081, as amended (the “EDA Act”).

1.02. The City previously established Development District No. 4 (the “Development District”) and adopted a Development Program therefor, pursuant to Minnesota Statutes, Sections 469.124 to 469.134, as amended (the “Development District Act”). Within the Development District the City has established Tax Increment Financing District No. 4-1 (the “TIF District”) pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”).

1.03. Section 469.094, subdivision 2 of the EDA Act authorizes the City, by resolution, to transfer to the EDA the control, authority and operation of any program or project as defined in the TIF Act and the Development District Act.

1.04. The Council has determined that is necessary and in the public interest to transfer administration of the TIF District and the Development District to the EDA, and adopted a resolution transferring the control, authority, and operation of the TIF District and a the Development District to the EDA on the date hereof.

Section 2. Acceptance of Transferred Project and Program.

2.01. The EDA accepts responsibility for the control, authority and operation of the TIF District and the Development District transferred by the City to the EDA.

2.02. The EDA covenants and pledges to assume all of the duties and responsibilities of the City regarding programs and projects transferred to the EDA.

Section 3. Other Proceedings.

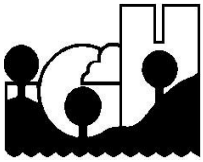
3.01. The President and staff are authorized and directed to take whatever steps are necessary to give effect to this Resolution. The President and Executive Director are authorized and directed to execute, deliver and accept on behalf of the EDA any and all documents and instruments necessary to give effect to this Resolution.

Approved by the Board of Commissioners of the Inver Grove Heights Economic Development Authority this 8th day of June, 2020.

President

Attest:

Executive Director



Inver Grove Heights City Council
Remote Meeting via Zoom
Monday, June 8, 2020 at 7:00 p.m.

A G E N D A

NOTICE TO RESIDENTS: If you are interested in participating on **Item 5. Public Comment**, please contact Rebecca Kiernan prior to this meeting via telephone (651) 450-2513 or email (rkiernan@invergroveheights.org) to inform her - your name, address and to what you wish to speak on. Individuals may submit written public comments in advance of the meeting by emailing comments to Rebecca Kiernan (rkiernan@invergroveheights.org). Comments received prior to 4:00 p.m. on Monday, June 8, 2020, will be provided to the Council at or before the June 8, 2020 meeting.
Phone Number to Reach Meeting: 651-450-2471

1. Call to Order

2. Roll Call

3. Presentations

COVID 19 Update - Emergency Management Director Melissa Chiodo

4. Consent Agenda

All items on the consent agenda are considered routine and have been made available to the City Council at least two days prior to the meeting; the items will be enacted in one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from this agenda and considered in normal sequence.

- A.** Minutes from the May 11, 2020 City Council Meeting.
- B.** Disbursements for Period Ending June 2, 2020.
- C.** Consider Approval of Rental Licenses.
- D.** Confirm and Approve Personnel Actions.
- E.** Consider approval of Addendum with ISD 199 for the VMCC/Grove Use Agreement.
- F.** Consider Approval of Contractor for Repairs to the VMCC/Grove Spa.
- G.** Consider Pay Request #1 for the Salem Hills Athletic Court Project.
- H.** Consider Declaration of Property for the Doffing Ave Acquisition Program - MN DNR Flood Mitigation Program.
- I.** Consider a Resolution approving a Conditional Use Permit to add a 22,600 square foot new building along with a one-level parking deck to the existing car sales lot. This request is for the property located at 1055 50th Street. R.J. Ryan Construction Case No. 20-11CA.
- J.** Approve Comment Letter to Dakota County for its 2021-2025 Capital Improvement Program (CIP) and Transportation Sales and Use Tax Capital Improvement Program (TSUT CIP).
- K.** Consider Resolution Receiving Bids, Awarding Contract, and Approving Geotechnical Services Proposal for the 2020 Pavement Management Program, City Project No. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements.
- L.** Consider Resolution Approving Land Acquisition Agreements related to City Project No. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements.

- M.** Consider Resolution Approving the Purchase of Wetland Banking Credits related to City Project No. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements.
- N.** Consider Resolution Authorizing Payment Adjustments to Land Acquisition Agreements for Tax Purposes related to City Project Nos. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements and 2019-09D 64th Street Area Improvements.
- O.** Consider Resolution Accepting Quotes and Awarding Project for City Project No. 2019-05 - Sleepy Hollow Park Storm Sewer Repair.

5. Public Comment

Public comment provides an opportunity for the public to address the Council on items that are not on the agenda. Comments will be limited to three (3) minutes per person.

6. Public Hearing

- A.** Consider the application of an Off-Sale Liquor License for Monai LLC dba A & M Liquor for the premises located at 5709 Carmen Avenue, Inver Grove Heights, MN 55076 (sale of existing business).

7. Regular

Administration

- A.** 2019 Comprehensive Annual Financial Report - Draft.

Community Development

- B.** Consider Resolution Approving the Transfer of Authority Over TIF District No. 4-1.
- C.** Consider Resolution Approving Affordable Housing Policy.
- D.** **RON CLARK CONSTRUCTION:**

Consider a Resolution relating to a **Comprehensive Plan Amendment** to change the land use designation of approximately 2.14 acres from P, Institutional to HDR, High Density Residential. Property located at 5590 Babcock Trail.

Engineering

- E.** Consider Resolution Passing Parking Restrictions for City Project No. 2016-09G - 60th Street, 62nd Street and Bacon Avenue Improvements.

8. Executive Session

- A.** Pursuant to Minn. Stat. § 13D.05, Subd. 3(b) and pursuant to the attorney-client privilege, a closed-door Executive Session for discussion with the attorneys representing the City relating to the Nichols' inverse condemnation claim related to the real property located at 6302 Robert Trail South.

9. Mayor and Council Comments

10. Adjourn

This document is available upon a three (3) business day request in alternate formats such as braille, large print, audio recording, etc. Please contact Rebecca Kiernan, City Clerk, at 651.450.2513 or rkiernan@invergroveheights.org.

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, May 11, 2020 - 7:05 P.M. - 8150 BARBARA AVENUE.**

****Meeting via Zoom Video Conferencing****

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, May 11, 2020, via Zoom Video Conferencing. Mayor Tourville called the meeting to order at 7:05 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:

Present via Zoom Video Conferencing were: Mayor Tourville, Council Members Piekarski Krech, Bartholomew, Perry, and Dietrich; City Administrator Lynch, City Attorney McCauley Nason, Emergency Management Director/Police Chief Chiodo, Parks and Recreation Director Carlson, Community Development Director Rand, Public Works Director Thureen, IT Manager Gade, Assistant City Engineer Dodge, Associate City Planner Botten, City Planner Hunting, City Attorneys Nason and Kuntz, City Engineer Kaldunski, and City Clerk Kiernan.

3. PRESENTATIONS:

Inver Glen Library Update

Jade Cabagnot, Branch Manager, Inver Glen Library, gave the following update about the Library:

- March 18th, 2020: Library closed to slow the spread of Covid-19.
- Curbside Pickup: Dakota County Library follows safety precautions to offer this service in a contact-less safe and easy way.
 - Requests for items can be placed by calling, emailing, or placing a hold on the website.
 - Notification is sent stating the item is ready for pick up.
 - Call the Library and arrange for a pickup time.
 - Items are placed in a bag and left on a table outside.
 - Have had over 15,000 checkouts since the service began with over 12,000 customers throughout Dakota County.
- Books by Mail: Available for residents unable to visit the Library or use Curbside pickup due to illness, disability, visual impairment, or those designated higher risk. Call or email the Library for this service.
- Virtual Programming: Virtual Storytime's have been available on Facebook Live on Monday, Wednesday, and Friday mornings. Families with children aged three and up can join a 20-minute Storytime with books, rhymes, and songs. Story times are archived and available for families to watch on demand.
- There is also a West African story telling series, virtual book clubs for adults, and many other programs. Check the website for further information.
- Digital Resources: Additional copies of books were purchased in various formats. These are apps where you can download audio and eBook content.
- Expanded access to online resources:
 - Database Ancestry Website. Available remotely through the end of this month.
 - Data for fixing cars is available from home or remotely.
- Library Staff can assist with Census questions over the phone, along with other informational needs.
- Online Library Cards. Online Registration Forms are available on the website.

Looking Ahead:

- A book has been selected for Inver Grove Heights Reads coming up in the Fall. The book title is Dream Country by Shannon Gibney. More information is available on the website.
- Summer Reading Program.

Branch Manager Jade Cabagnot stated even though the library doors are closed, Staff is still busy working to get access to information and resources people need.

Councilmember Piekarski Krech thanked Branch Manager Cabagnot and stated a lot of families with young children really appreciate the service.

4. CONSENT AGENDA:

- A.** i. Minutes from the April 27, 2020 City Council Meeting.
- B.** Disbursements for Period Ending May 5, 2020. **Resolution 2020-77**
- C.** Consider Approval of Rental Licenses.
- D.** Confirm and Approve Personnel Actions.
- E.** Approve Grant Application to MN DEED for Host Community Grant Program Funds. **Resolution 2020-78**
- F.** Consider a **Resolution 2020-79** approving a Conditional Use Permit to install a 58' antenna whereas 52.5' is the maximum height allowed in the Agricultural zoning district. This request is for the property located at 10583 Barnes Avenue. Dakota Electric.
- G.** Consider Approval of Agreement for Professional Services for the Grove Parking Lot Project.
- H.** Consider Approval of Contractor for VMCC/Grove Door Replacement Project.
- I.** Consider Approval of Contractor for VMCC/Grove Aquatic Controller Replacement Project.
- J.** Receive Proposals and Accept Quote for Fire Hydrant Reconditioning.
- K.** Consider Final Compensating Change Order No. 1, Final Pay Voucher No. 2, Engineer's Final Report, and **Resolution 2020-80** Accepting Work for City Project No. 2019-04 – 68th Street Storm Sewer Outfall Repair.
- L.** Consider **Resolution 2020-81** Approving of a Joint Powers Agreement (JPA) with Dakota County for Milling, Bituminous Overlay, and City Utility Repairs for City Project No. 2020-09F– Utility Improvements for 2020 County Mill and Overlay.
- M.** Consider **Resolution 2020-82** Approving Cost Share Contract with Dakota County Soil and Water Conservation District for Storm Water Grant Funding for City Project No. 2016-09G 60th Street, 62nd Street, and Bacon Avenue Improvements.
- N.** Consider **Resolution 2020-83** Approving Cost Share Contract with Dakota County Soil and Water Conservation District for Storm Water Grant Funding for City Project No. 2019-09D – 64th Street Area Improvements.
- O.** Consider **Resolution 2020-84** Accepting Contract Amendment No. 1 for Additional Engineering Services from Bolton & Menk for City Project No. 2019-09D – 64th Street Area Improvements.

Councilmember Piekarski Krech and Councilmember Dietrich requested pulling Agenda Item 4E.

Motion by Bartholomew second by Piekarski Krech to approve the Consent Agenda with the exception of Agenda Item 4E.

Ayes: 5

Nays: 0 Motion carried.

Agenda Item 4E. Approve Grant Application to MN DEED for Host Community Grant Program Funds. Resolution 2020-78.

Councilmember Dietrich wanted clarification where it states, “this will be for design and construction of a retaining wall, sidewalks, and other utility development in 2020”. She wanted to confirm for residents that is what the funds would be used for. Parks and Recreation Director Eric Carlson responded if the Grant is received it would be used to construct a retaining wall, sidewalk, and miscellaneous work related to the next phase of development at Heritage Village Park. It would not be used for the restrooms, shelters, and playground equipment. Councilmember Dietrich asked if that also means they are not making a commitment to do anything further. Parks and Recreation Director Carlson responded they are not. If the

Grant is received and improvements are made, those improvements will be there whenever they are ready for the next phase.

Councilmember Piekarski Krech stated she was concerned about using this money for the park, she felt there were more beneficial things that could be done for economic development. She commented she did not see where this would bring jobs into the City. Community Development Director Heather Rand stated they have been focused on using the Grant funds to continue to advance Concord Boulevards redevelopment. They are hopeful with the partnership of the Dakota County CDA in working towards a new multi family housing project in the immediate vicinity. She stated this park asset is important to the housing development.

Mayor Tourville asked if the funds go back if they are not used by a certain time. He asked if there would be other ideas coming forward. Community Development Director Rand responded they have until June 30, 2021 to utilize the funds. The Grant application for this installment is due Friday. If application is not made now, they would lose out on the opportunity for the upcoming year.

Mayor Tourville stated this was for infrastructure needed for that area. He stated he agreed with Councilmember Piekarski Krech to look at other opportunities going forward. Councilmember Piekarski Krech stated she did not believe this was an appropriate use for DEED money.

Motion by Bartholomew second by Perry to approve the Grant Application to MN DEED for Host Community Grant Program Funds. Resolution 2020-78.

Ayes: 4

Nays: 1 (Piekarski Krech) Motion carried.

5. PUBLIC COMMENT:

There were no public comments.

6. PUBLIC HEARING:

A. Continuation of Assessment Hearing to Consider Resolution Adopting Final Assessment Roll for the 2019 Pavement Management Program, City Project No. 2019-09D – 64th Street Area Improvements. Resolution 2020-85.

Mayor Tourville stated this is a continuation of a Public Hearing that was held at the last meeting.

City Attorney Bridget McCauley Nason stated background information on this item will be discussed. Once that is finished, a Motion would be needed to open the Public Hearing, take comments, a Motion would be made to close the Public Hearing, and then consideration of approval of the Resolution.

Assistant City Engineer Steve Dodge discussed the continuation of the Assessment Hearing for the 2020 Pavement Management Program, City Project 2019-09D, 64th Street Area Improvements. The area is off of Blaine Avenue, 64th Street, Bowman Circle, and Upper 64th Street.

- The project was built in 1986.
- Maintenance has been done on it.
- Council authorized feasibility because there was an original petition from 64th Street. When Staff reviewed the area with Council, Upper 64th Street was also added.
- The improvement hearing was held in October 2019.
- The proposed improvements include four stormwater quality additions (manholes), pavement replacement project, spot curb repairs, sanitary sewer, and minor water main repairs.
- South of 64th Street onto Bowman Circle and Upper 64th Court, a ravine is located behind them that is eroded and goes down to a DNR pond. Residents living in the area are aware of what has been

occurring and the improvements that may be needed to stop erosion and better convey water down a storm system to the DNR pond.

- General improvements would be to collect runoff in manholes at points.
- Improve an existing basin. Rebuild to be a filtration basin to help water quality before water enters DNR ponds.
- Project costs: \$1.5 million dollars.
 - Involves mostly street costs at \$785,000.
 - Some storm, water main, and sanitary sewer.
 - Ravine improvements would be \$387,000.
- Funding would come through the Pavement Management Fund at \$432,000.
 - Assessments would pay for \$523,000.
 - The rest would come from watermain and sewer funding.
 - Stormwater Utility Fund would pay for the ravine improvements, those are not being assessed.
- Special Assessments:
 - An Independent Appraiser provided a special benefit analysis for the project.
 - The special benefit cap provided is \$12,980.
 - The improvement hearing provided a feasibility cost of \$11,347 for assessments.
 - Competitive bids resulted in lower project costs for an assessment of \$10,668.
 - They would be just under 55% for the assessment amount.
 - Assessments are only for street and storm costs along the streets where the improvements are being done.
 - Final assessment is available for review.
 - Lots 43 and 42 were part of the 65th Street stormwater assessment. Their assessments were adjusted to give them credit for previous payments.
 - 10-year term with 3.15% interest.
 - The assessment should be paid within 30 days of being levied.
 - Interest would not begin accruing until 2021.
 - Deferred assessments are available for those that are 65 or older, active military, or 100% disability.

He stated 10A is part of Lot 10.

Assistant City Engineer Dodge listed the following project schedule:

- City Council holds Assessment Hearing: May 11, 2020.
- City Council awards project and approves agreements: TBD.
- Begin construction: May/June 2020.
- End construction: October 2020.

Recommendations are as follows:

- Hold the Assessment Hearing.
- Pass the Resolution adopting the final assessment roll:
 - \$10,667.78 for single family parcels.
 - 10-year term of 3.15%.

After the Hearing is closed the following items would be coming up on the regular Agenda.

- Deferred assessments.
- Award of Contract and approving change orders for the Contract.
- Approve Easement Agreements.
- Geotechnical Construction Testing Services Agreement.

Councilmember Piekarski Krech asked if any correspondence has been received. Assistant City Engineer Dodge responded they have not received any feedback related to assessments other than the informational meetings that were held in March.

Motion by Piekarski Krech second by Perry to close the Public Hearing at 7:27PM

Ayes: 5

Nays: 0 Motion carried.

Mayor Tourville suggested matching the interest rate of 2.15% for 10 years that was discussed at the last Council meeting. Councilmember Bartholomew, Piekarski Krech, and Perry agreed.

Motion by Bartholomew second by Piekarski Krech to adopt the Continuation of Assessment Hearing to Consider Resolution 2020-85 Adopting Final Assessment Roll for the 2019 Pavement Management Program, City Project No. 2019-09D – 64th Street Area Improvements with the adjustment to the interest rate at 2.15%

Ayes: 5

Nays: 0 Motion carried.

7. REGULAR AGENDA:

Engineering:

A. Consider Resolution Approving Special Assessment Deferment and a Subdivision and Special Assessment Agreement for City Project No. 2019-09D – 64th Street Area Improvements. Resolution 2020-86.

Assistant City Engineer Steve Dodge stated this is the previous Agenda Items special assessment deferment. The large lot has the ability to be split so the assessment is deferred for 30 years without interest. If they lot split or build on it, the assessment becomes due. He stated this has been done before and can make sure it can be done without any variances.

Motion by Piekarski Krech second by Bartholomew to approve Consider Resolution 2020-86 Approving Special Assessment Deferment and a Subdivision and Special Assessment Agreement for City Project No. 2019-09D – 64th Street Area Improvements.

Councilmember Bartholomew asked if the interest rate would be 2.15%. City Engineer Dodge responded it is zero interest until the agreement is started by land acquisition or lot split. They have the same option that the current assessments have to follow the ten-year term. He recommends Council amend the Motion to the same 2.15% interest rate.

Ayes: 5

Nays: 0 Motion carried.

B. Consider Resolution Awarding Contract for City Project No. 2019-09D – 64th Street Area Improvements. Resolution 2020-87.

Assistant City Engineer Dodge stated they received several bids and would like to award the bid to the low bid Contractor, Valley Paving. This does not include raingardens. Those were bid but were taken out because they bid high. Other improvements were more cost effective and feasible. Steep terrains made it difficult for rain garden placement.

Motion by Piekarski Krech second by Perry to approve Consider Resolution 2020-87 Awarding Contract for City Project No. 2019-09D – 64th Street Area Improvements.

Ayes: 5

Nays: 0 Motion carried.

C. Consider Resolution Approving Land Acquisition Agreements related to City Project No. 2019-09D – 64th Street Area Improvements. Resolution 2020-88.

Assistant City Engineer Dodge stated Staff and the Consultant have been working hard to acquire the necessary temporary and permanent easements from four property owners. The total amount comes to \$27,000.

Motion by Perry second by Piekarski Krech to approve Consider Resolution 2020-88 Approving Land Acquisition Agreements related to City Project No. 2019-09D – 64th Street Area Improvements.

Ayes: 5

Nays: 0 Motion carried.

D. Consider Approving Change Order No. 1 and Change Order No. 2 for City Project No. 201909D – 64th Street Area Improvement.

Assistant City Engineer Dodge stated after plans were bid and working with residents' feedback, plan alterations were made along with the Contractor. The raingardens were taken out at an expense of over \$32,000, and \$19,000 was deducted from changes made for a total of \$50,000 taken out of the project. He stated that Change Order Number 2 is for \$46,000 back. They are altering the plans to work with residents in their backyards and storm sewer changes. He recommended approval of Change Orders 1 and 2 for a Contract with Valley Paving in the amount of \$46,663 for Change Order 2, and \$19,405.00 for Change Order 1.

Motion by Perry second by Bartholomew to approve Consider Approving Change Order No. 1 and Change Order No. 2 for City Project No. 201909D – 64th Street Area Improvement.

Ayes: 5

Nays: 0 Motion carried.

E. Consider Resolution Accepting Proposal for Geotechnical Services from American Engineering Testing, Inc. (AET) for City Project No. 2019-09D – 64th Street Area Improvements. Resolution 2020-89.

Assistant City Engineer Dodge stated this is the standard Construction Geotechnical Services Agreement for testing gravel, pavement, and curb. This agreement allows for equipment to be brought in between the homes to get to the ravine. Due to the large equipment needed for this, the residents were offered a survey of the outside, inside, and foundation of their homes and the ability to take photos and keep them for the record. They will also have vibration monitoring equipment set to monitor daily. When the vibration gets too high residents can call the City immediately and let the Contractor know. He stated both homeowners were in favor of making these efforts to protect their homes. He recommended approval.

Motion by Perry second by Piekarski Krech to approve Consider Resolution 2020-89 Accepting Proposal for Geotechnical Services from American Engineering Testing, Inc. (AET) for City Project No. 2019-09D – 64th Street Area Improvements.

Ayes: 5

Nays: 0 Motion carried.

Planning:

F. KURT MCCLUNG; Consider a Resolution relating to a Preliminary Plat for a two-lot subdivision to be known as Lakeview Ridge, property located at 6180 Babcock Trail. Resolution 2020-90.

Associate City Planner Heather Botten stated the request is for property located on the east side of Babcock Trail, south of 60th Street. The Applicant requests sub dividing his property into two parcels, the southern lot includes the existing home, the northern lot would be vacant with the intent to build a new

single-family home on it. The property is zoned R-1B, single family and guided low density residential. The plat is consistent with zoning and Comprehensive Plan designations and meets all of the minimum lot size and width requirements. She stated the Applicant said a new home could fit on the new lot and comply with setback requirements. The property is located on a County Road, the Dakota County Plot Commission reviewed the request and asks that the existing driveway remain in the same spot and the new driveway would run along the northern property line. She stated a driveway easement is needed to the north and if that is ever sub-divided, they would have to have a shared driveway. The Applicant has agreed to that and would be providing a driveway access agreement. She stated Staff and the Planning Commission recommend approval.

Motion by Bartholomew second by Dietrich to approve Consider a Resolution 2020-90 relating to a Preliminary Plat for a two-lot subdivision to be known as Lakeview Ridge, property located at 6180 Babcock Trail.

Ayes: 5

Nays: 0 Motion carried.

G. ALLIANT VENTURES III, LLC; Consider the following Resolutions for the property located at 9697 Inver Grove Trail.

- 1.) an Ordinance rezoning the property from E-1, Estate Residential District to R-1C, Single Family Residential District. Ordinance #1382.**
- 2.) a Preliminary Plat for a 14-lot subdivision to be known as Inver Grove Trail. Resolution 2020-91.**
- 3.) a Variance from minimum lot size and width standards. Resolution 2020-92.**
- 4.) a Variance from front yard and side yard setbacks.**
- 5.) a Conditional Use Permit to allow three lots to exceed the allowed impervious surface. Resolution 2020-93.**

City Planner Hunting stated the request is for a 14-lot subdivision on an approximate 15-acre parcel. The development area is 4.5 acres. He addressed the following requests:

1. The first request is for rezoning. The property is zoned E-1 Estate, requesting R-1C which is consistent with the Comprehensive Plan.
2. The preliminary plat consists of 14 lots on the eastern half of the site. Street A comes in off of Cahill Avenue. There would be five Outlots for stormwater purposes. Outlot E is for future development.
3. Lot sizes range from 8,500 to 14,600 square feet. Average lot size is about 11,500. Proposed lot widths range from 60 to 85 feet.
4. Variances from lot width and lot area and setbacks. Setbacks from front to rear, going from 30 feet to 25 feet. For side yard, would like flexibility of 15 feet as opposed to the standard 5 feet garage 10 feet house. He stated the site is constrained by a number of limitations. There are a couple of large wetlands on the site, they have a 2,200-foot-wide utility easement on the west side, and a 60-foot private easement on the east side.
5. The Conditional Use Permit includes lots 1, 3, and 4. Proposed impervious surface would exceed what is required. Two of the lots by 25 feet and the other by 200 feet.

He stated Planning Staff recommends approval of all requests with conditions listed. Conditions include one of Planning Commissions that the minimum lot size be increased to 70 feet wide. The Planning Commission recommends the following:

- Approval of the rezoning.
- There was discussion regarding lot size variances and lot widths. The Planning Commission recommended approval of all variances but recommend the minimum lot widths be increased at least 70 feet at the front setback.
- Recommend approval of the plat with the same 70-foot-wide condition.

- Conditional Use Permit. If approved with the 70-foot-wide lot, it would increase some of the lot sizes, and may potentially decrease the lot. They did not want to recommend approval of any Conditional Use Permits for impervious surface as they may not be required. Recommendation was for denial because it was uncertain if there could be any significant changes to the plat.

He stated the Applicant is still pursuing the 60-foot-wide lot variance.

Councilmember Bartholomew asked if Fire has reviewed the house separations and were satisfied. City Planner Hunting responded that Fire was looking more for general access to the street. 15 feet is still the same as the standard R-1C separation. Any movement of one house dictates the movement of another.

Mayor Tourville asked if it would work if the Applicant is told to go with 70 feet versus 60.

Bob Machacek, 4655 Nichols Road, Eagan, stated they designed a project and came up with something they believe works, then the Planning Commission came back with those minimums. He stated if they had to do that, they would lose two lots.

Mayor Tourville requested a photo of the product. Mr. Machacek responded he did not have a picture. He commented about the Public meeting stating the neighbors were shown this layout and it was well received. A builder has not been picked yet so he was unable to comment on what would be built. Mayor Tourville asked if it would be a standalone townhome or single family. Mr. Machacek responded it would be standalone single family. Mayor Tourville asked if there was a price point. Mr. Machacek responded it would be in the low \$400,000 to \$500,000. He stated going to 70-foot minimum lots would push the overall product into a higher price bracket which is something they are trying to minimize.

Councilmember Piekarski Krech asked if something like this has been done before, lots getting variances with the lot area. City Planner Hunting responded they have not had a subdivision with this number of variances. There was discussion with the Applicant about the possibility of developing this as a planned unit development without having to ask for direct variances. Due to other limitations and restrictions, the Applicant chose to follow this path. Lot sizes and widths in the northwest area have 65-foot-wide lots. He stated these are in that area, at least seven are greater than 60 feet, and seven are at 60 feet at the front setback line. Councilmember Piekarski Krech stated it says all of them. City Planner Hunting responded none of the lots would be less than 60 feet.

Mayor Tourville stated they have had planned unit developments that have had less than 70-foot lots. People want an option for less yard and brings in a price point that is more attractive. He stated it is a difficult piece of property, a lot of people have looked at it, and it has been under tax forfeiture.

IT Manager Marc Gade stated there were two people on the line that wished to speak.

City Administrator Joe Lynch asked the Applicant who would end up owning Outlot A, B, and C. He stated there is a property ownership dispute at the southeast of Inver Grove Trail and Cahill. There is a platted lot on a piece of property he did not believe was owned by the Applicant. Mr. Machacek responded there is a corner that is not owned by them and was not included in the plat. He stated he had his Engineer, John Molinaro from Pioneer Engineering, who responded that is Lot 14. Mr. Molinaro stated south of the property there is land between our plat and the roadway owned by another entity and not a part of this plat. Outlots A, B, and C will be under easement and dedicated to the City. Mayor Tourville commented Lot 14 does not seem big enough to do anything with and asked what happens with it. Mr. Molinaro responded in order to move forward for plat, Lot 14 would need to dedicate an additional right of way to Cahill Avenue, there would be a small parcel left.

City Administrator Lynch asked the Applicant about pollution on the property and what Outlot that is contained on. He stated the City of Inver Grove Heights does not wish to own that Outlot. Mr. Molinaro responded they hired an Environmental Firm who has designed contingency plans, those were submitted to the MPCA and they just received their approval of the plan. He commented it is believed most of the contamination would be on Lots 1-4.

Mayor Tourville asked if they would add as a condition, that the City would not be taking over the lots that have contamination. Mr. Machacek responded they would clean it up themselves. Mr. Molinaro stated losing two lots would hurt because they have substantial cleanup that would occur there. Mayor Tourville asked if the developer would deal with stormwater. City Planner Hunting responded that was correct. Mayor Tourville asked if stormwater control would be a part of getting final approval. City Planner Hunting responded this is the preliminary plat, the Council will see a final plat with final grading and stormwater management plans.

Dave Gibbens, 9655 Inver Grove Trail, stated his property is immediately north of this area. When the City took some of the property for the curve of Cahill, they exchanged it for the little Outlot that is not owned by the developer. He commented that should have been exchanged for the part the City took on the southwest corner.

Mayor Tourville asked if anyone had any additional information about this. City Administrator Lynch responded the property that was exchanged was on the other side of the road. City Attorney Tim Kuntz stated when the City constructed Cahill it acquired land from the School District, which owned property to the south, and some property for the right of way. A portion of the school property was severed, it ended up north of Cahill, separated from the rest of the school property line south. The remnant was created at that time. Mayor Tourville asked who owned the parcel. City Attorney Kuntz responded the Lades family owns the parcel. When the property was mortgaged, the remnant was not included in the language. When the mortgage was foreclosed, the bank ended up with it. The bank did not own the remnant because it was never a part of the mortgage. The bank sold it to the current developer and did not include the remnant.

Mayor Tourville asked if that triangle of land will be a problem and if that needs to be settled so there is no dispute. City Administrator Lynch responded he directed Engineering staff to negotiate with the Lades family to acquire the property, so it is City owned. He stated he could work with the Applicant on the future status of the property.

Councilmember Piekarski Krech asked why the City would want the Outlots and why they would approve a preliminary plan if they would receive Outlots they do not want. City Attorney Kuntz responded drainage and utility easements are needed to deal with stormwater runoff. He stated they do not want Outlots that are polluted or tax forfeited.

City Engineer Tom Kaldunski stated Outlot B is a regional basin, Outlot A is an infiltration basin. Assistant City Engineer Dodge stated it is standard practices that when a City takes over a street, they would have runoff directed to Outlot C. The City should be maintaining the stormwater. Outlot A is a similar situation. He stated with Outlot E, which is a large DNR wetland, it is standard practice to get full Outlot over a DNR wetland. Mayor Tourville stated they do not want it if it is contaminated, it needs to be in a state where it is cleaned up before the City takes responsibility for it. Councilmember Piekarski Krech stated they do not take over every stormwater pond either, it is part of some of the construction. She commented that runoff from the street is not just from the street. She questions the precedent they are setting by taking all the Outlots, especially Outlot E, which is large. Assistant City Engineer Dodge responded Outlot E was for future development, the City is not taking it over.

Assistant City Engineer Dodge stated the triangular parcel spoken about previously has enough right of way to get a sidewalk through. The City would like to work with the developer to purchase. He stated they have made an offer to the Lades family and are waiting to hear back. There are other benefits to getting the parcel, it would not only help with a sidewalk, but also helps out with Outlot 14.

Mayor Tourville stated two Outlots were being taken for potential stormwater. Assistant City Engineer Dodge responded it would be Outlot B, Outlot A, and Outlot C. He stated they need to work with the City Attorney for conditions that state they would not be taking them over before contamination is cleaned up.

Councilmember Piekarski Krech asked if those would be dedicated to the City. Assistant City Engineer Dodge responded it is standard practice that they are dedicated to the City.

Motion by Bartholomew second by Dietrich to approve ALLIANT VENTURES III, LLC; Consider the following Resolutions for the property located at 9697 Inver Grove Trail.

- 1.) an Ordinance rezoning the property from E-1, Estate Residential District to R-1C, Single Family Residential District. Ordinance #1382.**
- 2.) a Preliminary Plat for a 14-lot subdivision to be known as Inver Grove Trail. Resolution 2020-91.**
- 3.) a Variance from minimum lot size and width standards. Resolution 2020-92.**
- 4.) a Variance from front yard and side yard setbacks.**

City Attorney Kuntz asked if the Variance is for 70 or 60 feet in the Motion. Councilmember Bartholomew responded it is as the Applicant proposed, 60 feet.

Ayes: 5

Nays: 0 Motion carried.

Mayor Tourville stated the next Motion would be to allow three lots (Lots 1, 3, and 4) to exceed the allowed impervious surface. There is an Outlot stormwater pond behind this. City Planner Hunting stated Lots 1 and 3 were only to exceed by about 25 square feet each. Lot 4 was about 200 square feet.

Motion by Bartholomew second by Perry to approve ALLIANT VENTURES III, LLC; Consider the following Resolutions for the property located at 9697 Inver Grove Trail.

- 5.) a Conditional Use Permit to allow three lots to exceed the allowed impervious surface. Resolution 2020-93.**

Ayes: 5

Nays: 0 Motion carried.

H. CAHILL STORAGE

- 1.) Consider Resolution Rescinding the Council Actions of January 13, 2020 And January 27, 2020 Relating To Denial Of A Conditional Use Permit For A Mini-Storage Facility At 7855 Cahill Avenue And Relating To Denial Of The Conditional Use Permit For Impervious Surface To Exceed 25% Within The Shoreland Overlay District For Property At 7855 Cahill Avenue. Resolution 2020-94.**
- 2.) Consider Resolution Approving A Conditional Use Permit for a Mini-Storage Facility and to Exceed 25% Impervious Surface Within the Shoreland Overlay District of Simley Lake. Resolution 2020-95.**

City Attorney Kuntz stated the Council acted on January 13, and 27, 2020 to deny a Conditional Use Permit for a mini storage, and for exceedance of impervious surface. The vote was taken on January 13th. On January 27th there was a Resolution to memorialize the reasons for denial and the fact findings of the Council. The following four items have occurred since that time:

1. There was an inquiry about how the stormwater plan dealt with runoff from the site in its relationship to the adjoining public park. City Engineer Kaldunski wrote a supplemental stormwater management report addressing how that is being handled and managed. The stormwater plan meets or exceeds City standards.
2. There was an inquiry about safety issues during nighttime hours. It was suggested to the developer that a condition be added to the Conditional Use Permit prohibiting operation of the business from 12:00 midnight to 6:00 a.m. During that time there would be no business activity, the storage facility would not be operational, and no customers or tenants would be allowed on site. The Applicant indicated it would agree to a condition.

City Attorney Kuntz stated one of the Resolutions is a for approving the Conditional Use Permit with the condition added.

He stated around February 27, 2020 the Applicant alleged that the City decision was arbitrary. The context of the legal position was that with respect to zoning and land use matters, certain items are reviewed in a legislative compacity. Zoning or rezoning is a legislative function. He stated the land use approval use permits, interim use permits, and variances are quasi-judicial meaning the City has to act like a Judge and determine whether it meets the criteria set by Ordinance for approval of a permit. The controversy is on the statement that the Council were not quasi-judicial in that they did not address the Planner's report which found that all criteria in the engineering report had been met. He stated the issue of controversy was there were not contrary findings by the Council with respect to the findings by the Planner.

He stated the second legal issue deals with the findings that were made. Finding that the City does not think that this use should be where it is suggested to be. The controversy is that it is already identified as a conditional use in that zone, the property is zoned to allow it as a conditional use. The issue has already been determined by the zoning of the property that allows such a use as a conditional use and not for the City what it intends to have there. It is already allowed by the Ordinance for mini storage as a conditional use.

City Attorney Kuntz stated the first item is a Resolution rescinding the denial and a Resolution granting two conditional use permits. One for a mini storage and one for exceeding the impervious surface. One Motion is needed for both because they are interrelated with each other. Passage of that Motion would require a 4/5 vote.

City Clerk Rebecca Kiernan stated as of May 8th, 2020 she has received 12 notifications from the following in opposition:

1. John Wendt and Linda Dehrer-Wendt
2. Jeff Tollefson, 7760 Boyd Avenue
3. Laurie Thurber, 3201 78th Street East
4. Larry and Judy Solarz
5. Gregory Lindblom, 7725 Cahill Avenue
6. John and Donna Patteron, 7900 Boyd Avenue
7. Dr. C. Lawrence Clark, 3220 Cunteen Trail
8. Mike Philipp, 3295, 80th Street East, #502
9. Julie Heckenbach, 8100 Casper Way
10. Brandon Wolters, 8100 Casper Way
11. Thomas Larson (Wife and Daughter)
12. Robert Tjostelson, objection by phone

Motion by Perry second by Piekarski Krech to accept the list of names into the record.

Ayes: 5

Nays: 0 Motion carried.

Sharon Mueller stated the people that owned it before had to fill that lot before they could build their home. The lot was overfilled, and some fill went down the hill. She was concerned about the pipe they want to install to drain water into the small pond in the park and felt there will be erosion if they put it in. She was concerned about additional water going into the pond stating when they get a large rainfall now, the trail is filled with water. She invited them to the west side of the park to check out the pipe the City put in with erosion around the pipe draining down into the park. She commented that situation has never been fixed. She stated there is a drain down there with the cover off half the time. She stated when looking at the four homes, every one of them has erosion problems in their back yards. She urged the Council to vote no.

She commented if the pipe goes in and there is erosion, she does not want her tax money being used to fix it.

Jim Mueller stated in the late 70's they put a pipe in on the west side of Boyd. The trail there is covered with water all of the time. He commented he puts the cover back on a lot. He stated it is a mess. He stated if this is approved, they should have the property be responsible for not only what happens now, but 10 years from now. He commented the current fill is not the best.

Robbie Latta introduced himself from the Applicant's Engineering group, Civil Site Group. Mayor Tourville asked for an overview about the pipe, erosion, and the water. Mr. Latta responded the stormwater system for the proposed improvements incorporates a filtration basin that acts as a holding pond/underground basin for the parking lot and building. That should slow down and act as a rate control for any stormwater leaving the impervious surfaces of the property. He stated there is an outlet at the bottom that allows water to slowly drain out of it and down the pipe. The pipe will not cause erosion because it has an outlet.

Mr. Latta stated there was concern about disturbance with the pipe installation and responded with slopes this steep, an erosion control blanket will go in after the pipe has been installed and after it has been backfilled.

Mayor Tourville asked for further information about rainfall and stormwater runoff. Mr. Latta responded that ensures the stormwater leaves the site at a rate equal to, or lower than the existing conditions. He stated the basin serves to lower the stormwater discharge rate from the existing conditions for a two, 10, and 100-year storm.

City Engineer Kaldunski stated the storage area is on a 3.5-acre parcel and is a part of a 106-acre drainage area and a small portion of the drainage. He described the basin locations stating water from this site will go due west close to where the Boyd Avenue storm sewer comes out. A pipe would run continually to the bottom of the hill. He referenced an illustration of 10-foot diameter pipes stating it looks like there are rocks all around it and gives an additional storage feature as follows:

- Collects all the water from the roof and the pavement.
- Pre-treats stormwater to remove sediment.
- Provides volume control.
- Provides rate control for 2, 5, 10, and 100-year events.
- Discharges to basin bottom.

He stated this pipe will get to the normal water level where the basin is and taken lower than what comes out at Boyd Avenue. That will be the ponding this site will handle. The amount of flow is no more than the water that goes there today. He stated this is a great solution with the addition of the underground pond on site to capture the water.

City Engineer Kaldunski referenced a diagram of the energy dissipation structure. This allows energy to dissipate into the manhole structure, goes out the pipe into the existing water, and reduces the velocity. He stated this is similar to what is on the other side coming from Boyd Avenue, the difference is that Boyd Avenue does not have a pond or a 10-foot diameter pipe with rock around it to handle the flows.

Councilmember Bartholomew asked who is responsible for the upkeep and maintenance of this system. City Engineer Kaldunski responded the City has a long-standing policy of entering into Stormwater Facility Maintenance Agreements. It says the owner of the commercial property is responsible for maintaining and operating this system. This would be from his site, into the 10-foot diameter pipe, including the outlet structures and the basin, it is the landowner's responsibility per the agreement. He stated the document also says if they do not maintain it to City standards, the City has the ability of doing the work and sending the landowner/developer the bill. This would be for as long as the Stormwater Management Facility Agreement is in place. He stated there are some agreements that are for 25 years.

Mayor Tourville suggested Engineering take a look at the west side. City Engineer Kaldunski responded all outlets and ponds are inspected on a five-year basis. That one is on the list of projects that need to be done. He stated the list has over \$10 million dollars' worth of repairs and funding sources to do all of them.

Councilmember Bartholomew commented about the agreement for the hours of operation, and that there be no operation from midnight to 6:00 a.m. He asked if the Applicant would consider no hours of operation from 10:00 p.m. to 6:00 a.m.

Max French, Adams French Property, responded that would be something they would need to discuss with the rest of the management team. Normal hours of operation are from 7:00 a.m. to 9:00 p.m., they also have 24-hour emergency hours for emergency personnel. Councilmember Bartholomew asked if the Applicant would consider the 10:00 p.m. time and get back to the Council. Mayor Tourville stated it could be listed as one of the Conditions, 10:00 p.m. to 6:00 a.m. If that does not work, they would come back to Council. They would not allow emergency storage, but if there was an emergency, they would operate like any other business.

Mayor Tourville stated another item was to make sure there were no pole lights, lighting of the building was to City standards, and facing down. Another concern was traffic safety due to the proximity to the school. City Planner Hunting responded traffic was looked into. Storage facilities are very low traffic generators compared to retail. Councilmember Piekarski Krech stated people going in and out of a storage facility tend to be in trucks and trailers, not cars. She stated it could be more of an issue with pedestrians and walkers to school. Mayor Tourville responded this would not have access to 80th Street, it would be on Cahill.

Mr. French stated he reached out to the management team regarding Councilmember Bartholomew's suggestion for the 10:00 p.m. timeframe and if they would like to amend this to state no operations from 10:00 p.m. to 6:00 a.m. they would agree. Councilmember Bartholomew thanked him and commented it was helpful for residents in the area.

City Planner Hunting displayed renderings of the building from different sides. The materials have changed a little since Planning Commission, a different color scheme was provided. Mr. French stated they added brick and changed the colors.

City Attorney Kuntz stated a comment was made about customers and tenants not being on site after hours. He asked if the Developer had thought about how they can prevent anyone from going to the garage doors during prohibited hours. Mr. French responded there is an access gate to the north and south ends that will be closed to limit access.

Mayor Tourville stated he noticed correspondence that was not mentioned previously from Al Eiden and the Carlson's and wanted to make sure those were added. City Clerk Rebecca Kiernan commented she did not receive those emails.

Motion by Piekarski Krech second by Bartholomew to add the two additional names to the correspondence received to the record.

Ayes: 5

Nays: 0 Motion carried.

Motion by Bartholomew second by Tourville to approve CAHILL STORAGE:

1.) Consider Resolution Rescinding the Council Actions of January 13, 2020 And January 27, 2020 Relating To Denial Of A Conditional Use Permit For A Mini-Storage Facility At 7855 Cahill Avenue And Relating To Denial Of The Conditional Use Permit For Impervious Surface To Exceed 25% Within The Shoreland Overlay District For Property At 7855 Cahill Avenue. Resolution 2020-94.

2.) Consider Resolution Approving A Conditional Use Permit for a Mini-Storage Facility and to Exceed 25% Impervious Surface Within the Shoreland Overlay District of Simley Lake. Resolution 2020-95.

Councilmember Piekarski Krech stated she was discouraged they had not considered the B3 affect on Cahill before. Its been around for a long time, zoned, it was not taken into account that a storage facility could go there. She stated it is allowed in the B3 area, the land use is legal, and now Legal Advisors state the need to go through with this. She stated she was afraid Community standards and the fact that Cahill was supposed to be the jewel and main street are not legal reasons for denying the proposal. She commented it was a sad evening.

Mayor Tourville stated the City Council is sending information to the Planning Commission to take a look at mini storage not be allowed further. It cannot be done on this application.

Councilmember Perry stated she agreed with Councilmember Piekarski Krech and does not like this project or support it. There is no legitimate reason to not go forward with it.

Ayes: 4

Nays: 1 (Dietrich) Motion carried.

8. EXECUTIVE SESSION:

A. Closed Session Pursuant to Minn. Stat. § 13D.05, Subd. 3(c) to develop or consider offers for the potential purchase of real property for park purposes in the Northwest Area.

City Attorney McCauley Nason stated the Council is being asked to move into a closed session pursuant to Minn. Stat. § 13D.05, Subd. 3(c) to develop or consider offers for the potential purchase of real property for park purposes in the northwest area. The Council must identify that the property that is the subject of this closed meeting is identified as follows:

Real property located at:

- 6351 Argenta Trail West, Inver Grove Heights, MN, Dakota County. Property Identification Number 20-0060-30-010 and 20-00600-53-013.
- 1285 70th Street, 20-00600-78-012.
- 6815 Robert Trail South, 20-28500-01-012.
- 1466 70th Street, 20-00700-05-018.
- No specific street. 20-00700-06-011 and 20-00700-33-020.
- 7250 Argenta Trail, 20-00700-06-012.
- 8150 Barbara Avenue, 20-12054-00-040.

City Attorney McCauley Nason stated the closed meeting will be held by telephone or other electronic means only on a separate Zoom Teleconference number and will commence. Once the closed meeting is completed there are no further items on the Agenda. The Council will adjourn the meeting.

She stated the Statute requires that those in attendance at the closed session must be identified. The following individuals will be present at the closed session:

Mayor Tourville

Council Members Bartholomew, Piekarski Krech, Perry, and Dietrich

City Attorney's Tim Kuntz and Bridget Nason

City Administrator Joe Lynch

Parks and Recreation Director Eric Carlson

City Clerk Rebecca Kiernan

City Attorney McCauley Nason stated she would look for a Motion as follows: "I move to close the meeting pursuant to Minn. Stat. § 13D.05, Subd. 3(c) to develop or consider offers for the potential purchase of real property previously identified on the record for park purposes in the Northwest Area".

Motion by Piekarski Krech second by Perry to close the meeting pursuant to Minn. Stat. § 13D.05, Subd. 3(c) to develop or consider offers for the potential purchase of real property previously identified on the record for park purposes in the Northwest Area.

City Administrator Lynch stated before closing this meeting, the EDA Executive Director would like consideration for an EDA Meeting on May 26th, at 6:00 p.m. before the next regularly scheduled City Council meeting to discuss business of the EDA that was planned for this evening, but was postponed.

Mayor Tourville stated with all of the openings and closings, the City will be doing announcements and updates and following State guidelines.

Ayes: 5

Nays: 0 Motion carried.

Motion by Piekarski Krech second by Perry to meet at 6:00 p.m. on Tuesday, May 26th, 2020 for the EDA meeting via Zoom.

Ayes: 5

Nays: 0 Motion carried.

9. MAYOR AND COUNCIL COMMENTS:

10. ADJOURN:

The regular City Council meeting ended at 9:42 p.m.

Minutes prepared by Recording Clerk Sheri Yourczek

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Amy Hove 651-450-2521
 Prepared by: Bill Schroepfer, Accountant
 Reviewed by: N/A

Fiscal/FTE Impact:

☐	None
☒	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☐	Other

PURPOSE/ACTION REQUESTED

Approve the attached resolution approving disbursements for the period of May 22, 2020 to June 2, 2020.

SUMMARY

Shown below is a listing of the disbursements for the various funds for the period ending June 2, 2020. The detail of these disbursements is attached to this memo.

General & Special Revenue	\$199,580.53
Debt Service & Capital Projects	12,111.35
Enterprise & Internal Service	81,185.41
Escrows	2,398.00
Grand Total for All Funds	<u><u>\$295,275.29</u></u>

If you have any questions about any of the disbursements on the list, please call Amy Hove, Finance Director 651-450-2521.

Attached to this summary for your action is a resolution approving the disbursements for the period May 22, 2020 to June 2, 2020 and the listing of disbursements requested for approval.

DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 2020-108

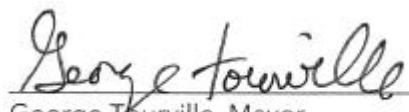
**RESOLUTION APPROVING DISBURSEMENTS FOR THE
PERIOD ENDING June 2, 2020**

WHEREAS, a list of disbursements for the period ending June 2, 2020 was presented to the City Council for approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS: that payment of the list of disbursements of the following funds is approved:

General & Special Revenue	\$199,580.53
Debt Service & Capital Projects	12,111.35
Enterprise & Internal Service	81,185.41
Escrows	2,398.00
Grand Total for All Funds	<u><u>\$295,275.29</u></u>

Adopted by the City Council of Inver Grove Heights this 8th day of June, 2020.


George Tourville, Mayor

ATTEST:



Rebecca Kiernan, Deputy Clerk



City of Inver Grove Heights

Expense Approval Report

By Fund

Payment Dates 05/22/2020 - 06/02/2020

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
AEM FINANCIAL SOLUTIONS, LLC	430339	06/02/2020	2021 wage/benefit allocation	101.41.2000.415.30700	29,500.00
ASPEN MILLS	256699	05/26/2020	Sales order 101850	101.42.4000.421.60045	84.99
ASPEN MILLS	256850	05/26/2020	Sales order 101420	101.42.4000.421.60045	1,248.90
ASPEN MILLS	256897	05/26/2020	sales order 101418	101.42.4000.421.60045	1,198.90
ASPEN MILLS	237457	05/26/2020	Sales order #78780	101.42.4200.423.60045	178.32
COLLINS ELECTRICAL CONST.	2031066.01	05/26/2020	Blaine & Upper 55th	101.43.5200.443.40046	273.05
COLLINS ELECTRICAL CONST.	2031070.01	05/26/2020	Bishop & TH52	101.43.5200.443.40046	290.41
DAKOTA COUNTY TECHNICAL COLLEGE	669955	06/02/2020	Pursuit refresher	101.42.4000.421.50080	250.00
DAKOTA CTY FINANCIAL SVCS	00038228	05/26/2020	Police	101.42.4000.421.70501	1,679.76
DAKOTA CTY FINANCIAL SVCS	00038228	05/26/2020	April 2020 subscription fees	101.42.4200.423.30700	(23.33)
DAKOTA CTY FINANCIAL SVCS	00038228	05/26/2020	Fire	101.42.4200.423.30700	1,703.09
DAKOTA CTY FINANCIAL SVCS	00038228	05/26/2020	Public works	101.43.5200.443.30700	46.66
DAKOTA CTY FINANCIAL SVCS	00038229	05/26/2020	20 replacement batteries - FD	101.42.4200.423.40042	1,140.00
DANNER LANDSCAPING	16361	05/26/2020	1 yard pulverized black dirt picke	101.43.5200.443.60016	66.00
EARL F ANDERSEN INC	0123185-IN	05/26/2020	Galvanized channel post	101.43.5200.443.60016	2,570.10
EMERGENCY RESPONSE SOLUTIONS	15165B	05/26/2020	Chemguard class A plus foam	101.42.4200.423.60065	500.00
EXPERT TREE AND SERVICE AND SCIENCE	3196	05/26/2020	removed splitting hackberry & gr	101.43.5200.443.40046	395.00
HARRIS COMPUTER SYSTEMS	MN00128446	05/26/2020	Annual software maintenance	101.47.1400.413.40035	29,302.36
HEALTHEAST MEDICAL TRANSPORTATION	05/21/2020	06/02/2020	Blood Alcohol Draw	101.42.4000.421.30700	88.40
HILDI INC	11817	06/02/2020	50% GASB 67/68 Actuarial Rpt 1	101.41.2000.415.30700	525.00
HILLYARD INC	603880075	05/26/2020	Sanitizer foam refill	101.42.4200.423.60011	57.80
IAAI	32018	05/26/2020	Chapter dues	101.42.4200.423.50070	100.00
ING DIRECT	INV0099406	05/22/2020	MSRS-HCSP	101.203.2032200	17,628.31
INTOXIMETERS	656131	05/26/2020	ASIV parts	101.42.4000.421.60065	1,150.00
LANGUAGE LINE SERVICES	4814792	06/02/2020	over the phone interpretation	101.42.4000.421.50020	67.41
LEVANDER, GILLEN & MILLER P.A.	1/31/2020 92000E	01/31/2020	Legal	101.42.4000.421.30410	19,027.98
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 APT Minne:	01/31/2020	Legal	101.43.5000.441.30420	348.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Council Me	01/31/2020	Legal	101.41.1000.413.30401	120.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Judy Lawre	01/31/2020	Legal	101.42.4200.423.30420	480.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 MRRT-Cah	01/31/2020	Legal	101.43.5100.442.30420	44.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Rental Lice	01/31/2020	Legal	101.45.3000.419.30420	156.00
LEVANDER, GILLEN & MILLER P.A.	81000.01 1/31/2020 Mayor/C	01/31/2020	Legal	101.41.1000.413.30420	14,842.37
LEVANDER, GILLEN & MILLER P.A.	81000.03 1/31/2020 Finance	01/31/2020	Legal	101.41.2000.415.30420	48.00
LEVANDER, GILLEN & MILLER P.A.	81000.05 1/31/2020 Code Cc	01/31/2020	Legal	101.45.3000.419.30420	260.00
LEVANDER, GILLEN & MILLER P.A.	81000.06 1/31/2020 Planning	01/31/2020	Legal	101.45.3200.419.30420	1,400.00
LEVANDER, GILLEN & MILLER P.A.	81000.07 1/31/2020 Police	01/31/2020	Legal	101.42.4000.421.30420	24.00
LEVANDER, GILLEN & MILLER P.A.	81000.08 1/31/2020 Fire	01/31/2020	Legal	101.42.4200.423.30420	24.00
LEVANDER, GILLEN & MILLER P.A.	81000.09 1/31/2020 Public W	01/31/2020	Legal	101.43.5000.441.30420	1,664.00
LEVANDER, GILLEN & MILLER P.A.	81000.10 1/31/2020 Enginee	01/31/2020	Legal	101.43.5100.442.30420	1,120.00
LEVANDER, GILLEN & MILLER P.A.	81000.14 1/31/2020 Alliant V	01/31/2020	Legal	101.43.5000.441.30420	304.00
MADISON NATIONAL LIFE INSURANCE COMPANY	1394857	05/26/2020	June 2020	101.203.2031700	2,968.01
MADISON NATIONAL LIFE INSURANCE COMPANY	1394857	05/26/2020	June 2020	101.43.5200.443.20630	20.80
MCKESSON MEDICAL-SURGICAL INC.	04022825	05/26/2020	Sales order #64438296	101.42.4200.423.60065	737.26
MCKESSON MEDICAL-SURGICAL INC.	04545716	06/02/2020	Face mask	101.42.4200.423.60065	71.80
MCKESSON MEDICAL-SURGICAL INC.	04745510	06/02/2020	Protective cover	101.42.4200.423.60065	56.11
METRO JANITORIAL SUPPLY INC	11015297	06/02/2020	Cide-Bet Foaming Disinfectant c	101.42.4000.421.60065	184.65
MINNESOTA DEPARTMENT OF HUMAN SERVICES	INV0099267	05/22/2020	JOEL JACKSON FEIN/TAXPAYI	101.203.2032100	306.89
MINNESOTA DEPARTMENT OF HUMAN SERVICES	INV0099268	05/22/2020	JOSH PARROW ORDER- 0015f	101.203.2032100	369.63
MINNESOTA DEPARTMENT OF HUMAN SERVICES	INV0099269	05/22/2020	NEAL ST. ONGE FEIN/TAXPAY	101.203.2032100	186.89
MN GLOVE & SAFETY, INC.	322734	05/26/2020	Force cotton T-shirt	101.43.5200.443.60045	44.99
MN GLOVE & SAFETY, INC.	322819	05/26/2020	Leather grain driver	101.43.5200.443.60045	168.00
MN LIFE INSURANCE CO	April 2020	05/26/2020	April 2020 fees/charges	101.203.2030900	3,810.38
MN LIFE INSURANCE CO	April 2020	05/26/2020	April 2020 fees/charges	101.43.5200.443.20620	53.73
MN LIFE INSURANCE CO	June 2020	05/26/2020	June 2020 Fee/charges	101.203.2030900	3,805.13
MN NCPERS LIFE INSURANCE	542000062020	06/02/2020	May payroll deductions	101.203.2031600	256.00
MN SECRETARY OF STATE - NOTARY	05/27/2020	06/02/2020	Judy Wonick Notory Application	101.41.1000.413.50070	120.00
NFPA	1	05/26/2020	LEAD 1 year membership	101.42.4200.423.50070	1,575.00
PRECISE MRM	200-1025920	06/02/2020	data 1024Kb	101.43.5200.443.30700	52.53
RENEE DUBS ELLENA	20-4949	06/02/2020	Hi neighbor	101.41.1300.413.50025	110.00
SEXTON COMPANY, THE	61830	06/02/2020	Logos	101.43.5200.443.60045	753.40
SOUTH ST PAUL, CITY OF	04/23/2020	05/26/2020	Jan-Apr charges	101.207.2070900	45.00
SOUTH ST PAUL, CITY OF	IN40986	05/26/2020	Asphalt mix-4A	101.43.5200.443.60016	20,145.93
STREAMLINE DESIGN INC	40032	06/02/2020	Embroidery, cap, beanie	101.42.4200.423.60045	277.00
STREAMLINE DESIGN INC	40031	06/02/2020	sweat & tee prints	101.42.4200.423.60045	489.60
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1765825	06/02/2020	Retiree fees	101.42.4000.421.30550	153.70
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.41.1100.413.30550	20.06
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.41.1300.413.30550	20.06
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.41.2000.415.30550	78.30
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.42.4000.421.30550	205.84
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.42.4200.423.30550	20.05
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.43.5000.441.30550	10.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.43.5100.442.30550	54.60

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.43.5200.443.30550	10.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.44.6000.451.30550	34.53
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.45.3000.419.30550	9.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.45.3200.419.30550	12.91
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.45.3300.419.30550	20.06
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	101.47.1400.413.30550	30.09
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.41.1100.413.30550	14.00
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.41.2000.415.30550	17.33
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.42.4000.421.30550	112.00
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.42.4200.423.30550	24.50
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.43.5000.441.30550	5.25
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.43.5100.442.30550	12.25
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.43.5200.443.30550	31.50
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.44.6000.451.30550	22.92
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.45.3000.419.30550	7.00
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.45.3200.419.30550	10.50
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	101.45.3300.419.30550	17.50
TEXAS STATE DISBURSEMENT UNIT	INV0099266	05/22/2020	ANDREW BRAVO FEIN/TAXPA	101.203.2032100	401.13
UNIFIRST CORPORATION	0900551670	05/26/2020	clothing	101.43.5200.443.60045	48.71
UNIFIRST CORPORATION	0900551670	05/26/2020	clothing	101.44.6000.451.60045	26.52
UNIFIRST CORPORATION	0900553019	05/26/2020	clothing	101.43.5200.443.60045	48.71
UNIFIRST CORPORATION	0900553019	05/26/2020	clothing	101.44.6000.451.60045	26.52
UNIFIRST CORPORATION	0900554407	05/26/2020	clothing/uniforms	101.43.5200.443.60045	48.71
UNIFIRST CORPORATION	0900554407	05/26/2020	clothing/uniforms	101.44.6000.451.60045	26.52
UNIFIRST CORPORATION	0900555755	05/26/2020	clothing	101.43.5200.443.60045	50.56
UNIFIRST CORPORATION	0900555755	05/26/2020	clothing	101.44.6000.451.60045	26.52
UNIFIRST CORPORATION	0900557130	06/02/2020	Clothing	101.43.5200.443.60045	48.71
UNIFIRST CORPORATION	0900557130	06/02/2020	Clothing	101.44.6000.451.60045	26.52
VERIFIED CREDENTIALS, INC.	307195	06/02/2020	May background screening	101.41.1100.413.30500	923.75
WI SCTF (WI SUPPORT COLLECTIONS TRUST FUND)	INV0099270	05/22/2020	NEAL ST. ONGE FEIN/TAXPAY	101.203.2032100	433.06
WINFIELD SOLUTIONS, LLC	63747514	05/26/2020	Parts? Product? Equipment?	101.44.6000.451.60016	11,870.50
WINFIELD SOLUTIONS, LLC	63747514	05/26/2020	Parts? Product? Equipment?	101.44.6000.451.60030	7,300.00
Fund: 101 - GENERAL FUND					188,752.66
LIME VALLEY ADVERTISING, INC.	20003.03	05/26/2020	programming services	201.44.1600.465.50025	196.01
MEDIA ONE NORTH AMERICA, LLC	1557	06/02/2020	Youtube mangement and develo	201.44.1600.465.50025	3,000.00
RIVER HEIGHTS CHAMBER OF COMMERCE	10591	05/26/2020	Virtual tradeshow	201.44.1600.465.50025	35.00
RIVER HEIGHTS CHAMBER OF COMMERCE	10607	06/02/2020	May Service	201.44.1600.465.30700	6,115.49
Fund: 201 - C.V.B. FUND					9,346.50
PEREDIA, JENNIFER	05/21/2020	05/26/2020	COVID19	204.44.0000.3471000	130.69
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	204.44.6100.452.30550	25.68
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	204.44.6100.452.30550	2.80
Fund: 204 - RECREATION FUND					159.17
BARBOT, ERIC	05/21/2020	05/26/2020	COVID19 cancelled KR	205.44.0000.3496000	155.00
BARTH, RYANNA	05/21/2020	05/26/2020	COVID19 cancelled KR	205.44.0000.3496000	160.00
BERG, JESSICA	05/21/2020	05/26/2020	COVID19 cancelled KR	205.44.0000.3496000	155.00
CLIFTON, MATT	05/21/2020	05/26/2020	COVID19 cancelled KR	205.44.0000.3496000	80.00
DIAZ, LINDA	05/21/2020	05/26/2020	COVID-19 cancelled KR	205.44.0000.3496000	80.00
HUFF, JENNY	05/21/2020	05/26/2020	COVID19 cancelled KR	205.44.0000.3496000	80.00
MADISON NATIONAL LIFE INSURANCE COMPANY	1394857	05/26/2020	June 2020	205.44.6200.453.20630	4.87
MADISON NATIONAL LIFE INSURANCE COMPANY	1394857	05/26/2020	June 2020	205.44.6200.453.20630	4.88
MN LIFE INSURANCE CO	June 2020	05/26/2020	June 2020 Fee/charges	205.44.6200.453.20620	5.87
MN LIFE INSURANCE CO	June 2020	05/26/2020	June 2020 Fee/charges	205.44.6200.453.20620	5.88
PARSONS, MEGAN	05/21/2020	06/02/2020	Swimm lesson refund - COVID19	205.44.0000.3493501	130.00
PEREDIA, JENNIFER	05/21/2020	05/26/2020	COVID19	205.207.2070300	9.31
SIKOROWSKI, ALLISON	04/14/2020	04/21/2020	COVID-19	205.44.0000.3493501	130.00
SPAULDING, MICHAEL	05/21/20	05/26/2020	COVID-19	205.207.2070300	14.96
SPAULDING, MICHAEL	05/21/20	05/26/2020	COVID-19	205.44.0000.3492900	210.04
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	205.44.6200.453.30550	10.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	205.44.6200.453.30550	10.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	205.44.6200.453.30550	44.20
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	205.44.6200.453.30550	8.75
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	205.44.6200.453.30550	3.50
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	205.44.6200.453.30550	9.45
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	205.44.6200.453.30550	9.45
Fund: 205 - COMMUNITY CENTER					1,321.20
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	290.45.3000.419.30550	1.00
Fund: 290 - EDA OPERATING					1.00
LEVANDER, GILLEN & MILLER P.A.	81000.11 1/31/2020 Park	01/31/2020	Legal	402.44.6000.451.30420	900.00
Fund: 402 - PARK ACQ. & DEV. FUND					900.00
COST, PLANNING AND MANAGEMENT INTERNATIONAL INC.	7849	05/26/2020	PROJECT #18208	434.42.4200.423.30700	220.00
Fund: 434 - 2014 IMPROVEMENT FUND					220.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Park	01/31/2020	Legal	437.44.5900.737.30420	100.00
Fund: 437 - 2017 IMPROVEMENT FUND					100.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Schaaf Inve	01/31/2020	Legal	439.73.5900.739.30420	2,136.89

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Fund: 439 - 2019 IMPROVEMENT FUND					2,136.89
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1609G- 62	01/31/2020	Legal	440.74.5900.740.30420	854.50
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1809D - A	01/31/2020	Legal	440.74.5900.740.30420	1,282.50
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1909C - C	01/31/2020	Legal	440.74.5900.740.30420	135.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1909F - C.	01/31/2020	Legal	440.74.5900.740.30420	51.00
Fund: 440 - PAVEMENT MANAGEMENT PROJ					2,323.00
EXPERT TREE AND SERVICE AND SCIENCE	3407	06/02/2020	removed 9 elms	441.74.5900.741.40066	1,575.00
GLACIAL RIDGE GROWERS, INC.	5047	05/26/2020	flowers	441.74.5900.741.40066	1,238.00
SOUTH ST PAUL, CITY OF	04/23/2020	05/26/2020	Jan-Apr charges	441.74.5900.741.40030	76.44
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	441.74.5900.741.30550	15.03
Fund: 441 - STORM WATER MANAGEMENT					2,904.47
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1503-65th	01/31/2020	Legal	446.74.5900.746.30420	415.50
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1513-Impr	01/31/2020	Legal	446.74.5900.746.30420	248.09
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 #1803 - NW	01/31/2020	Legal	446.74.5900.746.30420	13.50
Fund: 446 - NW AREA					677.09
EMMONS & OLIVIER RESOURCES	00095-0060-14	06/02/2020	Discuss and provide draft respor	448.74.5900.748.30700	1,011.75
Fund: 448 - NWA - STORM WATER					1,011.75
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 SKB Demol	01/31/2020	Legal	451.75.5900.751.30420	1,759.00
Fund: 451 - HOST COMMUNITY FUND					1,759.00
JR'S APPLIANCE DISPOSAL	100860	05/26/2020	Metro area roll off box	454.43.5500.446.40025	79.15
Fund: 454 - LANDFILL ABATEMENT					79.15
AUTOMATIC SYSTEMS CO.	35067S	06/02/2020	2 antenna's	501.50.7100.512.40040	184.88
CITY OF BLOOMINGTON	2000116	06/02/2020	Bacterial tests	501.50.7100.512.30700	420.00
CORE & MAIN LP	M310255	05/26/2020	Meters/Exempt	501.50.7100.512.75500	6,454.87
CORE & MAIN LP	M311691	05/26/2020	BUTYL MASTIC SEALANT	501.50.7100.512.40043	93.48
CORE & MAIN LP	M290658	05/26/2020	13'BURY LWR ROD WB67	501.50.7100.512.40043	360.00
CORE & MAIN LP	M351476	05/26/2020	2 Brass Union	501.50.7100.512.60016	51.19
CORE & MAIN LP	M350808	05/26/2020	Parts	501.50.7100.512.40043	301.88
CORE & MAIN LP	M373188	06/02/2020	Parts	501.50.7100.512.40043	2,077.21
GERTENS	485685/1	06/02/2020	Bale of straw & JRK all purpose	501.50.7100.512.60016	33.97
GERTENS	65850/6	06/02/2020	Pulverized Landscaping Topsoil	501.50.7100.512.60016	77.85
GLENN LAWN CARE	2398	05/26/2020	April services	501.50.7100.512.30700	1,168.75
GOPHER STATE ONE-CALL	0050482	06/02/2020	Tickets	501.50.7100.512.30700	805.95
HACH COMPANY	11956702	06/02/2020	Ref #315992810-1	501.50.7100.512.60019	993.06
HYDRODESIGNS, INC	0057423-IN	06/02/2020	Municipal - Minnesota	501.50.7100.512.30700	1,247.25
M & J SERVICES, LLC	2192	06/02/2020	3260 74th St new curb installatio	501.50.7100.512.40046	1,035.00
M & J SERVICES, LLC	2193	06/02/2020	7046 Claude Ave new curb insta	501.50.7100.512.40046	720.00
METROPOLITAN COUNCIL	0001110645	05/26/2020	Permit fee	501.50.7100.512.40040	475.00
MID CITY SERVICES, INC.	129671	06/02/2020	dust mat	501.50.7100.512.40040	55.20
MINNESOTA DEPARTMENT OF HEALTH	05/14/2020	05/26/2020	Water connection fee 4/1-6/30	501.207.2070100	19,238.00
PATRICIA ANN BUTKOWSKI	05/20/2020	06/02/2020	2019 water quality report	501.50.7100.512.50032	150.00
SOUTH ST PAUL, CITY OF	04/23/2020	05/26/2020	Jan-Apr charges	501.50.7100.512.40005	270.22
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	501.50.7100.512.30550	36.06
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	501.50.7100.512.30550	10.68
TODD DOUGLAS EDINGER - RMR SERVICES LLC	2020146	06/02/2020	March 2020 meter reading	501.50.7100.512.30700	1,557.88
TODD DOUGLAS EDINGER - RMR SERVICES LLC	2020167	06/02/2020	Monthly meter reading - April	501.50.7100.512.30700	1,810.16
TODD DOUGLAS EDINGER - RMR SERVICES LLC	2020168	06/02/2020	Monthly meter reading - May	501.50.7100.512.30700	1,530.00
Fund: 501 - WATER UTILITY FUND					41,158.54
MN GLOVE & SAFETY, INC.	322802	05/26/2020	3 - Class 2 HI VIS Short	502.51.7200.514.60045	328.50
SOUTH ST PAUL, CITY OF	04/23/2020	05/26/2020	Jan-Apr charges	502.51.7200.514.40015	652.83
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	502.51.7200.514.30550	24.06
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	502.51.7200.514.30550	5.08
Fund: 502 - SEWER UTILITY FUND					1,010.47
ADIDAS AMERICA INC.	6150527987	05/26/2020	Tour 360 XL & XL-ST	503.52.8200.523.76200	140.53
COCA COLA BOTTLING COMPANY	3607207542	05/26/2020	GC beverages	503.52.8300.524.76100	393.31
COCA COLA BOTTLING COMPANY	3607207568	05/26/2020	Beverages	503.52.8300.524.76100	540.75
GERTENS	485676/1	06/02/2020	flowers and seeds	503.52.8600.527.60020	236.46
M. AMUNDSON LLP	300760	05/26/2020	Food	503.52.8300.524.76050	353.58
MANSFIELD OIL COMPANY	21789974	05/26/2020	CONV 87 OCT E-10	503.52.8600.527.60021	1,030.80
MTI DISTRIBUTING CO	1255639-00	06/02/2020	GC parts	503.52.8600.527.40042	720.90
MTI DISTRIBUTING CO	1255754-00	06/02/2020	GC parts	503.52.8600.527.40042	226.03
SOUTH BAY DESIGN	May 2020	05/26/2020	Payment portal and other minor	503.52.8500.526.50025	700.00
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	503.52.8600.527.30550	10.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	503.52.8000.521.30550	3.50
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	503.52.8500.526.30550	3.50
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	503.52.8600.527.30550	14.00
US FOODSERVICE	4533520	05/26/2020	GC food. Order #551558	503.52.8300.524.60065	368.73
US FOODSERVICE	4533520	05/26/2020	GC food. Order #551558	503.52.8300.524.76050	1,756.24
US FOODSERVICE	4533520	05/26/2020	GC food. Order #551558	503.52.8300.524.76100	27.32
US FOODSERVICE	4548230	05/26/2020	Lunch meats	503.52.8300.524.76050	159.65
US FOODSERVICE	4586625	05/26/2020	Order #559760	503.52.8300.524.60065	374.94
US FOODSERVICE	4586625	05/26/2020	Order #559760	503.52.8300.524.76050	329.38
US FOODSERVICE	4647661	05/26/2020	order #555815	503.52.8300.524.76050	184.42

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
US FOODSERVICE	4688876	05/26/2020	Supplies	503.52.8300.524.60065	181.85
US FOODSERVICE	4688876	05/26/2020	Food	503.52.8300.524.76050	554.87
US FOODSERVICE	4688876	05/26/2020	Disposables	503.52.8300.524.76050	194.73
US KIDS GOLF	IN1388804	05/26/2020	TS3-60 10 Club stand set	503.52.8200.523.76250	406.86
WILSON SPORTING GOODS	4530862007	05/26/2020	Wilson range	503.52.8100.522.60060	2,419.20
Fund: 503 - INVER WOOD GOLF COURSE					11,331.57
HEPPNER'S AUTO BODY	46324	05/26/2020	2019 Ford police interceptor rep:	602.00.2100.415.40048	2,219.08
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Rauschnot	01/31/2020	Legal	602.00.2100.415.30420	300.00
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	602.00.2100.415.30550	1.62
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	602.00.2100.415.30550	0.17
Fund: 602 - RISK MANAGEMENT					2,520.87
CUMMINS INC.	E4-64821	05/26/2020	Gasket	603.00.5300.444.40041	12.84
ELROY'S ELECTRIC SERVICE	7041	06/02/2020	labor/parts	603.00.5300.444.40041	132.00
FACTORY MOTOR PARTS COMPANY	1-Z21823	05/26/2020	PART MTCBXT-65-850	603.140.1450050	130.88
FERRELLGAS	1111767381	05/26/2020	DOCK_20LB CYL	603.00.5300.444.40041	16.80
INVER GROVE FORD	5286132	05/26/2020	Screen ASY	603.00.5300.444.40041	30.39
MACQUEEN EQUIPMENT INC	P27411	05/26/2020	Bin #M017671	603.00.5300.444.40041	239.51
MANSFIELD OIL COMPANY	843094	05/26/2020	Fuel	603.140.1450060	10,667.63
METROPOLITAN COUNCIL	0001110598	06/02/2020	Permit fee	603.00.5300.444.40040	425.00
METROWIDE PLUMBING LLC	05/11/2020	05/26/2020	Replaced old flushometers & lavi	603.00.5300.444.40040	715.00
MID CITY SERVICES, INC.	129154	05/26/2020	Dust Mat	603.00.5300.444.40065	71.00
MID CITY SERVICES, INC.	129672	06/02/2020	dust mats	603.00.5300.444.40065	71.00
MN DEPT OF REVENUE	04/20/2020	05/19/2020	April Sales & Use tax	603.00.5300.444.60021	301.25
NORTH AMERICAN TRAILER SALES	030004158507	05/26/2020	Electric brake	603.00.5300.444.40041	201.60
NORTH AMERICAN TRAILER SALES	030004158509	05/26/2020	Electric brake	603.00.5300.444.40041	65.32
NORTH AMERICAN TRAILER SALES	030004158678	05/26/2020	Dust cap kit	603.00.5300.444.40041	5.41
NORTH AMERICAN TRAILER SALES	030004158805	05/26/2020	LED MARKER LIGHT	603.00.5300.444.40041	18.24
O' REILLY AUTO PARTS	1767-470239	05/26/2020	oil & fuel filter(s)	603.00.5300.444.40041	203.48
O' REILLY AUTO PARTS	1767-470328	05/26/2020	FUEL/WTR SEP	603.140.1450050	40.11
O' REILLY AUTO PARTS	1767-470559	05/26/2020	Heater Hose	603.00.5300.444.60012	7.00
O' REILLY AUTO PARTS	1767-471278	05/26/2020	BAT CBL LUG	603.00.5300.444.40041	8.40
O' REILLY AUTO PARTS	1767-471279	05/26/2020	Copper lugs	603.00.5300.444.40041	7.58
O' REILLY AUTO PARTS	1767-471333	05/11/2020	Core return	603.00.5300.444.40041	(18.00)
O' REILLY AUTO PARTS	1767-471334	05/26/2020	Battery	603.00.5300.444.40041	40.81
O' REILLY AUTO PARTS	1767-471504	05/26/2020	Wheel nut	603.00.5300.444.40041	1.90
O' REILLY AUTO PARTS	1767-471589	05/26/2020	Battery & Wires	603.00.5300.444.40041	113.13
O' REILLY AUTO PARTS	1767-472048	05/26/2020	Ceramic Pads & Brake rotors	603.00.5300.444.40041	239.98
O' REILLY AUTO PARTS	1767-473385	06/02/2020	Oil Filter	603.00.5300.444.40041	4.04
O' REILLY AUTO PARTS	1767-473889	06/02/2020	4pk - 3v batt	603.00.5300.444.40041	10.99
PRO-TECH DESIGN INC.	96534	05/26/2020	addition of 2 card readers	603.00.5300.444.40040	7,963.20
SWEEPER SERVICES	20079	05/26/2020	set of NP carbide dirt shoe rubbe	603.00.5300.444.40041	364.98
SWEEPER SERVICES	20082	05/26/2020	Water filter & O-ring	603.00.5300.444.40041	107.20
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	603.00.5300.444.30550	10.02
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	603.00.5300.444.30550	1.74
UNIFIRST CORPORATION	0900551670	05/26/2020	clothing	603.00.5300.444.40065	129.22
UNIFIRST CORPORATION	0900551670	05/26/2020	clothing	603.00.5300.444.60045	37.40
UNIFIRST CORPORATION	0900553019	05/26/2020	clothing	603.00.5300.444.40065	129.22
UNIFIRST CORPORATION	0900553019	05/26/2020	clothing	603.00.5300.444.60045	35.55
UNIFIRST CORPORATION	0900554407	05/26/2020	clothing/uniforms	603.00.5300.444.40065	129.22
UNIFIRST CORPORATION	0900554407	05/26/2020	clothing/uniforms	603.00.5300.444.60045	35.55
UNIFIRST CORPORATION	0900555755	05/26/2020	clothing	603.00.5300.444.40065	129.22
UNIFIRST CORPORATION	0900555755	05/26/2020	clothing	603.00.5300.444.60045	35.55
UNIFIRST CORPORATION	0900557130	06/02/2020	Clothing	603.00.5300.444.40065	129.22
UNIFIRST CORPORATION	0900557130	06/02/2020	Clothing	603.00.5300.444.60045	35.55
ZARNOTH BRUSH WORKS	0180221-IN	05/26/2020	Baffle strip - rubber	603.00.5300.444.40041	73.90
ZARNOTH BRUSH WORKS	0180323-IN	06/02/2020	poly cable wrap broom refill	603.140.1450050	480.00
Fund: 603 - CENTRAL EQUIPMENT					23,590.03
LONE OAK COMPANIES	05/07/2020	05/29/2020	3100 estimated pieces @ \$0.50	605.00.7500.460.50035	1,550.00
MADISON NATIONAL LIFE INSURANCE COMPANY	1394857	05/26/2020	June 2020	605.00.7500.460.20630	14.63
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764698	05/27/2020	Payroll	605.00.7500.460.30550	3.17
TASC GENESIS EMPLOYEE BENEFITS, INC	IN1764269	05/27/2020	Payroll	605.00.7500.460.30550	6.13
Fund: 605 - CITY FACILITIES					1,573.93
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Cahill Stora	01/31/2020	Legal	702.229.2285902	608.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Flint Hills Pi	01/31/2020	Legal	702.229.2289603	80.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Inverpoint/L	01/31/2020	Legal	702.229.2282100	112.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Johnson Ct	01/31/2020	Legal	702.229.2288903	220.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Losie Fire [	01/31/2020	Legal	702.229.2304102	96.00
LEVANDER, GILLEN & MILLER P.A.	81000 1/31/2020 Thomas an	01/31/2020	Legal	702.229.2288303	264.00
LEVANDER, GILLEN & MILLER P.A.	81000.13 1/31/2020 Windsor	01/31/2020	Legal	702.229.2282003	1,018.00
Fund: 702 - ESCROW FUND					2,398.00
Grand Total					295,275.29

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

REQUEST FOR APPROVAL OF RENTAL HOUSING LICENSE

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Nicole Cook: 651-450-2491
 Prepared by: Nicole Cook, Rental and Code
 Compliance Coordinator
 Reviewed by: Heather Rand, Community
 Development Director

Fiscal/FTE Impact:

☒	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☐	Other (Revenue)

PURPOSE/ACTION REQUESTED

The City Council is to consider approval of one (1) rental license.

BACKGROUND

The City Council adopted a rental licensing ordinance that requires all rental property owners to obtain a rental license every two years. The purpose of the ordinance is to assure proper maintenance of structures to preserve neighborhood stability, protect the quality of existing rental housing stock, and maintain property values. The ordinance provides for basic safety and living standards for rentals.

ANALYSIS

The following rental license application has been submitted:

DEERAJ GUPTA: 8093 DARCY LANE

The above application has been found to be complete. The application includes the necessary fee payment and the BCA background check. The Inver Grove Heights Police Chief/Designee has also reviewed the license application.

RECOMMENDATIONS

Community Development staff recommends approval of the license listed above.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

PERSONNEL ACTIONS

Meeting Date: June 08, 2020
Item Type: Consent Agenda
Contact &
Reviewed by: Janet Shefchik, HR Manager
Prepared by: Cora Bauer, HR Coordinator

Fiscal/FTE Impact:

☒	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☐	Other

PURPOSE/ACTION REQUESTED

Staff requests that Council confirm and approve the personnel actions listed below.

Full-Time Employment:

Luke Jacobsen, Utility Maintenance Worker (Promotion)
Chris Onken, Utility Maintenance Worker (Promotion)
Jason (Jake) Lundell, Sign Worker – Street Maintenance (Promotion)

Temp/Seasonal Employment:

Connor Hartley, Golf Course Outside Services
Joe Middleton, Golf Course Laborer
Julia Finn, Golf Course Outside Services
Matthew Kuefler, Golf Course Outside Services
Max Neitz, Golf Course Laborer
Shannon O'Connor, Golf Course F&B Concessionaire
Tommy McAlpine, Golf Course Outside Services

Voluntary Resignations and or Terminations:

Michael Lyman, Utility Maintenance Worker

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Addendum with ISD 199 for the VMCC/Grove Use Agreement

Meeting Date: June 8, 2020
 Item Type: Consent Agenda
 Contact: Eric Carlson – 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by:

☐	Fiscal/FTE Impact:
☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other

PURPOSE/ACTION REQUESTED

The Council is asked to approve an addendum (attached) to Veterans Memorial Community Center Grove Aquatic & Fitness Center National Guard Armory Use Agreement dated June of 2016 between the City of Inver Grove Heights (City) and Independent School District 199 (District).

SUMMARY

The Veterans Memorial Community Center (VMCC) opened in 1996 and the Grove Aquatic and Fitness Center (Grove) opened in 2001. The City and District have a 20-year lease in place that provided certain access rights to the District in exchange for some financial payments to the City. The lease runs from 2016 – 2026.

Under the terms of the lease, the District must pay for pool time and ice time based on actual usage. The District also agrees to pay the City an additional “Usage Payment” each year. The lease calls for the City and District to agree on an annual “Usage Payment” for 2022 – 2026. The attached addendum represents the proposed agreement which has been reviewed and approved by the District.

The addendum also makes some minor modifications to the number of times the City and District are “required” to meet annually and modifies some of the “Districts Rights” to access the facility based on some changes the District has made to school starting and ending times.

**ADDENDUM TO USE AGREEMENT
BETWEEN THE CITY OF INVER GROVE
HEIGHTS AND INDEPENDENT SCHOOL
DISTRICT 199**

**ADDENDUM TO USE AGREEMENT BETWEEN THE CITY OF INVER GROVE HEIGHTS AND
INDEPENDENT SCHOOL DISTRICT 199 FOR THE INVER GROVE HEIGHTS VETERANS MEMORIAL
COMMUNITY CENTER GROVE AQUATIC & FITNESS CENTER AND FOR THE NATIONAL GUARD
ARMORY**

THIS ADDENDUM TO USE AGREEMENT (addendum) is made this 18 day of May, 2020, by and between INDEPENDENT SCHOOL DISTRICT #199, a Minnesota public school corporation ("School") and the CITY OF INVER GROVE HEIGHTS, a Minnesota municipal corporation ("City").

RECITALS

- A. The City is the owner and manager of the Veterans Memorial Community Center ("VMCC").
- B. The City and School entered into a "Use Agreement" between the City of Inver Grove Heights and Independent School District No. 199 for "Inver Grove Heights Veterans Memorial Community Center Aquatic & Fitness Center National Guard Armory" dated June 27, 2016 hereafter referred to as the ("Agreement").
- C. The City and School desire to amend the agreement as follows:

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained herein, the parties mutually agree as follows:

AMENDMENTS

Amendment No 1 to Agreement Section Two Terms and Usage Payment Item 2 is hereby amended to read as follows:

The annual usage rate shall be as follows:

Year	Annual Usage Rate
2020	\$262,500
2021	\$275,000
2022	\$275,000
2023	\$283,250
2024	\$291,750
2025	\$303,415
2026	\$315,555

Amendment No 2 to Agreement Section Seven Community Center Advisory Committee (CCAC)
1.7 is hereby amended to read as follows:

The CCAC shall meet whenever a member calls a meeting but not less than once per year.

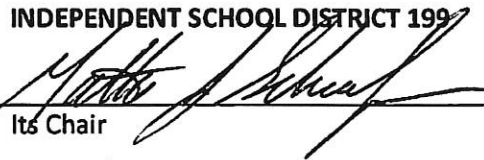
Amendment No 3 to Agreement Exhibit A District Rights is hereby amended to read as follows:

District may use/access portions of the Facility and National Guard Armory as listed:

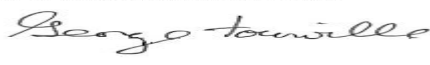
Activity	Dates and Times	Area Accessed	Usage Rate	Special Conditions
Boys Golf Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Girls Golf Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Boys LaCrosse Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Girls LaCrosse Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Boys Baseball Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Girls Softball Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Boys Tennis Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Girls Tennis Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Boys Track Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm
Girls Track Team	From early March to early June Monday- Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:45pm

All other activities listed stay the same as the original agreement.

By signing this Addendum, the parties acknowledge that they have read, understand, and agree to abide by all its conditions as stipulated.

INDEPENDENT SCHOOL DISTRICT 199
By: 
Its Chair

By: Its Clerk

CITY OF INVER GROVE HEIGHTS
By: 
its Mayor

By: Its Clerk

VETERANS MEMORIAL COMMUNITY CENTER USE AGREEMENT

**VETERANS MEMORIAL COMMUNITY CENTER
GROVE AQUATIC & FITNESS CENTER
NATIONAL GUARD ARMORY
USE AGREEMENT**

BETWEEN

CITY OF INVER GROVE HEIGHTS

AND

INDEPENDENT SCHOOL DISTRICT NO 199

**June 2016
Final Version**

This Use Agreement is made and entered into this 27TH day of JUNE 2016 by and between the City of Inver Grove Heights, a Minnesota municipal corporation (City), and Independent School District No. 199, a Minnesota public school corporation (District).

RECITALS

The parties recite and declare:

1. City is the sole owner of the Inver Grove Heights Veterans Memorial Community Center, and the Grove Aquatic & Fitness Center in Inver Grove Heights, Minnesota, hereinafter individually and collectively referred to as the Facility.
2. City has entered into an agreement with the State of Minnesota Department of Military Affairs regarding use of the National Guard Armory in Inver Grove Heights Minnesota, hereinafter referred to as the National Guard Armory.
3. City desires to allow the District use of the Facility and National Guard Armory for educational and recreational purposes.
4. District desires to use from time to time portions of the Facility and National Guard Armory for the purposes of conducting components of its Curricular Program, Co-Curricular Program, Community Education Program and its Extra Curricular Activities Program.
5. City desires to allow the District use of the Facility and the National Guard Armory.
6. The Facility includes access to administrative space, storage, locker room(s), East Rink, West Rink, meeting room(s), lap pool, diving pool and splash pool, and is subject to hourly usage charges per Exhibit A.
7. The Facility does not include the fitness center, track, fitness studio(s), Grove Room 1 and 2, and Childcare.
8. The National Guard Armory includes usage of the gymnasium and meeting room(s) and is subject to hourly usage charges per Exhibit A.
9. Use of the above-mentioned Facility and National Guard Armory includes use of common space including but not limited to restrooms, spectator seating area(s), parking spaces, and hallways generally open to the public.
10. The parties desire to enter into this Use Agreement, which defines their rights, duties, and liabilities related to the Facility and National Guard Armory.

11. Priority order for reserving the VMCC/Grove is:

- a. City programs
- b. ISD 199 School Programs
- c. Others

12. Priority order for reserving the National Guard Armory is:

- a. National Guard programs
- b. City programs
- c. ISD 199 School programs
- d. Others

In consideration of the mutual covenants contained in this Use Agreement, and other good and sufficient consideration, the parties agree as follows:

SECTION ONE
SUBJECT AND PURPOSE

1. **Subject** For the purposes stated City hereby grants the District the right and privilege to use the Facility and National Guard Armory on the terms and conditions set forth in this Use Agreement.
2. **Purpose** Subject to payment of the use amounts set forth in Sections 2 and 3 and in Exhibit A, City grants the District exclusive use of portions of the Facility and National Guard Armory as set forth in Exhibit A for the time periods set forth in Exhibit A. To the extent District operates a Swim and/or Hockey program(s) listed on Exhibit A, such programs shall be conducted and operated primarily at the Facility and National Guard Armory for routine practices, home games, and home meets.
 - 2.1. After determination of and selection by City of the space and times needed by City for its programs, the District shall have the right of first refusal to use time in the Facility for District's programs in accordance with the conditions stated in Exhibit A for the types of space and usage periods.
3. **Conditions** The District's use of the space in the Facility and National Guard Armory as described is subject to all of the conditions contained in this Use Agreement that specify the times and dates of actual use, subject to the operating rules and regulations promulgated by City from time to time.
4. **Special Access With/Without Charge** See Exhibit A.

SECTION TWO
TERMS AND USAGE PAYMENT

1. City grants the rights described in Section One for a term of ten (10) years, commencing January 1, 2017 and terminating on December 31, 2026 or sooner as provided in this Use Agreement. The annual fee for each calendar year for such use is described below and begins in 2017 payable in two (2) equal installments commencing on June 1, 2017 and December 31, 2017 and thereafter continuing on each June 1 and December 31 until June 1, 2026 and December 31, 2026, plus applicable hourly use charges as required herein during the term of this Use Agreement.
2. The annual usage rate shall be as follows:
 - 2017 \$250,000
 - 2018 \$250,000
 - 2019 \$250,000
 - 2020 \$262,500
 - 2021 \$275,000

The usage rate for years 2022 – 2026 will be determined by mutual agreement of both parties and set in 2019. The Use Agreement will terminate if both parties cannot agree to usage rates for years 2022 – 2026.

3. The District will receive a credit of \$90,000 in 2017. This credit recognizes payments made in 2016.
4. All payments shall be made to City at Inver Grove Heights City Hall, 8150 Barbara Ave., N., Inver Grove Heights, MN 55077.
5. The City and the District acknowledge and agree:
 - 5.1. That they expect that the payments from the District to the City pursuant to Sections Two and Three will not exceed the prorated share of the City's operations and maintenance costs for the District's portion of the total use of the Facility and National Guard Armory.
 - 5.2. That the City will allocate the payments hereunder to the City's cost of operating and maintain the Facility and National Guard Armory.

SECTION THREE
ADDITIONAL HOURLY USAGE FEE(S)

1. As stated on Exhibit A, use by the District of certain components of the Facility and National Guard Armory requires payment by the District of hourly use rates that are additional to the annual payments required under Section Two. As stated on Exhibit A, the hourly use rates apply to the ice rinks, the pool areas, the gymnasium and certain meeting rooms. On or before December 1st of each year, the City shall set the hourly rates that it will charge the District for use of the identified components of the Facility and National Guard Armory and cause this determination to be communicated to the District for the following school year (i.e. December 1, 2015 for the 2016-17 school year). The City will establish these rates after receipt of recommendation and consultation with the CCAC or successor. Any recommendation of the CCAC or successor shall be by majority vote of all members of the CCAC or successor.
2. The City's additional hourly usage rates charged to the district shall not be more than 5% above "market rates" as the term "market rates" is defined in Exhibit B, which is incorporated herein by reference as if fully set forth.
3. Failure by the District to use the time periods set forth on Exhibit A does not eliminate, postpone or suspend the obligation of the District under Section Two to pay the annual usage amounts required by Section Two subject to the terms of this agreement.

SECTION FOUR
RIGHT OF FIRST REFUSAL TO PURCHASE

1. In the event City shall receive a bona fide offer to purchase the Facility during the term of this Use Agreement, and the offer of purchase shall be satisfactory to City, City shall give the District the privilege of purchasing the Facility at the price and on the terms of the offer so made. The privilege shall be given by a notice sent to District by registered mail at the address of the School District Administrative Offices requiring the District to accept the offer in writing and to sign a suitable contract to purchase the Facility within the period of ninety (90) days after the mailing of the notice.
2. Failure of the District to accept the offer to purchase by signing a contract within the period provided or upon notification in writing prior to that period ending shall nullify and void the privilege to the District, and City shall be free to sell the Facility to any other person, firm, or corporation. Any subsequent sale of the Facility, except to the District, shall be subject to this Use Agreement and any renewals or extensions of the Use Agreement; provided, however, in such a situation there shall no longer be any right of first refusal in favor of the District. The right of first refusal ceases once the City has sold the Facility; the buyer of the Facility is not subject to any right of first refusal in favor of the District.
3. In the event that the District chooses to exercise its right of first refusal to purchase in accord with the terms of the bona fide offer to the City, then the annual usage payment required under Section Two for the calendar year for the year of sale shall be prorated to the date of sale and the District shall pay the City any outstanding balance of such prorated amount. If the City has already received payment in that calendar year for any time period after the sale date the District shall be given a credit against the purchase price in an amount equal to the portion of the paid annual payment attributable to the time after the date of sale.

SECTION FIVE
DESTRUCTION OR CESSATION

1. In the event that the Facility is ever completely destroyed or permanently abandoned during the term of this Use Agreement, or if the City ceases operating all of the Facility during the term of the Use Agreement, then the District shall be entitled to a prorated credit for annual usage payments made under Section Two if paid. If a portion of the Facility is destroyed or not operated the two parties will determine a reasonable credit based on the portion of the building and or timeframe impacted as a prorated credit.

SECTION SIX
NONAPPROPRIATIONS PROVISION

1. In the event the District by July 1 of each calendar year does not appropriate money sufficient to continue performance by the District of the annual usage payments as evidenced by the passage of a resolution by the District, as permitted by law, then this Use Agreement shall be terminated as of December 31st of that calendar year; provided, however, the District shall pay to City any Section Two usage monies which are due June 1 of that calendar year and, in such a situation, the District is not obligated to pay the portion of the annual usage fee that would otherwise be payable on December 31 of that calendar year. The District shall give notice of non-appropriation not less than sixty (60) days after adopting the resolution terminating the levy, which provides the revenue to make the Section Two annual usage payments.

SECTION SEVEN
COMMUNITY CENTER ADVISORY COMMITTEE (CCAC)

1. The CCAC shall have three City members and two District members. The CCAC or its successor is hereby created for the following purposes:
 - 1.1. To make recommendations to the City regarding the operation and maintenance of the Facility and National Guard Armory.
 - 1.2. To make recommendations to City regarding "market rates" for usage of the Facility and National Guard Armory.
 - 1.3. To decide on any conflicts or issues which may arise, subject to the terms of this Section.
 - 1.4. The City's three (3) members on the CCAC or its successor shall be the City Administrator, Director of Parks & Recreation and the Finance Director. Such members may be removed with or without cause by the City Council of City.
 - 1.5. The District's two (2) members on the CCAC or its successor shall be the Superintendent or his/her designee and the Activities Director. Such members may be removed with or without cause by the School Board.
 - 1.6. All actions and recommendations of the CCAC shall be by a majority vote of all members.
 - 1.7. The CCAC shall meet whenever a member calls a meeting but not less than quarterly (January – March; April – June; July – September; October – December).
 - 1.8. All actions and recommendations of the CCAC shall be reported to both City and District.
 - 1.9. The City retains the sole discretionary authority to accept or reject in whole or in part the recommendations of the CCAC regarding the rates for use of the Facility and National Guard Armory.
 - 1.10. The City retains the sole discretionary authority to accept or reject in whole or in part the recommendations of the CCAC regarding maintenance and capital projects at the Facility or National Guard Armory.
 - 1.11. The City shall provide to the CCAC and to District all of the financial data and information and records regarding the Facility and National Guard Armory on a reasonable basis and consistent with the spirit of collaboration and cooperation.

SECTION EIGHT
GENERAL PROVISIONS

1. **Amendments** This Use Agreement contains all of the agreements of the parties with respect to the subject matter and cannot be amended or modified except by written mutual agreement.
2. **Severability** The invalidity, illegality, or unenforceability of any provision of this Use Agreement shall not render the other provisions invalid, illegal, or unenforceable.
3. **Captions** The headings of the sections of this Use Agreement are descriptive and for convenience only, and are not a part of the Use Agreement, and shall have no effect on the construction or interpretation of this Use Agreement.
4. **Applicable Law** This Use Agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota.
5. **Counterparts** This Use Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
6. **Quiet Enjoyment** City agrees to permit the District, upon faithful performance of the terms and covenants of this Use Agreement, to peaceable and quietly have, hold, and enjoy use of the Facility and National Guard Armory for the purpose and for the term stated above.
7. **Furnishing of Services** City shall furnish all public utilities that are necessary and customary in the operation of the Facility and National Guard Armory.
8. **Intoxicating Liquors** During those times when the District is using the Facility, City will not cause or allow beer, wine, or liquors of any kind to be sold, given away, or used in the Facility. This does not include the National Guard Armory.
9. **Control of Building** The Facility and National Guard Armory and the keys thereof, shall be at all times under the charge and control of the City of Inver Grove Heights with the exception of the appropriate high school locker rooms. If the District asks for the locks to be changed for the District space the District agrees to pay for the costs to do so.
10. **Entire Agreement** This Use Agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of the Use Agreement shall not be binding upon either party except to the extent incorporated in this Use Agreement.

11. **Rules** City reserves the rights to establish operating rules and regulations regarding the use of or access to the Facility and National Guard Armory. The District agrees to comply with such operating rules and regulations. The District shall use its best efforts to enforce such rules and regulations with respect to its students, faculty, coaches, invitees, players, and those persons the District has authorized to use the facilities.
12. **Insurance** The District shall procure and file with the City and the District shall maintain a policy of general liability insurance to cover use of the Facility and National Guard Armory and the City shall be named as an additional insured under the policy. The minimum policy limits shall be \$500,000 per claim and \$1,500,000 for a number of claims arising out of a single occurrence or such other higher amounts equal to the statutory liability limits as set by Minnesota State Statute Chapter 466 as amended from time to time.
13. **Limitations on Damages** If the Facility or National Guard Armory are not useable due to repairs, remodeling or retrofitting or because of unexpected circumstances such as strikes, acts of God, electrical malfunctions, fire, refrigeration malfunctions, mechanical failures or other casualties, then the City will refund the per hour usage amount actually paid by the District for the specific times and facilities are not useable. In addition, in the event the Facility or National Guard Armory are not usable as described above for a period of four (4) weeks or more, the Annual Usage Rate in Section 2 shall be prorated for the amount of time above the four (4) weeks and prorated for the area of the Facility or National Guard Armory were not available for use.
14. **Binding Effect** This Use Agreement shall be binding upon the parties and their successors and assigns. The District shall not assign, sublet or transfer this Use Agreement or the areas used hereunder without the written consent of City.
15. **Supervision** During the usage times, the District shall supervise, control and monitor school activities at the Facility and National Guard Armory. The District shall supervise monitor and control its students, players, invitees and authorized users while they are present in the Facility and National Guard Armory. The District agrees that no one shall be present in a pool, gymnasium or ice surface until an adult from the District is present and prepared to supervise. Absolutely no players or pucks shall be on the ice while the resurfacing doors are open.
 - 15.1. The District agrees to provide the level of supervision it deems necessary when using the pool(s) for the safety of those participating in its activities. Should the district determine to have a certified lifeguard monitor each pool from the pool deck during all times the pools are in use, the expense of certified lifeguards are that of the District.

- 15.2. The District agrees to have at least one adult supervisor (not involved in the game/meet/event) from the District attend all games/meets/events scheduled in the Facility/National Guard Armory. The expense of the supervisor is that of the District.
- 15.3. The District agrees to provide the level of EMT/First Aid personnel it deems necessary at games/meets/events scheduled in the Facility/National Guard Armory. The expense of the EMT/First Aid is that of the District. District staff should be properly trained and have the proper equipment and supplies provided by the district to respond to minor injuries that may happen from time to time.
16. **Disclaimer** City is not responsible for any personal property of the District or its students, faculty, coaches, players, participants, invitees and authorized users. City disclaims any responsibility for damages caused by the theft or vandalism of such personal property.
17. **Damages** If the District or its students, faculty or coaches damage the Facility or National Guard Armory, the District is responsible for repairing such damage or paying City to repair such damage. Should the damage be beyond that which can be repaired, District agrees to replace damaged item notwithstanding normal wear and tear.
18. **Tournaments** If the District's teams are in state tournament and need practice times or game times that have not been previously scheduled by District; the City shall use its best efforts to make usage times available for such practices or games.
19. **National Guard Use** The District understands and acknowledges that use of the National Guard Armory is by way of City subletting the rights that City has received from the National Guard Armory. District agrees to comply with all rules, regulations and restrictions imposed by the National Guard regarding use of the National Guard Armory. Notwithstanding anything to the contrary contained in the Use Agreement, the District agrees that the National Guard has the first right and priority to use the National Guard Armory.
20. **Lap Pool Lane Line** City shall provide one set of lap pool lane lines in good working condition. District shall be responsible for any additional lap pool lane lines desired.

21. **Swim Pool Timing/Starting Blocks/Sound System** The City will contribute a total of \$20,000 to replace the timing equipment/starting blocks/sound system. The District will be solely responsible to remove the existing equipment and select, purchase, and install the new equipment, along with future upkeep, maintenance and repair of the timing equipment/starting blocks/sound system. If the City hosts an event that requires use of the timing equipment/starting blocks/sound system the City will contract with the District to operate the system. Once replaced, the system is owned by the District and shall be the responsibility of the District to operate, maintain and replace.
22. **Scheduling Notification** Because of the nature of the Facility and National Guard Armory being public facilities, the District and City will work together in a timely fashion to plan for the use of the Facility so other groups that desire to use the Facility can do so. All reasonable efforts will be made to finalize usage of the ice/turf 3-months in advance and 6-months in advance for the pools. This is due to the City's need to advertise and market the Facility through the City's website, brochure, and other forms of public communication. There may be circumstances out of either parties control that may cause last minute changes to be made, but each party pledges to work cooperatively to resolve issues in the best interest of the entire Community.
23. **Mailing Address** The following addresses shall be used when mailing noticed to either party:
- If to City:
City of Inver Grove Heights
Attn: City Administrator
8150 Barbara Ave
Inver Grove Heights MN 55077
- If to School District:
Independent School District No 199
Attention: School Superintendent
2990 – 80th St E
Inver Grove Heights MN 55076-3235

SECTION NINE **TERMINATION**

This Use Agreement shall terminate upon the occurrence of any of the following events, whichever occurs first:

1. December 31, 2026.
2. Pursuant to Section Six after failure of the District to appropriate the annual Use amount specified in Section Two.
3. Complete destruction or permanent abandonment of the Facility or National Guard Armory.
4. Notice of termination given by the City to the District after the occurrence of all of the following:
 - 4.1. Breach by the District of any material term or condition of this Use Agreement;
 - 4.2. Notice by the City to the District of the breach by the District;
 - 4.3. A reasonable period of time given by the City to the District to cure the breach;
 - 4.4. Failure by the District to cure the breach after expiration of the reasonable cure period.
5. Notice of termination given by the District to the City after the occurrence of all of the following:
 - 5.1. Breach by the City of any material term or condition of this Use Agreement;
 - 5.2. Notice by the District to the City of the breach by the City;
 - 5.3. A reasonable period of time given by the District to the City to cure the breach;
 - 5.4. Failure by the City to cure the breach after expiration of the reasonable cure period.
6. Failure of the parties to determine the annual usage rates for the years 2022 through 2026 pursuant to Section Two, paragraph 2.

SECTION TEN
OTHER REVENUE

1. **Food, Beverage, Concession, Merchandise Revenue** The City reserves the exclusive rights to operate or sublet any and all food and beverage and other concessions at the Facility or National Guard Armory and City shall solely retain the revenue from such operations. No merchandise shall be sold at the Facility or National Guard Armory without the City's written consent and proof of proper insurance and licensing from the State of Minnesota.
2. **Parking** The District shall not charge for parking at the Facility or National Guard Armory without the express written consent of City. During the times that the District is using the Facility or National Guard Armory, City shall not charge for parking without the express written consent of District; provided, however, City reserves the right to charge for parking at other times.

SECTION ELEVEN
SIGNATURE PAGE

IN WITNESS WHEREOF, each party to this Use Agreement has caused it to be signed on the date indicated below.

CITY OF INVER GROVE HEIGHTS
MINNESOTA

By: George Tourville
George Tourville
Its Mayor

By: [Signature]
Its City Clerk

Date 10/27/16

INDEPENDENT SCHOOL DISTRICT NO 199
INVER GROVE HEIGHTS MINNESOTA

By: Cindy Nordstrom
Cindy Nordstrom
Its Chair

By: [Signature]
Its Board Clerk

Date

EXHIBIT A
DISTRICT RIGHTS

District may use/access portions for the Facility and National Guard Armory as listed:

Activity	Dates and Times	Areas Accessed	Usage Rate	Special Conditions
Boys Hockey	From late October to early March Monday- Friday	West Rink and East Rink	Full market hourly determined by the CCAC	Practice time to begin at 3:00pm Games to be scheduled as needed
Girls Hockey	From mid October to late February Monday - Friday	West Rink and East Rink	Full market hourly determined by the CCAC	Practice time to begin at 3:00pm Games to be scheduled as needed
Boys Swim Team	From late November to early March Monday - Friday	Lap pool	50% of market hourly determined by the CCAC	Practice time to begin at 3:00pm Meets to be scheduled as needed
Boys Swim Team	From late November to early March Monday - Friday	Diving well	50% of market hourly determined by the CCAC	Practice time to begin at 3:00pm Meets to be scheduled as needed
Girls Swim Team	From mid August to mid November Monday - Friday	Lap pool	50% of market hourly determined by the CCAC	Practice time to begin at 3:00pm Meets to be scheduled as needed
Girls Swim Team	From mid August to mid November Monday - Friday	Diving well	50% of market hourly determined by the CCAC	Practice time to begin at 3:00pm Meets to be scheduled as needed
Boys Golf Team	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Girls Golf Team	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Boys LaCrosse Team	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Girls LaCrosse Team	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Boys Baseball	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Girls Softball	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Boys Tennis	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Girls Tennis	From mid August to end of October Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Boys Track Team	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Girls Track	From early March to early June Monday - Friday	West Rink (Turf)	Included in annual use	Practice time to begin at 3:00pm end by 5:00pm
Boys Basketball	From November to early March Monday - Friday	Gymnasium	Hourly determined by the CCAC	Practice time to begin at 3:00pm
Girls Basketball	From November to early March Monday - Friday	Gymnasium	Hourly determined by the CCAC	Practice time to begin at 3:00pm
Girls Volleyball	From mid August to late October Monday - Friday	Gymnasium	Hourly determined by the CCAC	Practice time to begin at 3:00pm
Community Education	Year Round	Senior Center Coordinator Office	Included in annual use	
Community Education	Year Round	Senior Center Storage Area (next to office)	Included in annual use	
HS Swim Team(s)	Year Round	Swim Pool Office Area	Included in annual use	
HS Swim Team(s)	Year Round	Swim Pool Storage (behind diving boards)	Included in annual use	Share with the VMCC/Grove

Activity	Dates and Times	Areas Accessed	Usage Rate	Special Conditions
Boys Hockey Team	Year Round	Boys Hockey Locker Room	Included in annual use	School District responsible for all internal improvements with prior approval of the City. City may utilize by providing prior notice and is responsible for any damage during City authorized use.
Girls Hockey Team	Year Round	Girls Hockey Locker Room	Included in annual use	School District responsible for all internal improvements with prior approval of the City. . City may utilize by providing prior notice and is responsible for any damage during City authorized use.
Boys Swim Team	From late November to early March	High School Swim Locker Room	Included in annual use	School District responsible for all internal improvements with prior approval of the City. . City may utilize by providing prior notice and is responsible for any damage during City authorized use.
Girls Swim Team	From mid August to mid November	High School Swim Locker Room	Included in annual use	School District responsible for all internal improvements with Prior approval of the City. . City may utilize by providing prior notice and is responsible for any damage during City authorized use.
Physical Education Classes	During the school year (ice skating)	East Rink, West Rink	Included in annual use	During the regular school day without interference to public skating
Physical Education Classes	During the school year	Lap Pool, Dive Pool, Gymnasium, Meeting Room(s)	Full market hourly determined by the CCAC	During the regular school day without interference to other uses. The district may be mandated by legislation to provide swim lesson to students at some point in the future
Community Education	Year Round	East Rink, West Rink, Lap Pool, Dive Pool, Splash Pool, Gymnasium, Meeting Room(s)	Full market hourly determined by the CCAC	Subject to availability
Graduation Exercises	End of School Year	East Rink, West Rink, Gymnasium, Meeting Room(s)	Included in annual use	Subject to ice schedule
Senior Citizen Program(s)	Weekdays 7:00am – 4:00pm	Community Room 1, 2, or 3; National Guard Armory A, B, or C	Included in annual use	Additional use of Facility/National Guard charged at established rates
High School Booster Club Meetings	Weekdays 5:00pm – 10:00pm	Community Room 1, 2, or 3; National Guard Armory A, B, or C	Included in annual use	30 hours per booster club capped at 200 hours annually
Elementary School Swim Night(s) (PTO)	From September to June Monday - Friday	Splash Pool, Lap Pool, Dive Pool	Included in annual use (must pay for direct cost of lifeguards)	Available up to eight (8) dates annually
Elementary Swim Meets	From September to June Monday - Friday	Lap Pool, Dive Pool	Included in annual use (must pay for direct cost of lifeguards)	Available up to three (3) days annually

EXHIBIT B

MARKET RATES

The term "market rates" shall be defined according to the following process:

1. The CCAC shall establish a list of communities with facilities similar to the different components of the Facility and National Guard Armory (gym, pool, meeting rooms, ice, etc.) and survey the fee schedules used by these various communities.
2. The survey data shall then be compiled in a chart showing all of the different ranges of cost.
3. If there are any variables in the data which need to be reconciled, the CCAC shall do so in good faith.
4. The rates within various categories of time usage, e.g. prime time and off time shall then be arithmetically averaged.
5. This arithmetic average with each category rounded upward to the nearest dollar shall be defined as the "market rate"

EXHIBIT C

DISTRICT'S LIST OF ADDITIONAL RIGHTS WITHIN THE FACILITY AND NATIONAL GUARD ARMORY

1. Store athletic equipment in available storage areas assigned by City.
2. City is not responsible for lost or stolen items.
3. District may enforce all School District rules of student conduct and the rules of the Minnesota State High School League during the times District is using the Facility or National Guard Armory.
4. Hang banners and other symbols of school spirit in the building at locations specified by City.
5. Use sound system(s) and scoreboard system(s) provided.
6. Use available tables and chairs.
7. Use available AV equipment.

The parties understand that over the course of the ten (10) year Use term, the District may wish to change the types of activities stated from time to time. District shall have the right to substitute other programs for those activities stated provided all of the following conditions are met:

1. Such programs are scheduled for the same time periods as the programs that are being discontinued.
2. Such programs are part of District's Curricular Program or its Extra Curricular Activities Program or its Community Education Program; and
3. The substitution is approved by the CCAC.

EXHIBIT D

RULES AND REGULATIONS

Rules and regulations may be amended time to time by the City Council

Veterans Memorial Community Center Code of Conduct

The following policies have been adopted by the City of Inver Grove Heights in order to ensure a safe positive and healthy environment. Additional policies may be added as circumstances warrant.

Purpose: The health, safety and well-being of every member and guest ("patron") utilizing the Veterans Memorial Community Center is the City's primary objective. Respect for the staff, patrons, other members and the building is paramount. Staff will not discriminate against visitors to the Community Center.

Code of Conduct: The Center shall enforce adopted rules regarding negative patron conduct while on site, including, but not limited to the following: tobacco use, profanity, rowdy or disruptive behavior, conduct that is of an inappropriate, threatening or offensive nature, fighting, mischief, sexual harassment, harassment or intimidation by words, gestures, body language, or any menacing behavior, any demonstration of sexual activity or sexual contact with another person, theft or behavior that results in the destruction of property and *alcohol/drug/or other substance use or possession. Community Center staff shall be the sole judge of what constitutes inappropriate conduct and behavior covered by this policy. The Community Center is a family based facility and all patrons will be expected to conduct themselves accordingly. Patrons who exhibit inappropriate behavior may be either temporarily or permanently expelled from the Facility. Center staff will involve the Inver Grove Heights Police, when necessary, to enforce this policy. *Alcohol may only be served by a specified licensed liquor provider during a permitted rental event at the center with security from the police department present during the event.

Enforcement:

Patrons are encouraged to be responsible for their personal comfort and safety, and to ask any person whose behavior threatens their comfort to refrain. If a patron feels uncomfortable in confronting the person directly, they should report the behavior to a staff person or the Manager on Duty. The Management will investigate all reported incidents of a violation of this Code of Conduct. Actions taken by Community Center staff in response to violations of this Code of Conduct or other rules and policies of the Center will depend on the incident, and surrounding circumstances. A violation of this Code of Conduct or other rules and policies of the Center may result in an enforcement action ranging from a verbal warning up to and including the revocations of membership privileges. In most cases, enforcement action will consist of the following:

1. **First Violation:** a verbal warning will be given.
2. **Second Violation:**
 - a. For minors under the age of 18, a time out period may be mandated. At this time the minor may be required, in the presence of staff, to notify his/her parents/guardians of his/her actions. A written incident report will be filed.
 - b. Adults who violate the Code of Conduct or any other Center policy may be asked to leave the Community Center immediately. A written warning and incident report will be filed.
3. **Third Violation:** the patron's membership privileges will be suspended and the patron will be asked to leave the Community Center and not return until a specified date. The length of the suspension is at the discretion of a Manager based upon on the severity of the violation and surrounding circumstances.
 - a. For minors under the age of 18, the minor may be required to wait in an assigned area while staff contacts a parent/guardian to inform them of the violation with the expectation that the parent will arrive shortly to pick up their child.
 - b. Adults over the age of 18 will be notified by a Manager of the violation and the length of suspension and asked to leave the Community Center immediately for the suspension period.
4. **Fourth Violation:** the patron's membership will be revoked. All membership and daily privileges will be revoked and the offender will not be allowed back into the Community Center.

Appeal of Suspension or Termination of Membership Privileges:

A patron whose membership privileges are suspended or revoked may appeal such a suspension or revocation to the Parks and Recreation Director. A patron who wishes to appeal to the suspension or revocation of their membership privileges shall file a written request to appeal the suspension or revocation on the form provided by the Community Center with the Parks and Recreation Director within five (5) days of the date the notice of the suspension or revocation is delivered in person or mailed to the patron. The Parks and Recreation Director shall hear all appeals of membership suspensions and revocations, and may uphold, modify, or overturn the suspension or revocation of the membership. If the member is not satisfied with the outcome they can appeal to the City Administrator following the same five (5) day process. If the patron is not satisfied with the outcome they may appeal the suspension or revocation to then to the City Council following the same five (5) day process.

Veterans Memorial Community Center Policies

COMMON AREAS/OVERALL BUILDING AREAS

- Respect community center staff, patrons and equipment.
- All children under 10 years of age are required to have a responsible person (16 years or older) providing supervision in the center at all times, with the exception of a child participating in an organized activity or located in the childcare room while the responsible person is working out.
- Please walk, do not run in hallways and locker rooms.
- Clothing and shoes are required when outside the pool area.
- Organized meetings in common areas are only permitted if organized through the Community Center.
- For safety reasons, we do not allow glass containers anywhere within the Community Center, unless authorized by Community Center staff.
- No overnight personal storage will be permitted in the building unless prior approval is obtained from staff with the exception of those members who have rented a permanent locker.
- A photo I.D. is required for checking out Community Center property (locks, towels).
- The Community Center reserves the right to deny admission to anyone who appears to be under the influence of alcohol or a controlled substance.
- The City of Inver Grove Heights, and its personnel, is not responsible for items lost, stolen, left on site or left in vehicle.
- No pets other than service animals or animals that are part of an approved event are allowed in Community Center.
- No skateboards, rollerblades or roller shoes are allowed.
- Flyers/posters cannot be posted without prior Community Center approval. Check with Guest Services for approval.

SMOKING

- We do not allow any tobacco/e-cig use within the Community Center.

OUTSIDE FOOD/BEVERAGE POLICY

- Outside food and beverage are allowed in the Community Center, provided patrons clean up after themselves.

LOST AND FOUND

- All items turned in to staff will be placed at the Guest Services and/or Parks & Recreation desk. Valuable items will be turned over to the police after 7 days and all other items will be donated or discarded after 30 days.

INCLEMENT WEATHER

Thunderstorm Warning:

- Pools will close and guests will be directed to the designated shelter area until the warning has expired.
- All other patrons will be notified that there is a thunderstorm warning.

Tornado Warning:

- All patrons in the building will be directed to the designated shelter area until the warning has expired.

If School District 199 schools close due to inclement weather, city recreation programming within school buildings will be cancelled. If School District 199 schools close before 3 p.m. and weather clears, call the weather information line (651-450-2595) for program cancellations at the Community Center.

EMERGENCIES

There is an Emergency Action Plan in place for staff and guests in case of emergency. Please ask staff for assistance in an emergency situation.

MAINTENANCE DAYS

- The Community Center will block off dates as necessary for repairs or maintenance of areas/equipment. This may include the closure of certain areas of the Facility with limited or no access.

FITNESS AREA

- Outside personal trainers not employed by the Community Center may not accept personal payment from a client for training. Staff reserves the right to remove non-employee trainers and members being trained by non-employee trainers from the Facility.
- Treat equipment with respect and return equipment to its proper place when finished using it. Equipment is not to leave the fitness center without permission.
- Chalk is not allowed on the fitness center floor.
- Food, gum, juice and soda are not allowed in the fitness center.
- No glass bottles allowed.
- Proper work out attire is recommended and appropriate shoes (sneakers or tennis shoes) must be worn at all times.
- No foul language or horseplay is allowed in the fitness center.
- Anyone ages 14 and younger must be accompanied by an adult.
- A spotter is required when bench pressing.
- All personal belongings must be stored in a cubby or in the locker rooms.
- Cameras and cell phones are not allowed in the fitness area

FITNESS/DANCE STUDIO

- No gum or beverages, with the exception of water, is permitted in the studio at any time.

LOCKER ROOMS

- The City of Inver Grove Heights is not responsible for items that are lost, stolen or left in the Facility.
- Please keep clothing and valuables locked in lockers.
- Please do not run in the locker room area.
- Locker room checks are performed at random and outside locks will be removed from lockers if present for an extended period of time.
- Unaccompanied children under 16 and those with opposite sex children must use the family locker room.
- A family locker room is made available for your convenience.
- Cell phones are not allowed in the locker room area
- When using the sauna, we require users to be sitting on something separating them from the sauna benches. It is not required but recommended to cover up with a towel or swim suit.

SAUNA

- Sauna users must be at least 16 years old.
- Please be respectful of others.
- Use of sauna is not recommended for persons with high blood pressure, cardiovascular disorders or pulmonary diseases. Consult a physician before using.
- For your safety, limit use of the sauna to no more than 15 minutes.
- Pregnant women are not advised to use the sauna; with prior medical consultations and release use may be permitted.
- People with open wounds or infectious diseases are not permitted.
- Always shower before entering.
- Personal grooming is prohibited.
- When using the sauna, we require users to be sitting on something separating them from the sauna benches. It is not required but recommended to cover up with a towel or swim suit.
- Oils, creams or cosmetic products are not to be used in the sauna.
- No glass bottles or containers permitted in the sauna.

GENERAL POOL POLICIES

- Children under 10 years of age must be accompanied by a responsible person (16 years or older).
- Children under 16 are not allowed in the hot tub or sauna.
- All swimmers must shower before entering the pool.
- Only U.S. Coast Guard-approved life jackets are allowed. No inner tubes, air mattresses, full-face masks or snorkels may be used.
- No persons with or suspected of having a communicable disease which could be transmitted through use of the pool, shall use the pool.
- Proper swim wear is required.
- Spitting, spouting water from mouth and blowing the nose in the pool is prohibited.
- No running or rough play is allowed.
- Glass objects are not allowed in the pool area.
- Persons with open or infectious sores are not permitted in the pool.

See specific pool areas for additional rules and regulations.

NATIONAL GUARD ARMORY GYM

- All individuals using the Armory Gym must be a member or pay the open gym fee.
- Only plastic water bottles are permitted.
- No black soled shoes or shoes that will mark the floor will be permitted. No bare feet, sandals or street shoes are allowed.
- Attire or gestures recognized as gang representations will not be allowed.
- Staff reserves the right to determine all gym use and inappropriate behavior by users.
- Please refrain from:
 - Dunking, slamming or hanging on nets
 - Running or bouncing balls in the hallways
 - Spitting, rough housing, wrestling or pushing
 - Swearing, abusive, or inappropriate gestures
- Children ages 10 and under are required to be accompanied by a responsible person over 16 years of age.
- Patrons are responsible for replacing balls or equipment that have been damaged, or are lost or stolen while they are using them.
- Open Gym may be cancelled in the event the gym is rented for a private event.
- Please see the rental policies and procedures for private rentals of the gym.

ICE ARENA

- All individuals or groups using the ice must pay a fee before taking the ice.
- No running or horseplay around the rinks.
- No dry-land training allowed around the rinks without prior approval from the Parks and Recreation Department.
- All children under 10 years of age must be accompanied by a responsible person (16 years or older).
- No climbing or hanging on rink glass.
- No individuals except for the net movers are allowed on the ice during resurfacing.
- No pucks on the ice during resurfacing.
- Wear proper attire or equipment at all times (based on activity).
- Spectators should be aware of flying pucks.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Contractor for Repairs to the VMCC/Grove Spa

Meeting Date: June 8, 2020
 Item Type: Consent Agenda
 Contact: Eric Carlson – 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by:

☐	Fiscal/FTE Impact:
☐	None
☒	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☐	Other

PURPOSE/ACTION REQUESTED

Approve hiring Aqua Logic in an amount not to exceed \$20,000 to repair the spa at the VMCC/Grove. The project is funded by the VMCC/Grove budget.

SUMMARY

The City has secured two quotes to repair the spa at the VMCC/Grove as follows:

Horizon Pool	\$22,957
Aqua Logic	\$17,812

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Pay Request #1 for the Salem Hills Athletic Court Project

Meeting Date: June 8, 2020
 Item Type: Consent Agenda
 Contact: Eric Carlson – 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by: Brian Swoboda

☐	Fiscal/FTE Impact:
☐	None
☒	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☐	Other

PURPOSE/ACTION REQUESTED

The Council is asked to approve Pay Request #1 to Bituminous Roadways in an amount of \$47,405.00. The project is funded by the Park Capital Replacement Fund (Fund 444).

SUMMARY

The City awarded a contract to Bituminous Roadways on April 13, 2020 in the amount of \$154,750.

The contract with Bituminous Roadways is as follows:

Bituminous Roadways	\$154,750
Total	\$154,750

The overall project costs are as follows:

Fred Kolkman Tennis & Sport Services LLC	\$9,000	Design and Engineering
NTI Inc.	\$3,500	Geo-Technical
Fred Kolkman Tennis & Sport Services LLC	\$6,500	Construction observation and administration
Bituminous Roadways	\$154,750	Construction
Total	\$173,750	



1520 Commerce Drive
Mendota Heights, MN 55120
651-686-7001 • inquiry@bitroads.com

INVOICE NUMBER
29065
INVOICE DATE
05/27/20

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City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

Customer No. 35265

BRI Project No. 2000208
Project Description: Salem Hills Park Athletic Courts
Estimate #1 through 5/27/20.
Purchase Order # 2020-04

	Contract Amount	Completed To Date	Completed This Estimate
Original Contract Amount	\$154,750.00	\$49,900.00	\$49,900.00
Total Change Orders	\$0.00	\$0.00	\$0.00
	\$154,750.00	\$49,900.00	\$49,900.00
Less Retainage		(\$2,495.00)	(\$2,495.00)
		\$47,405.00	\$47,405.00
Less Previous Payments		\$0.00	\$0.00
Balance Due		<u>\$47,405.00</u>	<u>\$47,405.00</u>

*Approved
S. J. Hollman
5/27/20*

Thank You

PAYMENT APPLICATION

Page 1

TO: City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077
Attn: Accounts Payable

FROM: Bituminous Roadways, Inc.
1520 Commerce Drive
Mendota Heights, MN 55120

FOR: Court Improvements

PROJECT NAME AND LOCATION: 2000208 Salem Hills Park Athletic Courts

ARCHITECT: Tennis & Sport Surfaces, LLC
1921 Mayfair Road
Grafton, WI 53024

APPLICATION # PERIOD THRU: PROJECT #s: DATE OF CONTRACT:

Distribution to: 1 05/27/2020 2020-04 04/13/2020

☒ OWNER ☒ ARCHITECT ☐ CONTRACTOR

CONTRACTOR'S SUMMARY OF WORK

Application is made for payment as shown below. Continuation Page is attached.

1. CONTRACT AMOUNT	\$154,750.00	
2. SUM OF ALL CHANGE ORDERS	\$0.00	
3. CURRENT CONTRACT AMOUNT (Line 1 +/- 2)	\$154,750.00	
4. TOTAL COMPLETED AND STORED (Column G on Continuation Page)	\$49,900.00	
5. RETAINAGE:		
a. 5.00% of Completed Work (Columns D + E on Continuation Page)	\$2,220.00	
b. 5.00% of Material Stored (Column F on Continuation Page)	\$275.00	
Total Retainage (Line 5a + 5b or Column I on Continuation Page)	\$2,495.00	
6. TOTAL COMPLETED AND STORED LESS RETAINAGE (Line 4 minus Line 5 Total)	\$47,405.00	
7. LESS PREVIOUS PAYMENT APPLICATIONS	\$0.00	
8. PAYMENT DUE	\$47,405.00	
9. BALANCE TO COMPLETION (Line 3 minus Line 6)	\$107,345.00	

SUMMARY OF CHANGE ORDERS	ADDITIONS	DEDUCTIONS
Total changes approved in previous months	\$0.00	\$0.00
Total approved this month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES	\$0.00	

Contractor's signature below is his assurance to Owner, concerning the payment herein applied for, that: (1) the Work has been performed as required in the Contract Documents, (2) all sums previously paid to Contractor under the Contract have been used to pay Contractor's costs for labor, materials and other obligations under the Contract for Work previously paid for, and (3) Contractor is legally entitled to this payment.

CONTRACTOR: Bituminous Roadways, Inc.

By:  Date: 05/27/2020
Pam Hague, Secretary

ARCHITECT'S CERTIFICATION

Architect's signature below is his assurance to Owner, concerning the payment herein applied for, that: (1) Architect has inspected the Work represented by this Application, (2) such Work has been completed to the extent indicated in this Application, and the quality of workmanship and materials conforms with the Contract Documents, (3) this Application for Payment accurately states the amount of Work completed and payment due therefor, and (4) Architect knows of no reason why payment should not be made.

CERTIFIED AMOUNT: \$47,405.00

(If the certified amount is different from the payment due, you should attach an explanation. Initial all the figures that are changed to match the certified amount.)

ARCHITECT:  Fred Kolkman

By:  Date: 5/27/20

Neither this Application nor payment applied for herein is assignable or negotiable. Payment shall be made only to Contractor, and is without prejudice to any rights of Owner or Contractor under the Contract Documents or otherwise.

PAYMENT APPLICATION

CONTINUATION PAGE

Page 2 of 2

PROJECT: 2000208
 Salem Hills Park Athletic Courts
 APPLICATION #: 1
 DATE OF APPLICATION: 05/27/2020
 PERIOD THRU: 05/27/2020
 PROJECT #s: 2020-04

Payment Application containing Contractor's signature is attached.

A	B	C	D	E		F	G		H	I
ITEM #	WORK DESCRIPTION	SCHEDULED AMOUNT	COMPLETED WORK		STORED MATERIALS (NOT IN D OR E)	TOTAL COMPLETED AND STORED (D + E + F)	% COMP. (G / C)	BALANCE TO COMPLETION (C-G)	RETAINAGE (If Variable)	
			AMOUNT PREVIOUS PERIODS	AMOUNT THIS PERIOD						
1	Surveying	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$3,000.00		
2	Silt & Safety Fence	\$4,300.00	\$0.00	\$3,300.00	\$0.00	\$3,300.00	77%	\$1,000.00		
3	Reclaim	\$5,000.00	\$0.00	\$5,000.00	\$0.00	\$5,000.00	100%	\$0.00		
4	Grade Base & Compact	\$17,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$17,000.00		
5	Fencing	\$41,350.00	\$0.00	\$18,000.00	\$0.00	\$18,000.00	44%	\$23,350.00		
6	Concrete Maintenance Strip	\$18,100.00	\$0.00	\$18,100.00	\$0.00	\$18,100.00	100%	\$0.00		
7	Asphalt Base	\$14,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$14,500.00		
8	Net Posts, Tie Downs, Basketball Standards	\$12,000.00	\$0.00	\$0.00	\$5,500.00	\$5,500.00	46%	\$6,500.00		
9	Asphalt Wear	\$16,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$16,000.00		
10	Colorcoat & Striping	\$23,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$23,500.00		
	TOTALS	\$154,750.00	\$0.00	\$44,400.00	\$5,500.00	\$49,900.00	32%	\$104,850.00		

CONTINUATION PAGE

Quantum Software Solutions, Inc. Document

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Declaration of Property for the Doffing Ave Acquisition Program – MN DNR Flood Mitigation Program

Meeting Date: June 8, 2020
 Item Type: Consent Agenda
 Contact: Eric Carlson – 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by: Heather Rand

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| ☐ | None |
| ☐ | Amount included in current budget |
| ☐ | Budget amendment requested |
| ☐ | FTE included in current complement |
| ☐ | New FTE requested – N/A |
| ☒ | Other |

PURPOSE/ACTION REQUESTED

Approve declaration of property for the purposes of expending state grant funds from the MN DNR Flood mitigation program.

SUMMARY

The City received \$1,259,736 in state grant funds from the MN DNR Flood Acquisition program to acquire 27 properties through our Doffing Ave Acquisition Program over the last 15-20 years. The purpose of the acquisition program was two-fold, one to acquire property and remove structures to reduce the effort of the city to protect property in the case of a flood, and second to acquire property of Heritage Village Park.

The City needs to record a “declaration” on the properties that grant funds were used on. The declared property is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise dispose of without the approval of the Commissioner of Minnesota Management and Budget.

MN DNR Flood Land Declaration

Swing Bridge Park <i>Park Land Declared</i>			Heritage Villlage Park <i>Park Land Declared</i>			City Property Not in Park <i>Not to be Declared for Park</i>		
		Acres			Acres			Acres
A2	20-00200-78-010	6.56	B1	20-36500-25-060	0.11	B20	20-36500-33-140	0.52
A3	20-36500-41-150	0.59	B2	20-36500-25-061	0.1	B21	20-36500-33-120	0.28
A4	20-00200-78-022	0.66	B3	20-36500-25-070	0.19	B22	20-36500-36-010	0.46
			C1	20-03510-60-010	22.01	B23	20-36500-36-030	0.66
			C2	20-00200-80-011	6.7	B24	20-36500-35-070	0.26
			C3	20-00200-40-010	26.59	B25	20-36500-35-141	0.37
			B4	20-36500-32-040	1.16	B26	20-36500-35-121	0.27
<i>Not to be Declared for Park</i>			B5	20-36500-30-122	1.11	B27	20-36500-35-100	0.48
A1	20-00200-75-010	10.13	B6	20-36500-30-080	0.51	B28	20-36500-34-050	0.51
		17.94	B7	20-36500-31-140	0.64	B33	20-36500-33-110	0.14
			B8	20-36500-31-120	0.26	B34	20-36500-33-101	0.28
			B9	20-36500-31-111	0.19	B35	20-36500-36-040	0.39
			B10	20-36500-31-110	0.19	B37	20-36500-37-031	0.23
			B11	20-36500-31-100	0.13			4.85
			B12	20-36500-31-090	0.26			
			B13	20-36500-31-080	0.26			
			B14	20-36500-32-140	0.19			
			B15	20-36500-32-141	0.19			
			B16	20-36500-32-130	0.13			
			B17	20-36500-32-131	0.13			
			B18	20-36500-32-120	0.26			
			B19	20-36500-32-080	0.26			
			B29	20-36500-30-060	1.63			
			B30	20-36500-31-050	1.41			
			B31	20-36500-31-070	0.51			
			B32	20-36500-32-070	0.77			
			B36	20-36500-32-110	0.77			
			B40	20-00200-25-030	0.36			
					67.02			

Highlighted property have declaration for MN DNR Flood Mitigation Grant

All property in "green" have previous declarations for MN Bonding Grant(s) (expection A1)

Heritage Village Park/ Rock Island Swing Bridge/ SG 04273

City Property in Park

City Property Not in Park

Water

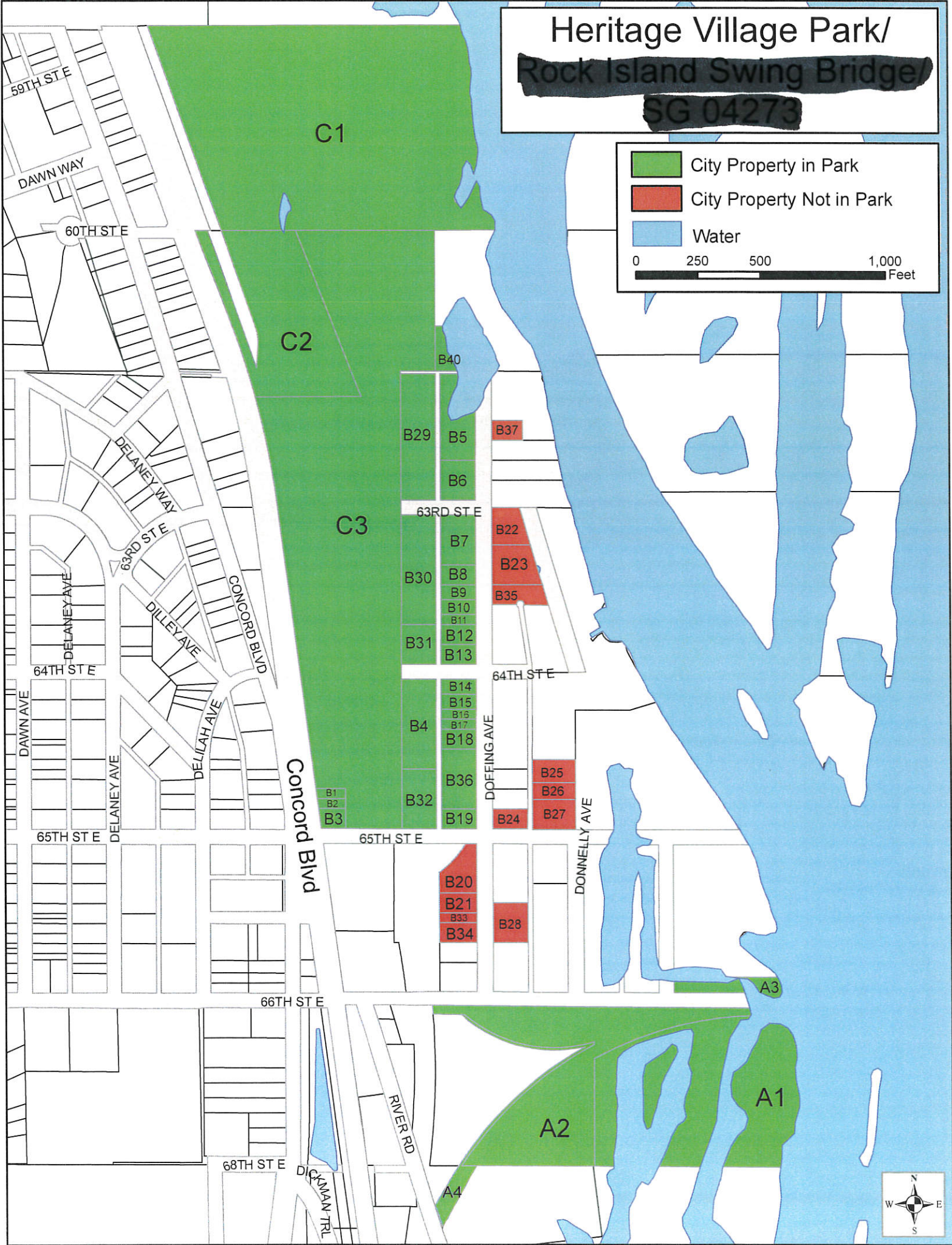
0

250

500

1,000

Feet



State of Minnesota
General Obligation Bond Financed Property
DECLARATION TO BE RECORDED WITH DEED TO PROPERTY

The undersigned has the following interest in the real property located in the County of Dakota, State of Minnesota that is legally described in **Exhibit A** attached and all facilities situated thereon (collectively, the "Restricted Property"):

(Check the appropriate box)

X a fee simple title, or
____ an easement,

and as owner of such a fee title or easement, does hereby declare that such interest in the Restricted Property is made subject to the following restrictions and encumbrances:

A. The Restricted Property is bond financed property within the meaning of Minn. Stat. Sec. 16A,695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property; and

B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain Flood Hazard Mitigation Grant Agreement (#B13761/B27021/3000000480/3000000586) between the State of Minnesota and the City of Inver Grove Heights dated February 18, 2003 (together with all amendments thereto).

The Restricted Property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commissioner of Natural Resources and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.

**CITY OF INVER GROVE HEIGHTS,
a Minnesota municipal corporation**

By: 
George Tourville
Its Mayor

ATTEST: 

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this 8th day of June, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

THIS INSTRUMENT DRAFTED BY:

Timothy J. Kuntz
LeVander, Gillen, & Miller, P.A.
633 South Concord Street
Suite 400
South St. Paul, MN 55075
(651) 451-1831

**AFTER RECORDING PLEASE
RETURN TO:**

Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street
Suite 400
South St. Paul, MN 55075
(651) 451-1831

EXHIBIT A
LEGAL DESCRIPTION OF RESTRICTED PROPERTY

B5 (20-36500-30-122):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot Nine (9), Block Thirty (30), Inver Grove Factory Addition, Dakota County, Minnesota.

Lot Ten (10), Block Thirty (30), Inver Grove Factory Addition, Dakota County, Minnesota.

Lots Eleven (11) and Twelve (12), Block Thirty (30), Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract and Torrens Property
Certificate of Title No.: 133275

B6 (20-36500-30-080):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lots 7 and 8, Block 30, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B7 (20-36500-31-140):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lots 13 and 14, Block 31, Inver Grove Factory Addition, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B9 (20-36500-31-111):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The North one half (N ½) of Lot Eleven (11) in Block Thirty one (31) of Inver Grove Factory Addition, Dakota County, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds in and for said Dakota County, Minnesota.

Being registered land as is evidenced by Certificate of Title No. 93380.

AND

The North 20 feet of the South ½ of Lot 11, Block 31, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract and Torrens Property
Certificate of Title No.: 131889

B13 (20-36500-31-080):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot 8, Block 31, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B15 (20-36500-32-141):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The South one-half (S ½) of Lot 14, Block 32, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B16 (20-36500-32-130):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The North one-half (N ½) of Lot 13, Block 32, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B17 (20-36500-32-131):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

South ½ of Lot 13, Block 32, Inver Grove Factory Addition, Dakota County, Minnesota

Abstract Property

B19 (20-36500-32-080):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot 8, Block 32, Inver Grove Factory Addition, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B23 (20-36500-36-030):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lots 2 and 3, Block 36, Inver Grove Factory Addition, together with that part of vacated Mill Street (now known as Donnelly Street) and that part of the vacated alley accruing thereto by reason of the vacations thereof, Dakota County, Minnesota.

Abstract Property

B25 (20-36500-35-141):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Part of Lots Twelve (12), Thirteen (13) and Fourteen (14), Block Thirty-five (35) including the West one-half (1/2) of vacated Mill Street adjacent, Inver Grove Factory Addition, lying Northerly of a line parallel with and 67.12 feet North of South line of said Lot Eleven (11), Block Thirty-five (35), Dakota County, Minnesota.

Abstract Property

B27 (20-36500-35-100):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lots 8, 9, and 10, Block 35, and the West ½ of vacated Donnelly Street formerly Mill Street, adjacent thereto which accrued thereto by reason of the vacation thereof, Inver Grove Factory Addition, Dakota County, Minnesota, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B28 (20-36500-34-050):

Lots Four (4) and Five (5), Block Thirty-Four (34), Inver Grove Factory Addition, according to the plat thereof on file and of record in the office of the County Recorder of Dakota County, Minnesota.

Abstract Property

B29 (20-36500-30-060):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lots 1, 2, 3, 4, 5 and 6, Block 30, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B31 (20-36500-31-070):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lots 6 and 7, Block 31, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B34 (20-36500-33-101):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

That certain part of the North One-Half (N ½) of Government Lot 6 of Section 2, Township 27 North, Range 22 West, formerly known as Lot 10, Block 33, Inver Grove Factory Addition, Dakota County, Minnesota, and that part of the vacated alley adjacent to said Lot 10, which was vacated by resolution filed March 12, 1914 in Book X, page 358;

AND

The South half (S ½) of Lot 11, Block 33, Inver Grove Factory Addition, according to the recorded plat thereof, Dakota County, Minnesota.

Abstract Property

B35 (20-36500-36-040):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot 4, Block 36, Inver Grove Factory Addition, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B37 (20-36500-37-031):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The West 125.00 feet of Lot 3, Block 37, Inver Grove Factory Addition, Dakota County, Minnesota.

Abstract Property

B40 (20-00200-25-030):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

That part of the North Half of Government Lot 8, Section 2, Township 27 North, Range 22 West, Dakota County, Minnesota, described as follows:

Commencing at the northwest corner of said Section 2; thence easterly on a Minnesota State Plane Grid Azimuth from north of 89 degrees 54 minutes 54 seconds along the north line of said Section 2, a distance of 1897.10 feet; thence southerly 179 degrees 58 minutes 30 seconds azimuth 373.74 feet to the point of beginning; thence southerly 179 degrees 58 minutes 30 seconds azimuth 180.00 feet to the north line of FACTORY ADDITION to Inver Grove and also the centerline of vacated Chester Avenue; thence easterly 89 degrees 55 minutes 52 seconds azimuth along said north line and said centerline 86.37 feet; thence northerly 359 degrees 58 minutes 30 seconds azimuth 180.00 feet; thence westerly 269 degrees 55 minutes 52 seconds azimuth 86.37 feet to the point of beginning.

Abstract Property

**State of
Minnesota
General Obligation Bond Financed
Property
DECLARATION TO BE RECORDED WITH DEED TO
PROPERTY**

The undersigned has the following interest in the real property located in the County of

Dakota, State of Minnesota that is legally described in **Exhibit A** attached and all facilities situated thereon (collectively, the "Restricted Property"):

*(Check the
appropriate box)*

X a fee simple title, or
____ an easement,

and as owner of such a fee title or easement, does hereby declare that such interest in the Restricted Property is made subject to the following restrictions and encumbrances:

A. The Restricted Property is bond financed property within the meaning of Minn. Stat. Sec. 16A,695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property; and

B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain Flood Hazard Mitigation Grant Agreement R2902 331 between the State of Minnesota and the City of Inver Grove Heights (together with all amendments thereto).

The Restricted Property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commissioner of Natural Resources and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.

**CITY OF INVER GROVE HEIGHTS,
a Minnesota municipal corporation**

George Tourville

By:

George Tourville
Its Mayor

ATTEST:

Rebecca Kiernan

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

THIS INSTRUMENT DRAFTED BY:

Timothy J. Kuntz
LeVander, Gillen, & Miller, P.A.
633 South Concord Street
Suite 400
South St. Paul, MN 55075
(651) 451-1831

AFTER RECORDING PLEASE
RETURN TO:

Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street
Suite 400
South St. Paul, MN 55075
(651) 451-1831

EXHIBIT A
LEGAL DESCRIPTION OF RESTRICTED PROPERTY

B8 (20-36500-31-120):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot Twelve (12) in Block Thirty one (31) in Inver Grove Factory Addition, Dakota County, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds in and for said Dakota County, Minnesota.

Torrens Property
Certificate of Title No.: 118995

B10 (20-36500-31-110):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The North ½ of Lot 10 and the South 20 feet of Lot 11, Block 31, Inver Grove Factory Addition, Dakota County, Minnesota, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B11 (20-36500-31-100):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The South Half of Lot 10, Block 31, Inver Grove Factory Addition, Dakota County, Minnesota, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B12 (20-36500-31-090):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot 9, Block 31, Inver Grove Factory Addition, Dakota County, Minnesota, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B14 (20-36500-32-140):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

The North ½ of Lot 14, Block 32, Inver Grove Factory Addition, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B22 (20-36500-36-010):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot 1, Block 36, together with the South ½ of vacated 63rd Street East, adjacent thereto, Inver Grove Factory Addition, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B24 (20-36500-35-070):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

Lot 7, Block 35, Inver Grove Factory Addition, according to the recorded plat thereof, and situate in Dakota County, Minnesota.

Abstract Property

B26 (20-36500-35-121):

Real property in the City of Inver Grove Heights, County of Dakota, State of Minnesota described as follows:

That part of Lots 11 and 12, Block 35, Inver Grove Factory Addition, Dakota County, Minnesota, together with the west half of vacated Donnelly Street, formerly Mill Street, adjacent thereto, which accrued thereto by reason of the vacation thereof, according to the recorded plat thereof, and situated in Dakota County, Minnesota, lying southerly of a line parallel with and 67.12 feet northerly of, as measured at right angles to, the south line of said Lot 11 and its easterly extension.

Abstract Property

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

R.J.Ryan Construction Inc. – Case No. 20-11CA

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Heather Botten 651.450.2569
 Prepared by: Heather Botten, Associate Planner
 Reviewed by:

Fiscal/FTE Impact:

☒	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	Other

PURPOSE/ACTION REQUESTED

Consider a Resolution approving a **Conditional Use Permit** to add a 22,666 square foot building along with a one-level parking deck to the existing car sales lot. This request is for the property located at 1055 50th Street.

- Requires a 4/5th's vote.
- 60-day deadline: June 19, 2020 (first 60-days)

SUMMARY

The applicant is requesting a CUP amendment to construct a 20,666-square foot building with a 2,000-square foot mezzanine on the southwest corner of the site and a one-level parking deck on the northern portion of the site. Access would not change, and a revised landscape plan would be required prior to issuance of a building permit as some trees are located in the right-of-way.

The proposed request meets the CUP criteria relating to the Comprehensive Plan and zoning consistency, compatibility with land uses, environmental impacts, and public health and safety impacts. There would be no additional impervious surface added to the property.

Planning Staff: Based on the information provided and the conditions listed in the attached resolution, staff is recommending **approval** of the conditional use permit amendment for the improvements on the property.

Planning Commission: Recommended **approval** of the request at their May 19, 2020 meeting with the conditions listed in the attached resolution (9-0).

Attachments: CUP Resolution
 PC recommendation
 Planning staff report

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 2020-109

**RESOLUTION APPROVING A CONDITIONAL USE PERMIT AMENDMENT
TO ADD A 22,666 SQUARE FOOT BUILDING AND A ONE-LEVEL PARKING DECK
TO THE EXISTING AUTOMOBILE AND OFF HIGHWAY VEHICLES SALES LOT**

**RJ RYAN CONSTRUCTION
Case No. 20-11CA**

WHEREAS, the request is for the property located at 1055 50th Street and legally described as:

See Attached

WHEREAS, an application for a conditional use permit amendment has been submitted to allow a 22,666 square foot building on the southwest side of the property and a one level parking deck on the north side of the property;

WHEREAS, the aforescribed property is zoned B-3, General Business;

WHEREAS, an automobile and off highway vehicle sales lot is a conditional use in the B-3 District;

WHEREAS, the request has been reviewed against Title 10, Chapter 3, Article A, Section 10-3A-5 regarding the criterion for a Conditional Use Permit and meets the minimum standards; the request is consistent with the Comprehensive Plan, is in conformance with the Zoning Ordinance and it does not have a negative impact on public health, safety or welfare;

WHEREAS, a public hearing concerning the conditional use permit amendment was held before the Inver Grove Heights Planning Commission in accordance with Minnesota Statute, Section 462.357, Subdivision 3 on May 19, 2020;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, that a conditional use permit amendment to add a new building and parking lot deck is hereby approved subject to the following conditions:

1. The site shall be developed in substantial conformance with the following plans on file with the Planning Department except as may be modified by the conditions below.

Site Plan	dated 04/20/20
Building Elevations	dated 04/16/20
Civil Plan Set	dated 04/20/20
Landscaping	dated TBD

2. All parking lot lighting on site shall be a down cast “shoe-box” style and the bulb shall not be visible from property lines.
3. The City Code Enforcement Officer, or other designee, shall be granted right of access to the property at all reasonable times to ensure compliance with the conditions of this permit.
4. Any expansion of the use as shown on the site plan requires additional city approvals and is not part of this conditional use permit.
5. The developer shall meet all the conditions outlined in the City Engineers review letters and subsequent correspondence. Prior to commencement of any grading, the final grading, drainage and erosion control, and utility plans shall be approved by the City Engineer.
6. All final development plans shall be subject to the review and approval of the City Fire Marshal.
7. The storm water pollution prevention plan (SWPPP) shall be followed.
8. No car display, vehicle inventory, or employee parking shall be allowed on public streets, street boulevards, or landscaped areas on the dealership property.
9. All display pennants, flags, searchlights, balloons and other similar devices shall be limited to no more than 10-days per calendar year. Use of such devices require a sign permit.
10. All signage shall be in conformance with the sign regulations of the City.
11. Any new mechanical equipment shall be substantially screened from view as seen from a reasonable viewing perspective.

12. Customer and employee parking shall be clearly signed and no vehicle inventory shall be allowed in this area.
13. Landscaping shall meet the requirements of Section 10-15-11 of the City Code. No landscaping is allowed in the right-of-way.
14. Resolution No. 11-139 shall become null and void and shall be replaced by the terms of this conditional use permit.

BE IT FURTHER RESOLVED that the Deputy Clerk is hereby authorized and directed to record a certified copy of this Resolution at the Dakota County Recorder's Office.

Adopted by the City Council of Inver Grove Heights this 8th day of June, 2020.

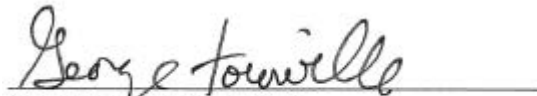
AYES: 5

NAYS: 0

ATTEST:



Rebecca Kiernan, City Clerk


George Tourville, Mayor

**RECOMMENDATION TO
CITY OF INVER GROVE HEIGHTS**

TO: Mayor and City Council of Inver Grove Heights

FROM: Planning Commission

DATE: May 19, 2020

SUBJECT: R.J. RYAN CONSTRUCTION INC – CASE NO. 20-11CA

Reading of Notice

Commissioner Simon read the public hearing notice to consider a conditional use permit (CUP) amendment to add a 22,500 gross square foot building along with a one-level parking deck to the existing car sales lot, for the property located at 1055 – 50th Street. 11 notices were mailed.

Presentation of Request

Heather Botten, Associate Planner, explained the request as detailed in the report. She advised that the property is located on the corner of Akron and 50th Street and is zoned B-3, General Business. The applicant is requesting a CUP amendment to construct a 20,666-square foot building with a 2,000-square foot mezzanine on the southwest corner of the site and a one-level parking deck on the northern portion of the site. Access would not change, and a revised landscape plan would be required prior to issuance of a building permit. Staff recommends approval of the request with the 14 conditions listed in the report. Staff did not hear from any surrounding property owners.

Opening of Public Hearing

Jack Grotkin, RJ Ryan Construction, 1100 Mendota Heights Road, Mendota Heights, advised he was available to answer any questions.

Chair Maggi asked the applicant if he read and understood the report.

Mr. Grotkin replied in the affirmative. He explained that Mauer Chevrolet purchased the abutting dealership, which is now Buick GMC. The configuration and circulation on that lot was not ideal; however, so they would like to turn the existing facility into a certified pre-owned facility and build a new updated Buick GMC dealership at 1055 – 50th Street.

Chair Maggi closed the public hearing.

Planning Commission Recommendation

Motion by Commissioner Weber, second by Commissioner Simon, to approve the request for a conditional use permit (CUP) amendment to add a 22,500 gross square foot building along with a one-level parking deck to the existing car sales lot, for the property located at 1055 – 50th Street, with the 14 conditions listed in the report.

Motion carried (9/0). This item goes to the City Council on June 8, 2020.

P L A N N I N G R E P O R T
CITY OF INVER GROVE HEIGHTS

HEARING DATE: May 19, 2020

CASE NO: 20-11CA

APPLICANT: R.J.Ryan Construction, Inc.

PROPERTY OWNER: JMEMC IGH, LLC (Mauer Chevrolet)

REQUEST: A conditional use permit amendment to add a new building and parking deck to the existing auto sales site

LOCATION: 1055 50th Street

COMPREHENSIVE PLAN: RC, Regional Commercial

ZONING: B-3, General Business

REVIEWING DIVISIONS: Planning
Engineering

PREPARED BY: Heather Botten
Associate Planner

BACKGROUND

The applicant is requesting a conditional use permit amendment to construct a 22,666 +/- square foot building and a one-level parking deck to the existing automobile and off-highway vehicle sales lot. The building would be located on the southwest corner of the site and the parking deck would be located on the northern portion behind the existing building. The original CUP for the property dates back to 1969 with amendments in 1996 and 2011 for additions to the existing building.

The specific request consists of the following:

- A.) A Conditional Use Permit Amendment for automobile and off-highway vehicle sales in the B-3, General Business Zoning District

EVALUATION OF THE REQUEST

The following land uses, zoning districts, and comprehensive plan designations surround the subject property:

North	Dakota County Northern Service Center – West St. Paul
East	Car Dealerships; zoned B-3; guided RC, Regional Commercial
South	MnDot right-of-way and Sunfish Lake
West	Car Dealership; zoned B-3; guided RC, Regional Commercial

SITE PLAN REVIEW

Building Setbacks. The proposed building is located 30 feet from the side property line and 77 feet from the front, exceeding setback requirements.

Parking Deck Setbacks. The proposed parking deck is located 43+ feet from the closest property line, exceeding setback requirements.

Parking. The proposed building would be constructed primarily over existing parking spaces. Overall, there would be a net gain of 3 parking spaces with the installation of the parking deck once you factor in the reduction of spaces with the new building.

Customer parking must be marked and shall not contain vehicle inventory. No employee, customer, or inventory parking shall be allowed on the street or in the right-of-way. No junk vehicles are allowed to be kept on site. A junk vehicle is defined as any motor vehicle which for a period of 30 days or more: is not in operable condition; partially dismantled; used for the sale of parts or as a source of repair or replacement parts for other vehicles; kept for scrapping; dismantling or salvage of any kind; or not properly licensed.

Lot Coverage/Impervious Surface. Allowable impervious surface coverage in the B-3 district is 100%. No additional impervious surface is being added, the site is around 93% impervious coverage.

Access. Access to the site is not changing; there is one access off of Akron Avenue and another off of 50th Street.

Landscaping. Landscaping requirements require a total of 23 overstory trees or the equivalent to be planted on the property. The applicant has provided a landscape plan which demonstrates a mixture of trees and shrubs. There are nine crabapple trees proposed in the right-of-way, these trees will have to be relocated out of the City right-of-way. A revised landscaping plan shall be submitted and approved by the Planning Department prior to the issuance of a building permit.

Exterior Building Materials. The proposed building would consist of painted precast panels and aluminum composite material on all four sides. The building complies with the exterior material standards.

Engineering. Engineering has reviewed the plans and has been working with the applicant on stormwater and grading requirements. No additional impervious surface would be added to the property at this time. The existing stormwater system on the property meets City requirements. The applicant shall continue to work with the City to secure final approval of the construction drawings.

Lighting. Lighting on the property shall be in conformance with City Code. The source of light shall be hooded, recessed, or controlled in some manner so as not to be visible from adjacent property or streets.

Mechanical Unit Screening. All rooftop and ground mounted mechanical equipment must be screened from view. There is a note on the plans that indicate the roof-top mechanical equipment will be screened. This condition would apply to all new roof top equipment.

Fire Marshal Review. All plans shall be subject to the review and approval of the City Fire Marshal for fire lane designation and the signage or marking of the fire lanes at time of building permit.

Signage. The site improvements include new signage. Signage is not approved as part of the CUP request. Signage on the property shall follow section 10-15E of the city code. A building permit is required for any new signs or changes to the existing signs.

GENERAL CONDITIONAL USE PERMIT REVIEW

This section reviews the plans against the CUP criteria in the Zoning Ordinance (Section 10-3A).

1. *The use is consistent with the goals, policies and plans of the City Comprehensive Plan, including future land uses, utilities, streets and parks.*

The use is consistent with the goals, policies, and plans of the Comprehensive Plan. The future land use of this parcel is Regional Commercial, automobile sales is consistent with the uses envisioned in this district.

2. *The use is consistent with the City Code, especially the Zoning Ordinance and the intent of the specific Zoning District in which the use is located.*

The applicant's property is zoned commercial. The land use of auto sales is consistent with the intent of the B-3 zoning district.

3. *The use would not be materially injurious to existing or planned properties or improvements in the vicinity.*

The new building and parking deck would not have a negative impact on the surrounding area as it lies within an area of the City that is currently developed. The use of the property would not be changing.

4. *The use does not have an undue adverse impact on existing or planned City facilities and services, including streets, utilities, parks, police and fire, and the reasonable ability of the City to provide such services in an orderly, timely manner.*

This commercial/business neighborhood is all developed and the land use patterns set. The proposed improvements would not have an adverse impact on city services.

5. *The use is generally compatible with existing and future uses of surrounding properties, including:*

i. Aesthetics/exterior appearance

All four sides of the building would have an equally attractive or the same fascia as the front of the building.

ii. Noise

The proposed improvements would not generate noises that are inconsistent with B-3 zoning.

iii. Fencing, landscaping and buffering

No fencing is proposed and landscaping would meet the City's requirements.

6. *The property is appropriate for the use considering: size and shape; topography, vegetation, and other natural and physical features; access, traffic volumes and flows; utilities; parking; setbacks; lot coverage and other zoning requirements; emergency access, fire lanes, hydrants, and other fire and building code requirements.*

Access to the site is not changing. The amount of traffic would not be out of the ordinary for a commercial area. Building setbacks meet or exceed code requirements.

7. *The use does not have an undue adverse impact on the public health, safety or welfare.*

This use does not appear to have any negative effects on the public health, safety or welfare.

8. *The use does not have an undue adverse impact on the environment, including, but not limited to, surface water, groundwater and air quality.*

The proposed improvements would not have an undue adverse impact on the environment. The site currently has a stormwater system that complies with City requirements.

ALTERNATIVES

The Planning Commission has the following actions available on the following requests:

- A. **Approval.** If the Planning Commission finds the application to be acceptable, the following action should be taken:

- Approval of a Conditional Use Permit Amendment for automobile and off highway vehicles sales to allow the construction of a new building and parking deck subject to the following conditions:
 1. The site shall be developed in substantial conformance with the following plans on file with the Planning Department except as may be modified by the conditions below.

Site Plan	dated 04/20/20
Building Elevations	dated 04/16/20
Civil Plan Set	dated 04/20/20
Landscaping	dated TBD
 2. All parking lot lighting on site shall be a down cast “shoe-box” style and the bulb shall not be visible from property lines.
 3. The City Code Enforcement Officer, or other designee, shall be granted right of access to the property at all reasonable times to ensure compliance with the conditions of this permit.
 4. Any expansion of the use as shown on the site plan requires additional city approvals and is not part of this conditional use permit.
 5. The developer shall meet all the conditions outlined in the City Engineers review letters and subsequent correspondence. Prior to commencement of any grading, the final grading, drainage and erosion control, and utility plans shall be approved by the City Engineer.
 6. All final development plans shall be subject to the review and approval of the City Fire Marshal.
 7. The storm water pollution prevention plan (SWPPP) shall be followed.
 8. No car display, vehicle inventory, or employee parking shall be allowed on public streets, street boulevards, or landscaped areas on the dealership property.
 9. All display pennants, flags, searchlights, balloons and other similar devices shall be limited to no more than 10-days per calendar year. Use of such devices require a sign permit.
 10. All signage shall be in conformance with the sign regulations of the City.
 11. Any new mechanical equipment shall be substantially screened from view as seen from a reasonable viewing perspective.

12. Customer and employee parking shall be clearly signed and no vehicle inventory shall be allowed in this area.
13. Landscaping shall meet the requirements of Section 10-15-11 of the City Code. No landscaping is allowed in the right-of-way.
14. Resolution No. 11-139 shall become null and void and shall be replaced by the terms of this conditional use permit.

B. **Denial.** If the Planning Commission does not favor the proposed application the above request should be recommended for denial. With a recommendation for denial, findings or the basis for the denial should be given.

RECOMMENDATION

Based on the information in the preceding report and the conditions listed in Alternative A, staff is recommending approval of the request.

Attachments: Zoning/Location Map
Narrative
Site Plan
Landscape Plan
Elevations



1055 50th Street Case No. 20-11CA

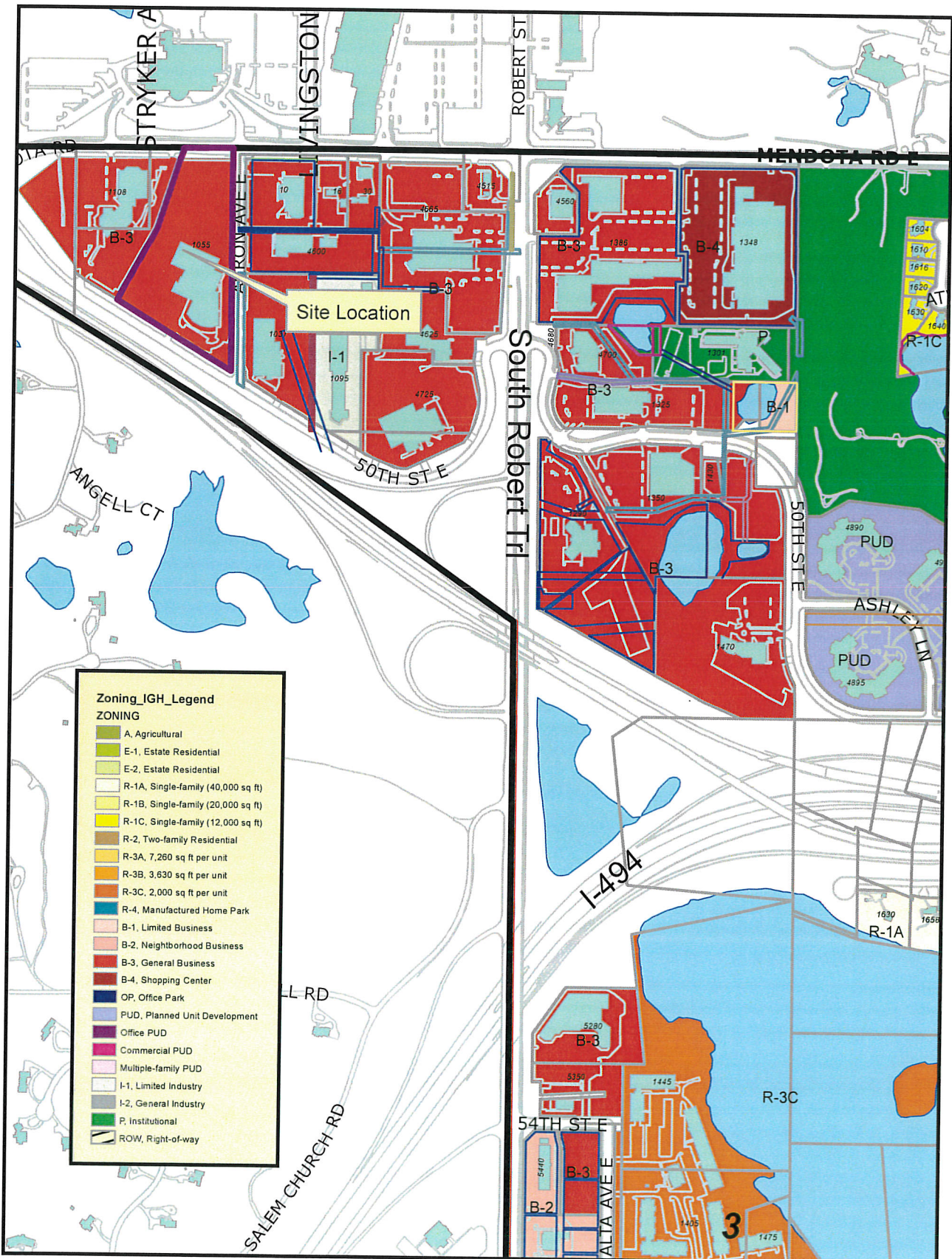


Exhibit A
Zoning and Location Map

Map not to scale



1100 Mendota Heights Road | (651) 681 - 0200
Mendota Heights, MN 55120 | www.rjryan.com

Commercial Construction | Design

April 20, 2020

City of Inver Grove Heights
8150 Barbara Avenue East
Inver Grove Heights, MN 55077

Attn: Kim Fox, City Planner

Mauer Buick GMC would like to build a new updated car dealership facility to meet Buick GMC standards at 1055 50th Street E. in Inver Grove Heights. Building is to be located in conjunction with but separate from the current Chevrolet site in Inver Grove.

As an option they may also elect to build a one-level parking deck to the back of the site to accommodate the inventory of the cars and trucks that are being dispositioned by the new facility.

Please see attached plans and Planning Application Form for your review.

Thank you for your consideration. We look forward to working with the City of Inver Grove Heights.

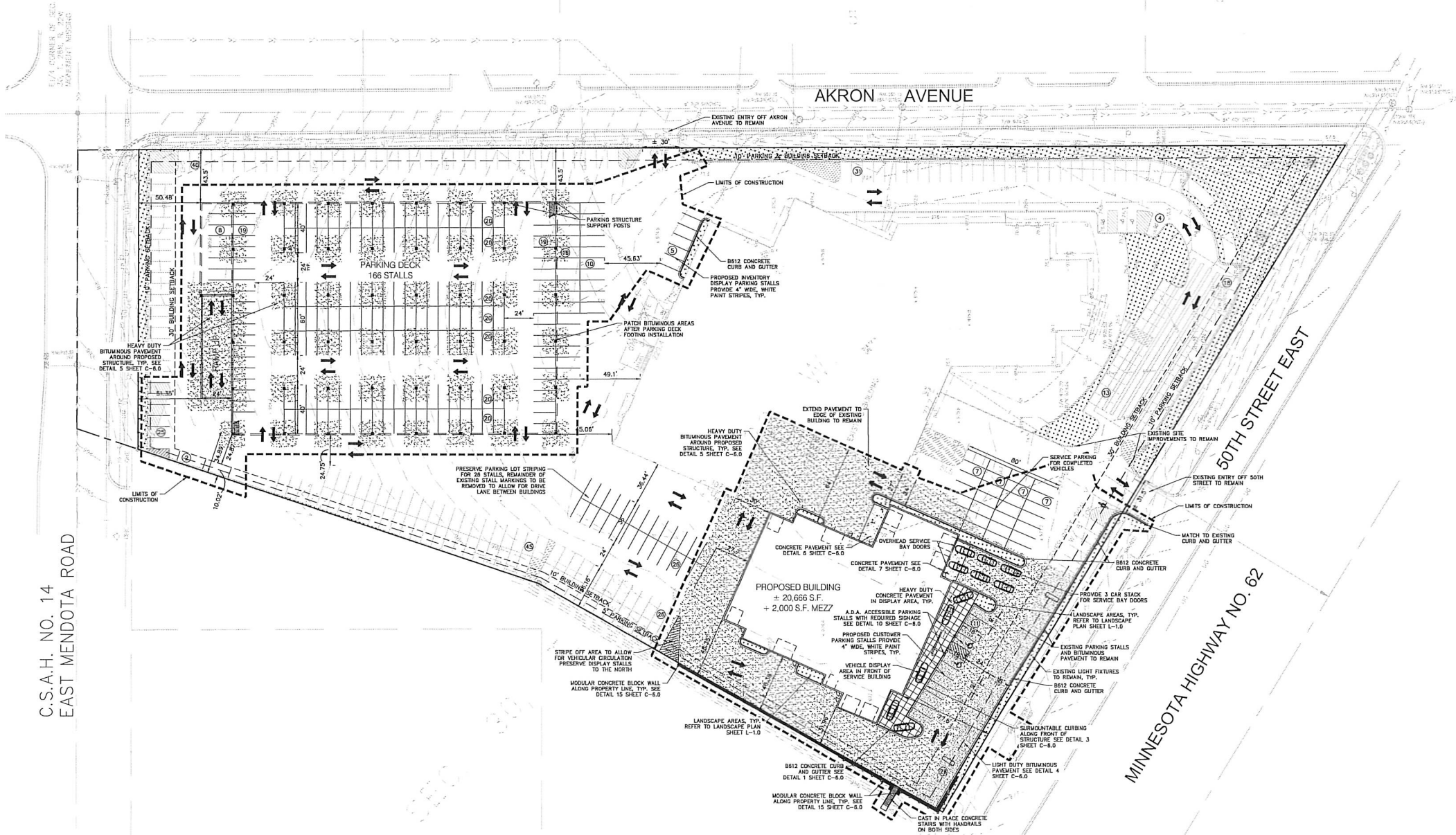
Sincerely,

R.J. RYAN CONSTRUCTION, INC.

A handwritten signature in blue ink, appearing to read 'Jack Grotkin', is written over the printed name.

Jack Grotkin
President

C.S.A.H. NO. 14
EAST MENDOTA ROAD



NOTES

1. PRIOR TO STARTING CONSTRUCTION, THE CONTRACTOR SHALL BE RESPONSIBLE TO MAKE SURE THAT ALL REQUIRED PERMITS AND APPROVALS HAVE BEEN OBTAINED. NO CONSTRUCTION OR FABRICATION SHALL BEGIN UNTIL THE CONTRACTOR HAS REVIEWED AND THOROUGHLY REVIEWED ALL PLANS AND OTHER DOCUMENTS APPROVED BY ALL OF THE PERMITTING AUTHORITIES.
2. CONTRACTOR SHALL FIELD VERIFY THE LOCATIONS AND ELEVATIONS OF EXISTING UTILITIES AND TOPOGRAPHIC FEATURES, SUCH AS EXISTING GUTTER GRADES AT THE PROPOSED DRIVEWAYS PRIOR TO THE START OF SITE GRADING. THE CONTRACTOR SHALL IMMEDIATELY NOTIFY THE ENGINEER OF ANY DISCREPANCIES OR VARIATIONS FROM THE PLANS.
3. ALL WORK SHALL BE PERFORMED IN ACCORDANCE WITH THESE PLANS AND SPECIFICATIONS AND THE REQUIREMENTS AND STANDARDS OF THE LOCAL GOVERNING AUTHORITY.
4. CONTRACTOR IS RESPONSIBLE FOR DEMOLITION & REMOVAL OF ALL EXISTING STRUCTURES WHICH INTERFERE WITH NEW WORK AS SHOWN.
5. CONCRETE SIDEWALK AND CURB & GUTTER SHALL BE REMOVED TO NEAREST CONSTRUCTION JOINT OUTSIDE THE REMOVAL LIMITS.
6. ALL DIMENSIONS, GRADES, EXISTING AND PROPOSED INFORMATION SHOWN ON THE PLANS SHALL BE FIELD VERIFIED BY THE CONTRACTOR PRIOR TO CONSTRUCTION. CONTRACTOR SHALL NOTIFY THE CONSTRUCTION MANAGER IF ANY DISCREPANCIES EXIST PRIOR TO PROCEEDING WITH CONSTRUCTION FOR NECESSARY PLAN OR GRADE CHANGES. NO EXTRA COMPENSATION SHALL BE PAID TO THE CONTRACTOR FOR WORK HAVING TO BE REDONE DUE TO INFORMATION SHOWN INCORRECTLY ON THESE PLANS IF SUCH NOTIFICATION HAS NOT BEEN GIVEN.
7. DIMENSIONS SHOWN ARE TO FACE OF CURB, CENTER OF STRUCTURE, EDGE OF SIDEWALK OR EXTERIOR OF BUILDING.
8. ALL CONCRETE SIDEWALK ADJACENT TO BUILDING SHALL BE SEPARATED BY A 1/2" EXPANSION JOINT.
9. PROTECT EXISTING CONCRETE SIDEWALKS DURING ALL PHASES OF CONSTRUCTION. CONTRACTOR TO REPLACE ANY CRACKED OR BROKEN PANELS CAUSED BY SITE CONSTRUCTION.
10. CONTRACTOR IS RESPONSIBLE FOR THE REMOVAL & DISPOSAL OF THE EXISTING BITUMINOUS. BITUMINOUS SHALL BE SAW CUT OR JACK HAMMERED FOR STRAIGHT EDGES. TACK SHALL BE USED ON BITUMINOUS EDGE PRIOR TO PATCHING. MATCH EXISTING GRADES.
11. CONTRACTOR SHALL PROTECT ADJOINING PROPERTIES & STRUCTURES FROM HAZARDS ASSOCIATED WITH HIS CONSTRUCTION ACTIVITIES & SHALL BE RESPONSIBLE FOR ALL DAMAGES TO PROPERTIES & STRUCTURES THAT OCCUR AS A RESULT OF THESE ACTIVITIES.
12. CONTRACTOR SHALL NOT IMPEDE EXISTING TRAFFIC CIRCULATION TO ADJACENT BUSINESSES. PROVIDE TRAFFIC CONTROL DURING CONSTRUCTION PER MNDOT STANDARDS.
13. CONTRACTOR SHALL PERFORM SWEEPING ON PRIVATE PARKING AREAS AND PUBLIC STREETS AT LEAST ONCE A WEEK, ONCE A DAY IF NEEDED.
14. CONTRACTOR SHALL BE HELD FULLY RESPONSIBLE TO PREVENT AND ELIMINATE ANY DUST NUISANCE OCCASIONED BY AND DURING CONSTRUCTION, UNTIL THE PROJECT HAS BEEN COMPLETED AND HANDED OVER.
15. REFER TO ARCHITECTURAL DRAWINGS FOR CONCRETE STOODS ADJACENT TO PROPOSED BUILDING.
16. CONTINUOUS CONCRETE CURB & GUTTER WHICH CHANGES TYPE SHALL HAVE A FIVE FOOT TRANSITION.
17. ALL CONCRETE CURB AND GUTTER ADJACENT TO CONCRETE WALK SHALL BE SEPARATED BY A 1/2 INCH EXPANSION JOINT.
18. PARKING LOT STRIPING SHALL BE 4 INCH WHITE.
19. ALL WORK WITHIN THE R.O.W. SHALL COMPLY WITH THE CITY ENGINEERING DESIGN STANDARDS.
20. ALL CURB AND GUTTER TO BE CONCRETE B612 CURB UNLESS NOTED OTHERWISE.
21. CONCRETE APRONS TO BE INSTALLED FOR ALL ACCESS DRIVES ONTO PUBLIC STREETS PER CITY STANDARDS.
22. ALL CONCRETE PADS TO BE 3000 PSI AIR ENTRAINED 6" CONCRETE WITH #4 BARS @ 12" O.C. AND BROOM FINISHED.

SITE DATA

LOT AREA =	335,804 S.F. = 7.70 ACRES
ZONING =	B-3 RETAIL
PROPOSED AREA OF BUILDING ADDITION	22,666 S.F. AUTO SERVICE SPACE
EXISTING SITE PERMEABILITY:	
TOTAL SITE AREA:	335,804 SF = 7.70 AC
EXISTING IMPERVIOUS SF:	312,259 SF = 9.3%
EXISTING PERVIOUS SF:	23,545 SF = 7%
PROPOSED SITE PERMEABILITY:	
TOTAL SITE AREA:	335,804 SF = 7.70 AC
PROPOSED IMPERVIOUS SF:	310,917 SF = 92.60%
PROPOSED PERVIOUS SF:	24,887 SF = 7.40%

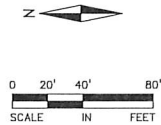
PARKING DATA

EXISTING PARKING PROVIDED:	678
EXISTING PARKING REMOVED:	427
EXISTING PARKING TO REMAIN:	251
PARKING STALLS TO BE ADDED:	430
TOTAL PROPOSED PARKING:	681
NET PARKING GAIN:	3 STALLS
MOTOR SERVICE BUILDING ADDITION	
2 STALLS PER EACH SERVICE BAY PLUS 3 STALLS	
8 SERVICE BAYS PROPOSED = 16 STALLS	
PLUS 3 ADDITIONAL STALLS	
REQUIRED STALLS FOR MOTOR SERVICE STATION = 19 STALLS	
PROVIDED STALLS FOR MOTOR SERVICE STATION = 39 STALLS	

LEGEND:

	PROPOSED CURB & GUTTER
	PROPOSED OUTFALL CURB & GUTTER (PROVIDE 5' CURB TRANSITION)
	MOUNTABLE CURB (PROVIDE 5' CURB TRANSITION)
	CONCRETE PAVEMENT
	HEAVY DUTY BITUMINOUS PAVEMENT
	LIGHT DUTY BITUMINOUS PAVEMENT
	LANDSCAPE AREAS
	CONSTRUCTION LIMITS
	PROPERTY LINE
	R.O.W. LINE
	LIMITS OF PAVEMENT REMOVALS
	DRAINAGE & UTILITY EASEMENT
	BUILDING SETBACK
	PARKING SETBACK

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733 Marquette Ave, Ste 700
Minneapolis, MN 55402
612.758.3080 MAIN
612.758.3099 FAX
www.alliant-inc.com

MAUER GMC - BUICK
1055 50TH STREET E.
INVERGROVE HEIGHTS, MN, 55077
CONDITIONAL USE AMENDMENT
SITE PLAN

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed PROFESSIONAL ENGINEER under the laws of the State of MINNESOTA

CLARK WICKLUND, PE

Date License No.

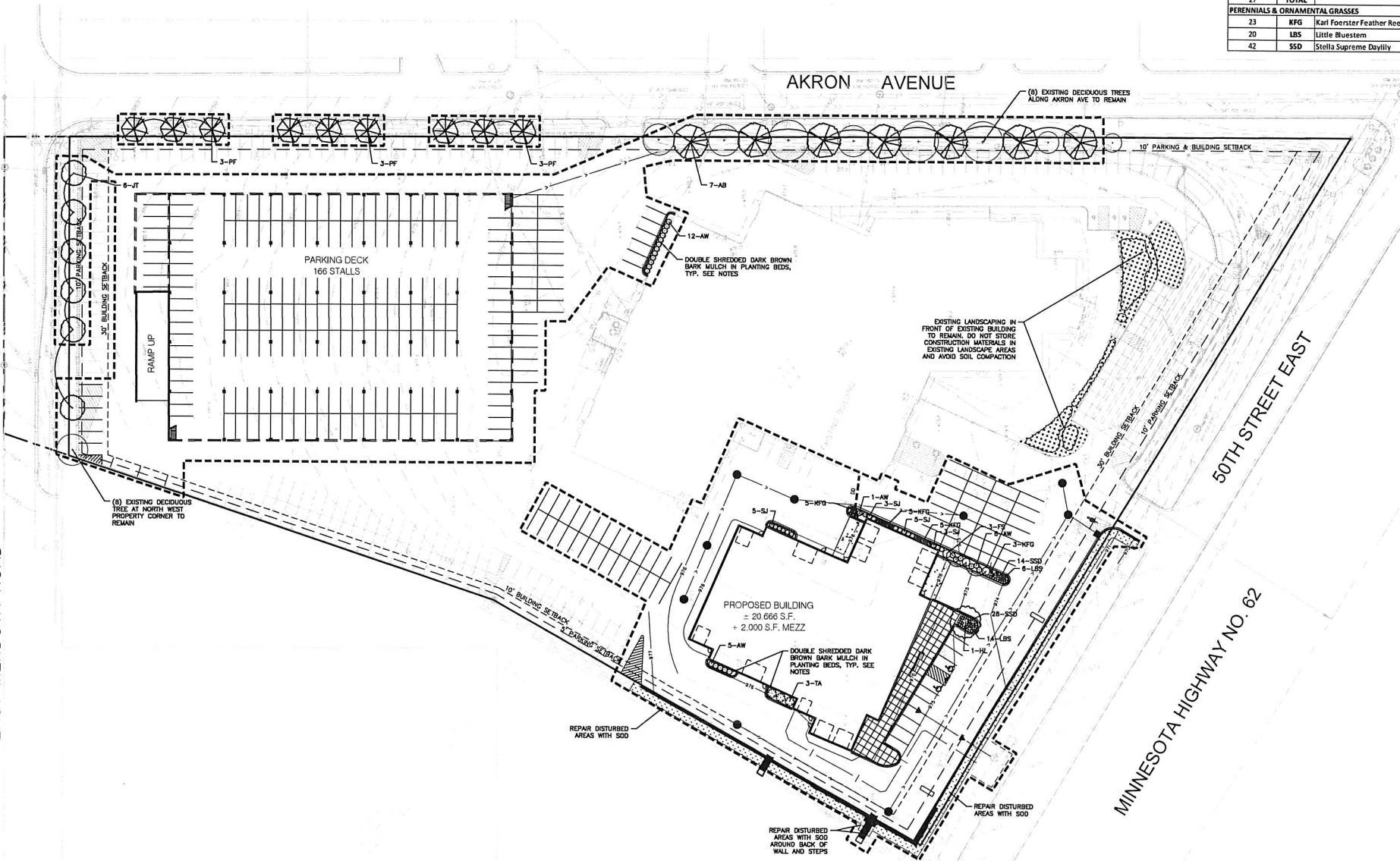
QUALITY ASSURANCE/CONTROL

BY	DATE
DATE	ISSUE
4-20-20	CUP AMENDMENT

PROJECT TEAM DATA	
DESIGNED:	MK
DRAWN:	MLS
PROJECT NO:	200070

C-3.0

C.S.A.H. NO. 14
EAST MENDOTA ROAD



LANDSCAPE SCHEDULE

QUANTITY	KEY	COMMON NAME	SCIENTIFIC NAME	SIZE / ROOT TYPE	NOTES
OVERSTORY TREES					
7	AB	Autumn Brilliance	Acer x freemanii 'Jeffersred'	2.5' B&B	Straight Trunk no "V-Crotch"
1	HL	Honey Locust	Gleditsia tricanthos var. inermis 'Harve'	2.5' B&B	Straight Trunk no "V-Crotch"
EVERGREEN TREES					
3	TA	Techny Arborvitae	Thuja occidentalis 'Techny'	6' ht B&B	Full Form
11	SJ	Spartan Juniper	Juniperus chinensis 'Spartan'	6' ht B&B	Full Form
ORNAMENTAL TREES					
6	JT	Japanese Tree Lilac 'Ivory Silk'	Syringa reticulata 'Ivory Silk'	2' B&B	Straight Trunk no "V-Crotch"
9	PF	Prairie Fire Crabapple	Malus 'Prairie Fire'	2' B&B	Straight Trunk no "V-Crotch"
SHRUBS					
24	AW	Anthony Waterer Spirea	Spiraea x bumalda 'Anthony Waterer'	24" ht. cont.	Min. 5 canes at ht. spec.
3	YS	Fraser Yellow Birch	Betula papyrifera 'Fraser Yellow'	24" ht. cont.	Min. 5 canes at ht. spec.
27	TOTAL				
PERENNIALS & ORNAMENTAL GRASSES					
23	KFG	Karl Foerster Feather Reed Grass	Calamagrostis x acutiflora 'Karl Foerster'	3 gal. cont.	
20	LBS	Little Bluestem	Schizachyrium scoparium	1 gal. cont.	
42	SSD	Stella Supreme Daylily	Homocallis 'Stella Supreme'	1 gal. cont.	

NOTES

- INSTALL 4" MIN. TOP SOIL TO ALL SOD, SEED AND SHRUB AREAS. FINE GRADE ALL SOD AND SEED AREAS. INSTALL 12" TOP SOIL TO PERENNIAL AND ANNUAL FLOWER AREAS.
- STAKE OR MARK ALL PLANT MATERIAL LOCATIONS PRIOR TO INSTALLATION. HAVE OWNERS REPRESENTATIVE APPROVE ALL STAKING PRIOR TO INSTALLATION.
- ALL SHRUB AREAS UNLESS SPECIFIED AS OTHER, TO BE BED MULCHED WITH 4" DEPTH OF DARK BROWN COLOR SHREDDED HARDWOOD MULCH OVER FILTER FABRIC, UNLESS SPECIFIED AS OTHER. POLY-EDGER TO BE VALLEY VIEW BLACK DIAMOND OR APPROVED EQUAL. ROCK MULCH TO BE 3-4" DEPTH BUFF LIMESTONE ROCK MULCH OVER FILTER FABRIC.
- INSTALL 4-8" DEPTH SHREDDED HARDWOOD MULCH AROUND ROOT SAUCER OF ALL TREES ISOLATED FROM PLANT BEDS. DO NOT PILE MULCH AGAINST THE BASE OF A PLANT OR TREE TRUNK; PULL THE MULCH AWAY FROM THE BASE ONE TO TWO INCHES.
- PLANT SOIL SHALL CONSIST OF 1:1:1, SELECT LOAMY TOPSOIL, PEAT MOSS, PIT RUN SAND.
- COMPLETELY GUARANTEE ALL WORK FOR A PERIOD OF ONE YEAR BEGINNING AT THE DATE OF ACCEPTANCE. MAKE ALL REPLACEMENTS PROMPTLY (AS PER DIRECTION OF OWNER).
- ALL MATERIAL SHALL COMPLY WITH THE LATEST EDITION OF THE AMERICAN STANDARD FOR NURSERY STOCK, AMERICAN ASSOCIATION OF NURSEYMEN.
- ALL TREE TRUNKS SHALL BE WRAPPED WITH BROWN CREPE TREE WRAP. APPLY WRAP IN NOVEMBER AND REMOVE IN APRIL.
- CALL COPPER STATE ONE CALL AT 651-454-0002 FOR LOCATING ALL UNDERGROUND UTILITIES AND AVOID DAMAGE TO UTILITIES DURING THE COURSE OF THE WORK.
- MAINTAIN ALL PLANT MATERIALS, INCLUDING WATERING, UNTIL THE TIME OF ACCEPTANCE.
- COORDINATE INSTALLATION WITH GENERAL CONTRACTOR.
- STAKING AND GUYING OF TREES OPTIONAL; MAINTAIN PLUMBNESS OF TREES FOR DURATION OF WARRANTY PERIOD.
- SWEEP AND WASH ALL PAVED SURFACES AND REMOVE ALL DEBRIS RESULTING FROM LANDSCAPE OPERATIONS.
- LANDSCAPE CONTRACTOR SHALL INSTALL KENTUCKY BLUE GRASS SOD IN DENOTED AREAS INCLUDING ALL R.O.W. PER LOCAL INDUSTRY STANDARDS. SOD SHALL BE Laid PARALLEL TO THE CONTOURS AND HAVE STAGGERED JOINTS.
- SUPPLY DESIGN AND INSTALLATION FOR NEW WATER EFFICIENT IRRIGATION SYSTEM. DESIGN SYSTEM INCLUDING CONTROLS, ELECTRICAL AND WATER SERVICE CONNECTIONS WITH 100% COVERAGE OF NEW SOD, LANDSCAPE ISLANDS AND PLANTING AREAS. SOD, SEED AND SHRUB AREAS TO BE ON SEPARATE ZONES. DESIGN TO INCLUDE DRIP IRRIGATION IN SHRUB AREAS ADJACENT TO BUILDING. EXCESS WATER SHALL NOT COME IN CONTACT WITH BUILDING AND SIDEWALKS. THE IRRIGATION SYSTEM SHALL HAVE A RAIN/FREEZE SENSOR SHUTOFF. USE RAINBIRD OR APPROVED EQUAL COORDINATE WITH G.C. AND WORK OF OTHER SECTIONS.
- EXISTING TREES TO REMAIN MAY NOT BE LIMBED UP ABOVE 5' IN HEIGHT.
- CONTRACTOR SHALL BE RESPONSIBLE FOR ANY REQUIRED PERMITS FOR WORK IN MNDOT ROW.
- ALL MULCH AND RANDOM GRANITE BOULDERS TO BE APPROVED BY OWNER AND LANDSCAPE ARCHITECT PRIOR TO INSTALLATION.

LANDSCAPE DATA

TREES REQUIRED:	23
ORNAMENTAL TREES:	15
TREES PROVIDED:	8
TOTAL:	23

LEGEND

	DECIDUOUS OVERSTORY TREES
	ORNAMENTAL TREE
	EVERGREEN TREE
	FLOWERING SHRUB
	EVERGREEN SHRUB
	ORNAMENTAL GRASS
	PERENNIAL
	POLY EDGER
	B&B CURB AND GUTTER
	EXISTING CURB AND GUTTER
	PROPERTY LINE
	R.O.W.
	PROPOSED CONTOUR
	PROPOSED CATCH BASINS
	PROPOSED STORM SEWER
	PROPOSED WATER
	PROPOSED SANITARY SEWER



0 20' 40' 80'
SCALE IN FEET



ALLIANT
ENGINEERING

733 Marquette Ave, Ste 700
Minneapolis, MN 55402
612.758.3080 MAIN
612.758.3099 FAX
www.alliant-inc.com

MAUER GMC - BUICK
1055 50TH STREET E.
INVERGROVE HEIGHTS MN, 55077
CONDITIONAL USE AMENDMENT
LANDSCAPE PLAN

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed LANDSCAPE ARCHITECT under the laws of the State of MINNESOTA

CLARK WICKLUND, PE

Date: _____ License No. _____

QUALITY ASSURANCE/CONTROL

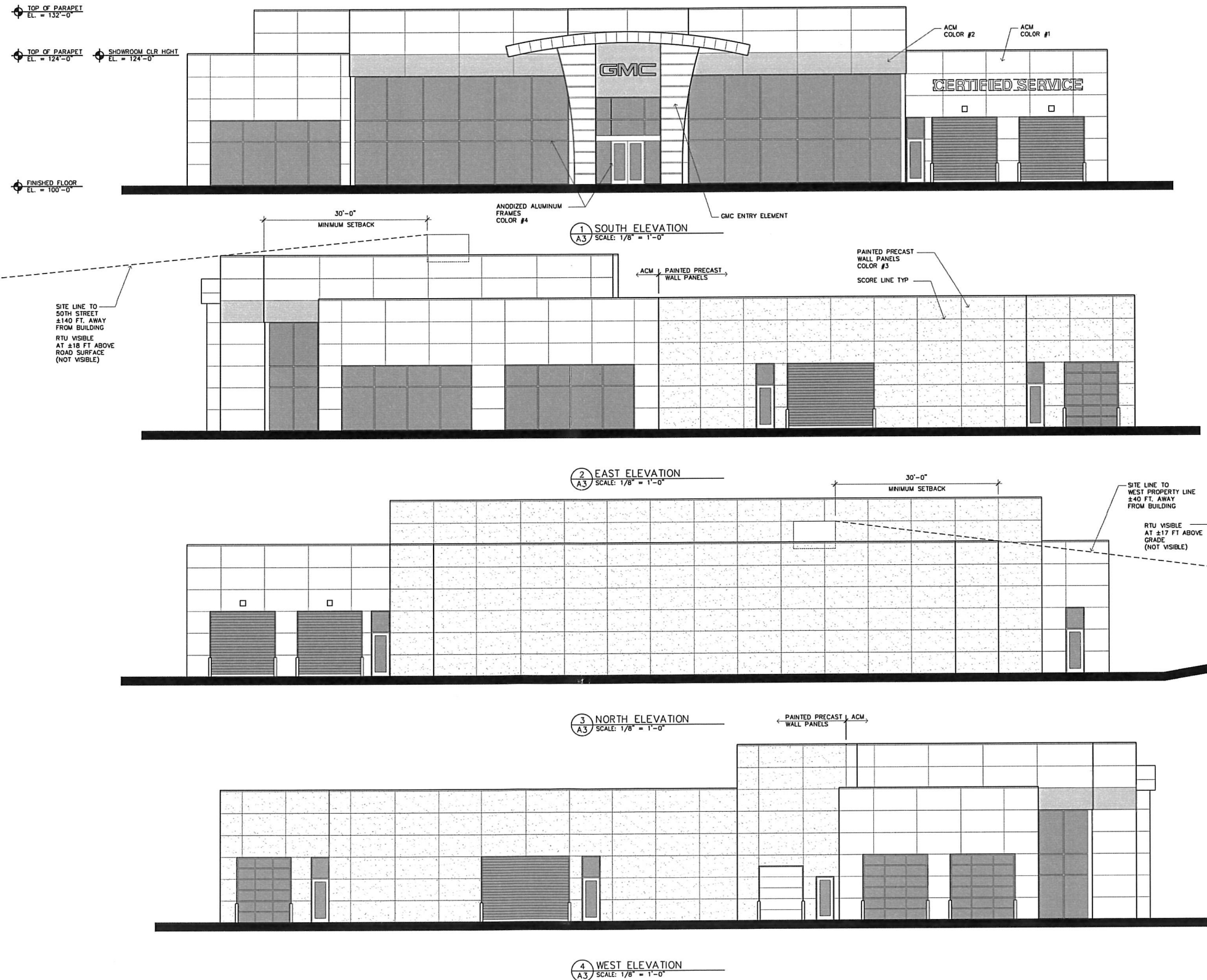
BY	DATE
DATE	ISSUE
4-20-20	CLIP AMENDMENT
5-13-20	LANDSCAPE REVISIONS

PROJECT TEAM DATA
DESIGNED: MK
DRAWN: MLS
PROJECT NO: 200070

L-1.0

FOR REVIEW ONLY
PRELIMINARY
NOT FOR CONSTRUCTION

Filename: MAUER GMC VAUER GMC-A3



LAMPERT ARCHITECTS

420 Summit Avenue
St. Paul, MN 55102
Phone: 763.755.1211 Fax: 763.757.2549
lampo@lampert-arch.com

ARCHITECT CERTIFICATION:
I HEREBY CERTIFY THAT THIS PLAN,
SPECIFICATION OR REPORT WAS
PREPARED BY ME OR UNDER MY DIRECT
SUPERVISION AND THAT I AM A DULY
LICENSED ARCHITECT UNDER THE
LAWS OF THE STATE OF MINNESOTA.

PRELIMINARY NOT FOR CONSTRUCTION

LEONARD LAMPERT
PROJ. NO. 200214
LIC. NO. 13569
DATE: 4/2/20

RJR Ryan
Construction, Inc.
Commercial Design and Construction

102 Inver Grove Heights Road
Inver Grove Heights, MN 55120
PH: 651-481-0233
FAX: 651-481-0232

MAUER
GMC - BUICK
Inver Grove Heights, Minnesota

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Leonard Lampert Architects Inc.
Project Designer: JAMES B
Drawn By: JRB
Checked By: LL

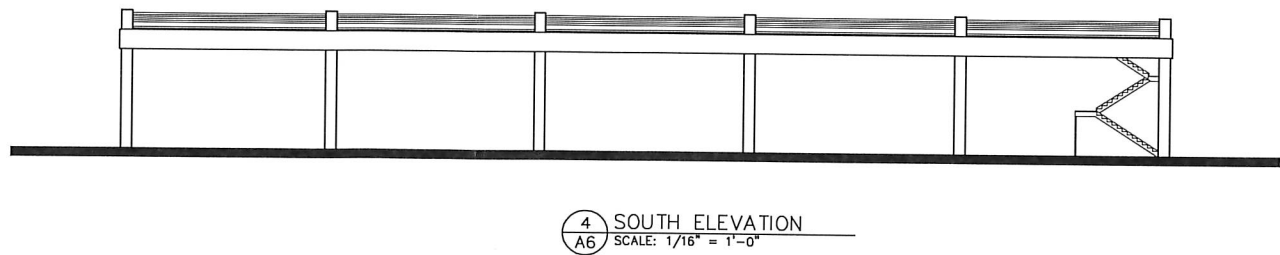
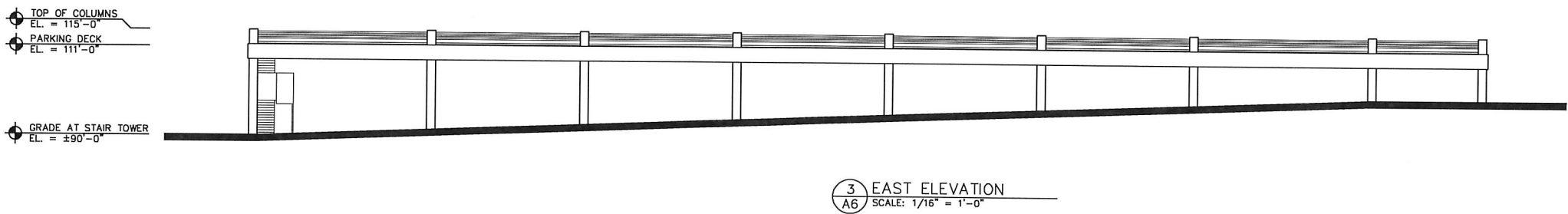
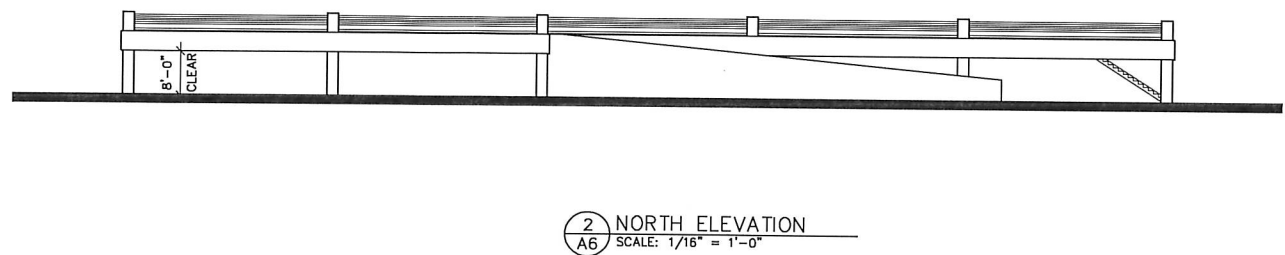
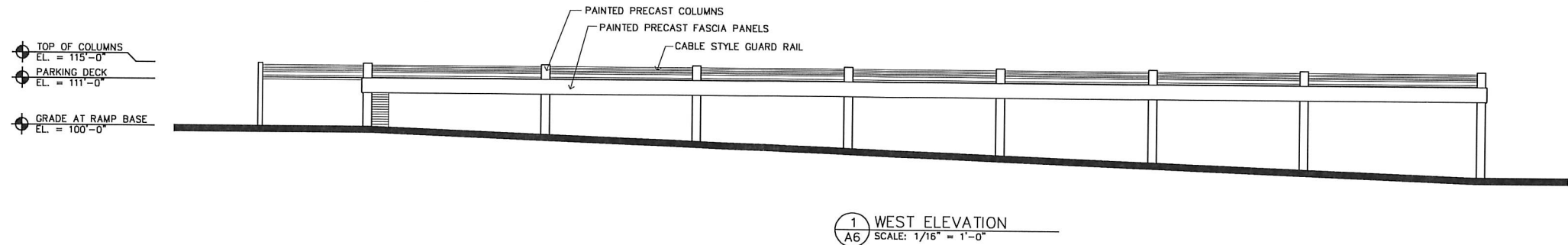
Revisions	
4/2/20	PRELIMINARY
4/20/20	CITY SUBMITTAL

BUILDING ELEVATIONS

Sheet Number

A3

Project No. 200214-1



LAMPERT
ARCHITECTS

420 Summit Avenue
St. Paul, MN 55102
Phone: 763.755.1211 Fax: 763.757.2849
lampert@lampert-arch.com

ARCHITECT CERTIFICATION:
I HEREBY CERTIFY THAT THIS PLAN,
SPECIFICATION OR REPORT WAS
PREPARED BY ME OR UNDER MY DIRECT
SUPERVISION AND THAT I AM A DULY
LICENSED ARCHITECT UNDER THE
LAWS OF THE STATE OF MINNESOTA.

PRELIMINARY
NOT FOR
CONSTRUCTION

RJRyan
Construction, Inc.

1100 Mendota Heights Road
Mendota Heights, MN 55120
Ph: 651-681-0200
Fax: 651-681-0233

MAUER
GMC - BUICK
Inver Grove Heights, Minnesota

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Leonard Lampert Architects Inc.

Project Designer: JAMES B

Drawn By: JRB

Checked By: LL

Revisions

4/2/20 PRELIMINARY

4/20/20 CITY SUBMITTAL

BUILDING ELEVATIONS

Sheet Number

A6

Project No. 200214-1

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Approve Comment Letter to Dakota County for its 2021-2025 Capital Improvement Program (CIP) and Transportation Sales and Use Tax Capital Improvement Program (TSUT CIP)

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Scott D. Thureen, 651-450-2571
 Prepared by: Scott D. Thureen, Public Works Director
 Reviewed by:

	Fiscal/FTE Impact:
☒	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☐	Other:

PURPOSE/ACTION REQUESTED

Approve comment letter to Dakota County for its 2021-2025 Capital Improvement Program (CIP) and Transportation Sales and Use Tax Capital Improvement Program (TSUT CIP).

SUMMARY

Each year, Dakota County prepares a five-year CIP based on its needs and requests from the cities in the County. Public Works staff met with staff from the Dakota County Transportation Department on May 6, 2020 to discuss the proposed CIP. The attached letter to the County presents the staff recommendations coming out of that meeting.

Items from the current 2020-2024 CIP include:

- the expansion of 70th Street (CSAH 26) to four lanes from the Eagan border to T.H. 3
- the continuation of the realignment of Argenta Trail (CSAH 63) from north of Amana Trail (CSAH 28) to 65th Street with a connection back to existing Argenta Trail on the 65th Street alignment
- an improvement project for 117th Street (which will ultimately be turned over to the County)
- a design study for the expansion of 70th Street (CSAH 26) from T.H. 3 to Babcock Trail (CSAH 73)
- continuation of including the realignment of 80th Street (east of T.H. 3) as a late-year project in the CIP
- a visioning study for Trunk Highway 3 from County Road 42 to I-494

Additions include:

- a pedestrian safety project at the intersection of CSAH 28 (80th Street) and Barbara Avenue
- a turnback project for CSAH 63 (Argenta Trail) between 70th Street and the point where existing Argenta Trail will connect to 65th Street
- a trail gap project along CSAH 73 (Babcock Trail) between Upper 55th Street and the I-494 bridge

I recommend approval of the letter as written. The City must provide its comment letter to the County by June 30, 2020.

SDT/kf

Attachment: Letter to County



City of Inver Grove Heights

www.invergroveheights.org

June 8, 2020

Ms. Holly Anderson
Dakota County Highway Department
14955 Galaxie Avenue
Apple Valley, MN 55124

Re: Dakota County's 2021-2025 Capital Improvement Program and Transportation Sales and Use Tax Capital Improvement Program

Dear Ms. Anderson:

Listed below are the City of Inver Grove Heights' recommendations regarding Dakota County's Capital Improvement Program (CIP) and its Transportation Sales and Use Tax Capital Improvement Program (TSUT CIP). These projects were discussed with County staff on May 6, 2020.

No.	Project	Current Schedule	City Recommended
26-54	CSAH 26 – Eagan border to T.H. 3 (70 th Street)	2021 Construction	2021 Construction
26-60	CSAH 26 – T.H. 3 to CSAH 73 (Babcock Trail)	2023 Design	2023 Design
28-xx	CR 28 – Pedestrian Safety Improvements at Barbara Ave. intersection)	2021	2021
28-48	CR 28 – T.H. 3 to 0.62 miles east	2025 Design	2025 Design
32-65	32-65 CSAH 32 (117 th St.) CSAH 71 to T.H. 52	2021 ROW Acquisition 2022 Construction	2021 ROW Acquisition 2022 Construction
63-27	63-27 New "63" CSAH 26 to north on new alignment	2021 Construction	2021 Construction
63-xx	Argenta Trail Turnback Project	2021 Design/ROW 2022 Construction	2021 Design/ROW 2022 Construction
73-xx	CR 73 – Babcock Trail Pedestrian Trail GAP Project	2022	2022
xx-xx	Trunk Highway 3 Scoping Study	2021 Study	2021 Study

We recognize the financial restrictions of the County, as well as the City, and we will continue to work with you regarding a final 2021-2025 schedule.

Sincerely,

Scott D. Thureen, P.E.
Public Works Director

SDT/kf

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Receiving Bids, Awarding Contract, and Approving Geotechnical Services Proposal for 2020 Pavement Management Program, City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve W. Dodge, Asst. City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

Fiscal/FTE Impact:	
☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other: Pavement Management Fund, Franchise Fee Funds, Sewer Fund, Water Fund, Special Assessments, DCSWCD Grant

PURPOSE/ACTION REQUESTED

Consider resolution receiving bids, awarding contract, and approving geotechnical services proposal for 2020 Pavement Management Program, City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

SUMMARY

Bids were opened at 10:00 a.m. on February 13, 2020 for the subject project. Eight (8) contractors submitted bids. McNamara Contracting is the lowest responsible bidder with a total bid amount of \$1,847,750.60. The lowest responsible bid amount is within the budgeted amount per the feasibility study.

The bids were received as follows:

BIDDER	Total Base Bid (Schedules A through E)
McNamara Contracting Inc.	\$1,847,750.60
Valley Paving Inc.	\$1,973,644.63
Danner Inc.	\$1,982,416.50
Max Steinger Inc.	\$1,990,909.73
S.M. Hentges and Sons	\$2,080,573.86
Bituminous Roadway	\$2,272,242.10
Meyer Contracting	\$2,376,546.05
Northdale Construction Co.	\$2,378,536.26

American Engineering Testing, Inc. (AET) submitted a geotechnical proposal for City Project No. 2016-09G in the amount of \$18,249. A comprehensive funding package is proposed to include the pavement management fund, franchise fee funds, special assessments, Dakota County Soil and Water District grant, water fund and sewer funds.

I recommend that the City Council adopt the resolution accepting the bids and awarding the contract to McNamara Contracting for a total contract amount of \$1,847,750.60 and approving the geotechnical services proposal from AET in the amount of \$18,249 for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

SWD/kf

Attachments: Resolution
 Summary of Bids from Kimley-Horn & Associates, Inc.
 Geotechnical Proposal from American Engineering Testing, Inc.

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION AWARDING CONTRACT FOR CITY PROJECT NO. 2016-09G – 60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS

RESOLUTION NO. 2020-110

WHEREAS, pursuant to an advertisement for bids for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements, bids were received, opened, read aloud, and tabulated according to law. The following bids were received complying with the advertisement, and submitted a bid bond; and

BIDDER	Total Base Bid (Schedules A through E)
McNamara Contracting Inc.	\$1,847,750.60
Valley Paving Inc.	\$1,973,644.63
Danner Inc.	\$1,982,416.50
Max Steininger Inc.	\$1,990,909.73
S.M. Hentges and Sons	\$2,080,573.86
Bituminous Roadway	\$2,272,242.10
Meyer Contracting	\$2,376,546.05
Northdale Construction Co.	\$2,378,536.26

WHEREAS, McNamara Contracting is the lowest responsible bidder with a total bid of \$1,847,750.60 for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA:

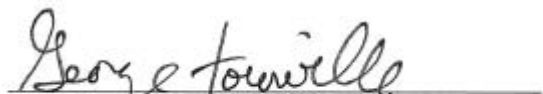
1. The bids for City Project 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements are hereby received.
2. The Mayor and Clerk are hereby authorized and directed to enter into a contract with McNamara Contracting in the name of the City of Inver Grove Heights, for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements according to plans and specifications therefore approved by the Council and on file at the Office of the City Clerk.
3. The City Clerk is hereby authorized and directed to return, forthwith, to all bidders, the deposits made with their bids except for the deposit of the successful bidder and the next lowest bidder shall be retained until the contract has been signed.
4. Staff is authorized to hire American Engineering Testing, Inc. in the amount of \$18,249 to perform geotechnical services for City Project 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.
5. Project No. 2016-09G shall be funded through Pavement Management Fund, Special Assessments, Franchise Fee Funds, Dakota County Soils and Water Grant, sewer fund and water Fund

Adopted by the City Council of Inver Grove Heights this 8th day of June 2020

ATTEST:



Rebecca Kiernan, City Clerk


George Tourville, Mayor



February 13, 2020

Mr. Steve Dodge, P.E.
Assistant City Engineer
City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

Re: Summary of Bids
60th Street, 62nd Street and Bacon Avenue Improvements
City Project 2016-09G

Dear Mr. Dodge:

At 11:00 a.m. on Thursday, February 13th bids were received and opened for the above-referenced project. Bids were received from eight (8) contractors with the bid amounts as follows:

<u>Contractor</u>	<u>Total Base Bid</u>
McNamara Contracting Inc.	\$1,847,750.60
Valley Paving Inc.	\$1,973,644.63
Danner Inc.	\$1,982,416.50
Max Steininger Inc.	\$1,990,909.73
S.M. Hentges and Sons	\$2,080,573.86
Bituminous Roadway	\$2,272,242.10
Meyer Contracting	\$2,376,546.05
Northdale Construction Co.	\$2,378,536.26

**All bid amounts shown on this letter and the attached bid tabulation are the corrected bid amounts. Minor errors were found in 3 of the 8 bids that did not affect the bidding order.*

All bids were submitted with proper guarantees in the amount of five percent (5%) of the total bid as required by the Project Manual. All bids acknowledged the one (1) addenda that was issued for the project.

After tabulation of bids, McNamara Contracting Inc. is the apparent low bidder with a total base bid of \$1,847,750.60. The apparent low bid of \$1,847,750.60 is 8% less than the engineer's estimate of \$2,006,649.50.

Sincerely,

Kimley-Horn and Associates, Inc.

A handwritten signature in black ink that reads "Luke Moren". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Luke Moren, P.E.
Project Manager

Enclosure: Bid Tabulation

cc: File 160509037

BID TABULATION																						
Contract: CP 2016-09G Owner: CITY OF INVER GROVE HEIGHTS Project: 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS			ENGINEER'S ESTIMATE				MCNAMARA CONTRACTING INC.				VALLEY PAVING INC.				DANNER INC.				MAX STEININGER, INC.			
KHA Job No: 160509037																						
Schedule: A Description: CP 2016-09G STREET IMPROVEMENTS																						
Item No.	Mn/DOT No.	Item Description	Unit	Contract Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount						
1	2021.501	MOBILIZATION	LUMP SUM	1	\$ 95,000.00	\$ 95,000.00	\$ 50,000.00	\$ 50,000.00	\$ 88,000.00	\$ 88,000.00	\$ 77,000.00	\$ 77,000.00	\$ 95,000.00	\$ 95,000.00								
2	2031.502	FIELD OFFICE	EACH	1	\$ 12,000.00	\$ 12,000.00	\$ 13,000.00	\$ 13,000.00	\$ 33,280.00	\$ 33,280.00	\$ 6,000.00	\$ 6,000.00	\$ 5,500.00	\$ 5,500.00								
3	2101.505	CLEARING	ACRE	0.1	\$ 6,000.00	\$ 600.00	\$ 12,600.00	\$ 1,260.00	\$ 12,865.00	\$ 1,286.50	\$ 7,000.00	\$ 700.00	\$ 12,824.73	\$ 1,282.47								
4	2101.505	GRUBBING	ACRE	0.1	\$ 6,000.00	\$ 600.00	\$ 8,400.00	\$ 840.00	\$ 8,575.00	\$ 857.50	\$ 2,500.00	\$ 250.00	\$ 8,549.82	\$ 854.98								
5	2101.524	CLEARING	TREE	31	\$ 300.00	\$ 9,300.00	\$ 290.00	\$ 8,990.00	\$ 295.00	\$ 9,145.00	\$ 410.00	\$ 12,710.00	\$ 293.90	\$ 9,110.90								
6	2101.524	GRUBBING	TREE	31	\$ 300.00	\$ 9,300.00	\$ 100.00	\$ 3,100.00	\$ 108.00	\$ 3,348.00	\$ 185.00	\$ 5,735.00	\$ 106.87	\$ 3,312.97								
7	2104.502	SALVAGE SIGN TYPE C	EACH	8	\$ 50.00	\$ 400.00	\$ 53.00	\$ 424.00	\$ 62.40	\$ 499.20	\$ 55.00	\$ 440.00	\$ 64.12	\$ 512.96								
8	2104.503	REMOVE PIPE CULVERTS	LIN FT	300	\$ 15.00	\$ 4,500.00	\$ 9.00	\$ 2,700.00	\$ 8.32	\$ 2,496.00	\$ 12.00	\$ 3,600.00	\$ 8.81	\$ 2,643.00								
9	2104.503	REMOVE CURB & GUTTER	LIN FT	50	\$ 10.00	\$ 500.00	\$ 8.40	\$ 420.00	\$ 14.37	\$ 718.50	\$ 5.00	\$ 250.00	\$ 12.33	\$ 616.50								
10	2104.503	REMOVE FENCE	LIN FT	50	\$ 8.00	\$ 400.00	\$ 12.00	\$ 600.00	\$ 7.40	\$ 370.00	\$ 10.00	\$ 500.00	\$ 15.00	\$ 750.00								
11	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	250	\$ 10.00	\$ 2,500.00	\$ 16.00	\$ 4,000.00	\$ 12.46	\$ 3,115.00	\$ 9.00	\$ 2,250.00	\$ 18.76	\$ 4,690.00								
12	2104.504	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	SQ YD	2200	\$ 5.00	\$ 11,000.00	\$ 6.70	\$ 14,740.00	\$ 6.19	\$ 13,618.00	\$ 5.00	\$ 11,000.00	\$ 3.83	\$ 8,426.00								
13	2104.504	REMOVE BITUMINOUS PAVEMENT	SQ YD	9557	\$ 5.00	\$ 47,785.00	\$ 1.40	\$ 13,379.80	\$ 4.10	\$ 39,183.70	\$ 4.00	\$ 38,228.00	\$ 2.56	\$ 24,465.92								
14	2104.518	REMOVE BITUMINOUS WALK	SQ FT	8500	\$ 1.00	\$ 8,500.00	\$ 0.50	\$ 4,250.00	\$ 0.73	\$ 6,205.00	\$ 0.30	\$ 2,550.00	\$ 0.39	\$ 3,315.00								
15	2104.518	REMOVE CONCRETE WALK	SQ FT	120	\$ 5.00	\$ 600.00	\$ 2.30	\$ 276.00	\$ 1.78	\$ 213.60	\$ 1.00	\$ 120.00	\$ 2.85	\$ 342.00								
16	2104.602	REMOVE BOULDER	EACH	1	\$ 200.00	\$ 200.00	\$ 250.00	\$ 250.00	\$ 607.73	\$ 607.73	\$ 200.00	\$ 200.00	\$ 291.82	\$ 291.82								
17	2105.504	GEOTEXTILE FABRIC TYPE 5	SQ YD	13000	\$ 2.00	\$ 26,000.00	\$ 1.00	\$ 13,000.00	\$ 0.84	\$ 10,920.00	\$ 2.00	\$ 26,000.00	\$ 1.54	\$ 20,020.00								
18	2105.507	COMMON EXCAVATION	CU YD	12555	\$ 15.00	\$ 188,325.00	\$ 32.00	\$ 401,760.00	\$ 19.78	\$ 248,337.90	\$ 29.00	\$ 364,095.00	\$ 22.25	\$ 279,348.75								
19	2105.507	SUBGRADE EXCAVATION (EV)	CU YD	1100	\$ 20.00	\$ 22,000.00	\$ 20.00	\$ 22,000.00	\$ 19.78	\$ 21,758.00	\$ 16.80	\$ 18,480.00	\$ 19.03	\$ 20,933.00								
20	2105.507	SELECT GRANULAR BORROW (CV)	CU YD	8383	\$ 15.00	\$ 125,745.00	\$ 15.00	\$ 125,745.00	\$ 22.12	\$ 185,431.96	\$ 19.80	\$ 165,983.40	\$ 16.20	\$ 135,804.60								
21	2105.509	STABILIZING AGGREGATE	TON	100	\$ 35.00	\$ 3,500.00	\$ 25.00	\$ 2,500.00	\$ 27.87	\$ 2,787.00	\$ 40.00	\$ 4,000.00	\$ 45.46	\$ 4,546.00								
22	2105.604	SOIL STABILIZATION GEOGRID	SQ YD	750	\$ 5.00	\$ 3,750.00	\$ 2.80	\$ 2,100.00	\$ 1.91	\$ 1,432.50	\$ 2.50	\$ 1,875.00	\$ 3.62	\$ 2,715.00								
23	2123.610	STREET SWEEPER (WITH PICKUP BROOM)	HOURL	80	\$ 150.00	\$ 12,000.00	\$ 150.00	\$ 12,000.00	\$ 173.41	\$ 13,872.80	\$ 165.00	\$ 13,200.00	\$ 75.00	\$ 6,000.00								
24	2130.523	WATER	M GALLON	75	\$ 40.00	\$ 3,000.00	\$ 70.00	\$ 5,250.00	\$ 37.44	\$ 2,808.00	\$ 30.00	\$ 2,250.00	\$ 20.00	\$ 1,500.00								
25	2211.509	AGGREGATE BASE CLASS 5	TON	7300	\$ 16.00	\$ 116,800.00	\$ 5.00	\$ 36,500.00	\$ 14.63	\$ 106,799.00	\$ 14.75	\$ 107,675.00	\$ 14.92	\$ 108,916.00								
26	2331.603	JOINT ADHESIVE (MASTIC)	LIN FT	6500	\$ 0.75	\$ 4,875.00	\$ 0.49	\$ 3,185.00	\$ 0.68	\$ 4,420.00	\$ 0.85	\$ 5,525.00	\$ 0.50	\$ 3,250.00								
27	2360.509	TYPE SP 9.5 WEARING COURSE MIX (2:C) (DRIVEWAY MIX)	TON	400	\$ 150.00	\$ 60,000.00	\$ 110.00	\$ 44,000.00	\$ 116.39	\$ 46,556.00	\$ 120.00	\$ 48,000.00	\$ 106.87	\$ 42,748.00								
28	2360.509	TYPE SP 9.5 WEARING COURSE MIX (3:C)	TON	1800	\$ 70.00	\$ 126,000.00	\$ 52.00	\$ 93,600.00	\$ 83.19	\$ 149,742.00	\$ 60.50	\$ 108,900.00	\$ 67.33	\$ 121,194.00								
29	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (3:C)	TON	1800	\$ 65.00	\$ 117,000.00	\$ 52.00	\$ 93,600.00	\$ 76.26	\$ 137,268.00	\$ 60.50	\$ 108,900.00	\$ 67.33	\$ 121,194.00								
30	2502.503	4" PERF PVC PIPE DRAIN	LIN FT	6200	\$ 10.00	\$ 62,000.00	\$ 7.00	\$ 43,400.00	\$ 6.65	\$ 41,230.00	\$ 8.00	\$ 49,600.00	\$ 8.18	\$ 50,716.00								
31	2521.518	6" CONCRETE WALK	SQ FT	380	\$ 8.00	\$ 3,040.00	\$ 12.55	\$ 4,769.00	\$ 11.18	\$ 4,248.40	\$ 14.20	\$ 5,396.00	\$ 19.53	\$ 7,421.40								
32	2531.503	CONCRETE CURB & GUTTER DESIGN B618	LIN FT	310	\$ 17.00	\$ 5,270.00	\$ 20.45	\$ 6,339.50	\$ 22.10	\$ 6,851.00	\$ 19.45	\$ 6,029.50	\$ 21.36	\$ 6,621.60								
33	2531.504	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	350	\$ 60.00	\$ 21,000.00	\$ 52.65	\$ 18,427.50	\$ 62.92	\$ 22,022.00	\$ 67.50	\$ 23,625.00	\$ 85.35	\$ 29,872.50								

BID TABULATION																																								
Contract:		CP 2016-09G CITY OF INVER GROVE HEIGHTS 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS			ENGINEER'S ESTIMATE					MCNAMARA CONTRACTING INC.					VALLEY PAVING INC.					DANNER INC.					MAX STEININGER, INC.															
Owner:	Project:																																							
KHA Job No:																																								
		160509037																																						
34	2531.603	CONCRETE SURMOUNTABLE CURB & GUTTER (HAND POUR)	LIN FT	100	\$	25.00	\$	2,500.00	\$	26.00	\$	2,600.00	\$	26.00	\$	2,600.00	\$	27.80	\$	2,780.00	\$	30.28	\$	3,028.00																
35	2531.603	CONCRETE RIBBON CURB	LIN FT	100	\$	25.00	\$	2,500.00	\$	37.35	\$	3,735.00	\$	41.60	\$	4,160.00	\$	23.55	\$	2,355.00	\$	25.74	\$	2,574.00																
36	2531.603	CONCRETE SURMOUNTABLE CURB & GUTTER	LIN FT	6500	\$	17.00	\$	110,500.00	\$	13.40	\$	87,100.00	\$	15.08	\$	98,020.00	\$	16.10	\$	104,650.00	\$	15.75	\$	102,375.00																
37	2531.618	TRUNCATED DOMES	SQ FT	40	\$	60.00	\$	2,400.00	\$	50.00	\$	2,000.00	\$	72.80	\$	2,912.00	\$	49.00	\$	1,960.00	\$	50.23	\$	2,009.20																
38	2533.503	PORTABLE PRECAST CONC BARRIER DES 8337	LIN FT	350	\$	50.00	\$	17,500.00	\$	15.25	\$	5,337.50	\$	14.46	\$	5,061.00	\$	16.00	\$	5,600.00	\$	16.77	\$	5,869.50																
39	2540.601	MAILBOX MAINTENANCE	LUMP SUM	1	\$	4,000.00	\$	4,000.00	\$	4,720.00	\$	4,720.00	\$	9,000.00	\$	9,000.00	\$	3,000.00	\$	3,000.00	\$	4,809.27	\$	4,809.27																
40	2563.601	TRAFFIC CONTROL	LUMP SUM	1	\$	20,000.00	\$	20,000.00	\$	6,250.00	\$	6,250.00	\$	5,096.00	\$	5,096.00	\$	17,000.00	\$	17,000.00	\$	5,236.77	\$	5,236.77																
41	2563.618	CONSTRUCTION SIGN-SPECIAL	SQ FT	100	\$	30.00	\$	3,000.00	\$	21.00	\$	2,100.00	\$	22.36	\$	2,236.00	\$	21.00	\$	2,100.00	\$	22.98	\$	2,298.00																
42	2564.518	SIGN PANELS TYPE C	SQ FT	70	\$	70.00	\$	4,900.00	\$	61.00	\$	4,270.00	\$	67.60	\$	4,732.00	\$	60.00	\$	4,200.00	\$	69.47	\$	4,862.90																
43	2564.618	SIGN PANELS TYPE SPECIAL	SQ FT	27	\$	70.00	\$	1,890.00	\$	47.00	\$	1,269.00	\$	52.00	\$	1,404.00	\$	50.00	\$	1,350.00	\$	53.43	\$	1,442.61																
44	2572.510	PRUNE TREES	HOUR	10	\$	200.00	\$	2,000.00	\$	265.00	\$	2,650.00	\$	268.04	\$	2,680.40	\$	425.00	\$	4,250.00	\$	267.18	\$	2,671.80																
45	2573.501	STABILIZED CONSTRUCTION EXIT	LUMP SUM	1	\$	3,000.00	\$	3,000.00	\$	750.00	\$	750.00	\$	1,168.08	\$	1,168.08	\$	1,000.00	\$	1,000.00	\$	1,200.00	\$	1,200.00																
46	2573.501	EROSION CONTROL SUPERVISOR	LUMP SUM	1	\$	10,000.00	\$	10,000.00	\$	1,500.00	\$	1,500.00	\$	853.43	\$	853.43	\$	2,500.00	\$	2,500.00	\$	1,000.00	\$	1,000.00																
47	2573.502	STORM DRAIN INLET PROTECTION	EACH	35	\$	150.00	\$	5,250.00	\$	150.00	\$	5,250.00	\$	116.28	\$	4,069.80	\$	250.00	\$	8,750.00	\$	120.00	\$	4,200.00																
48	2573.502	CULVERT END CONTROLS	EACH	9	\$	150.00	\$	1,350.00	\$	125.00	\$	1,125.00	\$	116.28	\$	1,046.52	\$	190.00	\$	1,710.00	\$	96.18	\$	865.62																
49	2573.503	SILT FENCE; TYPE MS	LIN FT	7200	\$	2.00	\$	14,400.00	\$	2.90	\$	20,880.00	\$	0.99	\$	7,128.00	\$	2.00	\$	14,400.00	\$	1.02	\$	7,344.00																
50	2573.503	FLOTATION SILT CURTAIN TYPE STILL WATER	LIN FT	300	\$	20.00	\$	6,000.00	\$	11.00	\$	3,300.00	\$	11.50	\$	3,450.00	\$	12.50	\$	3,750.00	\$	11.76	\$	3,528.00																
51	2573.503	SEDIMENT CONTROL LOG TYPE COMPOST	LIN FT	1400	\$	3.00	\$	4,200.00	\$	3.50	\$	4,900.00	\$	0.99	\$	1,386.00	\$	1.75	\$	2,450.00	\$	1.02	\$	1,428.00																
52	2573.601	STORMWATER MANAGEMENT ALLOWANCE	LUMP SUM	1	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00																
53	2574.507	BOULEVARD TOPSOIL BORROW (LV)	CU YD	2300	\$	30.00	\$	69,000.00	\$	48.00	\$	110,400.00	\$	25.51	\$	58,673.00	\$	22.00	\$	50,600.00	\$	35.00	\$	80,500.00																
54	2574.508	FERTILIZER TYPE 3	POUND	800	\$	1.00	\$	800.00	\$	0.47	\$	376.00	\$	0.63	\$	504.00	\$	0.65	\$	520.00	\$	0.64	\$	512.00																
55	2574.508	FERTILIZER TYPE 4	POUND	110	\$	1.00	\$	110.00	\$	0.63	\$	69.30	\$	0.63	\$	69.30	\$	0.65	\$	71.50	\$	0.64	\$	70.40																
56	2575.505	RAPID STABILIZATION METHOD 2	ACRE	0.6	\$	2,000.00	\$	1,200.00	\$	1,750.00	\$	1,050.00	\$	1,255.02	\$	753.01	\$	1,250.00	\$	750.00	\$	1,282.47	\$	769.48																
57	2575.509	MULCH MATERIAL TYPE 1	TON	3	\$	200.00	\$	600.00	\$	225.00	\$	675.00	\$	418.34	\$	1,255.02	\$	450.00	\$	1,350.00	\$	427.49	\$	1,282.47																
58	2575.601	RESTORATION OF STAGING AREA	LUMP SUM	1	\$	3,000.00	\$	3,000.00	\$	1,500.00	\$	1,500.00	\$	1,568.79	\$	1,568.79	\$	0.01	\$	0.01	\$	1,603.09	\$	1,603.09																
59	2575.601	BOULEVARD LANDSCAPING ALLOWANCE	LUMP SUM	1	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00																
60	2575.604	EROSION STABILIZATION MAT- ENKAMAT	SQ YD	600	\$	50.00	\$	30,000.00	\$	8.90	\$	5,340.00	\$	12.55	\$	7,530.00	\$	13.00	\$	7,800.00	\$	12.82	\$	7,692.00																
61	2575.605	SEED MIXTURE 25-151	ACRE	2.5	\$	1,000.00	\$	2,500.00	\$	1,750.00	\$	4,375.00	\$	1,255.03	\$	3,137.58	\$	1,250.00	\$	3,125.00	\$	1,282.47	\$	3,206.18																
62	2575.605	SEED MIXTURE 33-261	ACRE	0.3	\$	2,200.00	\$	660.00	\$	2,500.00	\$	750.00	\$	2,300.90	\$	690.27	\$	2,300.00	\$	690.00	\$	2,351.20	\$	705.36																
63	2575.608	HYDRAULIC SOIL STABILIZER, TYPE SPECIAL	POUND	9000	\$	2.50	\$	22,500.00	\$	1.40	\$	12,600.00	\$	0.94	\$	8,460.00	\$	1.00	\$	9,000.00	\$	0.96	\$	8,640.00																
Schedule A Subtotal:					\$	1,469,250.00			\$					1,363,277.60			\$					1,469,072.49			\$					1,498,778.41			\$					1,405,639.02		

BID TABULATION															
Contract: CP 2016-09G Owner: CITY OF INVER GROVE HEIGHTS Project: 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS					ENGINEER'S ESTIMATE			MCNAMARA CONTRACTING INC.		VALLEY PAVING INC.		DANNER INC.		MAX STEININGER, INC.	
KHA Job No: 160509037															
Schedule: B Description: CP 2016-09G STORM SEWER IMPROVEMENTS															
Item No.	Mn/DOT No.	Item Description	Unit	Contract Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	
1	2104.502	REMOVE MANHOLE OR CATCH BASIN	EACH	5	\$ 450.00	\$ 2,250.00	\$ 500.00	\$ 2,500.00	\$ 520.00	\$ 2,600.00	\$ 500.00	\$ 2,500.00	\$ 545.68	\$ 2,728.40	
2	2104.503	REMOVE SEWER PIPE (STORM)	LIN FT	190	\$ 15.00	\$ 2,850.00	\$ 16.00	\$ 3,040.00	\$ 8.32	\$ 1,580.80	\$ 20.00	\$ 3,800.00	\$ 13.12	\$ 2,492.80	
3	2501.602	15" RC PIPE APRON AND TRASH GUARD	EACH	2	\$ 1,000.00	\$ 2,000.00	\$ 1,700.00	\$ 3,400.00	\$ 1,300.00	\$ 2,600.00	\$ 1,600.00	\$ 3,200.00	\$ 1,074.86	\$ 2,149.72	
4	2501.602	18" RC PIPE APRON AND TRASH GUARD	EACH	1	\$ 1,500.00	\$ 1,500.00	\$ 1,800.00	\$ 1,800.00	\$ 1,664.00	\$ 1,664.00	\$ 1,800.00	\$ 1,800.00	\$ 1,177.04	\$ 1,177.04	
5	2501.602	24" RC PIPE APRON AND TRASH GUARD	EACH	2	\$ 2,000.00	\$ 4,000.00	\$ 2,300.00	\$ 4,600.00	\$ 2,064.00	\$ 4,128.00	\$ 2,400.00	\$ 4,800.00	\$ 1,487.38	\$ 2,974.76	
6	2503.503	4" PVC PIPE SEWER SDR 35	LIN FT	15	\$ 30.00	\$ 450.00	\$ 35.00	\$ 525.00	\$ 27.04	\$ 405.60	\$ 45.00	\$ 675.00	\$ 16.17	\$ 242.55	
7	2503.503	12" RC PIPE SEWER DES 3006 CL V	LIN FT	9	\$ 45.00	\$ 405.00	\$ 65.00	\$ 585.00	\$ 48.88	\$ 439.92	\$ 100.00	\$ 900.00	\$ 89.84	\$ 808.56	
8	2503.503	15" RC PIPE SEWER DES 3006 CL V	LIN FT	1377	\$ 45.00	\$ 61,965.00	\$ 55.00	\$ 75,735.00	\$ 50.96	\$ 70,171.92	\$ 54.21	\$ 74,647.17	\$ 54.42	\$ 74,936.34	
9	2503.503	18" RC PIPE SEWER DES 3006 CL V	LIN FT	138	\$ 55.00	\$ 7,590.00	\$ 66.00	\$ 9,108.00	\$ 53.04	\$ 7,319.52	\$ 67.23	\$ 9,277.74	\$ 73.25	\$ 10,108.50	
10	2503.503	24" RC PIPE SEWER DES 3006 CL III	LIN FT	72	\$ 70.00	\$ 5,040.00	\$ 85.00	\$ 6,120.00	\$ 64.48	\$ 4,642.56	\$ 97.94	\$ 7,051.68	\$ 86.09	\$ 6,198.48	
11	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	5	\$ 1,000.00	\$ 5,000.00	\$ 1,100.00	\$ 5,500.00	\$ 572.00	\$ 2,860.00	\$ 1,500.00	\$ 7,500.00	\$ 991.70	\$ 4,958.50	
12	2506.502	CONST DRAINAGE STRUCTURE DES 2' X 3' CB	EACH	7	\$ 3,500.00	\$ 24,500.00	\$ 2,300.00	\$ 16,100.00	\$ 1,976.25	\$ 13,833.75	\$ 2,500.00	\$ 17,500.00	\$ 2,834.35	\$ 19,840.45	
13	2506.502	CONST DRAINAGE STRUCTURE DESIGN G	EACH	3	\$ 3,500.00	\$ 10,500.00	\$ 1,750.00	\$ 5,250.00	\$ 2,754.60	\$ 8,263.80	\$ 2,375.00	\$ 7,125.00	\$ 3,429.76	\$ 10,289.28	
14	2506.502	CONST DRAINAGE STRUCTURE DES 48-4020	EACH	23	\$ 4,500.00	\$ 103,500.00	\$ 4,000.00	\$ 92,000.00	\$ 2,921.89	\$ 67,203.47	\$ 3,200.00	\$ 73,600.00	\$ 3,686.87	\$ 84,798.01	
15	2506.502	CONST DRAINAGE STRUCTURE DES 60-4020	EACH	1	\$ 5,000.00	\$ 5,000.00	\$ 5,400.00	\$ 5,400.00	\$ 3,796.00	\$ 3,796.00	\$ 5,166.00	\$ 5,166.00	\$ 6,277.47	\$ 6,277.47	
16	2506.602	CONSTRUCT DRAINAGE STRUCTURE SUMP BASKET	EACH	1	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 759.00	\$ 759.00	\$ 400.00	\$ 400.00	\$ 2,101.71	\$ 2,101.71	
17	2506.602	TREATMENT MANHOLE #1	EACH	2	\$ 12,000.00	\$ 24,000.00	\$ 17,000.00	\$ 34,000.00	\$ 18,990.40	\$ 37,980.80	\$ 13,400.00	\$ 26,800.00	\$ 19,852.21	\$ 39,704.42	
18	2511.504	GEOTEXTILE FILTER TYPE 4	SQ YD	72.5	\$ 5.00	\$ 362.50	\$ 3.00	\$ 217.50	\$ 3.12	\$ 226.20	\$ 6.00	\$ 435.00	\$ 2.10	\$ 152.25	
19	2511.507	RANDOM RIPRAP CLASS IV	CU YD	23.9	\$ 80.00	\$ 1,912.00	\$ 125.00	\$ 2,987.50	\$ 98.80	\$ 2,361.32	\$ 95.00	\$ 2,270.50	\$ 134.89	\$ 3,223.87	
20	2506.602	TREATMENT MANHOLE #2	EACH	1	\$ 15,000.00	\$ 15,000.00	\$ 17,000.00	\$ 17,000.00	\$ 23,041.20	\$ 23,041.20	\$ 17,000.00	\$ 17,000.00	\$ 26,692.67	\$ 26,692.67	
Schedule B Subtotal:					\$ 278,824.50		\$ 286,868.00		\$ 255,877.86		\$ 266,448.09		\$ 301,855.78		
Schedule: C Description: CP 2016-09G WATERMAIN IMPROVEMENTS															
Item No.	Mn/DOT No.	Item Description	Unit	Contract Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	
1	2104.502	SALVAGE HYDRANT & VALVE	EACH	9	\$ 1,000.00	\$ 9,000.00	\$ 400.00	\$ 3,600.00	\$ 624.00	\$ 5,616.00	\$ 1,100.00	\$ 9,900.00	\$ 455.30	\$ 4,097.70	
2	2104.503	REMOVE WATER MAIN	LIN FT	135	\$ 15.00	\$ 2,025.00	\$ 8.00	\$ 1,080.00	\$ 12.48	\$ 1,684.80	\$ 10.00	\$ 1,350.00	\$ 13.53	\$ 1,826.55	
3	2104.602	REMOVE WATER SERVICE	EACH	7	\$ 1,000.00	\$ 7,000.00	\$ 700.00	\$ 4,900.00	\$ 260.00	\$ 1,820.00	\$ 300.00	\$ 2,100.00	\$ 429.66	\$ 3,007.62	
4	2211.609	CRUSHED ROCK PIPE BEDDING	TON	50	\$ 50.00	\$ 2,500.00	\$ 25.00	\$ 1,250.00	\$ 58.24	\$ 2,912.00	\$ 40.00	\$ 2,000.00	\$ 44.52	\$ 2,226.00	
5	2504.602	WATERMAIN OFFSET	EACH	2	\$ 6,000.00	\$ 12,000.00	\$ 1,500.00	\$ 3,000.00	\$ 6,084.00	\$ 12,168.00	\$ 3,400.00	\$ 6,800.00	\$ 3,231.33	\$ 6,462.66	
6	2504.602	CONNECT TO EXISTING WATER SERVICE	EACH	7	\$ 1,500.00	\$ 10,500.00	\$ 500.00	\$ 3,500.00	\$ 312.00	\$ 2,184.00	\$ 250.00	\$ 1,750.00	\$ 1,636.22	\$ 11,453.54	
7	2504.602	0.75" CORPORATION STOP	EACH	6	\$ 300.00	\$ 1,800.00	\$ 150.00	\$ 900.00	\$ 572.00	\$ 3,432.00	\$ 250.00	\$ 1,500.00	\$ 424.17	\$ 2,545.02	
8	2504.602	ADJUST CURB STOP	EACH	5	\$ 200.00	\$ 1,000.00	\$ 95.00	\$ 475.00	\$ 185.00	\$ 925.00	\$ 175.00	\$ 875.00	\$ 359.39	\$ 1,796.95	
9	2504.602	0.75" CURB STOP & BOX	EACH	6	\$ 600.00	\$ 3,600.00	\$ 500.00	\$ 3,000.00	\$ 676.00	\$ 4,056.00	\$ 450.00	\$ 2,700.00	\$ 514.73	\$ 3,088.38	

BID TABULATION																
Contract: CP 2016-09G Owner: CITY OF INVER GROVE HEIGHTS Project: 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS					ENGINEER'S ESTIMATE			S.M. HENTGES & SONS			BITUMINOUS ROADWAY			MEYER CONTRACTING		
KHA Job No: 160509037																
Schedule: A Description: CP 2016-09G STREET IMPROVEMENTS																
Item No.	Mn/DOT No.	Item Description	Unit	Contract Quantity	Unit Price		Amount	Unit Price		Amount	Unit Price		Amount	Unit Price		Amount
1	2021.501	MOBILIZATION	LUMP SUM	1	\$	95,000.00	\$ 95,000.00	\$	128,510.00	\$ 128,510.00	\$	110,000.00	\$ 110,000.00	\$	119,650.00	\$ 119,650.00
2	2031.502	FIELD OFFICE	EACH	1	\$	12,000.00	\$ 12,000.00	\$	13,000.00	\$ 13,000.00	\$	39,000.00	\$ 39,000.00	\$	43,890.00	\$ 43,890.00
3	2101.505	CLEARING	ACRE	0.1	\$	6,000.00	\$ 600.00	\$	20,400.00	\$ 2,040.00	\$	12,800.00	\$ 1,280.00	\$	12,000.00	\$ 1,200.00
4	2101.505	GRUBBING	ACRE	0.1	\$	6,000.00	\$ 600.00	\$	20,400.00	\$ 2,040.00	\$	8,500.00	\$ 850.00	\$	8,000.00	\$ 800.00
5	2101.524	CLEARING	TREE	31	\$	300.00	\$ 9,300.00	\$	1,000.00	\$ 31,000.00	\$	330.00	\$ 10,230.00	\$	275.00	\$ 8,525.00
6	2101.524	GRUBBING	TREE	31	\$	300.00	\$ 9,300.00	\$	100.00	\$ 3,100.00	\$	220.00	\$ 6,820.00	\$	100.00	\$ 3,100.00
7	2104.502	SALVAGE SIGN TYPE C	EACH	8	\$	50.00	\$ 400.00	\$	51.00	\$ 408.00	\$	56.50	\$ 452.00	\$	57.75	\$ 462.00
8	2104.503	REMOVE PIPE CULVERTS	LIN FT	300	\$	15.00	\$ 4,500.00	\$	13.00	\$ 3,900.00	\$	9.50	\$ 2,850.00	\$	15.25	\$ 4,575.00
9	2104.503	REMOVE CURB & GUTTER	LIN FT	50	\$	10.00	\$ 500.00	\$	4.20	\$ 210.00	\$	7.70	\$ 385.00	\$	14.75	\$ 737.50
10	2104.503	REMOVE FENCE	LIN FT	50	\$	8.00	\$ 400.00	\$	8.00	\$ 400.00	\$	11.50	\$ 575.00	\$	8.20	\$ 410.00
11	2104.504	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	250	\$	10.00	\$ 2,500.00	\$	4.00	\$ 1,000.00	\$	21.50	\$ 5,375.00	\$	7.70	\$ 1,925.00
12	2104.504	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	SQ YD	2200	\$	5.00	\$ 11,000.00	\$	2.90	\$ 6,380.00	\$	3.10	\$ 6,820.00	\$	6.60	\$ 14,520.00
13	2104.504	REMOVE BITUMINOUS PAVEMENT	SQ YD	9557	\$	5.00	\$ 47,785.00	\$	2.20	\$ 21,025.40	\$	3.70	\$ 35,360.90	\$	2.40	\$ 22,936.80
14	2104.518	REMOVE BITUMINOUS WALK	SQ FT	8500	\$	1.00	\$ 8,500.00	\$	0.90	\$ 7,650.00	\$	2.90	\$ 24,650.00	\$	0.50	\$ 4,250.00
15	2104.518	REMOVE CONCRETE WALK	SQ FT	120	\$	5.00	\$ 600.00	\$	1.80	\$ 216.00	\$	22.00	\$ 2,640.00	\$	2.70	\$ 324.00
16	2104.602	REMOVE BOULDER	EACH	1	\$	200.00	\$ 200.00	\$	420.00	\$ 420.00	\$	480.00	\$ 480.00	\$	116.50	\$ 116.50
17	2105.504	GEOTEXTILE FABRIC TYPE 5	SQ YD	13000	\$	2.00	\$ 26,000.00	\$	2.50	\$ 32,500.00	\$	2.50	\$ 32,500.00	\$	1.10	\$ 14,300.00
18	2105.507	COMMON EXCAVATION	CU YD	12555	\$	15.00	\$ 188,325.00	\$	19.00	\$ 238,545.00	\$	12.50	\$ 156,937.50	\$	30.00	\$ 376,650.00
19	2105.507	SUBGRADE EXCAVATION (EV)	CU YD	1100	\$	20.00	\$ 22,000.00	\$	19.00	\$ 20,900.00	\$	15.50	\$ 17,050.00	\$	24.25	\$ 26,675.00
20	2105.507	SELECT GRANULAR BORROW (CV)	CU YD	8383	\$	15.00	\$ 125,745.00	\$	20.00	\$ 167,660.00	\$	26.50	\$ 222,149.50	\$	32.00	\$ 268,256.00
21	2105.509	STABILIZING AGGREGATE	TON	100	\$	35.00	\$ 3,500.00	\$	25.00	\$ 2,500.00	\$	37.00	\$ 3,700.00	\$	68.50	\$ 6,850.00
22	2105.604	SOIL STABILIZATION GEOGRID	SQ YD	750	\$	5.00	\$ 3,750.00	\$	4.10	\$ 3,075.00	\$	3.90	\$ 2,925.00	\$	3.80	\$ 2,850.00
23	2123.610	STREET SWEEPER (WITH PICKUP BROOM)	HOURL	80	\$	150.00	\$ 12,000.00	\$	170.00	\$ 13,600.00	\$	170.00	\$ 13,600.00	\$	150.00	\$ 12,000.00
24	2130.523	WATER	M GALLON	75	\$	40.00	\$ 3,000.00	\$	71.00	\$ 5,325.00	\$	82.50	\$ 6,187.50	\$	86.50	\$ 6,487.50
25	2211.509	AGGREGATE BASE CLASS 5	TON	7300	\$	16.00	\$ 116,800.00	\$	16.00	\$ 116,800.00	\$	23.50	\$ 171,550.00	\$	28.50	\$ 208,050.00
26	2331.603	JOINT ADHESIVE (MASTIC)	LIN FT	6500	\$	0.75	\$ 4,875.00	\$	0.65	\$ 4,225.00	\$	3.30	\$ 21,450.00	\$	0.45	\$ 2,925.00
27	2360.509	TYPE SP 9.5 WEARING COURSE MIX (2;C) (DRIVEWAY MIX)	TON	400	\$	150.00	\$ 60,000.00	\$	120.00	\$ 48,000.00	\$	113.00	\$ 45,200.00	\$	100.00	\$ 40,000.00
28	2360.509	TYPE SP 9.5 WEARING COURSE MIX (3;C)	TON	1800	\$	70.00	\$ 126,000.00	\$	82.00	\$ 147,600.00	\$	67.00	\$ 120,600.00	\$	63.00	\$ 113,400.00
29	2360.509	TYPE SP 12.5 NON WEAR COURSE MIX (3;C)	TON	1800	\$	65.00	\$ 117,000.00	\$	75.00	\$ 135,000.00	\$	67.00	\$ 120,600.00	\$	63.00	\$ 113,400.00
30	2502.503	4" PERF PVC PIPE DRAIN	LIN FT	6200	\$	10.00	\$ 62,000.00	\$	7.30	\$ 45,260.00	\$	26.00	\$ 161,200.00	\$	4.70	\$ 29,140.00
31	2521.518	6" CONCRETE WALK	SQ FT	380	\$	8.00	\$ 3,040.00	\$	13.00	\$ 4,940.00	\$	17.50	\$ 6,650.00	\$	14.75	\$ 5,605.00
32	2531.503	CONCRETE CURB & GUTTER DESIGN B618	LIN FT	310	\$	17.00	\$ 5,270.00	\$	33.00	\$ 10,230.00	\$	22.50	\$ 6,975.00	\$	18.50	\$ 5,735.00
33	2531.504	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	350	\$	60.00	\$ 21,000.00	\$	90.00	\$ 31,500.00	\$	74.00	\$ 25,900.00	\$	62.50	\$ 21,875.00

TABULATION																								
Contract: Owner: Project:		CP 2016-09G CITY OF INVER GROVE HEIGHTS 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS					ENGINEER'S ESTIMATE		S.M. HENTGES & SONS		BITUMINOUS ROADWAY		MEYER CONTRACTING		NORTHDAL CONSTRUCTION CO									
KHA Job No:		160509037																						
34	2531.603	CONCRETE SURMOUNTABLE CURB & GUTTER (HAND POUR)	LIN FT	100	\$	25.00	\$	2,500.00	\$	33.00	\$	3,300.00	\$	32.00	\$	3,200.00	\$	26.75	\$	2,675.00	\$	28.81	\$	2,881.00
35	2531.603	CONCRETE RIBBON CURB	LIN FT	100	\$	25.00	\$	2,500.00	\$	30.00	\$	3,000.00	\$	27.00	\$	2,700.00	\$	22.50	\$	2,250.00	\$	24.24	\$	2,424.00
36	2531.603	CONCRETE SURMOUNTABLE CURB & GUTTER	LIN FT	6500	\$	17.00	\$	110,500.00	\$	24.00	\$	156,000.00	\$	16.50	\$	107,250.00	\$	13.25	\$	86,125.00	\$	14.19	\$	92,235.00
37	2531.618	TRUNCATED DOMES	SQ FT	40	\$	60.00	\$	2,400.00	\$	55.00	\$	2,200.00	\$	53.00	\$	2,120.00	\$	47.00	\$	1,880.00	\$	50.53	\$	2,021.20
38	2533.503	PORTABLE PRECAST CONC BARRIER DES 8337	LIN FT	350	\$	50.00	\$	17,500.00	\$	15.00	\$	5,250.00	\$	16.50	\$	5,775.00	\$	15.00	\$	5,250.00	\$	16.13	\$	5,645.50
39	2540.601	MAILBOX MAINTENANCE	LUMP SUM	1	\$	4,000.00	\$	4,000.00	\$	4,600.00	\$	4,600.00	\$	3,000.00	\$	3,000.00	\$	4,500.00	\$	4,500.00	\$	4,837.50	\$	4,837.50
40	2563.601	TRAFFIC CONTROL	LUMP SUM	1	\$	20,000.00	\$	20,000.00	\$	6,100.00	\$	6,100.00	\$	25,000.00	\$	25,000.00	\$	4,900.00	\$	4,900.00	\$	5,267.50	\$	5,267.50
41	2563.618	CONSTRUCTION SIGN-SPECIAL	SQ FT	100	\$	30.00	\$	3,000.00	\$	20.00	\$	2,000.00	\$	22.50	\$	2,250.00	\$	21.50	\$	2,150.00	\$	23.11	\$	2,311.00
42	2564.518	SIGN PANELS TYPE C	SQ FT	70	\$	70.00	\$	4,900.00	\$	60.00	\$	4,200.00	\$	66.00	\$	4,620.00	\$	65.00	\$	4,550.00	\$	69.88	\$	4,891.60
43	2564.618	SIGN PANELS TYPE SPECIAL	SQ FT	27	\$	70.00	\$	1,890.00	\$	46.00	\$	1,242.00	\$	51.00	\$	1,377.00	\$	50.00	\$	1,350.00	\$	53.75	\$	1,451.25
44	2572.510	PRUNE TREES	HOUR	10	\$	200.00	\$	2,000.00	\$	410.00	\$	4,100.00	\$	283.00	\$	2,830.00	\$	250.00	\$	2,500.00	\$	268.75	\$	2,687.50
45	2573.501	STABILIZED CONSTRUCTION EXIT	LUMP SUM	1	\$	3,000.00	\$	3,000.00	\$	2,800.00	\$	2,800.00	\$	1,120.00	\$	1,120.00	\$	4,000.00	\$	4,000.00	\$	3,000.00	\$	3,000.00
46	2573.501	EROSION CONTROL SUPERVISOR	LUMP SUM	1	\$	10,000.00	\$	10,000.00	\$	5,100.00	\$	5,100.00	\$	9,076.00	\$	9,076.00	\$	2,969.00	\$	2,969.00	\$	20,000.00	\$	20,000.00
47	2573.502	STORM DRAIN INLET PROTECTION	EACH	35	\$	150.00	\$	5,250.00	\$	280.00	\$	9,800.00	\$	170.00	\$	5,950.00	\$	173.50	\$	6,072.50	\$	250.00	\$	8,750.00
48	2573.502	CULVERT END CONTROLS	EACH	9	\$	150.00	\$	1,350.00	\$	200.00	\$	1,800.00	\$	226.00	\$	2,034.00	\$	243.50	\$	2,191.50	\$	38.89	\$	350.01
49	2573.503	SILT FENCE; TYPE MS	LIN FT	7200	\$	2.00	\$	14,400.00	\$	1.85	\$	13,320.00	\$	1.10	\$	7,920.00	\$	0.95	\$	6,840.00	\$	3.01	\$	21,672.00
50	2573.503	FLOTATION SILT CURTAIN TYPE STILL WATER	LIN FT	300	\$	20.00	\$	6,000.00	\$	16.00	\$	4,800.00	\$	17.00	\$	5,100.00	\$	11.00	\$	3,300.00	\$	27.95	\$	8,385.00
51	2573.503	SEDIMENT CONTROL LOG TYPE COMPOST	LIN FT	1400	\$	3.00	\$	4,200.00	\$	3.10	\$	4,340.00	\$	1.10	\$	1,540.00	\$	0.95	\$	1,330.00	\$	4.30	\$	6,020.00
52	2573.601	STORMWATER MANAGEMENT ALLOWANCE	LUMP SUM	1	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00
53	2574.507	BOULEVARD TOPSOIL BORROW (LV)	CU YD	2300	\$	30.00	\$	69,000.00	\$	29.00	\$	66,700.00	\$	35.50	\$	81,650.00	\$	56.25	\$	129,375.00	\$	40.00	\$	92,000.00
54	2574.508	FERTILIZER TYPE 3	POUND	800	\$	1.00	\$	800.00	\$	0.65	\$	520.00	\$	0.70	\$	560.00	\$	0.60	\$	480.00	\$	0.70	\$	560.00
55	2574.508	FERTILIZER TYPE 4	POUND	110	\$	1.00	\$	110.00	\$	0.85	\$	93.50	\$	0.70	\$	77.00	\$	0.60	\$	66.00	\$	0.91	\$	100.10
56	2575.505	RAPID STABILIZATION METHOD 2	ACRE	0.6	\$	2,000.00	\$	1,200.00	\$	1,530.00	\$	918.00	\$	1,358.00	\$	814.80	\$	1,200.00	\$	720.00	\$	1,612.50	\$	967.50
57	2575.509	MULCH MATERIAL TYPE 1	TON	3	\$	200.00	\$	600.00	\$	460.00	\$	1,380.00	\$	453.00	\$	1,359.00	\$	400.00	\$	1,200.00	\$	483.75	\$	1,451.25
58	2575.601	RESTORATION OF STAGING AREA	LUMP SUM	1	\$	3,000.00	\$	3,000.00	\$	2,700.00	\$	2,700.00	\$	17,094.00	\$	17,094.00	\$	9,693.00	\$	9,693.00	\$	1,612.50	\$	1,612.50
59	2575.601	BOULEVARD LANDSCAPING ALLOWANCE	LUMP SUM	1	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00	\$	10,000.00
60	2575.604	EROSION STABILIZATION MAT- ENKAMAT	SQ YD	600	\$	50.00	\$	30,000.00	\$	14.00	\$	8,400.00	\$	13.50	\$	8,100.00	\$	12.00	\$	7,200.00	\$	15.05	\$	9,030.00
61	2575.605	SEED MIXTURE 25-151	ACRE	2.5	\$	1,000.00	\$	2,500.00	\$	780.00	\$	1,950.00	\$	1,358.00	\$	3,395.00	\$	1,200.00	\$	3,000.00	\$	817.00	\$	2,042.50
62	2575.605	SEED MIXTURE 33-261	ACRE	0.3	\$	2,200.00	\$	660.00	\$	1,055.70	\$	316.71	\$	2,489.00	\$	746.70	\$	2,200.00	\$	660.00	\$	1,112.63	\$	333.79
63	2575.608	HYDRAULIC SOIL STABILIZER, TYPE SPECIAL	POUND	9000	\$	2.50	\$	22,500.00	\$	1.55	\$	13,950.00	\$	1.00	\$	9,000.00	\$	0.90	\$	8,100.00	\$	1.61	\$	14,490.00
Schedule A Subtotal:					\$	1,469,250.00		\$		1,599,839.61		\$		1,718,600.90		\$		1,806,947.30		\$		1,802,488.48		

TABULATION																	
Contract: Owner: Project:			CP 2016-09G CITY OF INVER GROVE HEIGHTS 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS				ENGINEER'S ESTIMATE			S.M. HENTGES & SONS		BITUMINOUS ROADWAY		MEYER CONTRACTING		NORTHDAL E CONSTRUCTION CO	
KHA Job No:			160509037														
Schedule: Description:			B CP 2016-09G STORM SEWER IMPROVEMENTS														
Item No.	Mn/DOT No.	Item Description	Unit	Contract Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	
1	2104.502	REMOVE MANHOLE OR CATCH BASIN	EACH	5	\$ 450.00	\$ 2,250.00	\$ 390.00	\$ 1,950.00	\$ 593.00	\$ 2,965.00	\$ 325.00	\$ 1,625.00	\$ 450.00	\$ 2,250.00			
2	2104.503	REMOVE SEWER PIPE (STORM)	LIN FT	190	\$ 15.00	\$ 2,850.00	\$ 13.00	\$ 2,470.00	\$ 9.50	\$ 1,805.00	\$ 15.25	\$ 2,897.50	\$ 12.50	\$ 2,375.00			
3	2501.602	15" RC PIPE APRON AND TRASH GUARD	EACH	2	\$ 1,000.00	\$ 2,000.00	\$ 1,400.00	\$ 2,800.00	\$ 1,482.00	\$ 2,964.00	\$ 1,614.00	\$ 3,228.00	\$ 1,324.50	\$ 2,649.00			
4	2501.602	18" RC PIPE APRON AND TRASH GUARD	EACH	1	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,897.00	\$ 1,897.00	\$ 1,728.00	\$ 1,728.00	\$ 1,451.35	\$ 1,451.35			
5	2501.602	24" RC PIPE APRON AND TRASH GUARD	EACH	2	\$ 2,000.00	\$ 4,000.00	\$ 1,800.00	\$ 3,600.00	\$ 2,354.00	\$ 4,708.00	\$ 2,093.00	\$ 4,186.00	\$ 1,856.65	\$ 3,713.30			
6	2503.503	4" PVC PIPE SEWER SDR 35	LIN FT	15	\$ 30.00	\$ 450.00	\$ 60.00	\$ 900.00	\$ 31.00	\$ 465.00	\$ 47.75	\$ 716.25	\$ 39.61	\$ 594.15			
7	2503.503	12" RC PIPE SEWER DES 3006 CL V	LIN FT	9	\$ 45.00	\$ 405.00	\$ 130.00	\$ 1,170.00	\$ 55.50	\$ 499.50	\$ 77.50	\$ 697.50	\$ 57.22	\$ 514.98			
8	2503.503	15" RC PIPE SEWER DES 3006 CL V	LIN FT	1377	\$ 45.00	\$ 61,965.00	\$ 59.00	\$ 81,243.00	\$ 58.00	\$ 79,866.00	\$ 62.25	\$ 85,718.25	\$ 57.68	\$ 79,425.36			
9	2503.503	18" RC PIPE SEWER DES 3006 CL V	LIN FT	138	\$ 55.00	\$ 7,590.00	\$ 63.00	\$ 8,694.00	\$ 60.50	\$ 8,349.00	\$ 68.75	\$ 9,487.50	\$ 64.02	\$ 8,834.76			
10	2503.503	24" RC PIPE SEWER DES 3006 CL III	LIN FT	72	\$ 70.00	\$ 5,040.00	\$ 100.00	\$ 7,200.00	\$ 73.50	\$ 5,292.00	\$ 85.00	\$ 6,120.00	\$ 78.47	\$ 5,649.84			
11	2503.602	CONNECT TO EXISTING STORM SEWER	EACH	5	\$ 1,000.00	\$ 5,000.00	\$ 1,100.00	\$ 5,500.00	\$ 652.00	\$ 3,260.00	\$ 1,786.00	\$ 8,930.00	\$ 1,768.76	\$ 8,843.80			
12	2506.502	CONST DRAINAGE STRUCTURE DES 2' X 3' CB	EACH	7	\$ 3,500.00	\$ 24,500.00	\$ 2,600.00	\$ 18,200.00	\$ 2,134.00	\$ 14,938.00	\$ 3,181.00	\$ 22,267.00	\$ 2,913.63	\$ 20,395.41			
13	2506.502	CONST DRAINAGE STRUCTURE DESIGN G	EACH	3	\$ 3,500.00	\$ 10,500.00	\$ 2,800.00	\$ 8,400.00	\$ 2,668.00	\$ 8,004.00	\$ 3,018.00	\$ 9,054.00	\$ 3,300.63	\$ 9,901.89			
14	2506.502	CONST DRAINAGE STRUCTURE DES 48-4020	EACH	23	\$ 4,500.00	\$ 103,500.00	\$ 3,200.00	\$ 73,600.00	\$ 2,668.00	\$ 61,364.00	\$ 3,684.00	\$ 84,732.00	\$ 3,558.63	\$ 81,848.49			
15	2506.502	CONST DRAINAGE STRUCTURE DES 60-4020	EACH	1	\$ 5,000.00	\$ 5,000.00	\$ 4,600.00	\$ 4,600.00	\$ 4,328.00	\$ 4,328.00	\$ 6,623.00	\$ 6,623.00	\$ 5,483.00	\$ 5,483.00			
16	2506.602	CONSTRUCT DRAINAGE STRUCTURE SUMP BASKET	EACH	1	\$ 1,000.00	\$ 1,000.00	\$ 2,600.00	\$ 2,600.00	\$ 866.00	\$ 866.00	\$ 2,842.00	\$ 2,842.00	\$ 2,328.54	\$ 2,328.54			
17	2506.602	TREATMENT MANHOLE #1	EACH	2	\$ 12,000.00	\$ 24,000.00	\$ 14,200.00	\$ 28,400.00	\$ 21,652.00	\$ 43,304.00	\$ 16,742.00	\$ 33,484.00	\$ 20,250.00	\$ 40,500.00			
18	2511.504	GEOTEXTILE FILTER TYPE 4	SQ YD	72.5	\$ 5.00	\$ 362.50	\$ 7.30	\$ 529.25	\$ 3.60	\$ 261.00	\$ 5.60	\$ 406.00	\$ 5.00	\$ 362.50			
19	2511.507	RANDOM RIPRAP CLASS IV	CU YD	23.9	\$ 80.00	\$ 1,912.00	\$ 120.00	\$ 2,868.00	\$ 113.00	\$ 2,700.70	\$ 192.50	\$ 4,600.75	\$ 150.00	\$ 3,585.00			
20	2506.602	TREATMENT MANHOLE #2	EACH	1	\$ 15,000.00	\$ 15,000.00	\$ 12,600.00	\$ 12,600.00	\$ 26,270.00	\$ 26,270.00	\$ 22,010.00	\$ 22,010.00	\$ 24,227.50	\$ 24,227.50			
Schedule B Subtotal:						\$ 278,824.50	\$ 268,824.25		\$ 274,106.20		\$ 311,352.75		\$ 304,933.87				
Schedule: Description:			C CP 2016-09G WATERMAIN IMPROVEMENTS														
Item No.	Mn/DOT No.	Item Description	Unit	Contract Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	
1	2104.502	SALVAGE HYDRANT & VALVE	EACH	9	\$ 1,000.00	\$ 9,000.00	\$ 430.00	\$ 3,870.00	\$ 711.00	\$ 6,399.00	\$ 536.00	\$ 4,824.00	\$ 1,500.01	\$ 13,500.09			
2	2104.503	REMOVE WATER MAIN	LIN FT	135	\$ 15.00	\$ 2,025.00	\$ 11.00	\$ 1,485.00	\$ 14.00	\$ 1,890.00	\$ 14.25	\$ 1,923.75	\$ 10.00	\$ 1,350.00			
3	2104.602	REMOVE WATER SERVICE	EACH	7	\$ 1,000.00	\$ 7,000.00	\$ 300.00	\$ 2,100.00	\$ 296.00	\$ 2,072.00	\$ 397.00	\$ 2,779.00	\$ 1,187.50	\$ 8,312.50			
4	2211.609	CRUSHED ROCK PIPE BEDDING	TON	50	\$ 50.00	\$ 2,500.00	\$ 17.00	\$ 850.00	\$ 66.50	\$ 3,325.00	\$ 71.25	\$ 3,562.50	\$ 35.00	\$ 1,750.00			
5	2504.602	WATERMAIN OFFSET	EACH	2	\$ 6,000.00	\$ 12,000.00	\$ 2,800.00	\$ 5,600.00	\$ 6,937.00	\$ 13,874.00	\$ 4,769.00	\$ 9,538.00	\$ 4,779.17	\$ 9,558.34			
6	2504.602	CONNECT TO EXISTING WATER SERVICE	EACH	7	\$ 1,500.00	\$ 10,500.00	\$ 270.00	\$ 1,890.00	\$ 356.00	\$ 2,492.00	\$ 461.00	\$ 3,227.00	\$ 688.13	\$ 4,816.91			
7	2504.602	0.75" CORPORATION STOP	EACH	6	\$ 300.00	\$ 1,800.00	\$ 270.00	\$ 1,620.00	\$ 652.00	\$ 3,912.00	\$ 926.50	\$ 5,559.00	\$ 305.90	\$ 1,835.40			
8	2504.602	ADJUST CURB STOP	EACH	5	\$ 200.00	\$ 1,000.00	\$ 1,800.00	\$ 9,000.00	\$ 221.00	\$ 1,105.00	\$ 76.25	\$ 381.25	\$ 250.00	\$ 1,250.00			
9	2504.602	0.75" CURB STOP & BOX	EACH	6	\$ 600.00	\$ 3,600.00	\$ 580.00	\$ 3,480.00	\$ 771.00	\$ 4,626.00	\$ 675.00	\$ 4,050.00	\$ 390.83	\$ 2,344.99			

TABULATION																																	
Contract: Owner: Project:		CP 2016-09G CITY OF INVER GROVE HEIGHTS 60TH STREET , 62ND STREET AND BACON AVENUE IMPROVEMENTS					ENGINEER'S ESTIMATE				S.M. HENTGES & SONS				BITUMINOUS ROADWAY				MEYER CONTRACTING				NORTHDALE CONSTRUCTION CO										
KHA Job No:		160509037																															
10	2504.602	HYDRANT & GATE VALVE			EACH	9	\$	8,000.00	\$	72,000.00	\$	6,000.00	\$	54,000.00	\$	8,703.00	\$	78,327.00	\$	8,311.00	\$	74,799.00	\$	7,750.00	\$	69,750.00							
11	2504.603	3/4" TYPE K COPPER PIPE			LIN FT	420	\$	40.00	\$	16,800.00	\$	31.00	\$	13,020.00	\$	52.00	\$	21,840.00	\$	46.75	\$	19,635.00	\$	40.98	\$	17,211.60							
12	2504.603	REMOVE AND REPLACE GATE VALVE BOX			EACH	6	\$	750.00	\$	4,500.00	\$	1,200.00	\$	7,200.00	\$	1,067.00	\$	6,402.00	\$	937.00	\$	5,622.00	\$	1,532.58	\$	9,195.48							
13	2504.603	REMOVE AND REPLACE GATE VALVE BOLTS			EACH	6	\$	2,000.00	\$	12,000.00	\$	2,600.00	\$	15,600.00	\$	2,490.00	\$	14,940.00	\$	2,864.00	\$	17,184.00	\$	2,536.25	\$	15,217.50							
14	2504.604	4" POLYSTYRENE INSULATION			SQ YD	250	\$	30.00	\$	7,500.00	\$	32.00	\$	8,000.00	\$	47.50	\$	11,875.00	\$	56.75	\$	14,187.50	\$	57.25	\$	14,312.50							
Schedule C Subtotal:								\$	162,225.00					\$	127,715.00					\$	173,079.00					\$	167,272.00					\$	170,405.30
Schedule: Description:		D CP 2016-09G SANITARY SEWER IMPROVEMENTS																															
Item No.	Mn/DOT No.	Item Description			Unit	Contract Quantity	Unit Price		Amount		Unit Price		Amount		Unit Price		Amount		Unit Price		Amount		Unit Price		Amount								
1	2104.502	REMOVE MANHOLE OR CATCH BASIN			EACH	2	\$	450.00	\$	900.00	\$	430.00	\$	860.00	\$	593.00	\$	1,186.00	\$	433.00	\$	866.00	\$	500.00	\$	1,000.00							
2	2104.502	SALVAGE CASTING			EACH	10	\$	150.00	\$	1,500.00	\$	85.00	\$	850.00	\$	108.00	\$	1,080.00	\$	63.50	\$	635.00	\$	250.00	\$	2,500.00							
3	2104.503	REMOVE SEWER PIPE (SANITARY)			LIN FT	350	\$	15.00	\$	5,250.00	\$	7.50	\$	2,625.00	\$	23.50	\$	8,225.00	\$	8.00	\$	2,800.00	\$	10.00	\$	3,500.00							
4	2104.602	REMOVE SEWER SERVICE			EACH	9	\$	1,000.00	\$	9,000.00	\$	300.00	\$	2,700.00	\$	119.00	\$	1,071.00	\$	229.00	\$	2,061.00	\$	1,187.50	\$	10,687.50							
5	2503.503	12" PVC PIPE SEWER SDR 35			LIN FT	350	\$	60.00	\$	21,000.00	\$	46.00	\$	16,100.00	\$	95.00	\$	33,250.00	\$	62.50	\$	21,875.00	\$	51.27	\$	17,944.50							
6	2503.602	CONNECT TO EXISTING SANITARY SEWER			EACH	2	\$	1,500.00	\$	3,000.00	\$	1,100.00	\$	2,200.00	\$	2,917.00	\$	5,834.00	\$	1,808.00	\$	3,616.00	\$	2,536.25	\$	5,072.50							
7	2503.602	LOCATE SANITARY SEWER SERVICE			EACH	4	\$	600.00	\$	2,400.00	\$	430.00	\$	1,720.00	\$	711.00	\$	2,844.00	\$	868.50	\$	3,474.00	\$	1,187.50	\$	4,750.00							
8	2503.602	SANITARY SEWER SERVICE REPLACEMENT			EACH	9	\$	2,000.00	\$	18,000.00	\$	2,100.00	\$	18,900.00	\$	1,719.00	\$	15,471.00	\$	2,011.00	\$	18,099.00	\$	1,725.00	\$	15,525.00							
9	2503.602	SANITARY SEWER UMBRELLAS			EACH	12	\$	400.00	\$	4,800.00	\$	450.00	\$	5,400.00	\$	314.00	\$	3,768.00	\$	479.00	\$	5,748.00	\$	422.50	\$	5,070.00							
10	2503.602	FURNISH AND INSTALL EXTERNAL MANHOLE CHIMNEY SEAL			EACH	12	\$	500.00	\$	6,000.00	\$	630.00	\$	7,560.00	\$	265.00	\$	3,180.00	\$	317.50	\$	3,810.00	\$	418.75	\$	5,025.00							
11	2503.603	RECONSTRUCT SANITARY MANHOLE			EACH	6	\$	1,500.00	\$	9,000.00	\$	2,100.00	\$	12,600.00	\$	1,707.00	\$	10,242.00	\$	1,555.00	\$	9,330.00	\$	2,306.26	\$	13,837.56							
12	2506.502	ADJUST FRAME & RING CASTING			EACH	4	\$	500.00	\$	2,000.00	\$	320.00	\$	1,280.00	\$	661.00	\$	2,644.00	\$	603.00	\$	2,412.00	\$	727.88	\$	2,911.52							
13	2506.602	SANITARY SEWER MANHOLE			EACH	3	\$	4,500.00	\$	13,500.00	\$	3,800.00	\$	11,400.00	\$	5,887.00	\$	17,661.00	\$	5,416.00	\$	16,248.00	\$	4,295.01	\$	12,885.03							
Schedule D Subtotal:								\$	96,350.00					\$	84,195.00					\$	106,456.00					\$	90,974.00					\$	100,708.61
BID SUMMARY Contract: Owner: Project:		CP 2016-09G CITY OF INVER GROVE HEIGHTS 60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS																															
Schedule		Description					Amount				Amount				Amount				Amount				Amount										
A		CP 2016-09G STREET IMPROVEMENTS					\$		1,469,250.00		\$		1,599,839.61		\$		1,718,600.90		\$		1,806,947.30		\$		1,802,488.48								
B		CP 2016-09G STORM SEWER IMPROVEMENTS					\$		278,824.50		\$		268,824.25		\$		274,106.20		\$		311,352.75		\$		304,933.87								
C		CP 2016-09G WATERMAIN IMPROVEMENTS					\$		162,225.00		\$		127,715.00		\$		173,079.00		\$		167,272.00		\$		170,405.30								
D		CP 2016-09G SANITARY SEWER IMPROVEMENTS					\$		96,350.00		\$		84,195.00		\$		106,456.00		\$		90,974.00		\$		100,708.61								
Total Base Bid								\$	2,006,649.50					\$	2,080,573.86					\$	2,272,242.10					\$	2,376,546.05					\$	2,378,536.26



March 31, 2020

City of Inver Grove Heights
8150 Barbara Avenue
Inver Grove Heights, MN 55077

Attn: Mr. Steve Dodge
sdodge@invergroveheights.org

RE: Construction Testing Services Proposal
60th St E, 62nd St E, & Bacon Ave E Improvements
Inver Grove Heights, Minnesota
City Project No. 2016-09G
AET Proposal No. 20-22466

Dear Mr. Dodge:

American Engineering Testing, Inc. (AET) is pleased to offer construction testing services to the City of Inver Grove Heights for the referenced project. This proposal has been prepared in response to your request dated March 13, 2020 and describes our understanding of the project, our anticipated scope of services, our unit rates, and an estimated total fee to perform these services.

PROJECT INFORMATION

We understand the City of Inver Grove Heights will make improvements to the following:

- 60th St E between Babcock Tr & Bacon Ave E.
- Bacon Ave E from the north cul-de-sac to 62nd Ave E.
- 62nd St E between Bacon Ave E and the east cul-de-sac.

The above streets will undergo full reconstruction including bituminous pavement removal, grading, drainage, storm sewer, water and hydrant replacements, driveway replacement, new bituminous pavement, and turf establishment. The typical new bituminous pavement section consists of 2 inches of bituminous wear course, 2 inches of bituminous non-wear course, 6 inches of aggregate base, 24 inches of select granular (with drain tile) and MnDOT type 5 fabric over the existing subgrade.

A temporary residential access road will be constructed at the location of an existing trail from Beckman Ave to the east, then north to the 62nd St E cul-de-sac.

AVAILABLE BID INFORMATION

Project documents provided to assist us in preparing this proposal included the following:

- Project Bid Set Documents, dated January 13, 2020.

SCOPE OF SERVICES

Based on correspondence with Mr. Luke Moren, PE with Kimley-Horn and our review of the available plans and specifications, our anticipated scope of services is outlined as follows.

Excavation Observations and Soil Testing

During excavation for the street reconstruction, a Staff Engineer from our firm will visit the site on a will-call basis to perform the following services, if requested:

- Observe the soils in the bottoms of the excavations completed at that time.
- Perform shallow hand auger borings in the excavations.
- Perform hand cone penetrometer (HCP) probes in the excavations.
- Evaluate the suitability of the soils present in the excavations to support the anticipated fill, and pavement loads.
- Document the elevations at various locations at the bottoms of the excavations.

During placement of fill in the roadway and utility trench excavations, an experienced Engineering Technician will visit the site on a will-call basis to test the compaction of the fill. The technician will perform the following services:

- In-place field density tests to evaluate the compaction of the fill soils using the nuclear density gauge or sand cone method.
- Standard Proctor tests for each different type of fill encountered at the test locations.
- Obtain samples of sand fill and/or aggregate base materials for sieve analysis tests.

Concrete Testing

Personnel from AET will perform testing of concrete on a will-call basis when requested by the contractor. These services will be performed by experienced, ACI certified Engineering Technicians at the frequencies required by the project specifications. Document that the correct mix is delivered to the site by checking the delivery slips.

- Test the slump of the plastic concrete delivered to the site.
- Test the air content of the plastic concrete delivered to the site.
- Measure the temperature of the plastic concrete delivered to the site.
- Compare the test results to the requirements of the project specifications.

Any discrepancies from the project specifications will be brought to the attention of the contractor and/or their subcontractor. Daily field reports of our observations and testing will be available to the contractor and other authorized personnel at the site.

During placement of the concrete, our Engineering Technicians will also cast test cylinders for compressive strength testing. We anticipate casting set of cylinders for every 100 cubic yards (or fraction thereof) of each type of concrete placed each day. Each set will consist of four cylinders; one which will be tested after 7 days and two which will be tested after 28 days. The fourth cylinder will be held in reserve for future testing, if required. AET will also pick up the cylinders from the site and return them to our laboratory for moist curing and testing. The results of our compressive strength tests will be presented periodically, as they become available.

Bituminous Subgrade Test-Roll Observations and Testing

During or after final grading of the pavement subgrade soils, AET personnel will observe test-rolling of the pavement subgrade soils. These observations will be performed by a Staff Engineer on a will-call basis. Our scope of services will include the following:

- Observe the reaction/stability of the pavement subgrade soils as they are test-rolled by a loaded, tandem-axle dump truck.
- Evaluate the subgrade deflections under the wheel loads, and mark areas of excessive deflection. Areas of excessive deflection will be shown to personnel from the contractor and/or their subcontractors.
- Provide recommendations for correction of the unstable subgrade soils.

After placement of the Class 5 aggregate base, an Engineering Technician from our firm will test the compaction of these materials by performing DCP testing.

Bituminous Testing

When placement of the bituminous base and wear layers begins, an experienced Engineering Technician II will make site visits on a will-call basis to observe the placement and rolling of the bituminous layers and to perform testing of the bituminous. The technician will perform the following services:

- Measure the temperature of the bituminous as it is placed and while it is being rolled.
- Measure the thickness of the bituminous layer while it is being rolled.
- Help to establish a rolling pattern each day by observing the number of passes the roller makes over the bituminous, and measuring the density of the bituminous during the rolling to evaluate how many passes are needed to reach the maximum density.
- Obtain samples of the bituminous for laboratory testing.

The samples retrieved from the site will be tested in our laboratory for MnDOT Gyratory properties, including:

- Gyratory density, Rice specific gravity, Asphalt Film Thickness (AFT), Coarse Aggregate Angularity (CAA), and Fine Aggregate Angularity (FAA).
- Asphalt extraction and aggregate gradation.

After the completion of the paving, we will remove cores from the finished surface (when all layers are completed) or pick-up contractor drilled core samples for testing. Based on the size of the street reconstruction, we recommend a minimum of 4 core samples be taken. After the cores are removed, they will be returned to our laboratory for testing. This testing will include the following:

- Measure the thickness of each layer of the core sample.
- Determine the density of each layer of the core sample.
- Determine the percentage of the maximum Gmm of each layer of the core sample.

REPORTING

Reports presenting the results of our observations and testing services will be provided periodically during the various phases of construction. At the completion of construction, we will issue a final report summarizing the results of all observations and testing services, if requested.

ESTIMATED FEES

Our services will be provided on a unit cost basis according to the unit rates provided in the attached Fee Schedule tabulation. Our monthly invoices will be determined by multiplying the number of personnel hours or tests by their respective unit rates. We have also estimated a total cost which we anticipate will be required to complete the previously described observations and testing services. This estimated total cost is based on our correspondence with Mr. Moren and our past experience with similar projects. Our estimated total cost will be \$18,249. We refer you to the attached Fee Schedule for an itemization of how we arrived at this estimated cost.

We caution that this is only an estimated cost. Often, variations in the overall cost of the services occur due to reasons beyond our control, such as construction change orders, weather delays, changes in the contractor's schedule, unforeseen conditions or retesting of services. These variations will affect the actual invoice totals, either increasing or decreasing our total costs for the project from those estimated in this proposal. If more time or tests are required, additional fees may be needed to complete the project testing services. If less time or tests are needed, a cost savings will be realized. We will not, however, exceed the estimated total cost for the project without first obtaining your authorization.

TERMS AND CONDITIONS

All AET Services are provided subject to the Terms and Conditions set forth in the enclosed Construction Service Agreement—Terms and Conditions, which, upon acceptance of this proposal, are binding upon you as the Client requesting Services, and your successors, assignees, joint venturers and third-party beneficiaries. Please be advised that additional insured status is granted only upon written acceptance of the proposal.

ACCEPTANCE

AET requests written acceptance of this proposal in the Proposal Acceptance box below, but the following actions shall constitute your acceptance of this proposal together with the Terms and Conditions: 1) issuing an authorizing purchase order for any of the Services described in this proposal, 2) authorizing AET's presence on site, or 3) written or electronic notification for AET to proceed with any of the Services described in this proposal. Please indicate your acceptance of this proposal by signing below and returning a copy to us. When you accept this proposal, you represent that you are authorized to accept on behalf of the Client.

City of Inver Grove Heights- 60th St E, 62nd St E, & Bacon Ave E Improvements; Inver Grove Heights, Minnesota
AET Proposal No. 20-22466
March 31, 2020
Page 6 of 6

GENERAL REMARKS

AET appreciates the opportunity to provide this service for you and looks forward to working with you on this project. If you have any questions or need additional information, please contact me.

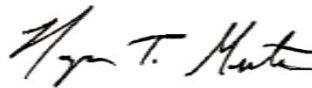
Sincerely,
American Engineering Testing, Inc.

Prepared By:



Ryan F. Schmidt, PE
Senior Engineer
Phone: (651) 789-4657
Email: rschmidt@amengtest.com

Reviewed By:



Ryan T. Menter, PE
Senior Engineer

Attachments: Fee Schedule Tabulation
Construction Service Agreement – Terms and Conditions
W9
Certificate of Insurance

AET PROPOSAL No. 20-22466 ACCEPTANCE AND AUTHORIZATION

Signature _____ Date _____

Typed/Printed Name: _____

Company: _____

**FEE SCHEDULE
PROJECT TESTING SERVICES
60TH ST E, 62ND ST E, & BACON AVE E IMPROVEMENTS
INVER GROVE HEIGHTS, MINNESOTA
AET PROPOSAL NO. 20-22466**



SERVICE DESCRIPTION	PROJECT BUDGET		
	ESTIMATED UNITS	UNIT RATE	BUDGET AMOUNT
<i>Excavation Observations and Compaction Testing</i>			
1. Staff Engineer I for observations of excavations and subgrade test rolls, consultation, and reporting (services provided on a will-call basis - assumes 5 trips to the jobsite).	15 hours	\$132.00	\$1,980.00
2. Engineering Technician II time for soil/aggregate base compaction testing (services provided on a will-call basis - assumes 20 trips to the jobsite).	40 hours	\$90.00	\$3,600.00
3. Personal or Company vehicle mileage.	700 miles	\$0.75	\$525.00
4. Soil compaction tests (nuclear density gauge).	50 tests	\$30.00	\$1,500.00
5. MnDOT DCP tests of aggregate base.	10 tests	\$50.00	\$500.00
6. Standard Proctor tests (Methods A or B).	4 tests	\$140.00	\$560.00
7. Sieve tests of granular fill and Class 5 aggregate base.	8 tests	\$110.00	\$880.00
8. Extraction to determine oil content of reclaimed aggregate base.	4 tests	\$225.00	\$900.00
<i>Concrete Testing</i>			
1. Engineering Technician I for testing of concrete only - NO OBSERVATIONS OF REINFORCING STEEL (services provided on a will-call basis - assumes 5 trips to the jobsite).	15 hours	\$77.00	\$1,155.00
2. Personal or Company vehicle mileage.	140 miles	\$0.75	\$105.00
3. Curing, handling and compressive strength testing of 4" x 8" or 6" x 12" concrete test cylinders (includes handling of non-tested cylinders).	20 cyls.	\$28.00	\$560.00
4. Concrete cylinder pick-up service from jobsite.	5 trips	\$75.00	\$375.00
<i>Bituminous Testing</i>			
1. Engineering Technician II for observations of bituminous placement, establishing roll pattern, thickness and density testing, and obtaining samples for laboratory testing (services provided on a will-call basis - assumes 4 trips to the jobsite).	10 hours	\$90.00	\$900.00
2. Personal or Company vehicle mileage.	112 miles	\$0.75	\$84.00
3. Removal of cores from finished bituminous surface (includes all personnel, equipment rental and patching materials).	4 cores	\$175.00	\$700.00
4. Thickness and density tests of bituminous core samples.	8 tests	\$50.00	\$400.00
5. MnDOT Gyratory properties of bituminous; including Asphalt Extraction and Aggregate Gradation tests, Rice Specific Gravity test, and Gyratory Density test.	3 tests	\$500.00	\$1,500.00
<i>Project Management & Coordination</i>			
1. Staff Engineer II/Project Manager for coordination of AET personnel and activities, attending meetings (if requested), consultation, and report preparation.	12 hours	\$152.00	\$1,824.00
2. Principal Engineer for special consultation and report review.	1 hour	\$180.00	\$180.00
3. Personal or Company vehicle mileage.	28 miles	\$0.75	\$21.00
ESTIMATED BUDGET			\$18,249.00

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Approving Land Acquisition Agreements related to City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve W. Dodge, Assistant City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

Fiscal/FTE Impact:

☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other: Pavement Management Fund, Franchise Fee Funds, Special Assessments, Water Fund, Sewer Fund and DCSWCD Grant

PURPOSE/ACTION REQUESTED

Consider resolution approving land acquisition agreements related to City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

SUMMARY

Staff and consultant have worked with residents on the necessary agreements for City Project 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements as listed:

1912 60th Street (Anthony Bordsen & Kristin Keppers-Bordsen)

- Temporary Construction, Slope, and Grading Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

6013 Bacon Avenue (Jonathan & Donna Harley)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement
- Agreement Relating to Landowner Improvements Within City Easement

6070 Bacon Avenue (John & Mary Lee Sturner)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

6098 Bacon Avenue (Richard & Kimberly Rinehart)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

6125 Bacon Avenue (Anders & Julie Petersen)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

LAND ACQUISITION COSTS TABLE

Address	Name	Temporary Easement Costs	Permanent Easement Costs	Total
1912 60 th Street	Bordsen	\$950	\$0	\$950
6013 Bacon Avenue	Harley	\$1,000	\$1,100	\$2,100
6070 Bacon Avenue	Sturner	\$1,400	\$200	\$1,600
6098 Bacon Avenue	Rinehart	\$1,100	\$400	\$1,500
6125 Bacon Avenue	Petersen	\$100	\$800	\$900

The homeowners have signed the agreements. The total land acquisition costs are \$7,050. The City will submit payment for the easements per the agreements.

Staff recommends approval of the resolution approving permanent easement, temporary easement, assessment waiver and encroachment agreements for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

SWD/kf

Attachments: Resolution
Temporary Easement Agreements (5)
Permanent Easement Agreeemnts (4)
Encroachment Agreement (1)
Assessment Waiver Agreements (5)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION APPROVING PERMANENT AND TEMPORARY EASEMENTS AGREEMENTS AND
ASSESSMENT AGREEMENT FOR CITY PROJECT NO. 2016-09G – 60TH STREET, 62ND STREET AND
BACON AVENUE IMPROVEMENTS
RESOLUTION NO. 2020-111**

WHEREAS, City Project No. 2016-09G was ordered on November 25, 2019 and the assessment hearing for the project was held on April 27, 2020; and

WHEREAS, certain temporary easements, permanent easements and an encroachment agreement were required for grading and construction of the proposed improvements for City Project No. 2016-09G.

WHEREAS, said easements have been executed by the property owners and payment amounts for each easement is addressed in the agreements.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA:

1. The following agreements are hereby approved by Mayor and Council:

1912 60th Street (Anthony Bordsen & Kristin Keppers-Bordsen)

- Temporary Construction, Slope, and Grading Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

6013 Bacon Avenue (Jonathan & Donna Harley)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement
- Agreement Relating to Landowner Improvements Within City Easement

6070 Bacon Avenue (John & Mary Lee Sturner)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

6098 Bacon Avenue (Richard & Kimberly Rinehart)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

6125 Bacon Avenue (Anders & Julie Petersen)

- Temporary Construction, Slope, and Grading Easement
- Permanent Drainage and Stormwater Facilities Easement
- Easement Conveyance and Assessment Appeal Waiver Agreement

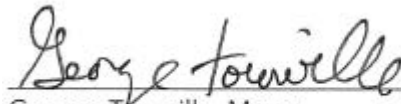
2. Agreements in the amount of \$7,050 shall be funded through the pavement management fund, franchise fee fund, and special assessments for City Project No. 2016-09G.

Adopted by the City Council of Inver Grove Heights this 8th day of June 2020.

ATTEST:



Rebecca Kiernan, City Clerk


George Tourville, Mayor

TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT
FOR PROPERTY AT 1912 - 60TH STREET,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA

THIS TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT AGREEMENT (Temporary Easement) is made, entered into and effective this 8th day of June, 2020, by and between the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as “City” and Anthony S. Bordsen and Kirstin Keppers-Bordsen, husband and wife, hereinafter referred to as “Landowner”.

WITNESSETH:

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$950.00, the receipt and sufficiency of which is hereby acknowledged, Landowner does hereby grant and convey to the City, its successors and assigns, temporary easements for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction purposes over, across, under, through and upon certain land located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

A temporary easement for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction over, across, under, through and upon those areas depicted on the attached **Exhibit A (hereafter “Temporary Easement Areas”)** which exhibit is hereby incorporated by reference.

EXEMPT FROM STATE DEED TAX

The rights of the City under this Temporary Easement include the right of the City, its contractors, agents and servants to enter upon the Temporary Easement Areas at all reasonable times to grade, slope, recontour, fill and excavate the Temporary Easement Areas for purposes related to the construction and to remove from the Temporary Easement Areas trees, brush, herbage, vegetation, undergrowth and other obstructions and to deposit earthen materials in and upon the Temporary Easement Areas.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants which may have existed on, or which relate to, the Temporary Easement Areas prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby covenant with the City, its successors and assigns, that Landowner is well seized in fee of the Temporary Easement Areas and has good right to grant and convey this Temporary Easement to the City.

This Temporary Easement shall expire upon the occurrence of either of the following events or dates, whichever occurs last:

- a. One (1) year after substantial completion of City Project No. 2016-09G (60th Street, 62nd Street and Bacon Avenue Improvements); or
- b. December 31, 2022.

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IN TESTIMONY WHEREOF, the Landowner and City have executed this Temporary Easement as of the day and year first above written.

LANDOWNER:

Anthony S. Bordsen

Kirstin Keppers-Bordsen

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Anthony S. Bordsen and Kirstin Keppers-Bordsen, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

George Tourville
By: _____
George Tourville
Its: Mayor

ATTEST: *Rebecca Kiernan*

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

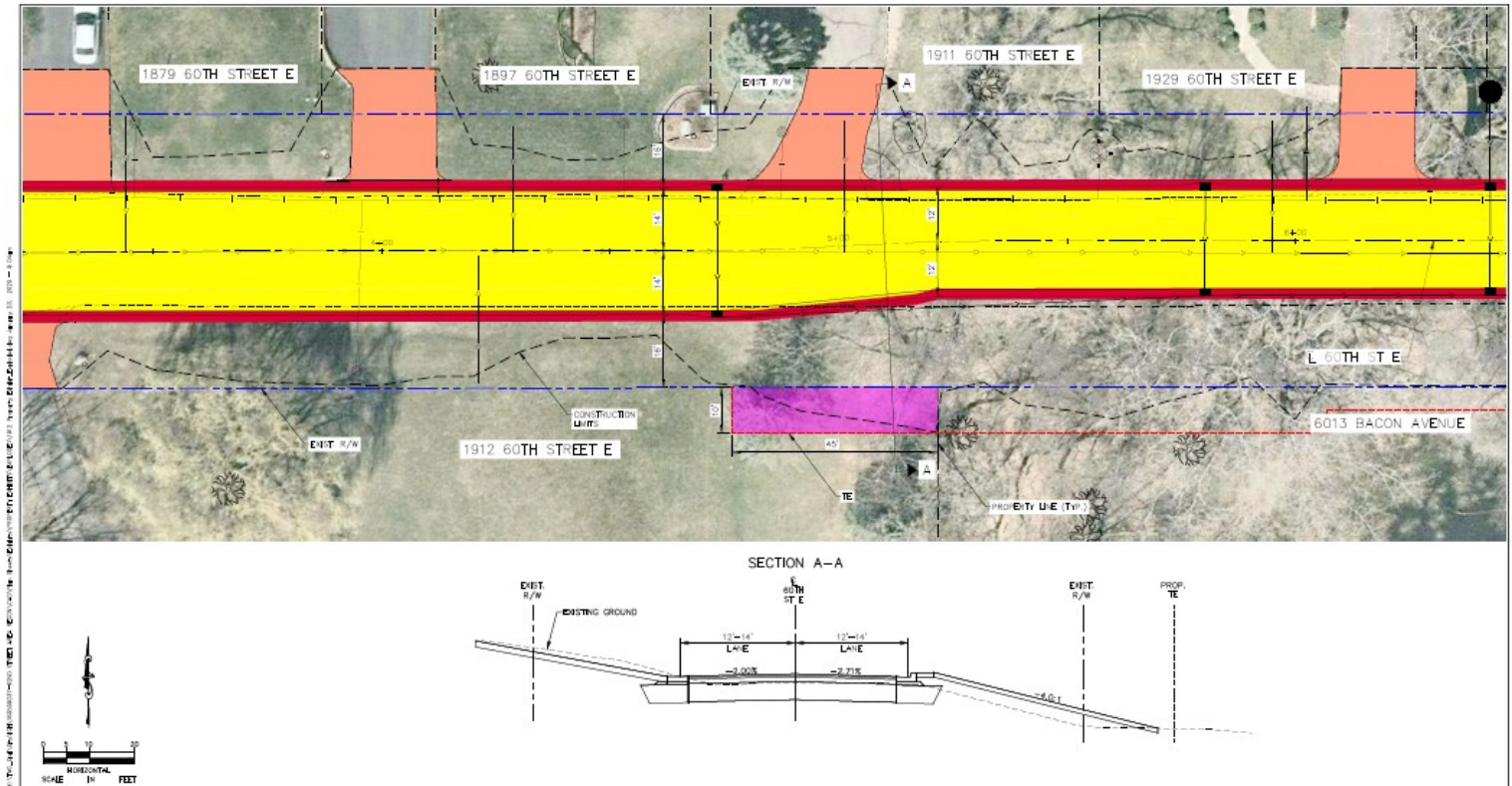
On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A **DEPICTION OF TEMPORARY EASEMENT AREAS**



City of
Inver Grove Heights
8150 BARBARA AVENUE
INVER GROVE HEIGHTS, MN 55077-3412

Kimley»Horn

7837 60TH STREET, SUITE 100, ST. PAUL, MN 55114
TEL: 612-241-1100
WWW.KIMLEY-HORN.COM

LEGEND

- ROADWAY PAVEMENT
- DRIVEWAY PAVEMENT
- CONCRETE CURB AND GUTTER
- TEMPORARY EASEMENT = 450 SF

1912 60TH STREET EAST PROPERTY EXHIBIT

60TH STREET, 62ND STREET AND
BACON AVENUE IMPROVEMENTS

CITY PROJECT 2016-09G

TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT
FOR PROPERTY AT 6013 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA

THIS TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT AGREEMENT (Temporary Easement) is made, entered into and effective this 8th day of June, 2020, by and between the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as “City” and Jonathan K. Harley and Donna M. Harley, husband and wife, hereinafter referred to as “Landowner”.

WITNESSETH:

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$1,000.00, the receipt and sufficiency of which is hereby acknowledged, Landowner does hereby grant and convey to the City, its successors and assigns, temporary easements for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction purposes over, across, under, through and upon certain land located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

A temporary easement for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction over, across, under, through and upon those areas depicted on the attached **Exhibit A (hereafter “Temporary Easement Areas”)** which exhibit is hereby incorporated by reference.

EXEMPT FROM STATE DEED TAX

The rights of the City under this Temporary Easement include the right of the City, its contractors, agents and servants to enter upon the Temporary Easement Areas at all reasonable times to grade, slope, recontour, fill and excavate the Temporary Easement Areas for purposes related to the construction and to remove from the Temporary Easement Areas trees, brush, herbage, vegetation, undergrowth and other obstructions and to deposit earthen materials in and upon the Temporary Easement Areas.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants which may have existed on, or which relate to, the Temporary Easement Areas prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby covenant with the City, its successors and assigns, that Landowner is well seized in fee of the Temporary Easement Areas and has good right to grant and convey this Temporary Easement to the City.

This Temporary Easement shall expire upon the occurrence of either of the following events or dates, whichever occurs last:

- a. One (1) year after substantial completion of City Project No. 2016-09G (60th Street, 62nd Street and Bacon Avenue Improvements); or
- b. December 31, 2022.

[the remainder of the page has been intentionally left blank]

IN TESTIMONY WHEREOF, the Landowner and City have executed this Temporary Easement as of the day and year first above written.

LANDOWNER:

Jonathan K. Harley

Donna M. Harley

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Jonathan K. Harley and Donna M. Harley, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

George Tourville

By: _____
George Tourville
Its: Mayor

ATTEST: *Rebecca Kiernan*

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

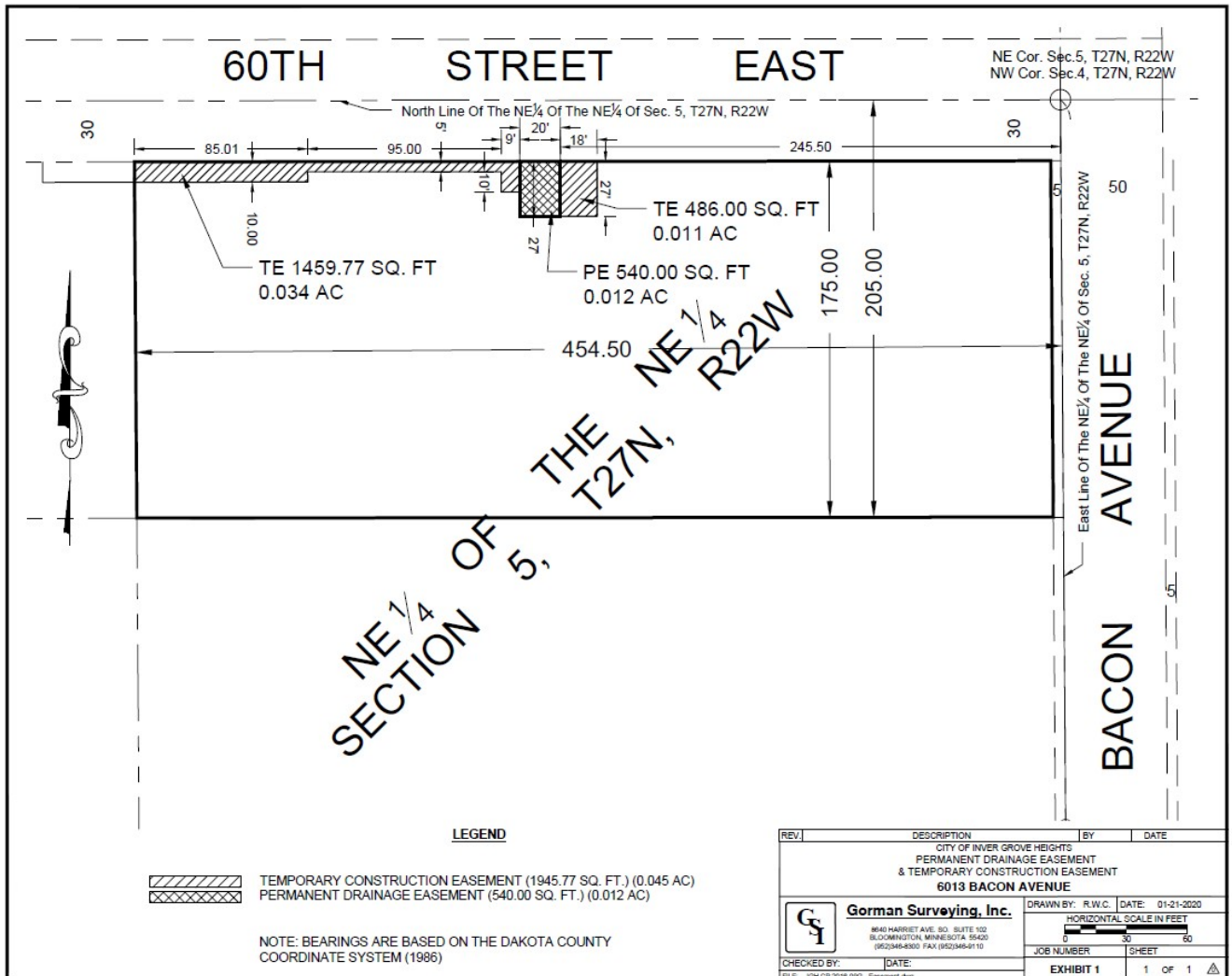
On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A
DEPICTION OF TEMPORARY EASEMENT AREAS



TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT
FOR PROPERTY AT 6070 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA

THIS TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT AGREEMENT (Temporary Easement) is made, entered into and effective this 8th day of June, 2020, by and between the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as “City” and John Sturner and Mary Lee Sturner, husband and wife, hereinafter referred to as “Landowner”.

WITNESSETH:

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$1,400.00, the receipt and sufficiency of which is hereby acknowledged, Landowner does hereby grant and convey to the City, its successors and assigns, temporary easements for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction purposes over, across, under, through and upon certain land located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

A temporary easement for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction over, across, under, through and upon those areas depicted on the attached **Exhibit A (hereafter “Temporary Easement Areas”)** which exhibit is hereby incorporated by reference.

EXEMPT FROM STATE DEED TAX

The rights of the City under this Temporary Easement include the right of the City, its contractors, agents and servants to enter upon the Temporary Easement Areas at all reasonable times to grade, slope, recontour, fill and excavate the Temporary Easement Areas for purposes related to the construction and to remove from the Temporary Easement Areas trees, brush, herbage, vegetation, undergrowth and other obstructions and to deposit earthen materials in and upon the Temporary Easement Areas.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants which may have existed on, or which relate to, the Temporary Easement Areas prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby covenant with the City, its successors and assigns, that Landowner is well seized in fee of the Temporary Easement Areas and has good right to grant and convey this Temporary Easement to the City.

This Temporary Easement shall expire upon the occurrence of either of the following events or dates, whichever occurs last:

- a. One (1) year after substantial completion of City Project No. 2016-09G (60th Street, 62nd Street and Bacon Avenue Improvements); or
- b. December 31, 2022.

[the remainder of the page has been intentionally left blank]

IN TESTIMONY WHEREOF, the Landowner and City have executed this Temporary Easement as of the day and year first above written.

LANDOWNER:

John Sturner

Mary Lee Sturner

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared John Sturner and Mary Lee Sturner, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS


By: _____
George Tourville
Its: Mayor

ATTEST: 

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

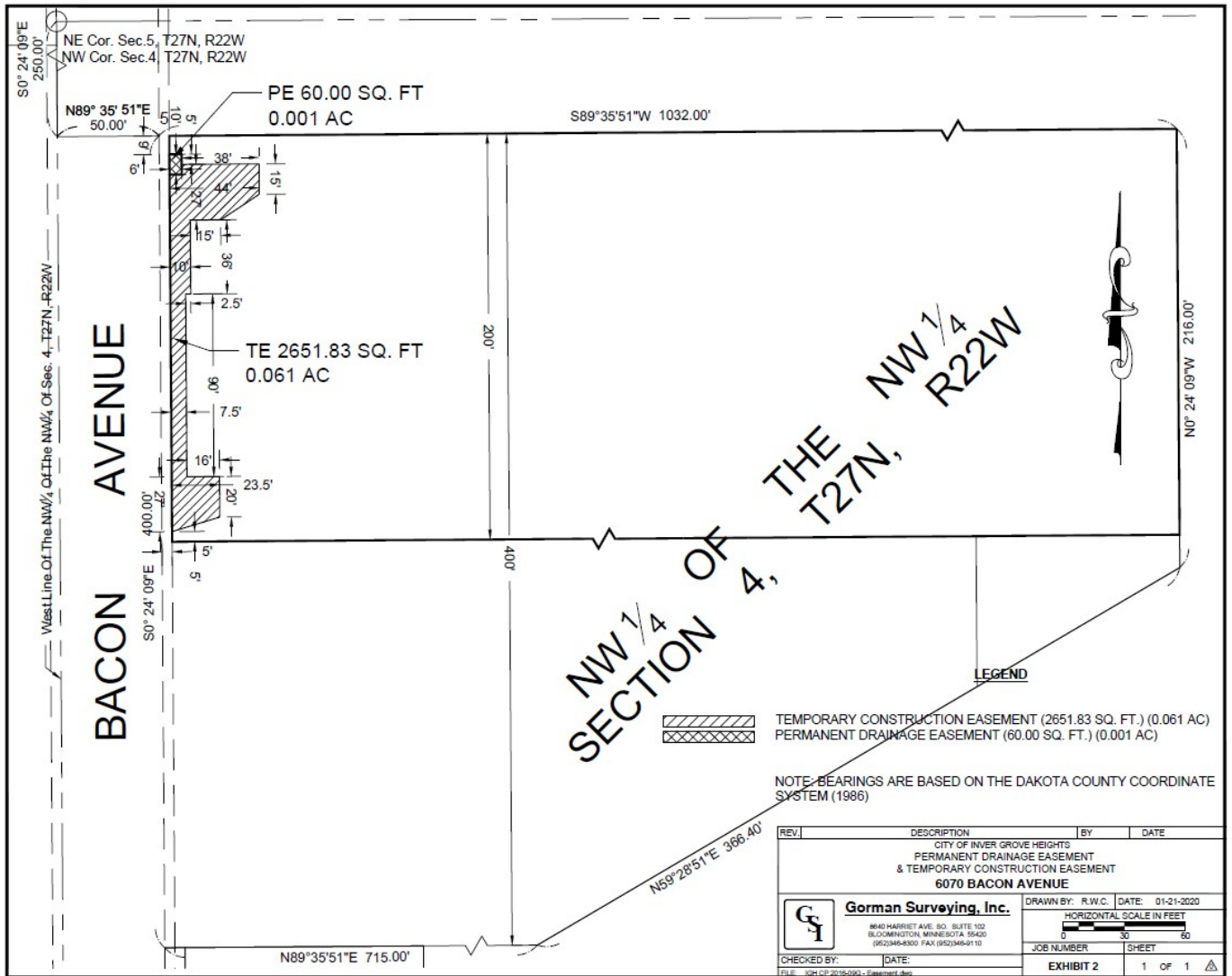
On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A
DEPICTION OF TEMPORARY EASEMENT AREAS



TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT
FOR PROPERTY AT 6098 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA

THIS TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT AGREEMENT (Temporary Easement) is made, entered into and effective this 8th day of June, 2020, by and between the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as “City” and Richard T. Rinehart and Kimberly A. Gear Rinehart, husband and wife, hereinafter referred to as “Landowner”.

WITNESSETH:

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$1,100.00, the receipt and sufficiency of which is hereby acknowledged, Landowner does hereby grant and convey to the City, its successors and assigns, temporary easements for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction purposes over, across, under, through and upon certain land located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

A temporary easement for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction over, across, under, through and upon those areas depicted on the attached **Exhibit A (hereafter “Temporary Easement Areas”)** which exhibit is hereby incorporated by reference.

EXEMPT FROM STATE DEED TAX

The rights of the City under this Temporary Easement include the right of the City, its contractors, agents and servants to enter upon the Temporary Easement Areas at all reasonable times to grade, slope, recontour, fill and excavate the Temporary Easement Areas for purposes related to the construction and to remove from the Temporary Easement Areas trees, brush, herbage, vegetation, undergrowth and other obstructions and to deposit earthen materials in and upon the Temporary Easement Areas.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants which may have existed on, or which relate to, the Temporary Easement Areas prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby covenant with the City, its successors and assigns, that Landowner is well seized in fee of the Temporary Easement Areas and has good right to grant and convey this Temporary Easement to the City.

This Temporary Easement shall expire upon the occurrence of either of the following events or dates, whichever occurs last:

- a. One (1) year after substantial completion of City Project No. 2016-09G (60th Street, 62nd Street and Bacon Avenue Improvements); or
- b. December 31, 2022.

[the remainder of the page has been intentionally left blank]

IN TESTIMONY WHEREOF, the Landowner and City have executed this Temporary Easement as of the day and year first above written.

LANDOWNER:

Richard T. Rinehart

Kimberly A. Gear Rinehart

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Richard T. Rinehart and Kimberly A. Gear Rinehart, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

George Tourville

By: _____
George Tourville
Its: Mayor

ATTEST: *Rebecca Kiernan*

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

NE Cor. Sec. 5, T27N, R22W
NW Cor. Sec. 4, T27N, R22W

S0°24'09"E 450.00'

N89°35'51"E 931.94'

N0°24'09"W 74.16'

BACON AVENUE

TE 1810.00 SQ. FT
0.042 AC

PE 160.00 SQ. FT
0.004 AC

TE 344.00 SQ. FT
0.008 AC

NW 1/4 OF SECTION 4, T27N, R22W

S89°35'51"W 710.00'

N59°28'51"E 250.80'

LEGEND

TEMPORARY CONSTRUCTION EASEMENT (2154.00 SQ. FT.) (0.050 AC)

PERMANENT DRAINAGE EASEMENT (160.00 SQ. FT.) (0.004 AC)

NOTE: BEARINGS ARE BASED ON THE DAKOTA COUNTY COORDINATE SYSTEM (1986)

REV. DESCRIPTION BY DATE

CITY OF INVER GROVE HEIGHTS
PERMANENT DRAINAGE EASEMENT
& TEMPORARY CONSTRUCTION EASEMENT
6098 BACON AVENUE

Gorman Surveying, Inc.

8640 HARRIET AVE. SUITE 102
BLOOMINGTON, MINNESOTA 55420
(612)344-8300 FAX (612)344-8110

DRAWN BY: R.W.C. DATE: 01-21-2020

HORIZONTAL SCALE IN FEET

0 30 60

JOB NUMBER SHEET

EXHIBIT 3 1 OF 1

TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT
FOR PROPERTY AT 6125 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA

THIS TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT AGREEMENT (Temporary Easement) is made, entered into and effective this 8th day of June, 2020, by and between the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as “City” and Anders Petersen and Julie A. Petersen, husband and wife, hereinafter referred to as “Landowner”.

WITNESSETH:

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$100.00, the receipt and sufficiency of which is hereby acknowledged, Landowner does hereby grant and convey to the City, its successors and assigns, temporary easements for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction purposes over, across, under, through and upon certain land located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

A temporary easement for grading, sloping, re-contouring, filling, excavation, tree and brush clearing, establishment of turf, driveway reconstruction, and construction over, across, under, through and upon those areas depicted on the attached **Exhibit A (hereafter “Temporary Easement Areas”)** which exhibit is hereby incorporated by reference.

EXEMPT FROM STATE DEED TAX

The rights of the City under this Temporary Easement include the right of the City, its contractors, agents and servants to enter upon the Temporary Easement Areas at all reasonable times to grade, slope, recontour, fill and excavate the Temporary Easement Areas for purposes related to the construction and to remove from the Temporary Easement Areas trees, brush, herbage, vegetation, undergrowth and other obstructions and to deposit earthen materials in and upon the Temporary Easement Areas.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, including penalties and reasonable attorneys' fees, or losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, pollutants, or contaminants which may have existed on, or which relate to, the Temporary Easement Areas prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, their successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby covenant with the City, its successors and assigns, that Landowner is well seized in fee of the Temporary Easement Areas and has good right to grant and convey this Temporary Easement to the City.

This Temporary Easement shall expire upon the occurrence of either of the following events or dates, whichever occurs last:

- a. One (1) year after substantial completion of City Project No. 2016-09G (60th Street, 62nd Street and Bacon Avenue Improvements); or
- b. December 31, 2022.

[the remainder of the page has been intentionally left blank]

IN TESTIMONY WHEREOF, the Landowner and City have executed this Temporary Easement as of the day and year first above written.

LANDOWNER:

Anders Petersen

Julie A. Petersen

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Anders Petersen and Julie A. Petersen, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

George Tourville

By: _____
George Tourville
Its: Mayor

ATTEST: *Rebecca Kiernan*

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

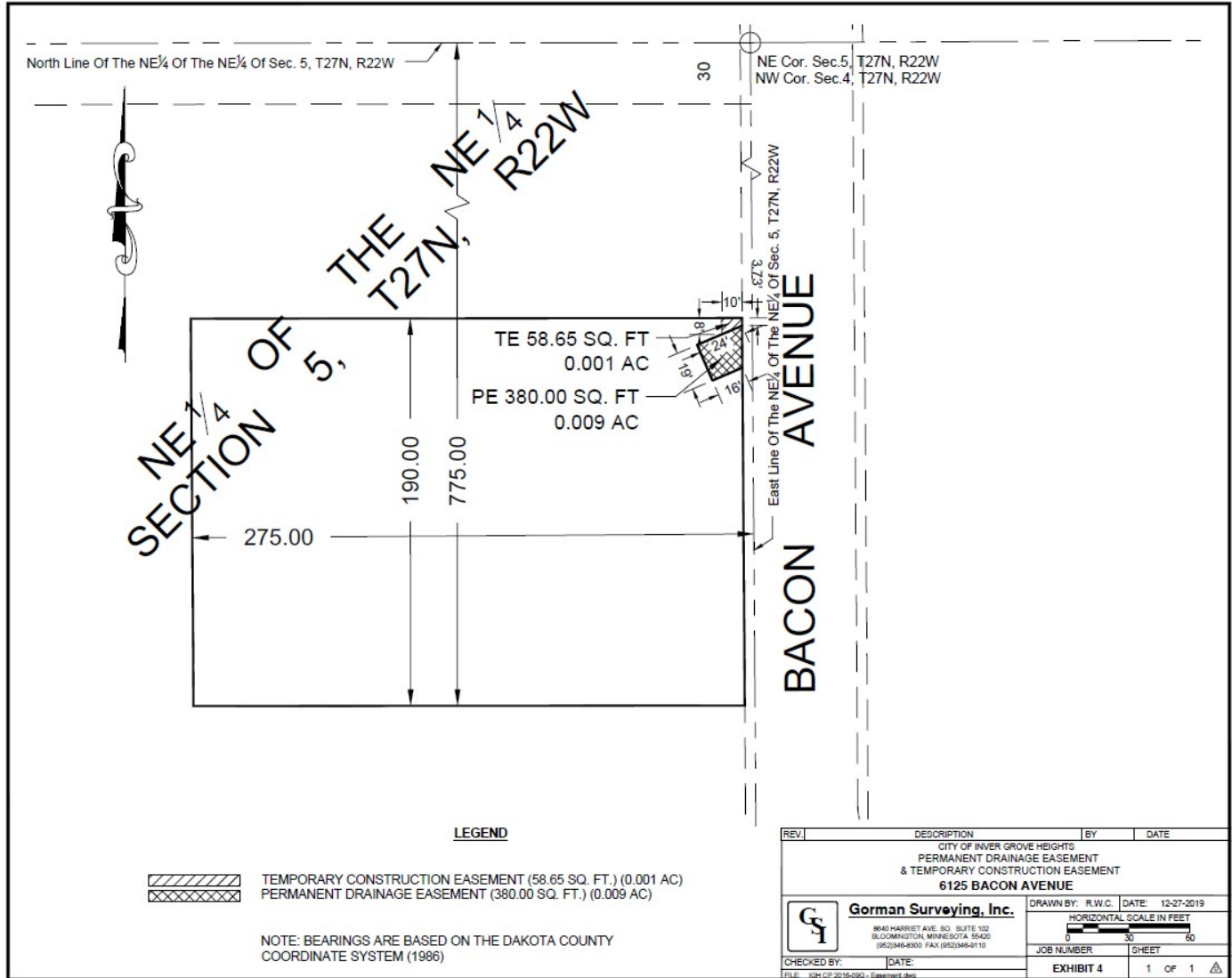
On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A **DEPICTION OF TEMPORARY EASEMENT AREAS**



PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT FOR PROPERTY AT 6013 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA

THIS PERMANENT DRAINAGE AND STORMWATER FACILITIES EASEMENT AGREEMENT (“Easement”) is made, granted and conveyed this 8th day of June, 2020, by and between Jonathan K. Harley and Donna M. Harley, husband and wife, hereinafter collectively referred to as the “Landowner,” and the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as the “City.”

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A (hereinafter “Landowner’s Property”)**.

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$1,100.00, the receipt and sufficiency of which is hereby acknowledged, Landowner does hereby grant and convey unto the City, its successors and assigns, forever, a permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, including, without limitation, the construction, maintenance, repair and replacement of drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment and stormwater flowage under, over, across, through and upon the following described premises (the “**Easement Area**”) situated within Dakota County, Minnesota, to-wit:

See the attached legal description on **Exhibit B**, incorporated herein by reference,

EXEMPT FROM STATE DEED TAX

The rights of the City include the right of the City, its contractors, agents and servants, at the sole cost of the City:

- a.) to enter upon the Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, grading, sloping, and restoration relating to the purposes of this Easement; and
- b.) to maintain the Easement Area, any City improvements and any underground

stormwater pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such stormwater pipes, conduits or mains; and

- c.) to remove from the Easement Area trees, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the stormwater pipes, conduits, or mains and to deposit earthen material in and upon the Easement Area; and
- d.) to remove or otherwise dispose of all earth or other material excavated from the Easement Area as the City may deem appropriate.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Easement Area or Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, themselves or their successors or assigns shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute, Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby warrant to and covenant with the City, its successors and assigns, that they are well seized in fee of the Landowner's Property described on Exhibit A and the Permanent Easement Area described and depicted on Exhibit B and that they have good right to grant and convey the Permanent Easement herein to the City.

The City shall indemnify, defend and hold harmless the Landowner from all claims brought by third parties against Landowner arising from the City's negligent exercise of its rights under this Permanent Easement.

The Landowner is not responsible or obligated to maintain the drainage, stormwater ponding, stormwater facilities, stormwater collection, stormwater management, stormwater control improvements, stormwater treatment and stormwater flowage located within the Permanent Easement Area on the Landowner's Property.

The Landowner shall be allowed to install a fence within the Easement Area if a gate is installed to provide for future maintenance access by the City to the storm sewer outlet.

This Permanent Drainage and Stormwater Facilities Easement Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN TESTIMONY WHEREOF, the Landowner and the City have caused this Permanent Drainage and Stormwater Facilities Easement Agreement to be executed as of the day and year first above written.

LANDOWNER:

Jonathan K. Harley

Donna M. Harley

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Jonathan K. Harley and Donna M. Harley, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

**CITY:
CITY OF INVER GROVE HEIGHTS**

George Tourville

By: _____
George Tourville
Its: Mayor

ATTEST: *Rebecca Kiernan*

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:

Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:

Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

The North 205 feet of the east 454.50 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27, Range 22, except the North 30 feet thereof, Dakota County, Minnesota.

Abstract Property

EXHIBIT B
LEGAL DESCRIPTION OF PERMANENT EASEMENT AREA

A permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, under, over, across, through and upon the following described property:

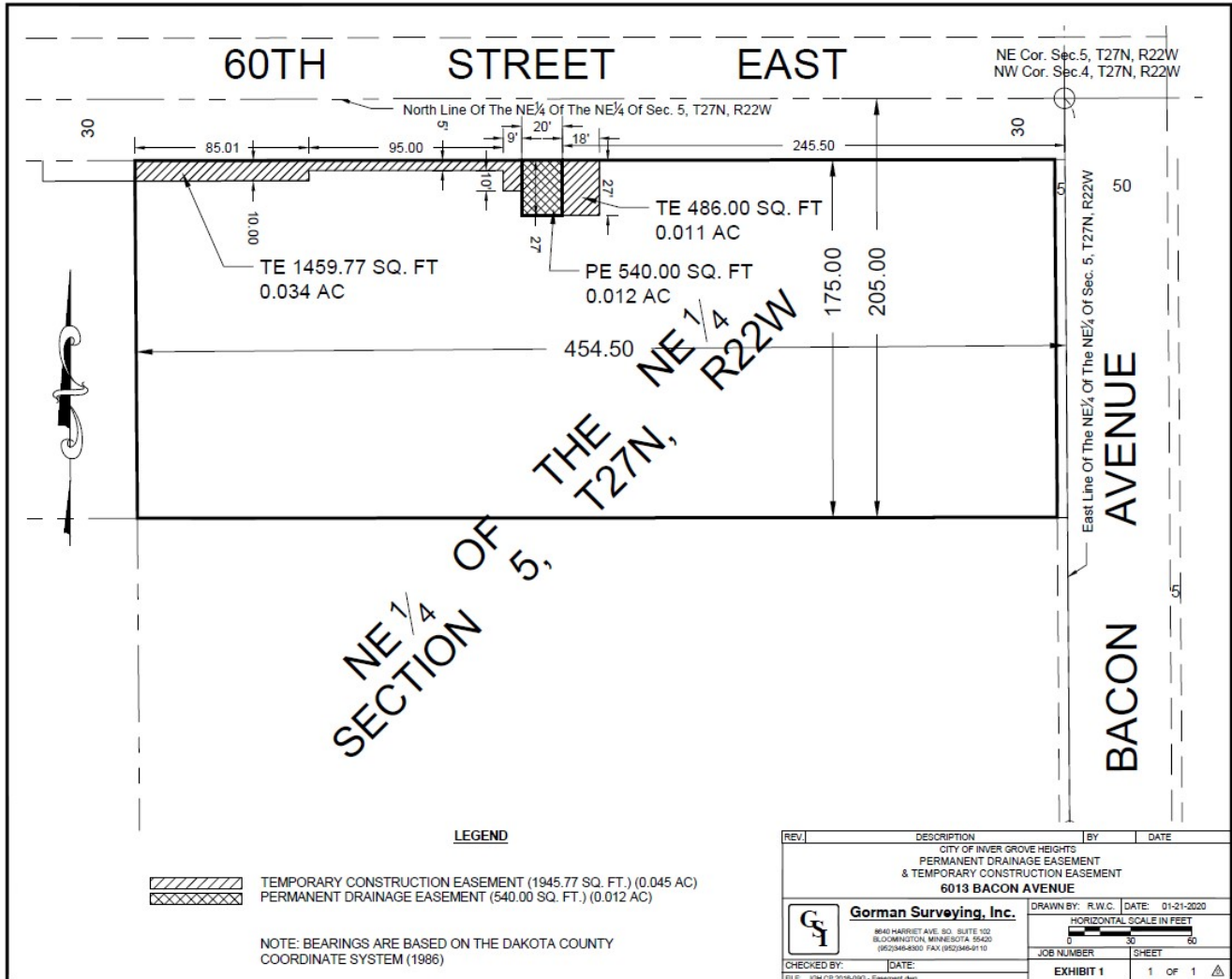
The North 205 feet of the East 454.50 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27 North, Range 22 West, except the North 30 feet thereof, and Except the East 5 feet thereof, Dakota County, Minnesota.

Said permanent easement being 27 feet wide and lying south of the following described line:

Commencing at the intersection of a line drawn parallel and 30 feet south of the north line of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27 North, Range 22 West with the east line of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27 North, Range 22 West, thence west along said parallel line 245.50 feet to the point of beginning of the line to be described; thence continuing west along said parallel line 20 feet and there terminating.

Said permanent easement containing 540.000 Sq. Ft., 0.012 Acres.

EXHIBIT B (CONTINUED)
DEPICTION OF PERMANENT EASEMENT AREA



**PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT FOR PROPERTY AT 6070 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA**

THIS PERMANENT DRAINAGE AND STORMWATER FACILITIES EASEMENT AGREEMENT (“Easement”) is made, granted and conveyed this 8th day of June, 2020, by and between John Sturner and Mary Lee Sturner, husband and wife, hereinafter collectively referred to as the “Landowner,” and the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as the “City.”

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A (hereinafter “Landowner’s Property”)**.

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$200.00, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, forever, a permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, including, without limitation, the construction, maintenance, repair and replacement of drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment and stormwater flowage under, over, across, through and upon the following described premises (the “**Easement Area**”) situated within Dakota County, Minnesota, to-wit:

See the attached legal description on **Exhibit B**, incorporated herein by reference,

EXEMPT FROM STATE DEED TAX

The rights of the City include the right of the City, its contractors, agents and servants, at the sole cost of the City:

- a.) to enter upon the Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, grading, sloping, and restoration relating to the purposes of this Easement; and
- b.) to maintain the Easement Area, any City improvements and any underground

stormwater pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such stormwater pipes, conduits or mains; and

- c.) to remove from the Easement Area trees, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the stormwater pipes, conduits, or mains and to deposit earthen material in and upon the Easement Area; and
- d.) to remove or otherwise dispose of all earth or other material excavated from the Easement Area as the City may deem appropriate.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Easement Area or Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, themselves or their successors or assigns shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute, Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby warrant to and covenant with the City, its successors and assigns, that they are well seized in fee of the Landowner's Property described on Exhibit A and the Permanent Easement Area described and depicted on Exhibit B and that they have good right to grant and convey the Permanent Easement herein to the City.

The City shall indemnify, defend and hold harmless the Landowner from all claims brought by third parties against Landowner arising from the City's negligent exercise of its rights under this Permanent Easement.

The Landowner is not responsible or obligated to maintain the drainage, stormwater ponding, stormwater facilities, stormwater collection, stormwater management, stormwater control improvements, stormwater treatment and stormwater flowage located within the Permanent Easement Area on the Landowner's Property.

This Permanent Drainage and Stormwater Facilities Easement Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

[the remainder of this page has been intentionally left blank]

IN TESTIMONY WHEREOF, the Landowner and the City have caused this Permanent Drainage and Stormwater Facilities Easement Agreement to be executed as of the day and year first above written.

LANDOWNER:

John Sturner

Mary Lee Sturner

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared and John Sturner and Mary Lee Sturner, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS



By: _____
George Tourville
Its: Mayor

ATTEST: 

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

The North 200 feet of the following described parcel of land, to-wit: Commencing at a point 250 feet South and 50 feet East of Northwest corner of Section 4, Township 27, Range 22; thence South 400 feet, thence East 715 feet, thence North 59 degrees 53 minutes East 366.4 feet; thence North 216 feet, thence West 1,032 feet to beginning, Dakota County, Minnesota.

Abstract Property.

EXHIBIT B
LEGAL DESCRIPTION OF PERMANENT EASEMENT AREA

A permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, under, over, across, through and upon the following described property:

The North 200 feet of the following described parcel of land, to-wit:

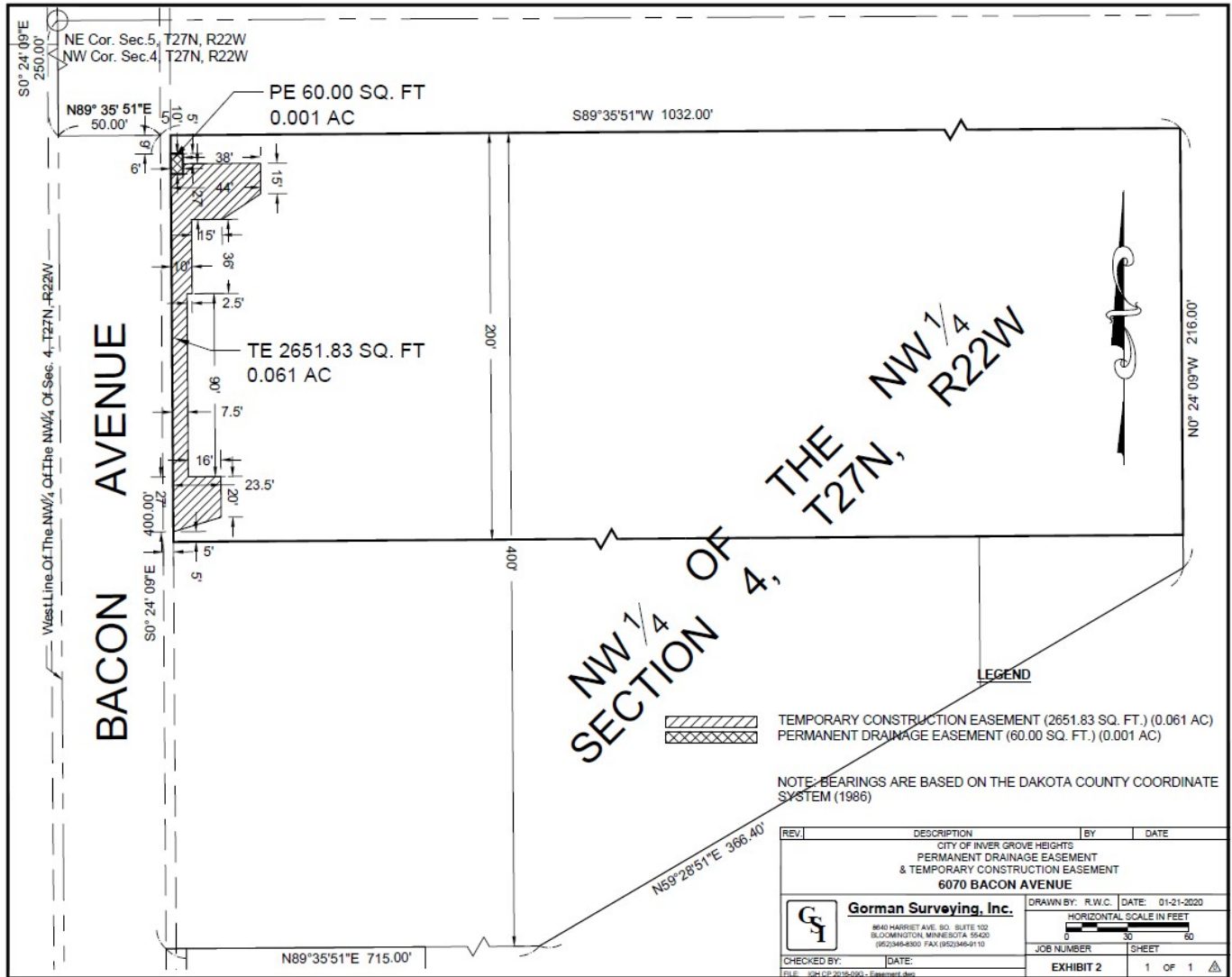
Commencing at a point 250 feet South and 50 feet East of Northwest corner of Section 4, Township 27, Range 22; thence South 400 feet, thence East 715 feet, thence North 59 degrees 53 minutes East 366.4 feet; thence North 216 feet, thence West 1,032 feet to beginning, Except the West 5 feet, Dakota County, Minnesota.

Said permanent easement being 6 feet wide and lying east of the following described line:

Commencing at a point 250 feet South and 55 feet East of Northwest corner of said Northwest Quarter of the Northwest Quarter; thence South 9 feet to the actual point of beginning of the line to be described; thence continuing South 10 feet and there terminating.

Said permanent easement containing 60.000 Sq. Ft., 0.001 Acres.

EXHIBIT B (CONTINUED)
DEPICTION OF PERMANENT EASEMENT AREA



**PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT FOR PROPERTY AT 6098 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA**

THIS PERMANENT DRAINAGE AND STORMWATER FACILITIES EASEMENT AGREEMENT ("Easement") is made, granted and conveyed this 8th day of June, 2020, by and between Richard T. Rinehart and Kimberly A. Gear Rinehart, husband and wife, hereinafter collectively referred to as the "Landowner," and the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as the "City."

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A (hereinafter "Landowner's Property")**.

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$400.00, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, forever, a permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, including, without limitation, the construction, maintenance, repair and replacement of drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment and stormwater flowage under, over, across, through and upon the following described premises (the "**Easement Area**") situated within Dakota County, Minnesota, to-wit:

See the attached legal description on **Exhibit B**, incorporated herein by reference,

EXEMPT FROM STATE DEED TAX

The rights of the City include the right of the City, its contractors, agents and servants, at the sole cost of the City:

- a.) to enter upon the Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, grading, sloping, and restoration relating to the purposes of this Easement; and

- b.) to maintain the Easement Area, any City improvements and any underground stormwater pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such stormwater pipes, conduits or mains; and
- c.) to remove from the Easement Area trees, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the stormwater pipes, conduits, or mains and to deposit earthen material in and upon the Easement Area; and
- d.) to remove or otherwise dispose of all earth or other material excavated from the Easement Area as the City may deem appropriate.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Easement Area or Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, themselves or their successors or assigns shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute, Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby warrant to and covenant with the City, its successors and assigns, that they are well seized in fee of the Landowner's Property described on Exhibit A and the Permanent Easement Area described and depicted on Exhibit B and that they have good right to grant and convey the Permanent Easement herein to the City.

The City shall indemnify, defend and hold harmless the Landowner from all claims brought by third parties against Landowner arising from the City's negligent exercise of its rights under this Permanent Easement.

The Landowner is not responsible or obligated to maintain the drainage, stormwater ponding, stormwater facilities, stormwater collection, stormwater management, stormwater control improvements, stormwater treatment and stormwater flowage located within the Permanent Easement Area on the Landowner's Property.

This Permanent Drainage and Stormwater Facilities Easement Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

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IN TESTIMONY WHEREOF, the Landowner and the City have caused this Permanent Drainage and Stormwater Facilities Easement Agreement to be executed as of the day and year first above written.

LANDOWNER:

Richard T. Rinehart

Kimberly A. Gear Rinehart

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Richard T. Rinehart and Kimberly A. Gear Rinehart, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS



By: _____
George Tourville
Its: Mayor

ATTEST: 

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

Commencing at the Northwest corner of said Northwest Quarter of the Northwest Quarter; thence on an assumed bearing of South along the West line of said Northwest Quarter of the Northwest Quarter 450 feet; thence on a bearing of East 50 feet to the actual point of beginning of the land to be described; thence on a bearing of South 200 feet; thence on a bearing of East 5.0 feet to a point marked by a Judicial Landmark; thence on a bearing of East 710.0 feet to a point marked by a Judicial Landmark; thence on a bearing of North 59 degrees 53 minutes East 250.8 feet to a point marked by a Judicial Landmark; thence on a bearing of North to a point on a line which has a bearing of East from the actual point of beginning; thence West to the actual point of beginning, Dakota County, Minnesota.

Torrens Property

Being registered as is evidenced by Certificate of Title No. 166132

EXHIBIT B
LEGAL DESCRIPTION OF PERMANENT EASEMENT AREA

A permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, under, over, across, through and upon the following described property:

That part of the Northwest Quarter of the Northwest Quarter of Section 4, Township 27, Range 22, described as follows:

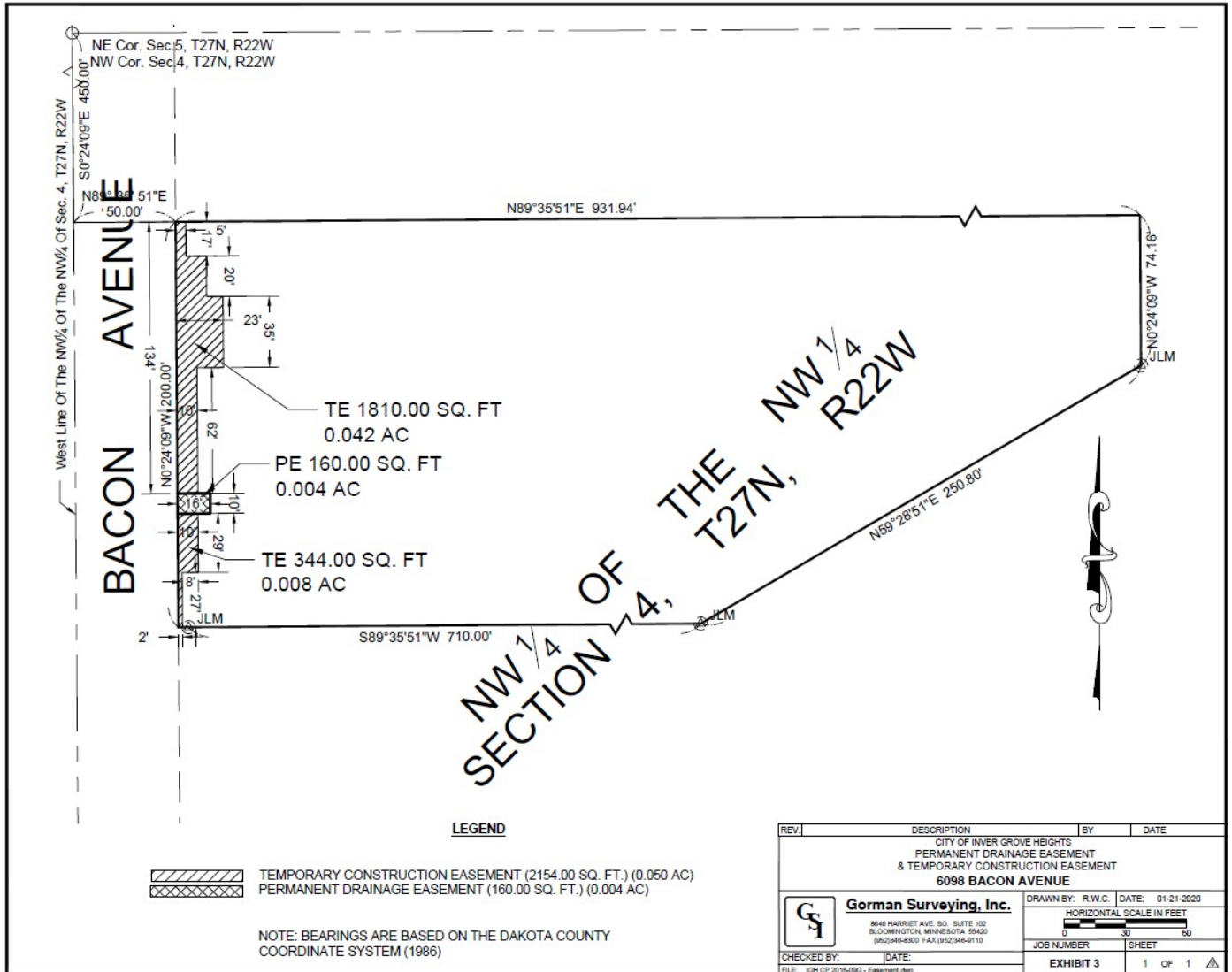
Commencing at the Northwest corner of said Northwest Quarter of the Northwest Quarter; thence on an assumed bearing of South along the West line of said Northwest Quarter of the Northwest Quarter 450 feet; thence on a bearing of East 50 feet to the actual point of beginning of the land to be described; thence on a bearing of South 200 feet; thence on a bearing of East 5.0 feet to a point marked by a Judicial Landmark; thence on a bearing of East 710.0 feet to a point marked by a Judicial Landmark; thence on a bearing of North 59 degrees 53 minutes East 250.8 feet to a point marked by a Judicial Landmark; thence on a bearing of North to a point on a line which has a bearing of East from the actual point of beginning; thence West to the actual point of beginning, Dakota County, Minnesota.

Said permanent easement being 16 feet wide and lying east of the following described line:

Commencing at the Northwest corner of said Northwest Quarter of the Northwest Quarter; thence on an assumed bearing of South along the West line of said Northwest Quarter of the Northwest Quarter 450 feet; thence on a bearing of East 50 feet; thence on a bearing of South 134 feet to the actual point of beginning of the line to be described; thence continuing South 10 feet and there terminating.

Said permanent easement containing 160.000 Sq. Ft., 0.004 Acres.

EXHIBIT B (CONTINUED)
DEPICTION OF PERMANENT EASEMENT AREA



**PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT FOR PROPERTY AT 6125 BACON AVENUE,
INVER GROVE HEIGHTS, DAKOTA COUNTY, MINNESOTA**

THIS PERMANENT DRAINAGE AND STORMWATER FACILITIES EASEMENT AGREEMENT (“Easement”) is made, granted and conveyed this 8th day of June, 2020, by and between Anders Petersen and Julie A. Petersen, husband and wife, hereinafter collectively referred to as the “Landowner,” and the City of Inver Grove Heights, a Minnesota municipal corporation, hereinafter referred to as the “City.”

The Landowner owns the real property situated within Dakota County, Minnesota as described on the attached **Exhibit A (hereinafter “Landowner’s Property”)**.

For and in good and valuable consideration and for and in consideration of payment by the City to the Landowner in the amount of \$800.00, the receipt and sufficiency of which is hereby acknowledged, does hereby grant and convey unto the City, its successors and assigns, forever, a permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, including, without limitation, the construction, maintenance, repair and replacement of drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment and stormwater flowage under, over, across, through and upon the following described premises (the “**Easement Area**”) situated within Dakota County, Minnesota, to-wit:

See the attached legal description on **Exhibit B**, incorporated herein by reference,

EXEMPT FROM STATE DEED TAX

The rights of the City include the right of the City, its contractors, agents and servants, at the sole cost of the City:

- a.) to enter upon the Easement Area at all reasonable times for the purposes of construction, reconstruction, inspection, repair, grading, sloping, and restoration relating to the purposes of this Easement; and

- b.) to maintain the Easement Area, any City improvements and any underground stormwater pipes, conduits, or mains, together with the right to excavate and refill ditches or trenches for the location of such stormwater pipes, conduits or mains; and
- c.) to remove from the Easement Area trees, brush, herbage, aggregate, undergrowth and other obstructions interfering with the location, construction and maintenance of the stormwater pipes, conduits, or mains and to deposit earthen material in and upon the Easement Area; and
- d.) to remove or otherwise dispose of all earth or other material excavated from the Easement Area as the City may deem appropriate.

The City shall not be responsible for any costs, expenses, damages, demands, obligations, penalties, attorneys' fees and losses resulting from any claims, actions, suits, or proceedings based upon a release or threat of release of any hazardous substances, petroleum, pollutants, and contaminants which may have existed on, or which relate to, the Easement Area or Landowner's Property prior to the date hereof.

Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Landowner, themselves or their successors or assigns shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statute, Chapter 466.

The Landowner, for themselves and their successors and assigns, do hereby warrant to and covenant with the City, its successors and assigns, that they are well seized in fee of the Landowner's Property described on Exhibit A and the Permanent Easement Area described and depicted on Exhibit B and that they have good right to grant and convey the Permanent Easement herein to the City.

The City shall indemnify, defend and hold harmless the Landowner from all claims brought by third parties against Landowner arising from the City's negligent exercise of its rights under this Permanent Easement.

The Landowner is not responsible or obligated to maintain the drainage, stormwater ponding, stormwater facilities, stormwater collection, stormwater management, stormwater control improvements, stormwater treatment and stormwater flowage located within the Permanent Easement Area on the Landowner's Property.

This Permanent Drainage and Stormwater Facilities Easement Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

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IN TESTIMONY WHEREOF, the Landowner and the City have caused this Permanent Drainage and Stormwater Facilities Easement Agreement to be executed as of the day and year first above written.

LANDOWNER:

Anders Petersen

Julie A. Petersen

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Anders Petersen and Julie A. Petersen, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS


By: _____
George Tourville
Its: Mayor

ATTEST:


Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT A
LEGAL DESCRIPTION OF LANDOWNER'S PROPERTY

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

The South 190 feet of the North 775 feet of the East 275 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27, Range 22, Dakota County, Minnesota, according to the Government Survey thereof, except the East 5 feet thereof.

Abstract Property

EXHIBIT B
LEGAL DESCRIPTION OF PERMANENT EASEMENT AREA

A permanent easement for drainage, stormwater facilities, stormwater ponding, stormwater collection, stormwater management, stormwater control improvements (including inlets and outlets), stormwater treatment, stormwater flowage and for purposes and uses incident and related thereto, under, over, across, through and upon the following described property:

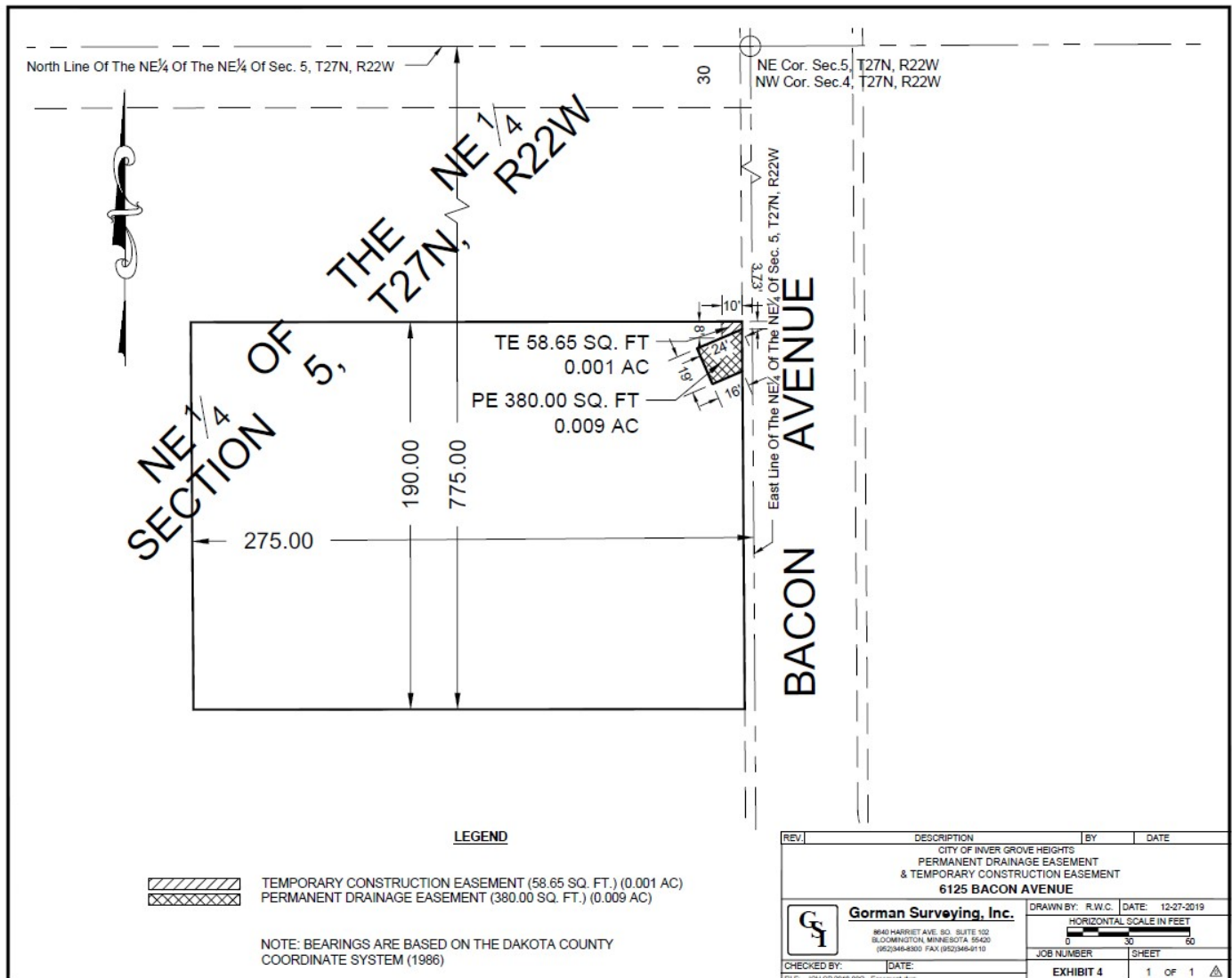
The South 190 feet of the North 775 feet of the East 275 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27, Range 22, Dakota County, Minnesota, according to the Government Survey thereof, except the East 5 feet thereof.

Said permanent easement being 19 feet southeasterly of the following described line:

Beginning at a point 3.73 feet south along the east line from the Northeast corner of said South 190 feet of the North 775 feet of the East 275 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27, Range 22, Dakota County, Minnesota, according to the Government Survey thereof, except the East 5 feet thereof; thence southwesterly on a line to a point 8 feet south of the north line and 10 feet west of the east line; thence continuing southwesterly along said line to a point 24 feet from the point of beginning and there terminating. The southeasterly line of said 19 foot wide easement to be shortened to intersect with said east line.

Said permanent easement containing 380.000 Sq. Ft., 0.009 Acres

EXHIBIT B (CONTINUED)
DEPICTION OF PERMANENT EASEMENT AREA



**AGREEMENT RELATING TO LANDOWNER
IMPROVEMENTS WITHIN CITY EASEMENT AT 6013 BACON AVENUE,
INVER GROVE HEIGHTS, MINNESOTA, DAKOTA COUNTY**

THIS AGREEMENT RELATING TO LANDOWNER IMPROVEMENTS WITHIN CITY EASEMENT AT 6013 BACON AVENUE, INVER GROVE HEIGHTS, MINNESOTA (Agreement) is made this 8th day of June, 2020, by and between the City of Inver Grove Heights (hereafter referred to as “City”), a Minnesota municipal corporation, and Jonathan K. Harley and Donna M. Harley, husband and wife (hereafter referred to as “Landowner”). Based on the covenants, agreements, representations and recitals herein contained the parties agree as follows:

**ARTICLE 1
TERMS**

1.1 Terms. Unless specifically defined elsewhere in this Agreement, the following terms shall have the following meanings.

1.2 City. “City” means the City of Inver Grove Heights, a Minnesota municipal corporation.

1.3 Subject Land. “Subject Land” means that certain real property located in the City of Inver Grove Heights, Dakota County, Minnesota legally described on the attached **Exhibit A**.

1.4 City Easement. “City Easement” means the following easement located on the Subject Land:

The Permanent Drainage and Stormwater Facilities Easement Agreement
for Property at 6013 Bacon Avenue recorded as Dakota County Document
No. _____.

1.5 Landowner. “Landowner” means Jonathan K. Harley and Donna M. Harley, husband and wife, and their assigns and successors in interest with respect to the Subject Land.

1.6 Formal Notice. “Formal Notice” means notice given by one party to the other if in writing and if and when delivered or tendered either in person or by depositing it in the United States mail in a sealed envelope, by certified mail, return receipt requested, with postage prepaid, addressed as follows:

IF TO CITY:

City of Inver Grove Heights
Attention: Director of Public Works
8150 Barbara Avenue
Inver Grove Heights, MN 55077

IF TO LANDOWNER:

Jonathan K. Harley and Donna M. Harley
6013 Bacon Avenue
Inver Grove Heights, MN 55077

or to such other address as the party addressed shall have previously designated by notice given in accordance with this Section. Notices shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed as provided above, provided, that a notice not given as above shall, if it is in writing, be deemed given if and when actually received by a party.

1.7 Landowner Improvements. “Landowner Improvements” means the fence and the 16 foot gated fence area to be constructed on the Subject Land within the City Easement in accord with the Construction Plan.

1.8 City Easement Improvements. “City Easement Improvements” means all existing and future sanitary sewer, municipal water and storm water pipes, conduits, culverts, ditches, ponds, catch basins, water collection mechanisms, drainage facilities, maintenance access routes and other utility appurtenances lying within the City Easement now or in the future.

1.9 Construction Plan. “Construction Plan” means the sketch attached as **Exhibit B** which identifies the location of the Landowner Improvements. The Construction Plan is on file with the City.

1.10 City Utility Costs. “City Utility Costs” means all costs incurred by the City, (whether performed by the City or its agents or contractors), for the inspection of and access to and repair, maintenance and replacement of the City’s Easement Improvements located in the City Easement and the placement of additional City Easement Improvements in the City Easement. City Utility Costs include, without limitation: excavation costs, labor costs, costs of removing fill, costs of re-burying the City Easement Improvements, re-compacting the soils over the City Easement Improvements, restoring the City Easement area, and all engineering and attorneys’ fees incurred in connection therewith. City Utility Costs also include the costs of temporarily removing the Landowner Improvements and subsequently replacing the Landowner Improvements in the City Easement, if such costs have not already been paid by the Landowners.

1.11 Pre-Encroachment Costs. “Pre-Encroachment Costs” means a reasonable estimate by the City of the costs the City would have incurred for City Utility Costs if the Landowner Improvements did not exist.

1.12 Cost Differential. “Cost Differential” means the difference between the Pre-Encroachment Costs and the City Utility Costs caused by the existence of the Landowner Improvements. The City’s reasonable determination of the amount of the Cost Differential shall be binding on the Landowners. The City’s reasonable determination shall be appropriately supported by cost estimates obtained from independent contractors or engineers.

ARTICLE 2 **RECITALS**

Recital No. 1. The undersigned Landowner is the fee title owner of the Subject Land located in Inver Grove Heights, Dakota County, Minnesota.

Recital No. 2 The City Easement is on the Subject Land. The City owns the City Easement. The City Easement Improvements will be constructed within the City Easement and future City Easement Improvements may be located within the City Easement.

Recital No. 3. Landowner has requested permission from the City to construct the Landowner Improvements within the City Easement for the benefit of the Subject Land.

Recital No. 4. Subject to the terms of this Agreement, the City is willing to allow the Landowner Improvements to be placed within the City Easement if the following conditions are met:

- a.) The Landowner maintains the Landowner Improvements;
- b.) The Landowner agrees to pay the City any Cost Differential relating to inspections, access, repair, maintenance and replacement of the City Easement Improvements and the placement of any future City Easement Improvements in the City Easement.
- c.) The Landowner agrees to temporarily remove the Landowner Improvements in the event the City has need to access the area where the Landowner Improvements exist in order for the City to inspect, repair, maintain, and replace the existing City Easement Improvements or construct future City Easement Improvements in the Easement Area.
- d.) The Landowner agrees to modify the Landowner Improvements if the Landowner Improvements interfere with the City Easement Improvements.

NOW, THEREFORE, THE CITY OF INVER GROVE HEIGHTS AND THE UNDERSIGNED LANDOWNER, FOR THEMSELVES AND THEIR SUCCESSORS AND ASSIGNS DO HEREBY AGREE:

ARTICLE 3 **AGREEMENTS**

3.1 Construction And Maintenance Of Landowner Improvements. Under the terms and conditions stated herein, the Landowner, at Landowner's own cost, is hereby authorized by the City to construct the Landowner Improvements within the City Easement. The Landowner Improvements shall only be placed at the location specified in the Construction Plan. The Landowner Improvements must be constructed according to the Construction Plan.

The Landowner shall not place any other structures, irrigation systems or buildings within the City Easement, except for the Landowner Improvements. The Landowner, at Landowner's expense, shall maintain and repair the Landowner Improvements.

The Landowner shall comply with all required City setbacks per the attached Construction Plan.

The Landowner, at Landowner's expense, shall install a 16-foot gated area over the City maintained storm water facilities that enter into the DNR lake.

The Landowner must meet the applicable planning and zoning requirements prior to the City issuing a building permit for the Subject Land. The Landowner must also meet the requirements set by the Minnesota Department of Natural Resources prior to the City issuing a building permit for the Subject Land.

3.2 City Not Responsible For Landowner Improvements. Nothing contained herein shall be deemed an assumption by the City of any responsibility for construction, maintenance, replacement or repair of the Landowner Improvements.

3.3 Continuing Right To City Easement. Nothing contained herein shall be deemed a waiver or abandonment or transfer of the right, title and interest that the City holds to the City Easement.

3.4 Subordinate Position of Landowner Improvements. The Landowner Improvements are subordinate to the rights of the City in the City Easement and in the City Easement Improvements.

3.5 Risk of Loss. The Landowner understands and agrees that the Landowner Improvements within the City Easement may be adversely affected by use of the City Easement. The parties agree that the City is not responsible for such events; the City shall have no liability to the Landowner for such events. The Landowner assumes the risk of installing the Landowner Improvements in the City Easement area.

3.6 Landowner To Bear Cost of Relocating Landowner Improvements. The City is responsible for the repair and maintenance of the City Easement Improvements in the City Easement.

The City may require the Landowner to temporarily remove and subsequently replace the Landowner Improvements in the City Easement in order for the City to gain access to the City Easement Improvements for the purpose of inspecting, repairing, maintaining, or replacing the City Easement Improvements or adding future City Easement Improvements.

If the Landowner does not perform such tasks, the City may perform such tasks and in such case the Landowner shall reimburse the City for the City's costs and expenses. Prior to commencing such tasks, the City shall send Formal Notice to the Landowner and allow the Landowner twenty (20) days from the date of the Formal Notice to perform the tasks. If the Landowner has not completed the work within the twenty (20) days, then the City may proceed to perform the tasks. Once the City's costs and expenses have been determined by the City, the City shall send an invoice for such costs and expenses to the Landowner. The Landowner must pay the invoice within thirty (30) days after the date of the invoice. Such costs and expenses include, but are not limited to, costs charged the City by third parties such as contractors as well as the costs for City personnel that may have performed the work. Bills not paid shall incur the standard penalty and interest established by the City for utility billings within the City.

3.7 Emergency. Notwithstanding the requirements contained in Sections 3.6 relating to a twenty (20) day Formal Notice to the Landowner to perform its obligations under Sections 3.6, the City shall not be required to give such Formal Notice if the City's engineer determines that an emergency exists. In such instance, the City, without giving Formal Notice to the Landowner may perform the work and in such case the Landowner shall reimburse the City for the costs and expenses relating to the work. Once the City's costs and expenses have been determined by the City, the City shall send an invoice for such costs and expenses to the Landowner. The Landowner must pay the invoice within thirty (30) days after the date of the invoice. Such costs and expenses include, but are not limited to, costs charged the City by third parties such as contractors as well as the costs for City personnel that may have performed the work. Bills not paid shall incur the standard penalty and interest established by the City for utility bills within the City.

3.8 Cost Differential. If a Cost Differential occurs relating to the access to or inspection, maintenance, repair or replacement of the City Easement Improvements or relating to construction of new City Easement Improvements in the future, then the Landowner shall pay the Cost Differential to the City. The Landowner must make payment for the Cost Differential within 30 days after the City has sent a written invoice for the Cost Differential to the Landowner.

3.9 Modifications To Landowner Improvements. If in the future the City reasonably determines that the Landowner Improvements interfere with access for inspection or with repair, maintenance, reconstruction, or replacement of City Easement Improvements, then the Landowner, at Landowner's own expense, shall make such modifications to the Landowner Improvements as directed by the City. Such modifications may include, but are not limited to, reconfiguration, removal and relocation of the Landowner Improvements.

If Landowner does not make the modifications, the City may make the modifications and in such case the Landowner shall reimburse the City for the City's costs and expenses. Prior to commencing such modifications, the City shall send Formal Notice to the Landowner and allow the Landowner twenty (20) days from the date of the Formal Notice to make the modifications. If Landowner does not completely make the modifications, the City may proceed to make the modifications. Once the City's costs and expenses have been determined by the City, the City shall send an invoice for such costs and expenses to the Landowner. The Landowner must pay the invoice within thirty (30) days after the date of the invoice. Such costs and expenses include, but are not limited to, costs charged the City by third parties such as contractors as well as the costs for City personnel that may have performed the work relating to the modifications.

3.10 Remedies. If the Landowner fails to perform their obligations under this Agreement, then the City may avail itself of any remedy afforded by law or in equity and any of the following non-exclusive remedies:

- a.) The City may specifically enforce this Agreement.
- b.) If the Landowner fails to make payments under Section 3.6, 3.7, 3.8 or 3.9, then the City may certify to Dakota County the amounts due as payable with the real estate taxes for the Subject Land in the next calendar year; such certifications may be made under Minnesota Statutes, Chapter 444 in a manner similar to certifications for unpaid utility bills. The Landowner waives any and all procedural and substantive objections to the imposition of such usual and customary charges on the Subject Land.

Further, as an alternate means of collection, if the written billing is not paid by the Landowner, the City, without notice and without hearing, may specially assess the Subject Land for the costs and expenses incurred by the City. The Landowner hereby waives any and all procedural and substantive objections to special assessments for the costs including, but not limited to, notice and hearing requirements and any claims that the charges or special assessments exceed the benefit to the Subject Land. The Landowner waives any appeal rights otherwise available pursuant to Minnesota Statute § 429.081. The Landowner acknowledges that the benefit from the performance of tasks by the City equals or exceeds the amount of the charges and assessments for the costs that are being imposed hereunder upon the Subject Land.

No remedy herein conferred upon or reserved to the City shall be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

3.11 Indemnification. The Landowner shall indemnify, defend and hold the City, its council, agents, consultants, attorneys, employees and representatives harmless against and in respect of any and all claims, demands, actions, suits, proceedings, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies including interest, penalties and attorneys' fees, that the City incurs or suffers, which arise out of, result from or relate to any of the following:

- a.) The Landowner Improvements;
- b.) Installation and maintenance of the Landowners Improvements;
- c.) Failure by the Landowner to observe or perform any covenant, condition, obligation or agreement on their part to be observed or performed under this Agreement; and
- d.) Use of the City Easement for Landowner Improvements.

3.12 City Duties. Nothing contained in this Agreement shall be considered an affirmative duty upon the City to perform the Landowner's obligations contained in Article 3 if the Landowner does not perform such obligations.

3.13 No Third Party Recourse. Third parties shall have no recourse against the City under this Agreement.

3.14 Recording. The City may record this Agreement with the Dakota County Recorder.

3.15 Binding Agreement. The parties mutually recognize and agree that all terms and conditions of this recordable Agreement shall run with the Subject Land and shall be binding upon the heirs, successors, administrators and assigns of the parties.

This Agreement shall also be binding upon all after-acquired rights, interests and title of the parties that may be acquired from and after the date of this Agreement.

3.16 Amendment And Waiver. The parties hereto may by mutual written agreement amend this Agreement in any respect. Any party hereto may extend the time for the performance of any of the obligations of another, waive any inaccuracies in representations by another contained in this Agreement or in any document delivered pursuant hereto which inaccuracies would otherwise constitute a breach of this Agreement, waive compliance by another with any of the covenants contained in this Agreement and performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Agreement. Any agreement on the part of any party for any such amendment, extension or waiver must be in writing. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

3.17 Governing Law. This Agreement shall be governed by and construed in accord with the laws of the State of Minnesota.

3.18 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

3.19 Headings. The subject headings of the sections in this Agreement are included for purposes of convenience only and shall not affect the construction of interpretation of any of its provisions.

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IN WITNESS WHEREOF, the parties have executed this Agreement the year and day first set forth above.

CITY OF INVER GROVE HEIGHTS

By: 
George Tourville
Its Mayor

ATTEST:

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan, to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

LANDOWNER:

Jonathan K. Harley

Donna M. Harley

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Jonathan K. Harley and Donna M. Harley, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

This instrument was drafted by:

Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

After recording, please return to:

Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651)451-1831

EXHIBIT A
LEGAL DESCRIPTION OF SUBJECT LAND

Real Property located in the City of Inver Grove Heights, Dakota County, Minnesota, described as follows:

The North 205 feet of the east 454.50 feet of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 5, Township 27, Range 22, except the North 30 feet thereof, Dakota County, Minnesota.

Abstract Property

EXHIBIT B CONSTRUCTION PLAN

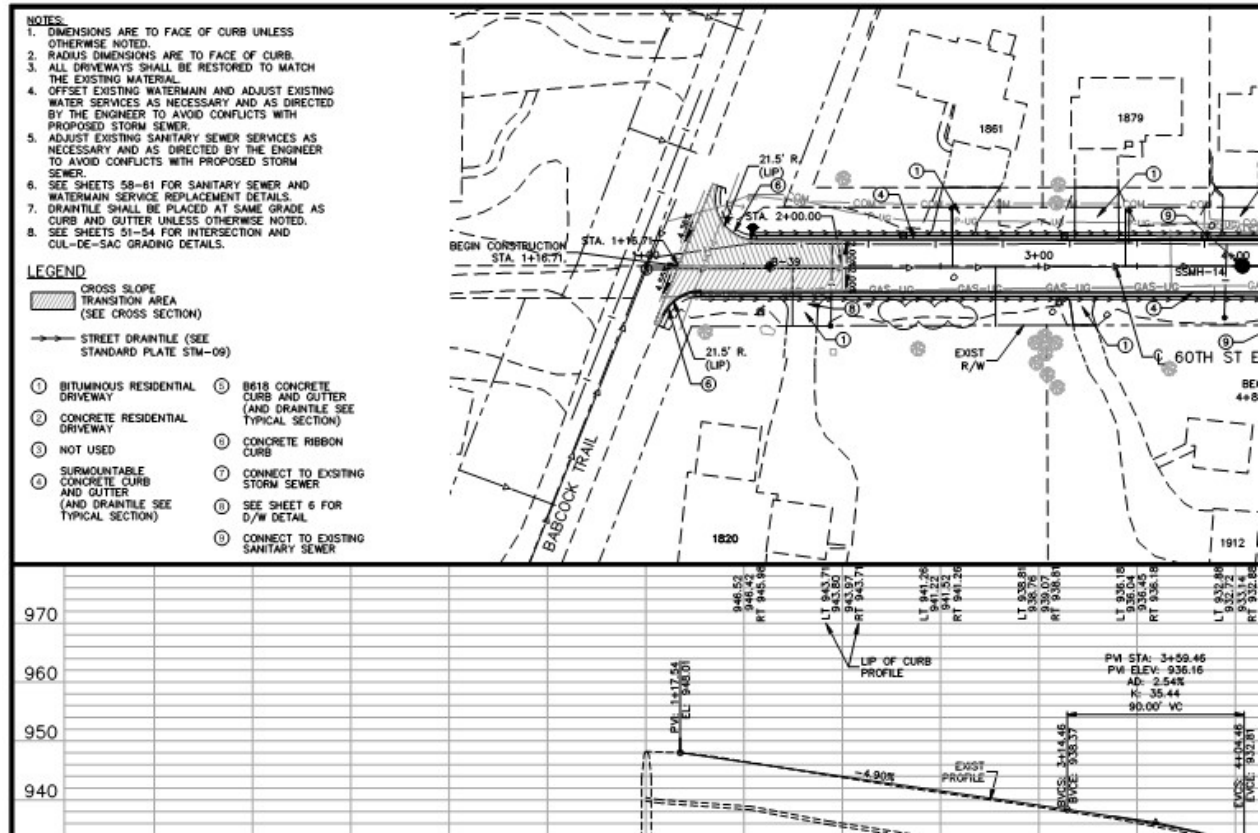
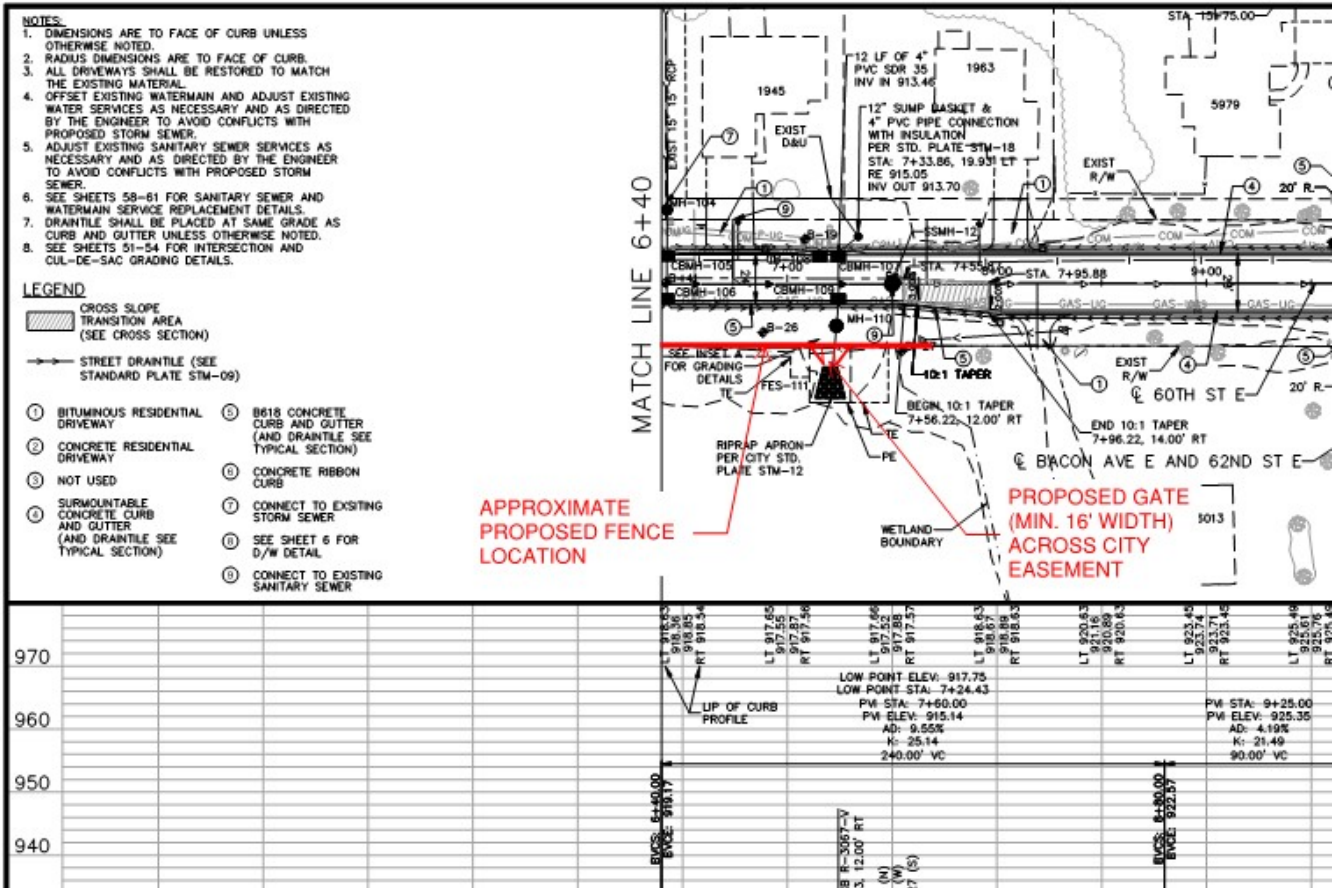


EXHIBIT B
CONSTRUCTION PLAN



**CITY OF INVER GROVE HEIGHTS
EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT
WITH ANTHONY S. BORDSEN AND KIRSTIN KEPPERS-BORDSEN
RELATING TO PROPERTY AT 1912 – 60TH STREET
FOR CITY PROJECT NO. 2016-09G
(60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS)**

THIS EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT ("Agreement") is made, entered into and effective as of the 8th day of June, 2020 ("Agreement Date"), by and between the City of Inver Grove Heights, a Minnesota municipal corporation (the "City") and Anthony S. Bordsen and Kirstin Keppers-Bordsen, husband and wife (the "Owner").

WITNESSETH:

WHEREAS, the Owner owns the tax parcel identified on the attached **Exhibit No. 1** (the Assessed Real Property). The tax parcel is located at 1912 - 60th Street, Inver Grove Heights, MN 55077 in Dakota County, Minnesota.

WHEREAS, the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Temporary Construction, Slope and Grading Easement in the form attached hereto as **Exhibit No. 2**) in exchange for the total sum of \$950.00 (Easement Payment).

WHEREAS, the City proposes to specially assess the Assessed Real Property for the Project.

WHEREAS, the City is willing to pay the Owner the Easement Payment by a partial prepayment of the special assessment to be levied against the Assessed Real Property for City Project No. 2016-09G and the Owner is willing to accept the Easement Payment by the City partially prepaying the special assessments against the Assessed Real Property for City Project No. 2016-09G.

WHEREAS, the Owner is willing to waive appeal rights pursuant to Minnesota Statutes Chapter 429 in the manner authorized by Minnesota Statutes § 462.3531 with respect to the proposed special assessments against the Assessed Real Property for City Project No. 2016-09G.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to

the other contained in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 DEFINITIONS. The following are terms used in this Agreement. Their meanings as used in this Agreement shall be expressly indicated below, unless the context of this Agreement requires otherwise:

- (a) Agreement. This agreement for an easement conveyance and for an assessment appeal waiver.
- (b) Agreement Date. The date written in the first paragraph of the Agreement.
- (c) Assessed Real Property. The tax parcel identified on the attached Exhibit No. 1.
- (d) City. The City of Inver Grove Heights, a Minnesota municipal corporation.
- (e) Easement Conveyance. The Owner's execution and delivery of the Temporary Construction, Slope and Grading Easement in the form attached hereto as Exhibit No. 2.
- (f) Easement Payment. Easement Payment means the total sum of \$950.00.
- (g) Owner. Anthony S. Bordsen and Kirstin Keppers-Bordsen, husband and wife.
- (h) Project. City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

ARTICLE 2 **COVENANTS AND AGREEMENTS**

2.1 COVENANTS AND AGREEMENTS OF THE OWNER. The Owner covenants and agrees with the City that:

- (a) Easement Conveyance. Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, a temporary easement for construction, slope and grading purposes pursuant to the Temporary Construction, Slope and Grading Easement attached hereto as Exhibit No. 2.

The Easement Conveyance shall be executed by the Owner and delivered to the City within ten days after request by the City.

- (b) Easement Payment to Reduce Assessed Real Property Assessment. For the Project,

Owner authorizes the City to pay the Easement Payment by prepaying the prepayment amounts shown on Exhibit No. 1.

- (c) Assessed Real Property Assessment Appeal Waiver. For the Project, Owner hereby authorizes the City to levy special assessments against the Assessed Real Property up to the amounts shown on Exhibit No. 1 in the column labeled "Assessments to be Levied."

Owner hereby waives all rights to assessment notices, hearings and appeals, and all other rights pursuant to Minn. Stat. §429.031, §429.061, §429.071 and §429.081 for the special assessments against the Assessed Real Property as shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied." Owner hereby waives any and all procedural and substantive objections to such special assessments. Owner hereby waives notice and hearing requirements. Owner hereby waives any claim that any of the assessments shown on **Exhibit No. 1** exceed the benefit to the Assessed Real Property for the Project improvements. Owner acknowledges that the benefit of the Project improvements to the Assessed Real Property does in fact equal or exceed the amount of the Project assessments against the Assessed Real Property shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied."

2.2 COVENANTS AND AGREEMENTS OF THE CITY. The City covenants and agrees with the Owner that:

- (a) Payment of Easement Payment. In consideration of the covenants and agreements of the Owner, the City agrees that upon the City requesting delivery of the Easement Conveyance, the City shall pay the Easement Payment in the manner hereafter set forth. The manner and timing of payment for the Easement Payment shall be by the City prepaying the amounts shown on Exhibit No. 1 in order to reduce the remaining special assessment against the Assessed Real Property. The remaining unpaid special assessment shall be the assessment certified to the county for collection unless the Owner chooses to also pay the remaining unpaid amount prior to certification to the county.
- (b) Project Assessments. City agrees that the levied assessment for the Project against the Assessed Real Property shall not exceed the amount shown on Exhibit No. 1 in the column labeled "Assessments to be Levied." The principal amount of the assessments shall be spread over ten (10) annual principal payments plus interest. The first installment of principal and interest shall be in calendar year January 2021. Interest on the special assessments shall begin to accrue from and after January 1, 2021. The interest rate shall be determined by the City Council.

ARTICLE 3 **GENERAL PROVISIONS**

3.1 NOTICES. All notices, requests, demands or other communications required or

permitted by this Agreement shall be in writing and delivery shall be deemed to be sufficient if delivered personally or by registered or certified mail, return receipt accepted, postage prepaid, addressed as follows:

If to the City: City of Inver Grove Heights
Attn: City Administrator
8150 Barbara Avenue
Inver Grove Heights, MN 55077

If to the Owner: Anthony S. Bordsen and Kirstin Keppers-Bordsen
1912 – 60th Street
Inver Grove Heights, MN 55077

3.2 NON-ASSIGNABILITY. The City shall not assign any interest in this Agreement or transfer any interest in the same without the prior written consent of Owner.

3.3 BINDING EFFECT. This Agreement and the terms, conditions and covenants contained herein and the transaction contemplated hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall further be binding on subsequent purchasers of the Assessed Real Property and shall run with the Assessed Real Property herein described.

3.4 SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

3.5 AMENDMENTS, CHANGES AND MODIFICATIONS. This Agreement may be amended or any of its terms modified or changed only by a written amendment authorized and executed by the City and the Owner.

3.6 COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

3.7 ENTIRE AGREEMENT. This Agreement shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations.

3.8 APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

3.9 DEFAULT. If a party to this Agreement materially defaults in the due and timely performance of any of its covenants, or agreements hereunder, the other party(s) may give notice of default of this Agreement. The notice shall specify with particularity the default or defaults on which the notice is based. The notice shall specify a 10 day cure period within which the specified default or defaults must be cured. If the specified defaults are not cured within the cure period, the other party(s) may pursue all remedies and sanctions available at law and in equity, including

specific performance.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first stated above.

OWNER:

Anthony S. Bordsen

Kirstin Keppers-Bordsen

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Anthony S. Bordsen and Kirstin Keppers-Bordsen, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

By: 
George Tourville
Its: Mayor

ATTEST:

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT NO. 1
ASSESSED REAL PROPERTY

TAX PARCEL IDENTIFICATION NO. (ASSESSED REAL PROPERTY)	CITY PROPOSED ASSESSMENTS TO BE LEVIED	AMOUNT TO BE PREPAID BY CITY BY WAY OF EASEMENT PAYMENT	REMAINING UNPAID ASSESSMENTS
20-00500-02-020	\$12,000	\$950	\$11,050

EXHIBIT NO. 2
TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT

**CITY OF INVER GROVE HEIGHTS
EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT
WITH JONATHAN K. HARLEY AND DONNA M. HARLEY
FOR CITY PROJECT NO. 2016-09G
(60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS)**

THIS EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT ("Agreement") is made, entered into and effective as of the 8th day of June, 2020 ("Agreement Date"), by and between the City of Inver Grove Heights, a Minnesota municipal corporation (the "City") and Jonathan K. Harley and Donna M. Harley, husband and wife (the "Owner").

WITNESSETH:

WHEREAS, the Owner owns the tax parcel identified on the attached **Exhibit No. 1** (the Assessed Real Property). The tax parcel is located at 6013 Bacon Avenue, Inver Grove Heights, MN 55077 in Dakota County, Minnesota.

WHEREAS, the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Permanent Drainage and Stormwater Facilities Easement Agreement in the form attached hereto as **Exhibit No. 2**) and the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Temporary Construction, Slope and Grading Easement in the form attached hereto as **Exhibit No. 3**) in exchange for the total sum of \$2,100.00 (Easement Payment).

WHEREAS, the City proposes to specially assess the Assessed Real Property for the Project.

WHEREAS, the City is willing to pay the Owner the Easement Payment by a partial prepayment of the special assessment to be levied against the Assessed Real Property for City Project No. 2016-09G and the Owner is willing to accept the Easement Payment by the City partially prepaying the special assessments against the Assessed Real Property for City Project No. 2016-09G.

WHEREAS, the Owner is willing to waive appeal rights pursuant to Minnesota Statutes Chapter 429 in the manner authorized by Minnesota Statutes § 462.3531 with respect to the proposed special assessments against the Assessed Real Property for City Project No. 2016-09G.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 DEFINITIONS. The following are terms used in this Agreement. Their meanings as used in this Agreement shall be expressly indicated below, unless the context of this Agreement requires otherwise:

- (a) Agreement. This agreement for an easement conveyance and for an assessment appeal waiver.
- (b) Agreement Date. The date written in the first paragraph of the Agreement.
- (c) Assessed Real Property. The tax parcel identified on the attached Exhibit No. 1.
- (d) City. The City of Inver Grove Heights, a Minnesota municipal corporation.
- (e) Easement Conveyance. The Owner's execution and delivery of the Permanent Drainage and Stormwater Facilities Easement Agreement to the City in the form attached hereto as Exhibit No. 2 and the Owner's execution and delivery of the Temporary Construction, Slope and Grading Easement in the form attached hereto as Exhibit No. 3.
- (f) Easement Payment. Easement Payment means the total sum of \$2,100.00.
- (g) Owner. Jonathan K. Harley and Donna M. Harley, husband and wife.
- (h) Project. City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

ARTICLE 2 **COVENANTS AND AGREEMENTS**

2.1 COVENANTS AND AGREEMENTS OF THE OWNER. The Owner covenants and agrees with the City that:

- (a) Easement Conveyance. Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a permanent easement for drainage and stormwater facilities purposes pursuant to the Permanent Drainage and Stormwater Facilities Easement Agreement attached hereto as Exhibit No. 2.

Owner, in consideration of Easement Payment and other good and valuable

consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a temporary easement for construction, slope and grading purposes pursuant to the Temporary Construction, Slope and Grading Easement attached hereto as Exhibit No. 3.

The Easement Conveyance shall be executed by the Owner and delivered to the City within ten days after request by the City.

- (b) Easement Payment to Reduce Assessed Real Property Assessment. For the Project, Owner authorizes the City to pay the Easement Payment by prepaying the prepayment amounts shown on Exhibit No. 1.
- (c) Assessed Real Property Assessment Appeal Waiver. For the Project, Owner hereby authorizes the City to levy special assessments against the Assessed Real Property up to the amounts shown on Exhibit No. 1 in the column labeled "Assessments to be Levied."

Owner hereby waives all rights to assessment notices, hearings and appeals, and all other rights pursuant to Minn. Stat. §429.031, §429.061, §429.071 and §429.081 for the special assessments against the Assessed Real Property as shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied." Owner hereby waives any and all procedural and substantive objections to such special assessments. Owner hereby waives notice and hearing requirements. Owner hereby waives any claim that any of the assessments shown on **Exhibit No. 1** exceed the benefit to the Assessed Real Property for the Project improvements. Owner acknowledges that the benefit of the Project improvements to the Assessed Real Property does in fact equal or exceed the amount of the Project assessments against the Assessed Real Property shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied."

2.2 COVENANTS AND AGREEMENTS OF THE CITY. The City covenants and agrees with the Owner that:

- (a) Payment of Easement Payment. In consideration of the covenants and agreements of the Owner, the City agrees that upon the City requesting delivery of the Easement Conveyance, the City shall pay the Easement Payment in the manner hereafter set forth. The manner and timing of payment for the Easement Payment shall be by the City prepaying the amounts shown on Exhibit No. 1 in order to reduce the remaining special assessment against the Assessed Real Property. The remaining unpaid special assessment shall be the assessment certified to the county for collection unless the Owner chooses to also pay the remaining unpaid amount prior to certification to the county.
- (b) Project Assessments. City agrees that the levied assessment for the Project against the Assessed Real Property shall not exceed the amount shown on Exhibit No. 1 in the column labeled "Assessments to be Levied." The principal amount of the

ARTICLE 3

GENERAL PROVISIONS

3.7 ENTIRE AGREEMENT. This Agreement shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations.

3.8 APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

3.9 DEFAULT. If a party to this Agreement materially defaults in the due and timely performance of any of its covenants, or agreements hereunder, the other party(s) may give notice of default of this Agreement. The notice shall specify with particularity the default or defaults on which the notice is based. The notice shall specify a 10 day cure period within which the specified default or defaults must be cured. If the specified defaults are not cured within the cure period, the other party(s) may pursue all remedies and sanctions available at law and in equity, including specific performance.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first stated above.

OWNER:

Jonathan K. Harley

Donna M. Harley

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Jonathan K. Harley and Donna M. Harley, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

By: 
George Tourville
Its: Mayor

ATTEST: 
Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT NO. 1
ASSESSED REAL PROPERTY

TAX PARCEL IDENTIFICATION NO. (ASSESSED REAL PROPERTY)	CITY PROPOSED ASSESSMENTS TO BE LEVIED	AMOUNT TO BE PREPAID BY CITY BY WAY OF EASEMENT PAYMENT	REMAINING UNPAID ASSESSMENTS
20-00500-02-030	\$12,000	\$2,100	\$9,900

EXHIBIT NO. 2
PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT

EXHIBIT NO. 3
TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT

**CITY OF INVER GROVE HEIGHTS
EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT
WITH JOHN STURNER AND MARY LEE STURNER
RELATING TO PROPERTY AT 6070 BACON AVENUE
FOR CITY PROJECT NO. 2016-09G
(60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS)**

THIS EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT ("Agreement") is made, entered into and effective as of the 8th day of June, 2020 ("Agreement Date"), by and between the City of Inver Grove Heights, a Minnesota municipal corporation (the "City") and John Sturner and Mary Lee Sturner, husband and wife (the "Owner").

WITNESSETH:

WHEREAS, the Owner owns the tax parcel identified on the attached **Exhibit No. 1** (the Assessed Real Property). The tax parcel is located at 6070 Bacon Avenue, Inver Grove Heights, MN 55077 in Dakota County, Minnesota.

WHEREAS, the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Permanent Drainage and Stormwater Facilities Easement Agreement in the form attached hereto as **Exhibit No. 2**) and the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Temporary Construction, Slope and Grading Easement in the form attached hereto as **Exhibit No. 3**) in exchange for the total sum of \$1,600.00 (Easement Payment).

WHEREAS, the City proposes to specially assess the Assessed Real Property for the Project.

WHEREAS, the City is willing to pay the Owner the Easement Payment by a partial prepayment of the special assessment to be levied against the Assessed Real Property for City Project No. 2016-09G and the Owner is willing to accept the Easement Payment by the City partially prepaying the special assessments against the Assessed Real Property for City Project No. 2016-09G.

WHEREAS, the Owner is willing to waive appeal rights pursuant to Minnesota Statutes Chapter 429 in the manner authorized by Minnesota Statutes § 462.3531 with respect to the proposed special assessments against the Assessed Real Property for City Project No. 2016-09G.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 DEFINITIONS. The following are terms used in this Agreement. Their meanings as used in this Agreement shall be expressly indicated below, unless the context of this Agreement requires otherwise:

- (a) Agreement. This agreement for an easement conveyance and for an assessment appeal waiver.
- (b) Agreement Date. The date written in the first paragraph of the Agreement.
- (c) Assessed Real Property. The tax parcel identified on the attached Exhibit No. 1.
- (d) City. The City of Inver Grove Heights, a Minnesota municipal corporation.
- (e) Easement Conveyance. The Owner's execution and delivery of the Permanent Drainage and Stormwater Facilities Easement Agreement to the City in the form attached hereto as Exhibit No. 2 and the Owner's execution and delivery of the Temporary Construction, Slope and Grading Easement in the form attached hereto as Exhibit No. 3.
- (f) Easement Payment. Easement Payment means the total sum of \$1,600.00.
- (g) Owner. John Sturner and Mary Lee Sturner, husband and wife.
- (h) Project. City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

ARTICLE 2 **COVENANTS AND AGREEMENTS**

2.1 COVENANTS AND AGREEMENTS OF THE OWNER. The Owner covenants and agrees with the City that:

- (a) Easement Conveyance. Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a permanent easement for drainage and stormwater facilities purposes pursuant to the Permanent Drainage and Stormwater Facilities Easement Agreement attached hereto as Exhibit No. 2.

Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a temporary easement for construction, slope and grading purposes pursuant to the Temporary Construction, Slope and Grading Easement attached hereto as Exhibit No. 3.

The Easement Conveyance shall be executed by the Owner and delivered to the City within ten days after request by the City.

- (b) Easement Payment to Reduce Assessed Real Property Assessment. For the Project, Owner authorizes the City to pay the Easement Payment by prepaying the prepayment amounts shown on Exhibit No. 1.
- (c) Assessed Real Property Assessment Appeal Waiver. For the Project, Owner hereby authorizes the City to levy special assessments against the Assessed Real Property up to the amounts shown on Exhibit No. 1 in the column labeled "Assessments to be Levied."

Owner hereby waives all rights to assessment notices, hearings and appeals, and all other rights pursuant to Minn. Stat. §429.031, §429.061, §429.071 and §429.081 for the special assessments against the Assessed Real Property as shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied." Owner hereby waives any and all procedural and substantive objections to such special assessments. Owner hereby waives notice and hearing requirements. Owner hereby waives any claim that any of the assessments shown on **Exhibit No. 1** exceed the benefit to the Assessed Real Property for the Project improvements. Owner acknowledges that the benefit of the Project improvements to the Assessed Real Property does in fact equal or exceed the amount of the Project assessments against the Assessed Real Property shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied."

2.2 COVENANTS AND AGREEMENTS OF THE CITY. The City covenants and agrees with the Owner that:

- (a) Payment of Easement Payment. In consideration of the covenants and agreements of the Owner, the City agrees that upon the City requesting delivery of the Easement Conveyance, the City shall pay the Easement Payment in the manner hereafter set forth. The manner and timing of payment for the Easement Payment shall be by the City prepaying the amounts shown on Exhibit No. 1 in order to reduce the remaining special assessment against the Assessed Real Property. The remaining unpaid special assessment shall be the assessment certified to the county for collection unless the Owner chooses to also pay the remaining unpaid amount prior to certification to the county.
- (b) Project Assessments. City agrees that the levied assessment for the Project against the Assessed Real Property shall not exceed the amount shown on Exhibit No. 1 in

the column labeled "Assessments to be Levied." The principal amount of the assessments shall be spread over ten (10) annual principal payments plus interest. The first installment of principal and interest shall be in calendar year January 2021. Interest on the special assessments shall begin to accrue from and after January 1, 2021. The interest rate shall be determined by the City Council.

ARTICLE 3 **GENERAL PROVISIONS**

3.1 NOTICES. All notices, requests, demands or other communications required or permitted by this Agreement shall be in writing and delivery shall be deemed to be sufficient if delivered personally or by registered or certified mail, return receipt accepted, postage prepaid, addressed as follows:

If to the City:	City of Inver Grove Heights Attn: City Administrator 8150 Barbara Avenue Inver Grove Heights, MN 55077
-----------------	---

If to the Owner:	John Sturner and Mary Lee Sturner 6070 Bacon Avenue Inver Grove Heights, MN 55077
------------------	---

3.2 NON-ASSIGNABILITY. The City shall not assign any interest in this Agreement or transfer any interest in the same without the prior written consent of Owner.

3.3 BINDING EFFECT. This Agreement and the terms, conditions and covenants contained herein and the transaction contemplated hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall further be binding on subsequent purchasers of the Assessed Real Property and shall run with the Assessed Real Property herein described.

3.4 SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

3.5 AMENDMENTS, CHANGES AND MODIFICATIONS. This Agreement may be amended or any of its terms modified or changed only by a written amendment authorized and executed by the City and the Owner.

3.6 COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

3.7 ENTIRE AGREEMENT. This Agreement shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations.

3.8 APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

3.9 DEFAULT. If a party to this Agreement materially defaults in the due and timely performance of any of its covenants, or agreements hereunder, the other party(s) may give notice of default of this Agreement. The notice shall specify with particularity the default or defaults on which the notice is based. The notice shall specify a 10 day cure period within which the specified default or defaults must be cured. If the specified defaults are not cured within the cure period, the other party(s) may pursue all remedies and sanctions available at law and in equity, including specific performance.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first stated above.

OWNER:

John Sturner

Mary Lee Sturner

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared John Sturner and Mary Lee Sturner, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

George Tourville
By: _____
George Tourville
Its: Mayor

ATTEST: *Rebecca Kiernan*

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT NO. 1
ASSESSED REAL PROPERTY

TAX PARCEL IDENTIFICATION NO. (ASSESSED REAL PROPERTY)	CITY PROPOSED ASSESSMENTS TO BE LEVIED	AMOUNT TO BE PREPAID BY CITY BY WAY OF EASEMENT PAYMENT	REMAINING UNPAID ASSESSMENTS
20-00400-27-040	\$12,000	\$1,600	\$10,400

EXHIBIT NO. 2
PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT

EXHIBIT NO. 3
TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT

**CITY OF INVER GROVE HEIGHTS
EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT
WITH RICHARD T. RINEHART AND KIMBERLY A. GEAR RINEHART
RELATING TO PROPERTY AT 6098 BACON AVENUE
FOR CITY PROJECT NO. 2016-09G
(60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS)**

THIS EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT ("Agreement") is made, entered into and effective as of the 8th day of June, 2020 ("Agreement Date"), by and between the City of Inver Grove Heights, a Minnesota municipal corporation (the "City") and Richard T. Rinehart and Kimberly A. Gear Rinehart, husband and wife (the "Owner").

WITNESSETH:

WHEREAS, the Owner owns the tax parcel identified on the attached **Exhibit No. 1** (the Assessed Real Property). The tax parcel is located at 6098 Bacon Avenue, Inver Grove Heights, MN 55077 in Dakota County, Minnesota.

WHEREAS, the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Permanent Drainage and Stormwater Facilities Easement Agreement in the form attached hereto as **Exhibit No. 2**) and the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Temporary Construction, Slope and Grading Easement in the form attached hereto as **Exhibit No. 3**) in exchange for the total sum of \$1,500.00 (Easement Payment).

WHEREAS, the City proposes to specially assess the Assessed Real Property for the Project.

WHEREAS, the City is willing to pay the Owner the Easement Payment by a partial prepayment of the special assessment to be levied against the Assessed Real Property for City Project No. 2016-09G and the Owner is willing to accept the Easement Payment by the City partially prepaying the special assessments against the Assessed Real Property for City Project No. 2016-09G.

WHEREAS, the Owner is willing to waive appeal rights pursuant to Minnesota Statutes Chapter 429 in the manner authorized by Minnesota Statutes § 462.3531 with respect to the proposed special assessments against the Assessed Real Property for City Project No. 2016-09G.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 DEFINITIONS. The following are terms used in this Agreement. Their meanings as used in this Agreement shall be expressly indicated below, unless the context of this Agreement requires otherwise:

- (a) Agreement. This agreement for an easement conveyance and for an assessment appeal waiver.
- (b) Agreement Date. The date written in the first paragraph of the Agreement.
- (c) Assessed Real Property. The tax parcel identified on the attached Exhibit No. 1.
- (d) City. The City of Inver Grove Heights, a Minnesota municipal corporation.
- (e) Easement Conveyance. The Owner's execution and delivery of the Permanent Drainage and Stormwater Facilities Easement Agreement to the City in the form attached hereto as Exhibit No. 2 and the Owner's execution and delivery of the Temporary Construction, Slope and Grading Easement in the form attached hereto as Exhibit No. 3.
- (f) Easement Payment. Easement Payment means the total sum of \$1,500.00.
- (g) Owner. Richard T. Rinehart and Kimberly A. Gear Rinehart, husband and wife.
- (h) Project. City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

ARTICLE 2 **COVENANTS AND AGREEMENTS**

2.1 COVENANTS AND AGREEMENTS OF THE OWNER. The Owner covenants and agrees with the City that:

- (a) Easement Conveyance. Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a permanent easement for drainage and stormwater facilities purposes pursuant to the Permanent Drainage and Stormwater Facilities Easement Agreement attached hereto as Exhibit No. 2.

Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a temporary easement for construction, slope and grading purposes pursuant to the Temporary Construction, Slope and Grading Easement attached hereto as Exhibit No. 3.

The Easement Conveyance shall be executed by the Owner and delivered to the City within ten days after request by the City.

- (b) Easement Payment to Reduce Assessed Real Property Assessment. For the Project, Owner authorizes the City to pay the Easement Payment by prepaying the prepayment amounts shown on Exhibit No. 1.
- (c) Assessed Real Property Assessment Appeal Waiver. For the Project, Owner hereby authorizes the City to levy special assessments against the Assessed Real Property up to the amounts shown on Exhibit No. 1 in the column labeled "Assessments to be Levied."

Owner hereby waives all rights to assessment notices, hearings and appeals, and all other rights pursuant to Minn. Stat. §429.031, §429.061, §429.071 and §429.081 for the special assessments against the Assessed Real Property as shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied." Owner hereby waives any and all procedural and substantive objections to such special assessments. Owner hereby waives notice and hearing requirements. Owner hereby waives any claim that any of the assessments shown on **Exhibit No. 1** exceed the benefit to the Assessed Real Property for the Project improvements. Owner acknowledges that the benefit of the Project improvements to the Assessed Real Property does in fact equal or exceed the amount of the Project assessments against the Assessed Real Property shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied."

2.2 COVENANTS AND AGREEMENTS OF THE CITY. The City covenants and agrees with the Owner that:

- (a) Payment of Easement Payment. In consideration of the covenants and agreements of the Owner, the City agrees that upon the City requesting delivery of the Easement Conveyance, the City shall pay the Easement Payment in the manner hereafter set forth. The manner and timing of payment for the Easement Payment shall be by the City prepaying the amounts shown on Exhibit No. 1 in order to reduce the remaining special assessment against the Assessed Real Property. The remaining unpaid special assessment shall be the assessment certified to the county for collection unless the Owner chooses to also pay the remaining unpaid amount prior to certification to the county.
- (b) Project Assessments. City agrees that the levied assessment for the Project against the Assessed Real Property shall not exceed the amount shown on Exhibit No. 1 in

the column labeled "Assessments to be Levied." The principal amount of the assessments shall be spread over ten (10) annual principal payments plus interest. The first installment of principal and interest shall be in calendar year January 2021. Interest on the special assessments shall begin to accrue from and after January 1, 2021. The interest rate shall be determined by the City Council.

ARTICLE 3 **GENERAL PROVISIONS**

3.1 NOTICES. All notices, requests, demands or other communications required or permitted by this Agreement shall be in writing and delivery shall be deemed to be sufficient if delivered personally or by registered or certified mail, return receipt accepted, postage prepaid, addressed as follows:

If to the City:	City of Inver Grove Heights Attn: City Administrator 8150 Barbara Avenue Inver Grove Heights, MN 55077
-----------------	---

If to the Owner:	John Sturner and Mary Lee Sturner 6070 Bacon Avenue Inver Grove Heights, MN 55077
------------------	---

3.2 NON-ASSIGNABILITY. The City shall not assign any interest in this Agreement or transfer any interest in the same without the prior written consent of Owner.

3.3 BINDING EFFECT. This Agreement and the terms, conditions and covenants contained herein and the transaction contemplated hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall further be binding on subsequent purchasers of the Assessed Real Property and shall run with the Assessed Real Property herein described.

3.4 SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

3.5 AMENDMENTS, CHANGES AND MODIFICATIONS. This Agreement may be amended or any of its terms modified or changed only by a written amendment authorized and executed by the City and the Owner.

3.6 COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

3.7 ENTIRE AGREEMENT. This Agreement shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations.

3.8 APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

3.9 DEFAULT. If a party to this Agreement materially defaults in the due and timely performance of any of its covenants, or agreements hereunder, the other party(s) may give notice of default of this Agreement. The notice shall specify with particularity the default or defaults on which the notice is based. The notice shall specify a 10 day cure period within which the specified default or defaults must be cured. If the specified defaults are not cured within the cure period, the other party(s) may pursue all remedies and sanctions available at law and in equity, including specific performance.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first stated above.

OWNER:

Richard T. Rinehart

Kimberly A. Gear Rinehart

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Kimberly A. Gear Rinehart, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS

By: 
George Tourville
Its: Mayor

ATTEST: 
Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT NO. 1
ASSESSED REAL PROPERTY

TAX PARCEL IDENTIFICATION NO. (ASSESSED REAL PROPERTY)	CITY PROPOSED ASSESSMENTS TO BE LEVIED	AMOUNT TO BE PREPAID BY CITY BY WAY OF EASEMENT PAYMENT	REMAINING UNPAID ASSESSMENTS
20-00400-27-050	\$12,000	\$1,500	\$10,500

EXHIBIT NO. 2
PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT

EXHIBIT NO. 3
TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT

**CITY OF INVER GROVE HEIGHTS
EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT
WITH ANDERS PETERSEN AND JULIE A. PETERSEN
RELATING TO PROPERTY AT 6125 BACON AVENUE
FOR CITY PROJECT NO. 2016-09G
(60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS)**

THIS EASEMENT CONVEYANCE AND ASSESSMENT APPEAL WAIVER AGREEMENT ("Agreement") is made, entered into and effective as of the 8th day of June, 2020 ("Agreement Date"), by and between the City of Inver Grove Heights, a Minnesota municipal corporation (the "City") and Anders Petersen and Julie A. Petersen, husband and wife (the "Owner").

WITNESSETH:

WHEREAS, the Owner owns the tax parcel identified on the attached **Exhibit No. 1** (the Assessed Real Property). The tax parcel is located at 6125 Bacon Avenue, Inver Grove Heights, MN 55077 in Dakota County, Minnesota.

WHEREAS, the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Permanent Drainage and Stormwater Facilities Easement Agreement in the form attached hereto as **Exhibit No. 2**) and the Owner is willing to provide the City with an Easement Conveyance (pursuant to a Temporary Construction, Slope and Grading Easement in the form attached hereto as **Exhibit No. 3**) in exchange for the total sum of \$900.00 (Easement Payment).

WHEREAS, the City proposes to specially assess the Assessed Real Property for the Project.

WHEREAS, the City is willing to pay the Owner the Easement Payment by a partial prepayment of the special assessment to be levied against the Assessed Real Property for City Project No. 2016-09G and the Owner is willing to accept the Easement Payment by the City partially prepaying the special assessments against the Assessed Real Property for City Project No. 2016-09G.

WHEREAS, the Owner is willing to waive appeal rights pursuant to Minnesota Statutes Chapter 429 in the manner authorized by Minnesota Statutes § 462.3531 with respect to the proposed special assessments against the Assessed Real Property for City Project No. 2016-09G.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 DEFINITIONS. The following are terms used in this Agreement. Their meanings as used in this Agreement shall be expressly indicated below, unless the context of this Agreement requires otherwise:

- (a) Agreement. This agreement for an easement conveyance and for an assessment appeal waiver.
- (b) Agreement Date. The date written in the first paragraph of the Agreement.
- (c) Assessed Real Property. The tax parcel identified on the attached Exhibit No. 1.
- (d) City. The City of Inver Grove Heights, a Minnesota municipal corporation.
- (e) Easement Conveyance. The Owner's execution and delivery of the Permanent Drainage and Stormwater Facilities Easement Agreement to the City in the form attached hereto as Exhibit No. 2 and the Owner's execution and delivery of the Temporary Construction, Slope and Grading Easement in the form attached hereto as Exhibit No. 3.
- (f) Easement Payment. Easement Payment means the total sum of \$900.00.
- (g) Owner. Anders Petersen and Julie A. Petersen, husband and wife.
- (h) Project. City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

ARTICLE 2 **COVENANTS AND AGREEMENTS**

2.1 COVENANTS AND AGREEMENTS OF THE OWNER. The Owner covenants and agrees with the City that:

- (a) Easement Conveyance. Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a permanent easement for drainage and stormwater facilities purposes pursuant to the Permanent Drainage and Stormwater Facilities Easement Agreement attached hereto as Exhibit No. 2.

Owner, in consideration of Easement Payment and other good and valuable consideration, does hereby agree to grant and convey to the City, its successors and assigns, forever, a temporary easement for construction, slope and grading purposes pursuant to the Temporary Construction, Slope and Grading Easement attached hereto as Exhibit No. 3.

The Easement Conveyance shall be executed by the Owner and delivered to the City within ten days after request by the City.

- (b) Easement Payment to Reduce Assessed Real Property Assessment. For the Project, Owner authorizes the City to pay the Easement Payment by prepaying the prepayment amounts shown on Exhibit No. 1.
- (c) Assessed Real Property Assessment Appeal Waiver. For the Project, Owner hereby authorizes the City to levy special assessments against the Assessed Real Property up to the amounts shown on Exhibit No. 1 in the column labeled "Assessments to be Levied."

Owner hereby waives all rights to assessment notices, hearings and appeals, and all other rights pursuant to Minn. Stat. §429.031, §429.061, §429.071 and §429.081 for the special assessments against the Assessed Real Property as shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied." Owner hereby waives any and all procedural and substantive objections to such special assessments. Owner hereby waives notice and hearing requirements. Owner hereby waives any claim that any of the assessments shown on **Exhibit No. 1** exceed the benefit to the Assessed Real Property for the Project improvements. Owner acknowledges that the benefit of the Project improvements to the Assessed Real Property does in fact equal or exceed the amount of the Project assessments against the Assessed Real Property shown on **Exhibit No. 1** in the column labeled "Assessments to be Levied."

2.2 COVENANTS AND AGREEMENTS OF THE CITY. The City covenants and agrees with the Owner that:

- (a) Payment of Easement Payment. In consideration of the covenants and agreements of the Owner, the City agrees that upon the City requesting delivery of the Easement Conveyance, the City shall pay the Easement Payment in the manner hereafter set forth. The manner and timing of payment for the Easement Payment shall be by the City prepaying the amounts shown on Exhibit No. 1 in order to reduce the remaining special assessment against the Assessed Real Property. The remaining unpaid special assessment shall be the assessment certified to the county for collection unless the Owner chooses to also pay the remaining unpaid amount prior to certification to the county.
- (b) Project Assessments. City agrees that the levied assessment for the Project against the Assessed Real Property shall not exceed the amount shown on Exhibit No. 1 in

the column labeled "Assessments to be Levied." The principal amount of the assessments shall be spread over ten (10) annual principal payments plus interest. The first installment of principal and interest shall be in calendar year January 2021. Interest on the special assessments shall begin to accrue from and after January 1, 2021. The interest rate shall be determined by the City Council.

ARTICLE 3 **GENERAL PROVISIONS**

3.1 NOTICES. All notices, requests, demands or other communications required or permitted by this Agreement shall be in writing and delivery shall be deemed to be sufficient if delivered personally or by registered or certified mail, return receipt accepted, postage prepaid, addressed as follows:

If to the City:	City of Inver Grove Heights Attn: City Administrator 8150 Barbara Avenue Inver Grove Heights, MN 55077
-----------------	---

If to the Owner:	Anders Petersen and Julie A. Petersen 6125 Bacon Avenue Inver Grove Heights, MN 55077
------------------	---

3.2 NON-ASSIGNABILITY. The City shall not assign any interest in this Agreement or transfer any interest in the same without the prior written consent of Owner.

3.3 BINDING EFFECT. This Agreement and the terms, conditions and covenants contained herein and the transaction contemplated hereunder shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall further be binding on subsequent purchasers of the Assessed Real Property and shall run with the Assessed Real Property herein described.

3.4 SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

3.5 AMENDMENTS, CHANGES AND MODIFICATIONS. This Agreement may be amended or any of its terms modified or changed only by a written amendment authorized and executed by the City and the Owner.

3.6 COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

3.7 ENTIRE AGREEMENT. This Agreement shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations.

3.8 APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

3.9 DEFAULT. If a party to this Agreement materially defaults in the due and timely performance of any of its covenants, or agreements hereunder, the other party(s) may give notice of default of this Agreement. The notice shall specify with particularity the default or defaults on which the notice is based. The notice shall specify a 10 day cure period within which the specified default or defaults must be cured. If the specified defaults are not cured within the cure period, the other party(s) may pursue all remedies and sanctions available at law and in equity, including specific performance.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first stated above.

OWNER:

Anders Petersen

Julie A. Petersen

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared Anders Petersen and Julie A. Petersen, husband and wife, to me personally known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

CITY:
CITY OF INVER GROVE HEIGHTS


By: _____
George Tourville
Its: Mayor

ATTEST: 

Rebecca Kiernan, City Clerk

(CITY SEAL)

STATE OF MINNESOTA)
)
COUNTY OF DAKOTA) ss.

On this ____ day of _____, 2020, before me a Notary Public within and for said County, personally appeared George Tourville and Rebecca Kiernan to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of Inver Grove Heights, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said City Clerk acknowledged said instrument to be the free act and deed of said municipality.

Notary Public

This instrument was drafted by:
Timothy J. Kuntz
LeVander, Gillen & Miller, P.A.
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

After recording, please return to:
Timothy J. Kuntz
LeVander, Gillen & Miller
633 South Concord Street, Suite 400
South St. Paul, Minnesota 55075
(651) 451-1831

EXHIBIT NO. 1
ASSESSED REAL PROPERTY

TAX PARCEL IDENTIFICATION NO. (ASSESSED REAL PROPERTY)	CITY PROPOSED ASSESSMENTS TO BE LEVIED	AMOUNT TO BE PREPAID BY CITY BY WAY OF EASEMENT PAYMENT	REMAINING UNPAID ASSESSMENTS
20-00500-02-060	\$12,000	\$900	\$11,100

EXHIBIT NO. 2
PERMANENT DRAINAGE AND STORMWATER FACILITIES
EASEMENT AGREEMENT

EXHIBIT NO. 3
TEMPORARY CONSTRUCTION, SLOPE AND GRADING EASEMENT

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Approving the Purchase of Wetland Banking Credits for the City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve W. Dodge, Assistant City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

	Fiscal/FTE Impact:
☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other: Special Assessments, Pavement Management Fund, Franchise Fee Fund, Sewer Fund, Water Fund and DCSWCD Grant

PURPOSE/ACTION REQUESTED

Consider resolution approving the purchase of wetland banking credits for the City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements.

SUMMARY

As part of the City's Pavement Management Program, the City plans to reconstruct 60th Street, 62nd Street, and Bacon Avenue as part of City Project 2016-09G. The proposed street improvements include activities that will require impacts to adjacent wetlands and Minnesota Department of Natural Resources (DNR) waters.

A proposed temporary residential access and permanent public safety access route (see attached exhibit) along McGroarty Trail, from Beckman Avenue/63rd Street to 62nd Street cul-de-sac, permanently impacts 900 square feet of a Type 3 shallow marsh wetland (See Wetland Impact and Disturbance Exhibits). A 2:1 replacement ratio is required. The proposed method for wetland mitigation is through purchase of 0.0413 acres (2 x 900 sf) of wetland bank credits (Account #1409) in the amount of \$4,677.47 (see Agreement for Purchase of Wetland Banking Credits). Wetland banking is a process that is reviewed and approved by the Minnesota Board of Soil and Water Resources (BSWR). Payment for wetland bank credits will come from the project contingency funds.

There are additional storm sewer system updates adjacent to the DNR waters that have been authorized by the DNR through the Wetland Conservation Act and are permitted: (1) 60th Street pinch-point, (2) Bacon Avenue pinch-point, and (3) permanent public safety access road improvements (see attached Wetland Impact and Disturbance Exhibits).

The Dakota County Soil and Water Conservation District has no objection to the proposed wetland impacts and recommends approval of the wetland replacement plan. The wetland area impacted for wetland credits is under the jurisdiction of Minnesota Department of Transportation (MnDOT). MnDOT's authorization was necessary as part of the evaluation process for wetland mitigation.

Staff is recommending that City Council pass the attached resolution approving the wetland replacement plan.

SWD/kf

Attachments: Resolution
 Agreement for Purchase of Wetland Banking Credits
 Wetland Impact and Disturbance Exhibits
 Temporary Residential and Permanent Public Safety Access Route Exhibit
 Wetland Disturbance Authorization – ACOE
 MnDOT Notice of Determination
 Wetland Disturbance Application

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION APPROVING THE WETLAND REPLACEMENT PLAN FOR CITY PROJECT NO. 2016-09G –
60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS**

RESOLUTION NO. 2020-112

WHEREAS, as part of the City's Pavement Management Program, the City plans to reconstruct 60th Street, 62nd Street and Bacon Avenue as part of City Project 2016-09G; and

WHEREAS, the proposed improvements require a wetland impact for the permanent public safety access route which includes 900 square feet of type 3 shallow marsh wetland disturbance proposed to be mitigated through the purchase of wetland banking credits; and

WHEREAS, the approved method for wetland mitigation is through the purchase of 0.0413 acres (2 x 900 sf), using a 2:1 replacement ratio, of wetland bank credits (Account #1409) in the amount of \$4,677.47; and

WHEREAS, an application for wetland bank credits has been applied for by the City of Inver Grove Heights. Wetland banking is a process that is reviewed and approved by Minnesota Board of Water and Soil Resources. In addition, the Minnesota Department of Transportation has jurisdictional authority and has authorized the wetland replacement plan.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA THAT:

1. The City Council hereby approves the wetland replacement plan as presented on City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements
2. The City Engineer and Staff are authorized to execute the wetland banking purchase agreement documents.
3. The payment of \$4,677.47 for the purchase of wetland bank credits is authorized and will be funded through the project contingency funds.

Adopted by the City Council of Inver Grove Heights, Minnesota this 8th day of June 2020.


George Tourville, Mayor

ATTEST:



Rebecca Kiernan, City Clerk



AGREEMENT FOR PURCHASE OF WETLAND BANKING CREDITS

This Agreement for Purchase of Wetland Banking Credits ("Agreement") is made this 6th day of February, 2020 between Wetland Credit Agency, LLC ("Broker") and the City of Inver Grove Heights ("Buyer"). (Broker and Buyer are collectively referred to as "Parties").

WETLAND CREDIT ACCOUNT(S)				
Acct. No.	County	Major Watershed	BSA	Account Owner
1409	Anoka	20-Mississippi Metro	7	B. Moen ("Seller")

1. Buyer agrees to buy the wetland banking credits ("Credits") listed below:

CREDITS TO BE SOLD						
Credit Sub-Group ¹	Acres	Wetland Circ. 39 Type ²	Plant Community Type ³	Cost per Acre	Account Number	Total
A.	--	--	--	--	--	--
B.	--	--	--	--	--	--
C.	0.0413	3	shallow marsh	\$113,256.00	1409	\$4,677.47
D.	---	--	--	--	--	--
E.	--	--	--	--	--	--
Totals	0.0413					\$4,677.47

☐ Check here if additional credit sub-groups are part of this account and are listed on an attachment to this document.

¹A separate credit sub-group shall be established for each wetland or wetland area that has different wetland characteristics.

²Circular 39 types: 1, 1L, 2, 3, 4, 5, 6, 7, 8, B, U.

³**Wetland plant community type:** shallow open water, deep marsh, shallow marsh, sedge meadow, fresh meadow, wet to wet-mesic prairie, calcareous fen, open bog or coniferous bog, shrub-carr/alder thicket, hardwood swamp or coniferous swamp, floodplain forest, seasonally flooded basin. *See Wetland Plants and Plant Communities of Minnesota and Wisconsin (Eggers and Reed, 1997) as modified by the Board of Water and Soil Resources, United States Army Corps of Engineers.*

2. Statement Regarding Credits:
- a) The Credits are deposited in an account in the Minnesota Wetland Bank administered by the Minnesota Board of Water and Soil Resources ("BWSR") pursuant to Minn. Rules Chapter 8420.0700-.0760.
 - b) Seller owns the Credits and has the right to sell the Credits to Buyer.
3. Buyer will pay a total of \$4,677.47 for the Credits, as follows:
- a) \$4,677.47 to be paid on the Closing Date defined and listed below.

4. In addition to the fees for the Credits in paragraph 3, Buyer agrees to pay the Withdrawal Fee and Easement Stewardship Fee totaling \$97.74 to Broker as required by BWSR. At closing, Broker will execute a check made out for this amount payable to BWSR.
5. The closing of the purchase and sale shall occur on or before May 4th, 2020 ("Closing Date"). The Closing Date may only be extended or changed by written consent of both Parties. Upon payment of the purchase price, Broker attests that Seller has agreed to sign a fully executed Application for Withdrawal of Credits in the form specified by BWSR.
6. Buyer shall apply to the appropriate Local Government Unit ("LGU") and any other required regulatory or governmental agency for approval of a replacement plan utilizing the Credits as the means of replacing impacted wetlands. If the LGU or other regulatory or government agency has not approved the Buyer's application for a replacement plan utilizing the Credits by the Closing Date, and no extension of the Closing Date has been agreed to by the Parties in writing, then either Buyer or Broker may cancel this Agreement by giving written notice to the other at the address identified below. In the event of cancellation by either Party, neither Buyer nor Broker shall have any further obligations to each other and waive any and all claims that they may have against the other under this Agreement and Agreement will be null and void.
7. Buyer agrees that Broker is acting in good faith on behalf of a third party Seller, and that if Seller fails to perform under this Agreement, Broker shall have no liability to Buyer and shall not be held responsible for any claims or damages. Buyer waives any and all claims that Buyer has or may have against Broker resulting from this Agreement. Broker shall however refund any monies paid to it by Buyer.
8. Buyer further agrees and understands that Broker has made no representations or warranties to Buyer other than as contained herein and agrees and understands that it is Buyer's sole obligation to determine if the proposed replacement plan will be approved, and to seek approval of the proposed replacement plan by all required appropriate governmental regulatory agencies and Buyer waives any and all claims it may have against Broker if the proposed replacement plan is not approved by the required governmental entities or agencies.
9. Buyer further agrees that Agreement is not valid until a signed copy is provided to Broker. If Buyer has not forwarded a signed copy to Broker within 7 days after date signed by Broker, Agreement is null and void and neither Buyer nor Broker shall have any further obligations under this Agreement.



02/04/2020

(Signature of Broker)

(Date)

By: Eric Trelstad, Wetland Credit Agency, LLC

Its: Owner

Address: 12940 Overlook Road
Dayton, MN 55327
612-360-4700

(Signature of Buyer)

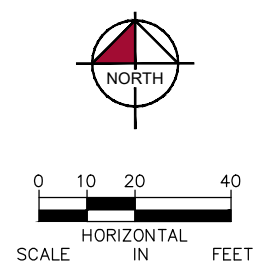
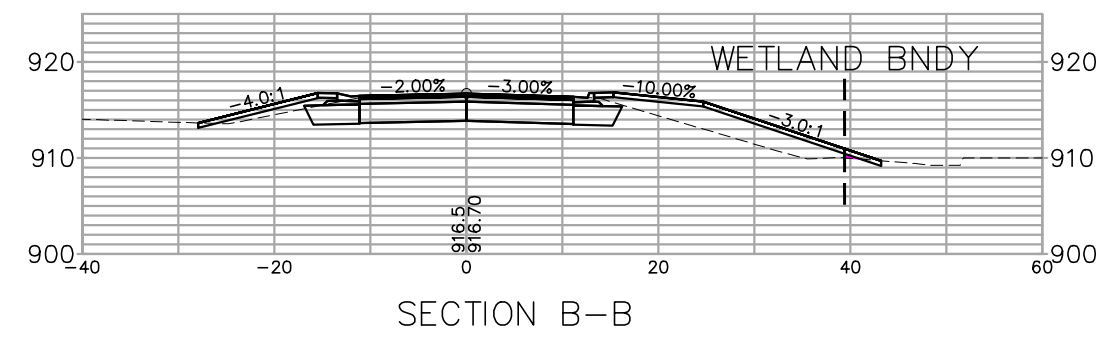
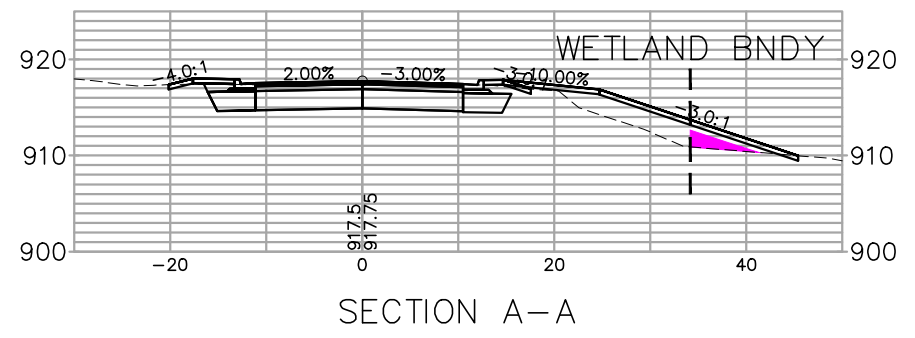
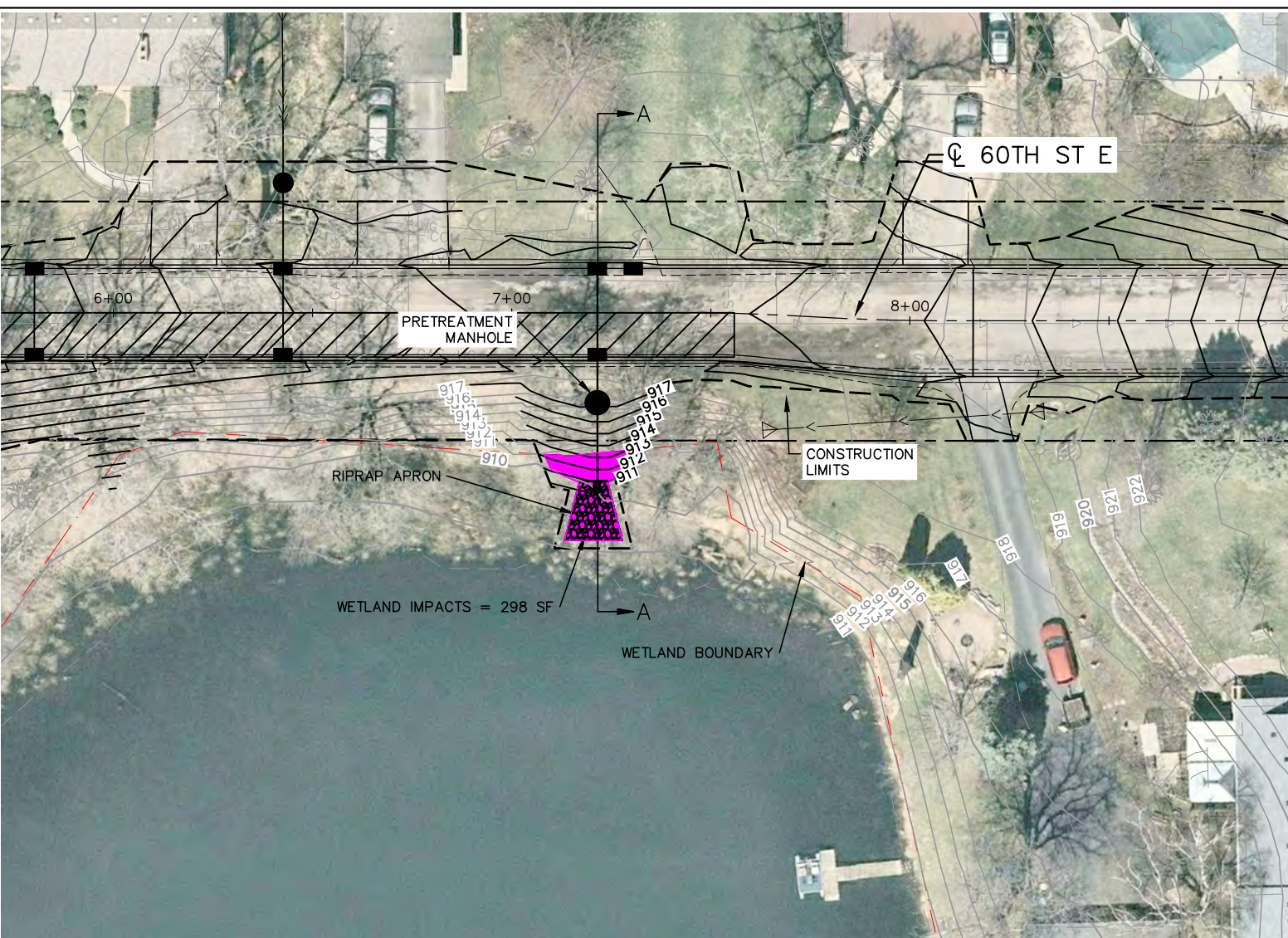
(Date)

By: Steve Dodge

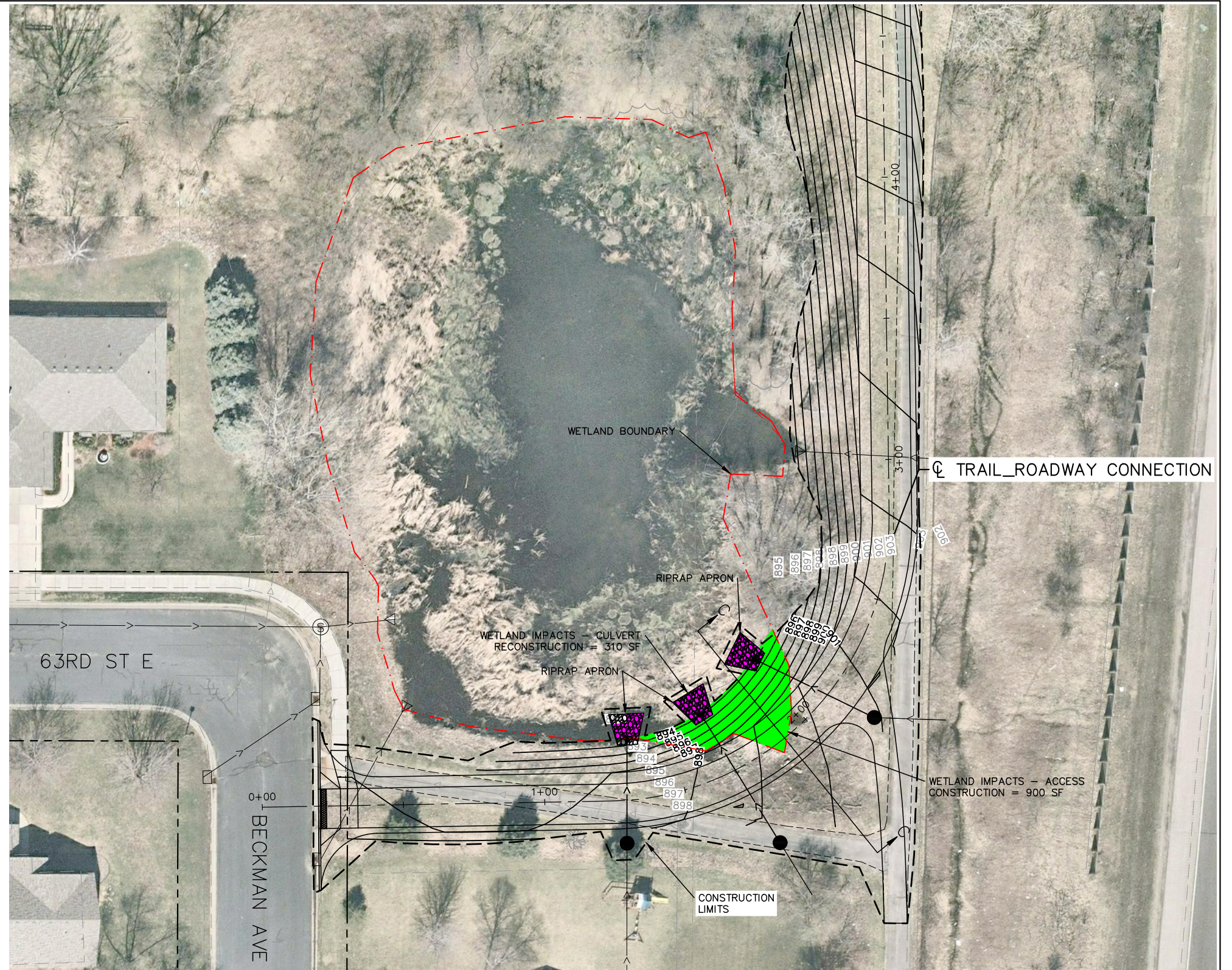
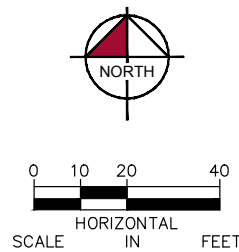
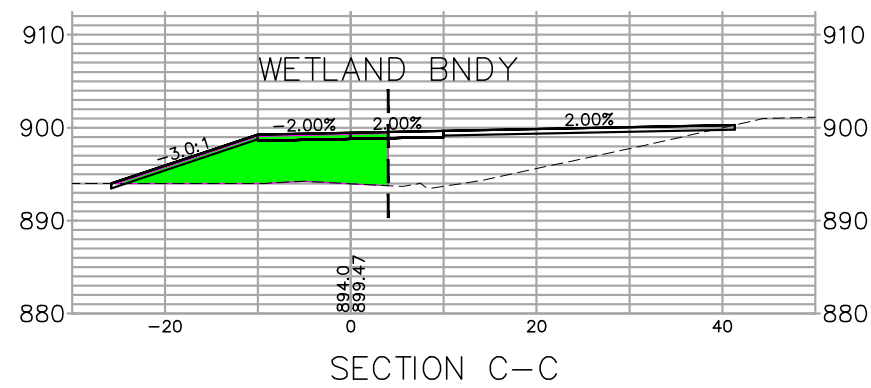
Its:

Address: 8150 Barbara Avenue
Inver Grove Heights, MN 55077

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LEGEND

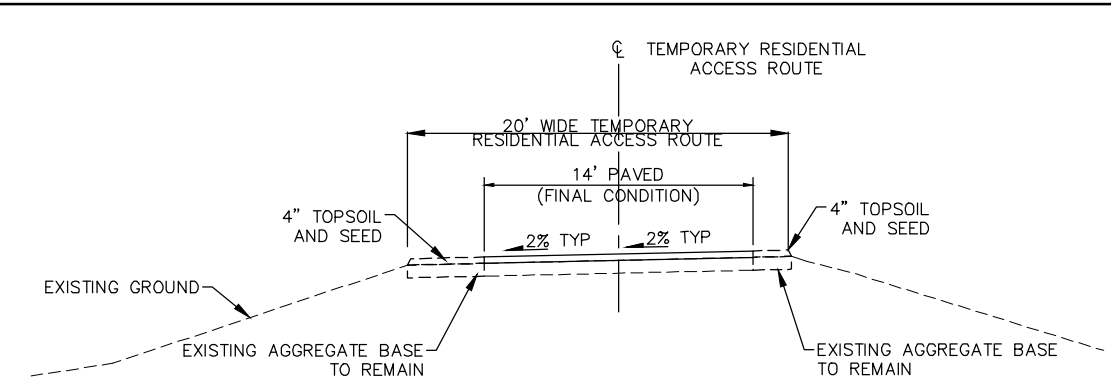
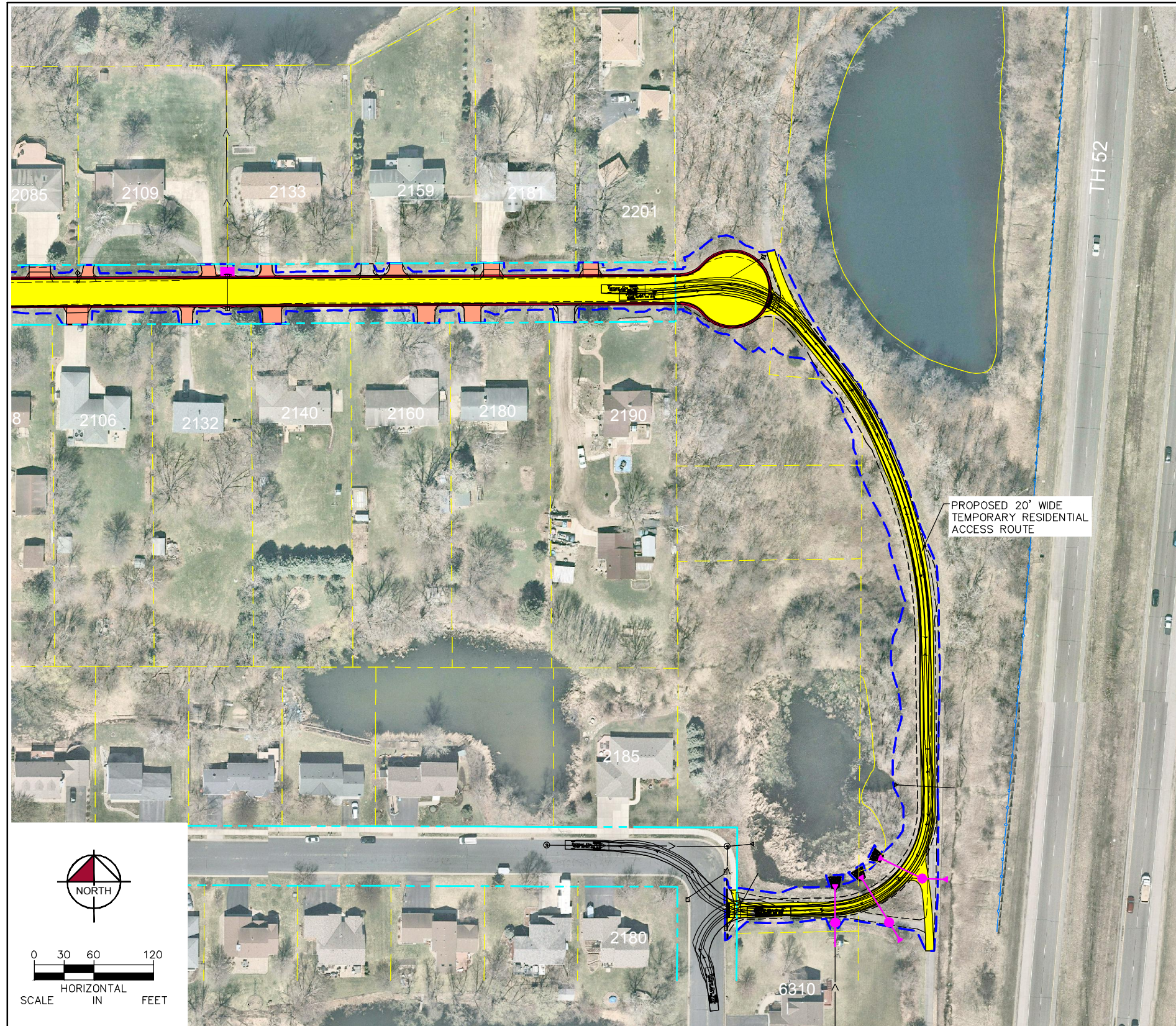
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-  WETLAND IMPACT AREA - ACCESS CONSTRUCTION

WETLAND IMPACTS

60TH STREET, 62ND STREET AND
BACON AVENUE IMPROVEMENTS

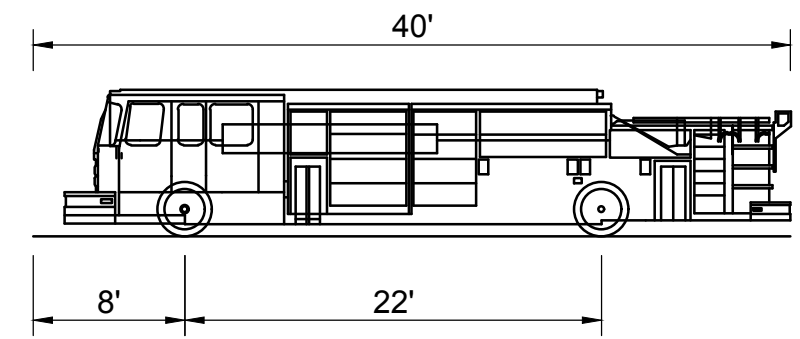
CITY PROJECT 2016-09G

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PROPOSED TYPICAL SECTION

PERMANENT PAVEMENT OVER
TEMPORARY RESIDENTIAL ACCESS ROUTE



Pumper Fire Truck	
Overall Length	40'
Overall Width	8.17'
Overall Body Height	7.75'
Min Body Ground Clearance	0.66'
Track Width	8.17'
Lock-to-lock time	5.00s
Max Wheel Angle	45.00°

TEMPORARY RESIDENTIAL AND PERMANENT PUBLIC SAFETY ACCESS ROUTE



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS, ST. PAUL DISTRICT
180 FIFTH STREET EAST, SUITE 700
ST. PAUL, MN 55101-1678

March 12, 2020

Regulatory File MVP-2019-02606-DAS

City of Inver Grove Heights
c/o Steve Dodge
8150 Barbara Avenue
Inver Grove Heights, Minnesota 55077

Dear Mr. Dodge:

We are responding to your request for authorization to discharge fill material for roadway reconstruction along 60th Street, Bacon Avenue East, and 62nd Street (62nd Street Reconstruction). The proposed work is located in Section 4, Township 27 North, Range 22 West, Dakota County, Minnesota. The work areas are shown on the attached drawings labeled MVP-2019-02606-DAS (March 12, 2020) Page 1 of 3 through Page 3 of 3.

The regulated activity associated with the project described above includes the permanent discharge of dredged and fill material into a total 1,619 square feet of wetland for the purpose of construction access and riprap aprons. The work appears to be authorized by a Nationwide Permit (NWP) and/or a Regional General Permit (RGP), specifically, the Transportation RGP, category 2. No application or notification to the St. Paul District Corps of Engineers is required for your project.

This letter does not verify permit eligibility, but indicates that your project may meet the requirements of this permit. It is your responsibility to ensure that the work is performed in accordance with the terms and general conditions of this permit before starting work. **It is also incumbent upon you to verify that your activity has received any necessary Water Quality Certification or waiver prior starting work in waters of the U.S.** If a Water Quality Certification has not been issued for your activity, you are responsible for contacting the certifying agency. A full list of applicable terms, conditions, issued Water Quality Certifications, and certifying agencies may be found by visiting our website at <http://www.mvp.usace.army.mil/Missions/Regulatory/>.

A change in location or project plans may require re-evaluation of your project. Proposed changes should be coordinated with this office prior to construction. Failure to comply with all terms and conditions of this permit invalidates this authorization and could result in a violation of Section 301 of the Clean Water Act or Section 10 of the Rivers and Harbors Act. You must also obtain all local, State, and other Federal permits that apply to this project.

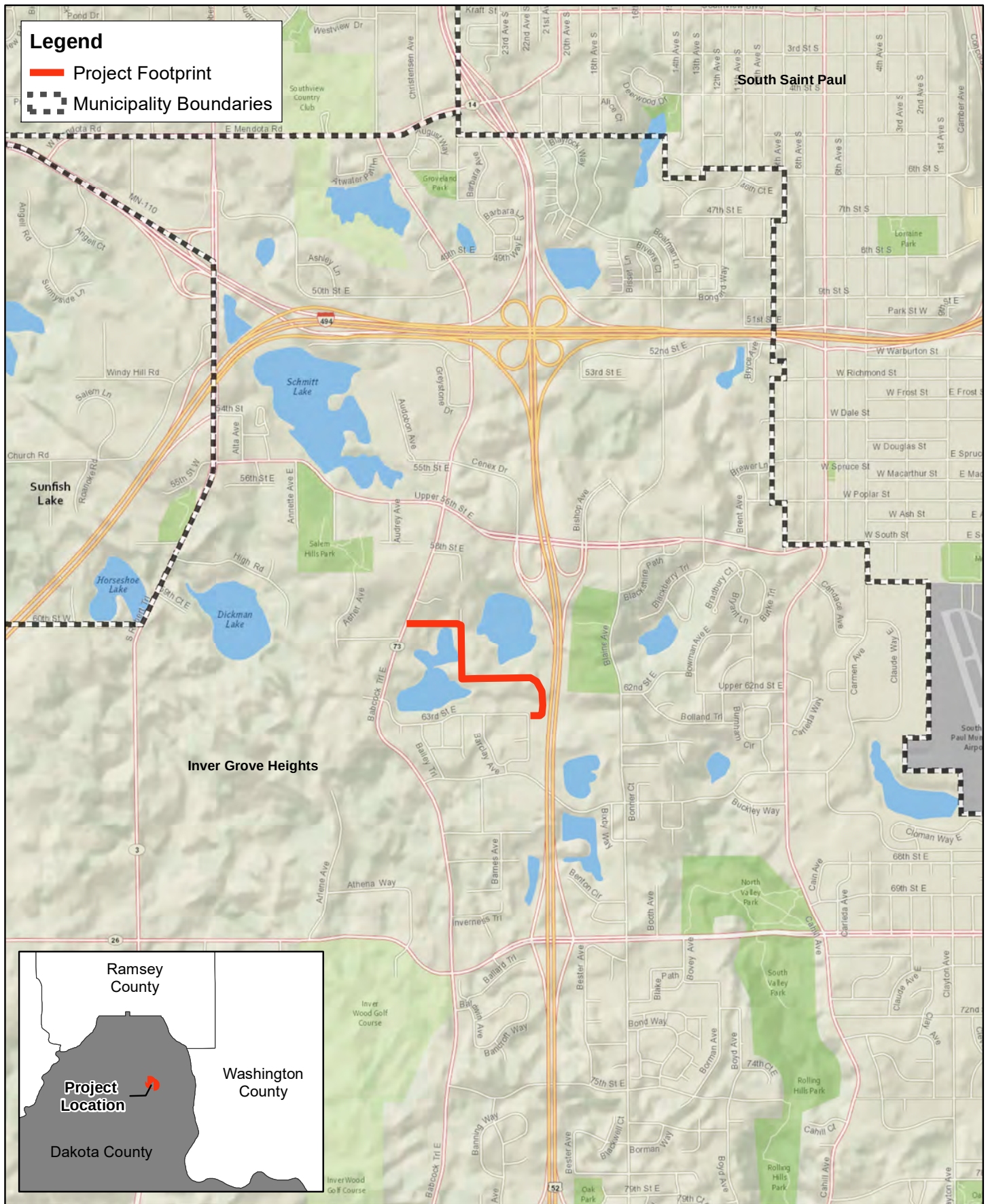
Regulatory Branch (File No. MVP-2019-02606-DAS)

If you have any questions, please contact me in our La Crescent office at (651) 290-5902 or by email at david.a.studenski@usace.army.mil.

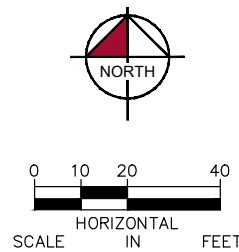
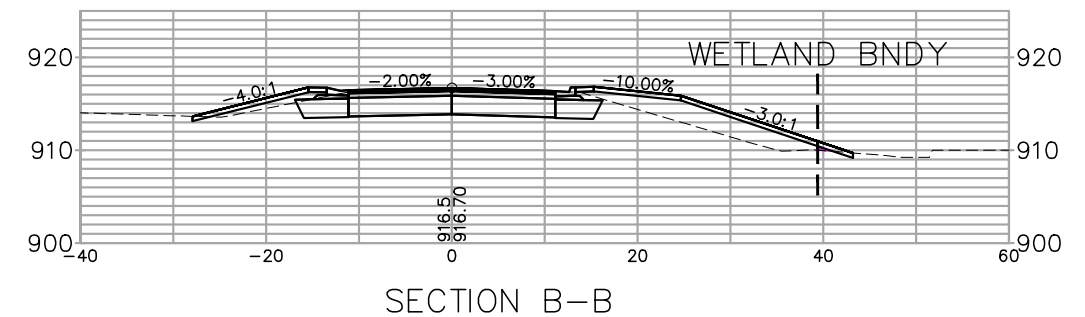
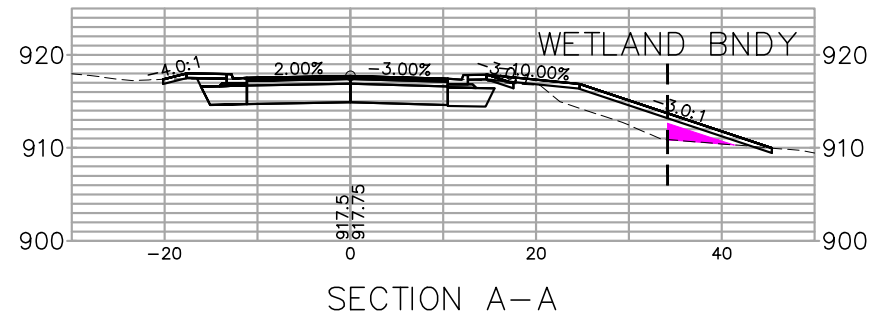
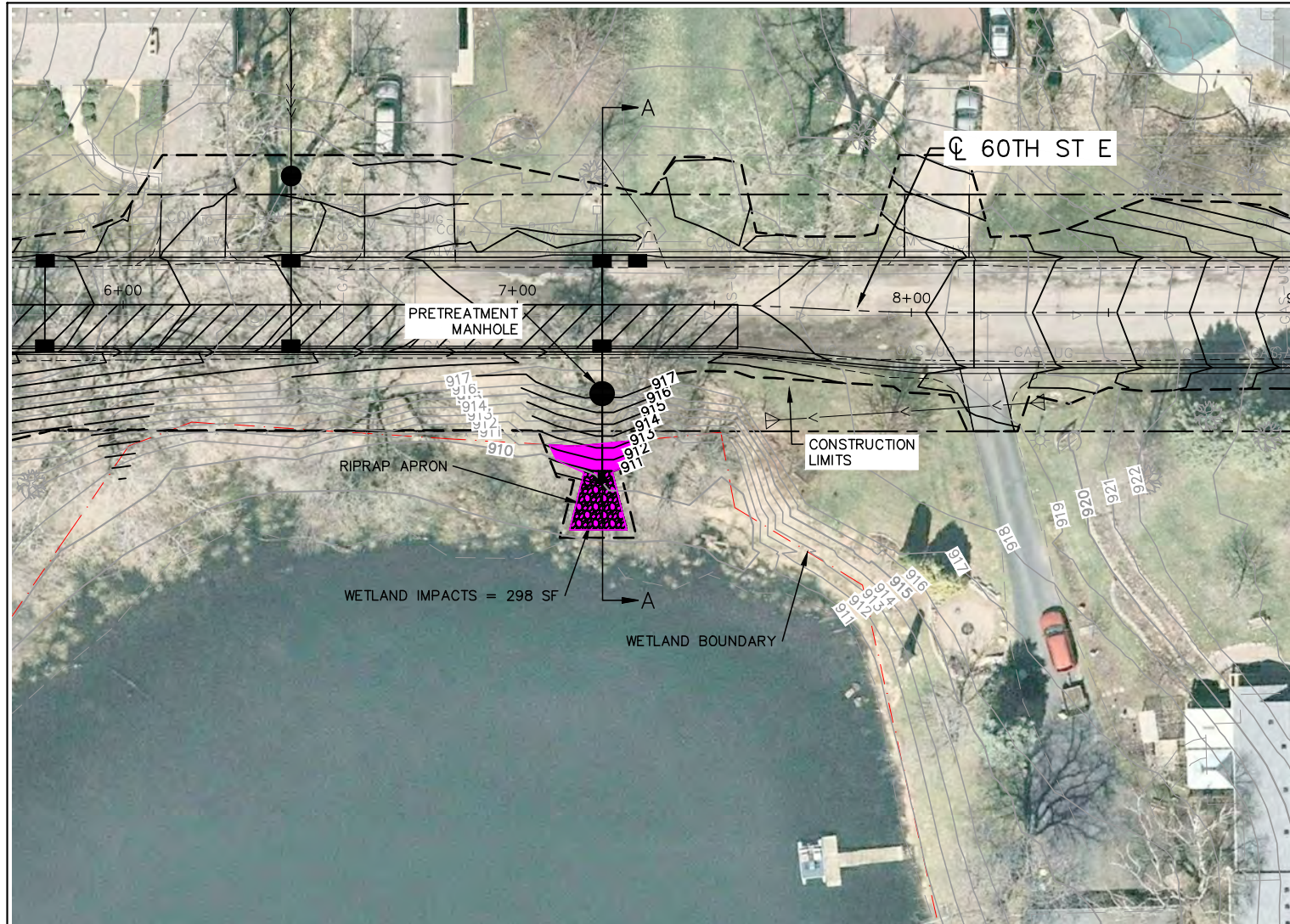
Sincerely,

David Studenski
Lead Project Manager

CC:
Amy Waters (BWSR)
Aaron Stolte (Kimley-Horn and Associates, Inc.)



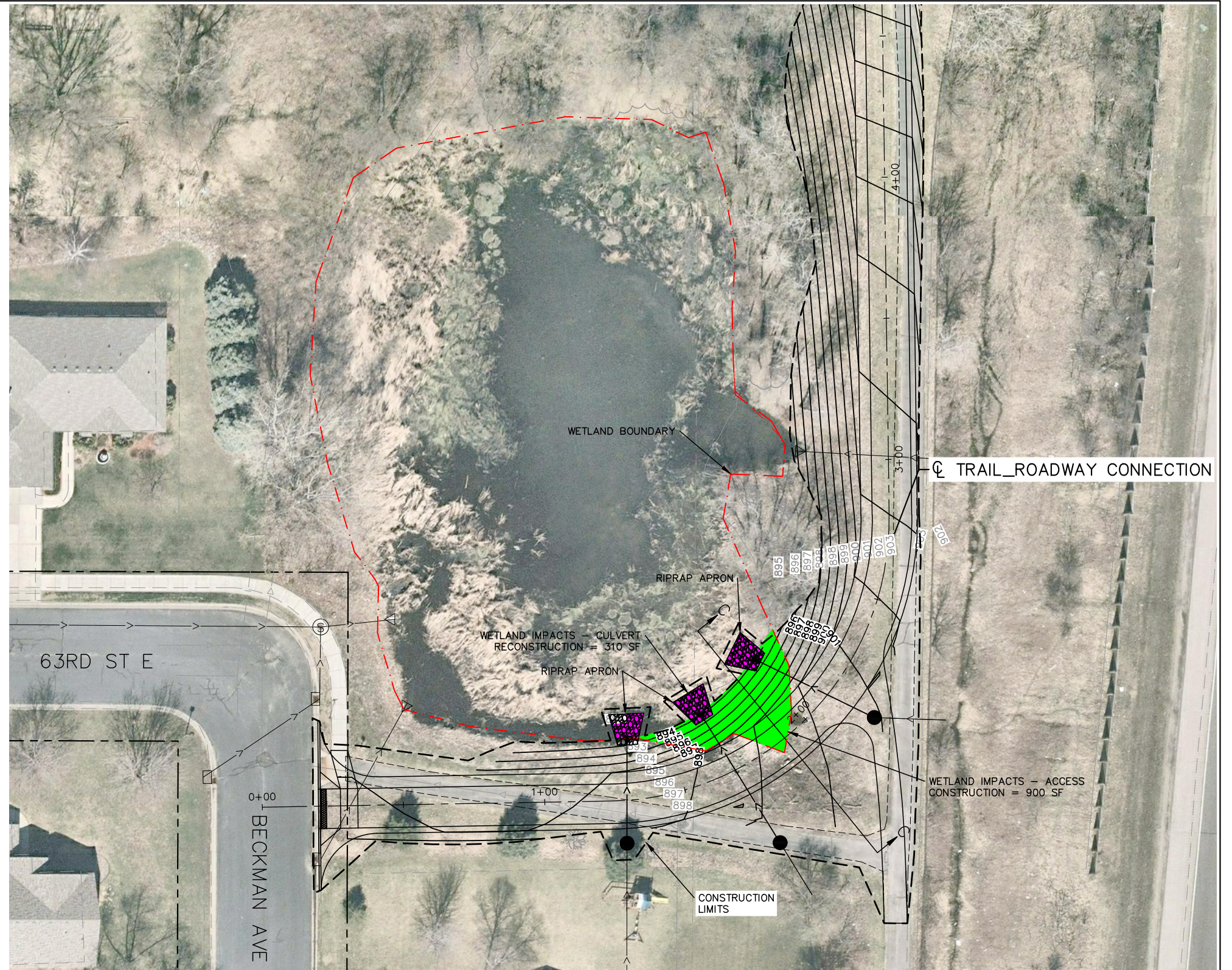
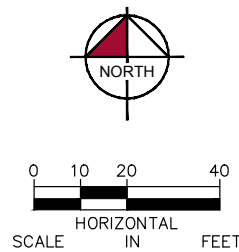
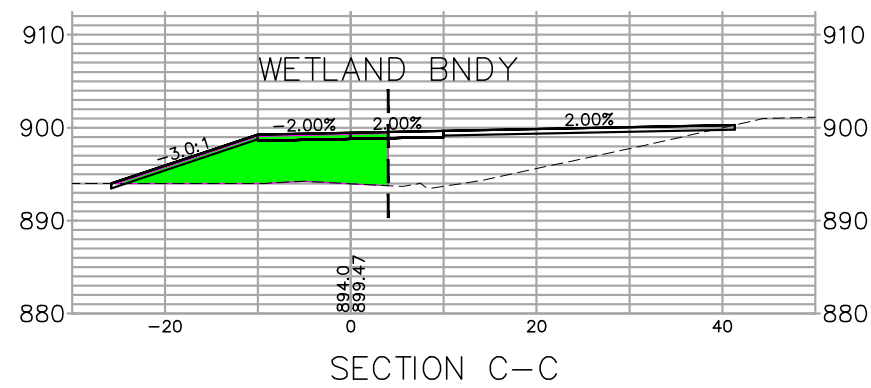
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LEGEND

 WETLAND IMPACT AREA

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LEGEND

-  WETLAND IMPACT AREA - CULVERT RECONSTRUCTION
-  WETLAND IMPACT AREA - ACCESS CONSTRUCTION

WETLAND IMPACTS

60TH STREET, 62ND STREET AND
BACON AVENUE IMPROVEMENTS

CITY PROJECT 2016-09G

Minnesota Wetland Conservation Act Notice of Decision

Local Government Unit: MN Dept. of Transportation – Office of Environmental Stewardship	
County: Dakota	
Applicant Name: City of Inver Grove Heights (Steve Dodge)	
Applicant Representative: Kimley-Horn & Associates (Aaron Stolte)	
Project Name: 62nd Street Reconstruction	LGU Project No. (if any): 20-M01
Date Complete Application Received by LGU: 2/7/2020	
Date of LGU Decision: 3/30/20	
Date this Notice was Sent: 3/30/20	

WCA Decision Type - check all that apply

☒ Replacement Plan
--

Replacement Plan Impacts (replacement plan decisions only)

Total WCA Wetland Impact Area: 900 sq. ft.
Wetland Replacement Type: ☒ Project Specific Credits: 0.0413 credits (2:1 mitigation)
Bank Account Number(s): #1409

Technical Evaluation Panel Findings and Recommendations (attach if any)

☐ Approve ☐ Approve w/Conditions ☐ Deny ☒ No TEP Recommendation
The TEP discussed the project during a phone call on 2/3/2020, prior to the final application being submitted. The following conclusions were discussed: - The DNR deferred jurisdiction over the 900 sq. ft. of proposed impact to Wetland 1 to WCA (written notice 2/11/20). The other wetland impacts described in the joint application remain under DNR jurisdiction. - A portion of the WCA review area is located on TH 52 Right of Way, over which MnDOT is the LGU, with the remainder normally under the jurisdiction of the city. For efficiency's sake, the city deferred to WCA as the sole WCA LGU for this application (written notice provided 2/6/20 by Dakota SWCD). - BWSR noted that the project does not qualify for mitigation through the Local Government Road Wetland Replacement Program because the proposed impacts are not for a current (or future) serviceable road (written notice provided 2/6/20). No further TEP comments were received after the final application was distributed.

LGU Decision

☒ Approved with Conditions (specify below) ¹ The LGU must receive confirmation from BWSR that the specified wetland bank credits will be withdrawn.
Decision-Maker for this Application: ☐ Staff ☐ Governing Board/Council ☒ Other: MnDOT Chief Environmental Officer
Decision is valid for: ☒ 5 years (default) ☐ Other (specify):

¹ *Wetland Replacement Plan approval is not valid until BWSR confirms the withdrawal of any required wetland bank credits. For project-specific replacement a financial assurance per MN Rule 8420.0522, Subp. 9 and evidence that all required forms have been recorded on the title of the property on which the replacement wetland is located must be provided to the LGU for the approval to be valid.*

LGU Findings – Attach document(s) and/or insert narrative providing the basis for the LGU decision¹.

☐ Attachment(s) (specify):

☒ Summary: Based on the criteria of WCA and the TEP discussion, MnDOT approves the replacement plan, with 2:1 mitigation to be provided from within the same major watershed (#20) and BSA (#7) as the impacts.

¹ Findings must consider any TEP recommendations.

Attached Project Documents

☒ Site Location Map ☐ Project Plan(s)/Descriptions/Reports (specify):

Appeals of LGU Decisions

If you wish to appeal this decision, you must provide a written request within 30 calendar days of the date you received the notice. All appeals must be submitted to the Board of Water and Soil Resources Executive Director along with a check payable to BWSR for \$500 *unless* the LGU has adopted a local appeal process as identified below. The check must be sent by mail and the written request to appeal can be submitted by mail or e-mail. The appeal should include a copy of this notice, name and contact information of appellant(s) and their representatives (if applicable), a statement clarifying the intent to appeal and supporting information as to why the decision is in error. Send to:

Appeals & Regulatory Compliance Coordinator
Minnesota Board of Water & Soils Resources
520 Lafayette Road North
St. Paul, MN 55155
travis.germundson@state.mn.us

Does the LGU have a local appeal process applicable to this decision?

☐ Yes¹ ☒ No

¹If yes, all appeals must first be considered via the local appeals process.

Notice Distribution (include name)

Required on all notices:

☒ SWCD TEP Member: Brian Watson (Dakota SWCD) – brian.watson@co.dakota.mn.us, Dave Holmen – david.holmen@co.dakota.mn.us

☒ BWSR TEP Member: Ben Carlson – ben.carlson@state.mn.us

☒ LGU TEP Member (if different than LGU contact): Ally Sutherland (City of Inver Grove Heights) – asutherland@invergroveheights.org

☒ DNR Representative: Leslie Parris – leslie.parris@state.mn.us, Jennie Skancke – jennie.skancke@state.mn.us

☐ Watershed District or Watershed Mgmt. Org.:

☒ Applicant: Steve Dodge (City of Inver Grove Heights) – sdodge@invergroveheights.com

☒ Agent/Consultant: Aaron Stolte (Kimley-Horn) – aaron.stolte@kimley-horn.com

Optional or As Applicable:

☒ Corps of Engineers: usace_requests_mn@usace.army.mil

☐ BWSR Wetland Mitigation Coordinator (required for bank plan applications only):

☐ Members of the Public (notice only):

☒ Other: Beth Neuendorf (Metro) – beth.neuendorf@state.mn.us, Katie Heinz (Metro) – katherine.heinz@state.mn.us

Signature:

Date:

This notice and accompanying application materials may be sent electronically or by mail. The LGU may opt to send a summary of the application to members of the public upon request per 8420.0255, Subp. 3.

PART ONE: Applicant Information

If applicant is an entity (company, government entity, partnership, etc.), an authorized contact person must be identified. If the applicant is using an agent (consultant, lawyer, or other third party) and has authorized them to act on their behalf, the agent's contact information must also be provided.

Applicant/Landowner Name: City of Inver Grove Heights, Steve Dodge
Mailing Address: 8150 Barbara Avenue, Inver Grove Heights, MN 55077
Phone: 651-450-2570
E-mail Address: sdodge@invergroveheights.org

Agent Name: Kimley-Horn and Associates, Inc., Aaron Stolte
Mailing Address: 767 Eustis Street, Suite 100, Saint Paul, MN, 55114
Phone: 612-326-9510
E-mail Address: aaron.stolte@kimley-horn.com

PART TWO: Site Location Information

County: Dakota **City/Township:** Inver Grove Heights
Parcel ID and/or Address: 200050002030, 200050002060, 206595000010, and portions of adjacent TH 52 ROW
Legal Description (Section, Township, Range): Section 4, Township 27N, Range 22W
Lat/Long (decimal degrees): 44.858687, -93.060143
Attach a map showing the location of the site in relation to local streets, roads, highways. See Figure 1
Approximate size of site (acres) or if a linear project, length (feet): 0.7 mi in length

If you know that your proposal will require an individual Permit from the U.S. Army Corps of Engineers, you must provide the names and addresses of all property owners adjacent to the project site. This information may be provided by attaching a list to your application or by using block 25 of the Application for Department of the Army permit which can be obtained at:

http://www.mvp.usace.army.mil/Portals/57/docs/regulatory/RegulatoryDocs/engform_4345_2012oct.pdf

PART THREE: General Project/Site Information

If this application is related to a delineation approval, exemption determination, jurisdictional determination, or other correspondence submitted **prior to** this application then describe that here and provide the Corps of Engineers project number.

Describe the project that is being proposed, the project purpose and need, and schedule for implementation and completion. The project description must fully describe the nature and scope of the proposed activity including a description of all project elements that effect aquatic resources (wetland, lake, tributary, etc.) and must also include plans and cross section or profile drawings showing the location, character, and dimensions of all proposed activities and aquatic resource impacts.

Project Description:

The City of Inver Grove Heights is proposing roadway reconstruction along 60th St, Bacon Ave E, and 62nd Street in Inver Grove Heights, Dakota County, Minnesota (**Figure 1**).

Proposed project:

Roadway reconstruction will include full urban street reconstruction, driveway apron replacement, utility improvements, and stormwater system and water quality improvements. As part of the project, curb and gutter, along with new pavement will be installed. The project will replace four existing outfalls at the following locations: 60th St, Bacon Ave, and two adjacent to the trail near the corner of 63rd St and Beckman Ave. All of the culvert replacements will include the placement of rip-rap at the outlet to prevent scouring. Ahead of the culvert outlets on 60th Street and Bacon Avenue, water quality manholes are proposed

to remove sediment and debris prior to outlet. In addition, part of the project is the widening of a public trail that currently connects the east end of 62nd Street to the east end of 63rd Street and Beckman Ave. The trail widening will be used as a temporary residential access into the adjacent neighborhood during construction and for emergency vehicles (i.e. firetrucks) to utilize during and post construction. Following completion of construction, the temporary residential access route will be repaved to a trail but will still function as a permanent public safety vehicle access to 62nd Street.

Project Purpose:

The purpose of the project is to repair and reconstruct existing roadways and to reconstruct some of the outlets of the existing stormwater system. The modifications proposed for the existing trail will allow for access during construction and provide an adequate access route for emergency vehicles in the area.

Project Need:

The current Pavement Conditioning Index (PCI) ratings of the roadways are 0 (on a scale of 100) and are in need of full reconstruction. Storm sewer improvements are also needed in this corridor as current outfall locations along 62nd Street and Bacon Avenue are eroding the shorelines of the existing basins.

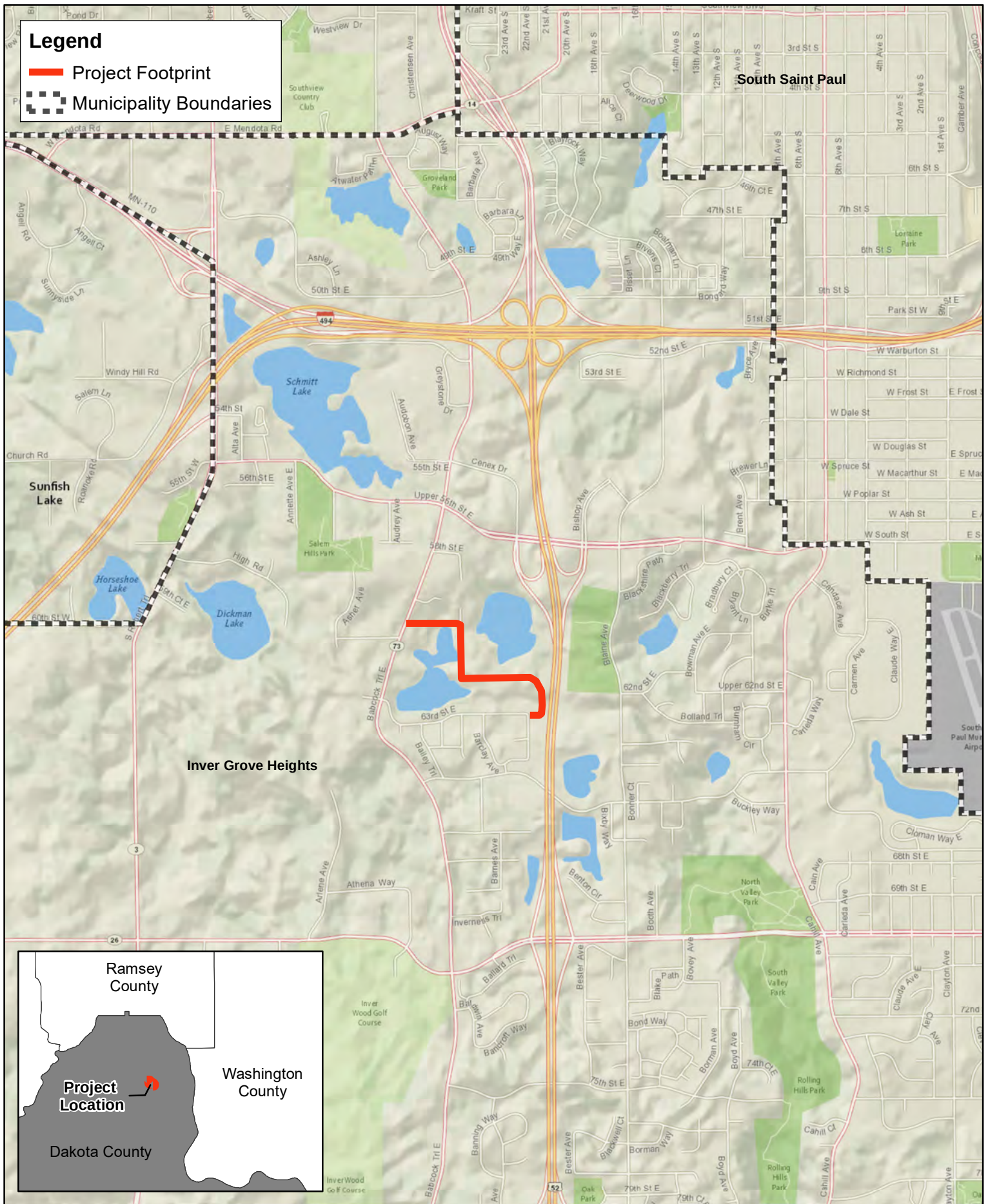
In addition, the cul-de-sac at the end of 62nd street has an existing diameter of 75-feet, which is not adequate for fire trucks and emergency vehicles to turn around which is a safety concern for the area. City standards recommend a 96-foot diameter cul-de-sac diameter. A 96-foot diameter cul-de-sac provides adequate turning space for emergency vehicles to turn around and safely access the area during an emergency. The temporary residential access route that will be permanently available for emergency vehicles and fire trucks following construction will provide safe and adequate access to 62nd Street during emergencies. Expansion of the existing 75-foot diameter cul-de-sac is not feasible within existing right-of-way.

Proposed Aquatic Impacts:

The project area is proposing impacts to two wetlands. Wetland 1 was delineated in 2019 (see NOD in **Appendix A**) and Wetland 2 was delineated in 2015 (NOD available from LGU upon request). Both wetlands are Minnesota Department of Natural Resources (DNR) Public Water Wetlands (Wetland 1 is identified as PWI # 19-246W and Wetland 2 as #19-240W, respectively) and it is anticipated that all impacts will be under the OHWL; therefore, all impacts will require a DNR Public Waters Work Permit. The project is proposing wetland impacts in three separate locations:

- The construction of the temporary residential access route between 62nd street and 63rd St/Beckman Ave will result in 0.03 acres (1,210 square feet [sf]) of permanent impact to Wetland 1. The impact is due to fill along the access route inslope and three outfall reconstructions with new culverts, aprons, and associated riprap.
- One existing outfall is being reconstructed along 60th Street resulting in 298 sf of permanent impacts to Wetland 2. The impact is due to replacement of the existing outfall at a lower elevation than existing, associated apron, and riprap placement to prevent further erosion of the shoreline.
- A second existing outfall is being reconstructed along Bacon Ave resulting in an additional 111 sf of permanent impact to Wetland 2. Similar to the outfall at 60th Street, the outfall along Bacon Ave will be replaced at a lower elevation than the existing outfall to prevent shoreline erosion and also include associated apron and riprap placement.

Overall, these permanent impacts total 0.04 acres (1,619 sf). Exhibits and cross-sections showing impact locations are included in **Appendix B**.



PART FOUR: Aquatic Resource Impact¹ Summary

If your proposed project involves a direct or indirect impact to an aquatic resource (wetland, lake, tributary, etc.) identify each impact in the table below. Include all anticipated impacts, including those expected to be temporary. Attach an overhead view map, aerial photo, and/or drawing showing all of the aquatic resources in the project area and the location(s) of the proposed impacts. Label each aquatic resource on the map with a reference number or letter and identify the impacts in the following table.

Aquatic Resource ID (as noted on overhead view)	Aquatic Resource Type (wetland, lake, tributary etc.)	Type of Impact (fill, excavate, drain, or remove vegetation)	Duration of Impact Permanent (P) or Temporary (T) ¹	Size of Impact ²	Overall Size of Aquatic Resource ³	Existing Plant Community Type(s) in Impact Area ⁴	County, Major Watershed #, and Bank Service Area # of Impact Area ⁵
Wetland 1	Wetland	Fill	P	1,210 sf	0.69 acres	Type 3	Dakota, # 20, Bank Service Area 7
Wetland 2	Wetland	Fill	P	409 sf	5.4 acres	Type 5	Dakota, # 20, Bank Service Area 7

¹If impacts are temporary; enter the duration of the impacts in days next to the "T". For example, a project with a temporary access fill that would be removed after 220 days would be entered "T (220)".

²Impacts less than 0.01 acre should be reported in square feet. Impacts 0.01 acre or greater should be reported as acres and rounded to the nearest 0.01 acre. Tributary impacts must be reported in linear feet of impact and an area of impact by indicating first the linear feet of impact along the flowline of the stream followed by the area impact in parentheses). For example, a project that impacts 50 feet of a stream that is 6 feet wide would be reported as 50 ft (300 square feet).

³This is generally only applicable if you are applying for a de minimis exemption under MN Rules 8420.0420 Subp. 8, otherwise enter "N/A".

⁴Use *Wetland Plants and Plant Community Types of Minnesota and Wisconsin* 3rd Ed. as modified in MN Rules 8420.0405 Subp. 2.

⁵Refer to Major Watershed and Bank Service Area maps in MN Rules 8420.0522 Subp. 7.

If any of the above identified impacts have already occurred, identify which impacts they are and the circumstances associated with each:

N/A

¹ The term "impact" as used in this joint application form is a generic term used for disclosure purposes to identify activities that may require approval from one or more regulatory agencies. For purposes of this form it is not meant to indicate whether or not those activities may require mitigation/replacement.

PART FIVE: Applicant Signature

☐ Check here if you are requesting a pre-application consultation with the Corps and LGU based on the information you have provided. Regulatory entities will not initiate a formal application review if this box is checked.

By signature below, I attest that the information in this application is complete and accurate. I further attest that I possess the authority to undertake the work described herein.

Signature: Steven W Dodge Date: 1/10/2020
Assistant City Engineer

I hereby authorize **Kimley-Horn** to act on my behalf as my agent in the processing of this application and to furnish, upon request, supplemental information in support of this application.

Attachment B

Supporting Information for Applications Involving Exemptions, No Loss Determinations, and Activities Not Requiring Mitigation

Complete this part *if* you maintain that the identified aquatic resource impacts in Part Four do not require wetland replacement/compensatory mitigation OR *if* you are seeking verification that the proposed water resource impacts are either exempt from replacement or are not under CWA/WCA jurisdiction.

Identify the specific exemption or no-loss provision for which you believe your project or site qualifies:

Section 404 (Transportation Regional General Permit): Category 2 (Modification – Linear Transportation) Non-reporting Action

Provide a detailed explanation of how your project or site qualifies for the above. Be specific and provide and refer to attachments and exhibits that support your contention. Applicants should refer to rules (e.g. WCA rules), guidance documents (e.g. BWSR guidance, Corps guidance letters/public notices), and permit conditions (e.g. Corps General Permit conditions) to determine the necessary information to support the application. Applicants are strongly encouraged to contact the WCA LGU and Corps Project Manager prior to submitting an application if they are unsure of what type of information to provide:

The project is a modification of existing linear transportation infrastructure; therefore, appears to fit the USACE St. Paul District Transportation Regional General Permit – Category 2 (Modification-Linear Transportation). The overall project impacts total 1,619 sf (0.03 acres) which is under the reporting threshold of Category 2 of 0.10 acres.

Attachment C

Avoidance and Minimization

Project Purpose, Need, and Requirements. Clearly state the purpose of your project and need for your project. Also include a description of any specific requirements of the project as they relate to project location, project footprint, water management, and any other applicable requirements. Attach an overhead plan sheet showing all relevant features of the project (buildings, roads, etc.), aquatic resource features (impact areas noted) and construction details (grading plans, storm water management plans, etc.), referencing these as necessary:

Project Purpose:

The purpose of the project is to repair and reconstruct existing roadways and to reconstruct some of the outlets of the existing stormwater system. The modifications proposed for the existing trail will allow for access during construction and provide an adequate access route for emergency vehicles in the area.

Project Need:

The current Pavement Conditioning Index (PCI) ratings of the roadways are 0 (on a scale of 100) and are in need of full reconstruction. Storm sewer improvements are also needed in this corridor as current outfall locations along 62nd Street and Bacon Avenue are eroding the shorelines of the existing basins.

In addition, the cul-de-sac at the end of 62nd street has an existing diameter of 75-feet, which is not adequate for fire trucks and emergency vehicles to turn around which is a safety concern for the area. City standards recommend a 96-foot diameter cul-de-sac diameter. A 96-foot diameter cul-de-sac provides adequate turning space for emergency vehicles to turn around and safely access the area during an emergency. The temporary residential access route that will be permanently available for emergency vehicles and fire trucks following construction will provide safe and adequate access to 62nd Street during emergencies. Expansion of the existing 75-foot diameter cul-de-sac is not feasible within existing right-of-way.

Avoidance. Both the CWA and the WCA require that impacts to aquatic resources be avoided if practicable alternatives exist. Clearly describe all on-site measures considered to avoid impacts to aquatic resources and discuss at least two project alternatives that avoid all impacts to aquatic resources on the site. These alternatives may include alternative site plans, alternate sites, and/or not doing the project. Alternatives should be feasible and prudent (see MN Rules 8420.0520 Subp. 2 C). Applicants are encouraged to attach drawings and plans to support their analysis:

No Build Alternative:

The No-Build alternative would not repair deteriorating roadways, replace existing storm sewer, or construct a new access road between 62nd street and 63rd street/Beckman Ave; the no build alternative would not meet the purpose and need of the project.

Alternative 2:

Widening the diameter of the cul-de-sac was considered in order to allow for emergency vehicles to turn around post construction; however, doing so is not a feasible option as the cul-de-sac is currently located in park property and there is not available right-of-way.

Preferred Alternative:

The preferred alternative incorporates all project elements and consists of reconstructing deteriorated roads, replacing storm sewer, and includes widening the existing trail to be used as an access road between 62nd street and 63rd street/Beckman Ave.

Minimization. Both the CWA and the WCA require that all unavoidable impacts to aquatic resources be minimized to the greatest extent practicable. Discuss all features of the proposed project that have been modified to minimize the impacts to water resources (see MN Rules 8420.0520 Subp. 4):

- Activities have been designed to minimize wetland impacts while still meeting the needs of the project.
- The stormwater system has been designed to maintain current drainage patterns to the extent possible.
- No new outlets are proposed for the project and improvements will be made to the existing outfalls to maintain hydrology and reduce wetland impacts.
- All proposed roadway inslopes have been steepened to 3:1 to minimize impacts to wetlands.

Off-Site Alternatives. An off-site alternatives analysis is not required for all permit applications. If you know that your proposal will require an individual permit (standard permit or letter of permission) from the U.S. Army Corps of Engineers, you may be required to provide an off-site alternatives analysis. The alternatives analysis is not required for a complete application but must be provided during the review process in order for the Corps to complete the evaluation of your application and reach a final decision. Applicants with questions about when an off-site alternatives analysis is required should contact their Corps Project Manager.

This is an improvement project for an existing public road; therefore, no off-site alternatives were considered.

Appendix A

Minnesota Wetland Conservation Act Notice of Decision

Local Government Unit: MN Dept. of Transportation – Office of Environmental Stewardship	
County: Dakota	
Applicant Name: City of Inver Grove Heights	Applicant Representative: Kimley-Horn & Associates
Project Name: 62nd Street Reconstruction	LGU Project No.: 19-M21
Date Complete Application Received by LGU: 10/30/19	
Date of LGU Decision: 12/3/19	
Date this Notice was Sent: 12/3/19	

WCA Decision Type - check all that apply

☒ Wetland Boundary/Type	☐ Sequencing	☐ Replacement Plan	☐ Bank Plan (not credit purchase)
☐ No-Loss (8420.0415)	☐ Exemption (8420.0420)		
Part: ☐ A ☐ B ☐ C ☐ D ☐ E ☐ F ☐ G ☐ H		Subpart: ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9	

Replacement Plan Impacts (replacement plan decisions only)

Total WCA Wetland Impact Area:
Wetland Replacement Type: ☐ Project Specific Credits: ☐ Bank Credits:
Bank Account Number(s):

Technical Evaluation Panel Findings and Recommendations (attach if any)

☐ Approve ☐ Approve w/Conditions ☐ Deny ☒ No TEP Recommendation
--

LGU Decision

☐ Approved with Conditions (specify below) ¹ List Conditions:	☒ Approved ¹	☐ Denied
Decision-Maker for this Application: ☒ Staff ☐ Governing Board/Council ☐ Other:		
Decision is valid for: ☒ 5 years (default) ☐ Other (specify):		

¹ *Wetland Replacement Plan approval is not valid until BWSR confirms the withdrawal of any required wetland bank credits. For project-specific replacement a financial assurance per MN Rule 8420.0522, Subp. 9 and evidence that all required forms have been recorded on the title of the property on which the replacement wetland is located must be provided to the LGU for the approval to be valid.*

LGU Findings – Attach document(s) and/or insert narrative providing the basis for the LGU decision¹.

☐ Attachment(s) (specify): ☒ Summary: The City of Inver Grove Heights applied for wetland boundary & type confirmation for wetlands located along the western side of Highway 52 between ~50' south of 63 rd St. and ~350' north of 62 nd St. in Inver Grove Heights, Dakota County, MN. Part of the study area is located on MnDOT Right of Way and is under MnDOT's LGU jurisdiction. The city has deferred jurisdiction over the remaining study area to MnDOT for this application. A Notice of Application issued on 11/5/19. A wetland delineation was conducted by Kimley-Horn on 10/10/19. Two wetlands were delineated on site, comprising: Wetland 1, classified as a Type 3 shallow marsh/Type 4 deep marsh and Wetland 2, classified as a Type 5 shallow open water wetland. The incidental status of the delineated wetlands was not investigated. MnDOT approves the wetland boundaries and types as documented in the delineation report.
--

Attached Project Documents

☒ Site Location Map ☒ Approved wetland boundaries & types

Appeals of LGU Decisions

If you wish to appeal this decision, you must provide a written request within 30 calendar days of the date you received the notice. All appeals must be submitted to the Board of Water and Soil Resources Executive Director along with a check payable to BWSR for \$500 *unless* the LGU has adopted a local appeal process as identified below. The check must be sent by mail and the written request to appeal can be submitted by mail or e-mail. The appeal should include a copy of this notice, name and contact information of appellant(s) and their representatives (if applicable), a statement clarifying the intent to appeal and supporting information as to why the decision is in error. Send to:

Appeals & Regulatory Compliance Coordinator
Minnesota Board of Water & Soils Resources
520 Lafayette Road North
St. Paul, MN 55155
travis.germundson@state.mn.us

Does the LGU have a local appeal process applicable to this decision?

☐ Yes¹ ☒ No

¹If yes, all appeals must first be considered via the local appeals process.

Local Appeals Submittal Requirements (LGU must describe how to appeal, submittal requirements, fees, etc. as applicable)

Notice Distribution (include name)

Required on all notices:

- | |
|--|
| ☒ SWCD TEP Member: Brian Watson (Dakota SWCD) – brian.watson@co.dakota.mn.us |
| ☒ BWSR TEP Member: Ben Meyer – ben.meyer@state.mn.us |
| ☒ Local (Other) LGU TEP Member (if different than LGU contact): Ally Sutherland (City of Inver Grove Heights) – asutherland@invergroveheights.org |
| ☒ DNR Representative: Leslie Parris – leslie.parris@state.mn.us , Jennie Skancke – jennie.skancke@state.mn.us |
| ☐ Watershed District or Watershed Mgmt. Org.: |
| ☒ Applicant: Steve Dodge (City of Inver Grove Heights) – sdodge@invergroveheights.com |
| ☒ Agent/Consultant: Aaron Stolte (Kimley-Horn) – aaron.stolte@kimley-horn.com |

Optional or As Applicable:

- | |
|---|
| ☒ Corps of Engineers: usace_requests_mn@usace.army.mil |
| ☐ BWSR Wetland Mitigation Coordinator (required for bank plan applications only): |
| ☒ Members of the Public (notice only): Beth Neuendorf (Metro) – beth.neuendorf@state.mn.us and Katie Heinz (Metro) – katherine.heinz@state.mn.us ☐ Other: |

Signature:

Sanna Strannman

Date:

Dec 03, 2019

This notice and accompanying application materials may be sent electronically or by mail. The LGU may opt to send a summary of the application to members of the public upon request per 8420.0255, Subp. 3.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Authorizing Payment Adjustments to Land Acquisition Agreements for Tax Purposes Related to City Project Nos. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements and 2019-09D 64th Street Area Improvements

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve W. Dodge, Assistant City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

SWD

Fiscal/FTE Impact:

☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other: Pavement Management Fund, Franchise Fee Funds, Special Assessments, Water Fund, Sewer Fund, Storm Water Utility Fund and DCSWCD Grant

PURPOSE/ACTION REQUESTED

Consider resolution authorizing payment adjustments to land acquisition agreements for tax purposes related to City Project Nos. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements and 2019-09D 64th Street Area Improvements.

SUMMARY

Staff and consultant have worked with residents on the necessary agreements for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements and City Project No. 2019-09D 64th Street Area Improvements. Six (6) of the property owners from the projects have executed easement conveyance and assessment appeal waivers which allows the City to credit the assessments. The City would “pay down” the assessment in the amount agreed to for temporary or permanent easements granted. The homeowner would pay the reduced assessment amount. The understanding was that the agreement served as a vehicle in which no direct payment was received by the property owner, thereby avoiding income tax.

Staff has reached out to the City Attorney’s office and Finance Department who have provided guidance from the Internal Revenue Code that temporary and permanent easement transaction amounts are taxable income under federal and state law. Temporary easements, where land is rented, will require the City to issue a 1099-misc. Permanent easements, where land rights are purchased, will require the City to issue a 1099-S.

City Staff is requesting authorization to make payment adjustments for tax purposes to the six (6) property owners who had signed easement conveyance and assessment appeal waiver agreements. It was the understanding that taxes would not need to be paid by the owner. Staff recommends providing additional funds to help cover income tax expenses. Staff recommends using the 12% Federal tax rate and the 6.80% State tax rate, for a total payment adjustment of 18.80%. The following table provides the details of the property owners and tax adjustment amount to the easement purchases:

LAND ACQUISITION PAYMENT TAX ADJUSTMENT TABLE

Address	Last Name	Project	Temporary Easement Costs	Permanent Easement Costs	Original Total Easement Costs	18.8 % Tax Adjustment	Final Payment
1912 60 th Street	Bordsen	2016-09G	\$950	\$0	\$950	\$178.60	\$1,128.60
6013 Bacon Avenue	Harley	2016-09G	\$1,000	\$1,100	\$2,100	\$394.80	\$2,494.80
6070 Bacon Avenue	Sturner	2016-09G	\$1,400	\$200	\$1,600	\$300.80	\$1,900.80
6098 Bacon Avenue	Rinehart	2016-09G	\$1,100	\$400	\$1,500	\$282.00	\$1,782.00
6125 Bacon Avenue	Petersen	2016-09G	\$100	\$800	\$900	\$169.20	\$1,069.20
6453 Bowman Circle	Higgins	2019-09D	\$979	\$3,018	\$3,997	\$751.44	\$4,748.44
TOTALS					\$11,047	\$2,076.84	\$13,123.84

The property owners will be notified by staff of the adjustment in payment being made for tax purposes. This situation is unique because these property owners have signed the agreements for crediting the assessments with an understanding of no tax implications. The total additional costs to land acquisitions is \$2,076.84 and will be funded by the project contingency funds for City Project Nos. 2016-09G and 2019-09D, respectively.

Staff recommends Council approved the resolution authorizing payment adjustments in the amount of \$2,076.84 to land acquisition agreements for tax purposes related to City Project Nos. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements and 2019-09D 64th Street Area Improvements.

SWD/kf

Attachments: Resolution

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION AUTHORIZING PAYMENT ADJUSTMENTS TO LAND ACQUISITION AGREEMENTS FOR TAX
PURPOSES FOR CITY PROJECT NOS. 2016-09G – 60TH STREET, 62ND STREET AND BACON AVENUE
IMPROVEMENTS AND 2019-09D – 64TH STREET AREA IMPROVEMENTS
RESOLUTION NO. 2020-113**

WHEREAS, City Project Nos. 2016-09G and 2019-09D were ordered on November 25, 2019 and the assessment hearing was held on April 27, 2020 for 2016-09G and on May 11, 2020 for 2019-09D; and

WHEREAS, certain temporary easements and permanent easements were required for grading and construction of the proposed improvements for City Project Nos. 2016-09G and 2019-09D.

WHEREAS, said easements have been executed by the property owners and payment amounts for each easement is addressed in the easement conveyance and assessment appeal waiver agreements; and

WHEREAS, the City Attorney and Finance Director have provided guidance from the Internal Revenue Code that temporary and permanent easement transaction amounts are taxable income under federal and state law; and

WHEREAS, staff has requested authorization to make a payment adjustment in the amount of 18.80% to the six (6) property owners with easement conveyance and assessment appeal waiver agreements for addressing taxable income related to the easement purchases; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA:

1. The following payment adjustments for six (6) property owners on are hereby approved by Mayor and Council for land acquisition purchases and rentals for tax purposes related to City Project Nos. 2016-09G 60th Street, 62nd Street and Bacon Avenue Improvements and 2019-09D 64th Street Area Improvements:

LAND ACQUISITION PAYMENT TAX ADJUSTMENT TABLE

Address	Last Name	Project	Temporary Easement Costs	Permanent Easement Costs	Original Total Easement Costs	18.8 % Tax Adjustment	Final Payment
1912 60 th Street	Bordsen	2016-09G	\$950	\$0	\$950	\$178.60	\$1,128.60
6013 Bacon Avenue	Harley	2016-09G	\$1,000	\$1,100	\$2,100	\$394.80	\$2,494.80
6070 Bacon Avenue	Sturner	2016-09G	\$1,400	\$200	\$1,600	\$300.80	\$1,900.80
6098 Bacon Avenue	Rinehart	2016-09G	\$1,100	\$400	\$1,500	\$282.00	\$1,782.00
6125 Bacon Avenue	Petersen	2016-09G	\$100	\$800	\$900	\$169.20	\$1,069.20
6453 Bowman Circle	Higgins	2019-09D	\$979	\$3,018	\$3,997	\$751.44	\$4,748.44
TOTALS					\$11,047	\$2,076.84	\$13,123.840

2. Staff is authorized to notify and adjustment land acquisition payments in the amount of \$2,076.84 to the six (6) property owners listed for City Project Nos. 2016-09G and 2019-09D. The additional land acquisition expenses will be funded by the project contingency funds for City Project Nos. 2016-09G and 2019-09D, respectively.

Adopted by the City Council of Inver Grove Heights this 8th day of June 2020.

ATTEST:



Rebecca Kiernan, City Clerk


George Tourville, Mayor

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Accepting Quotes and Awarding Project for City Project No. 2019-05 – Sleepy Hollow Park Storm Sewer Repair

Meeting Date: June 8, 2020
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Jake Moser, Civil Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

Fiscal/FTE Impact:

☐	None
☒	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other: Stormwater Utility Fund

PURPOSE/ACTION REQUESTED

Consider resolution accepting quotes and awarding project for City Project No. 2019-05 – Sleepy Hollow Park Storm Sewer Repair.

SUMMARY

On April 1, 2018, City Parks Maintenance staff closed a bituminous trail at Sleepy Hollow Park due to safety concerns. A corroded metal storm sewer pipe caused a sinkhole adjacent to the trail. Engineering staff prepared a plan to reconstruct the failed storm sewer to current City standards. The plan includes reconstructing the storm sewer, repairing the bituminous trail, and restoring the area with vegetation.

Three contractors were solicited to quote this project. The quotes are as listed:

Valley Rich, Inc.	\$42,790.00
Max Steininger, Inc.	\$54,040.00
Veit	\$66,441.00

Staff has reviewed the quotes and recommends awarding the project to Valley Rich, Inc. in the amount of \$42,790.00. The work is proposed to begin within a month.

I recommend that the City Council adopt the resolution accepting the quotes and awarding the project to Valley Rich, Inc. in the amount of \$42,790.00. An additional cost for 10% project contingencies in the amount of \$4,279.00 will be included for a total project budget of \$47,069.00. This work will be funded through the Stormwater Utility Fund.

JM/nh

Attachments: Resolution
 Location Map and Plan
 Quote Tabulation

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION ACCEPTING QUOTES AND AWARDING CONTRACT FOR CITY PROJECT
NO. 2019-05 – SLEEPY HOLLOW PARK STORM SEWER REPAIR**

RESOLUTION NO. 2020-114

WHEREAS, pursuant to a request for quotes for the Sleepy Hollow Park Storm Sewer Repair, quotes were received as follows:

<u>Contractor</u>	<u>Quote</u>
Valley Rich, Inc.	\$42,790.00
Max Steininger, Inc.	\$54,040.00
Veit	\$66,441.00

WHEREAS, Valley Rich, Inc., submitted the low quote for City Project No. 2019-05 – Sleepy Hollow Park Storm Sewer Repair in the amount of \$42,790.00.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA:

1. The City hereby awards a contract to Valley Rich, Inc. for City Project No. 2019-05 – Sleepy Hollow Park Storm Sewer Repair according to plans in the amount of \$42,790.00.
2. The quote amount of \$42,790.00 and \$4,279.00 in project contingency funds for a total project budget of \$47,069.00 shall be provided through the Stormwater Utility Fund.

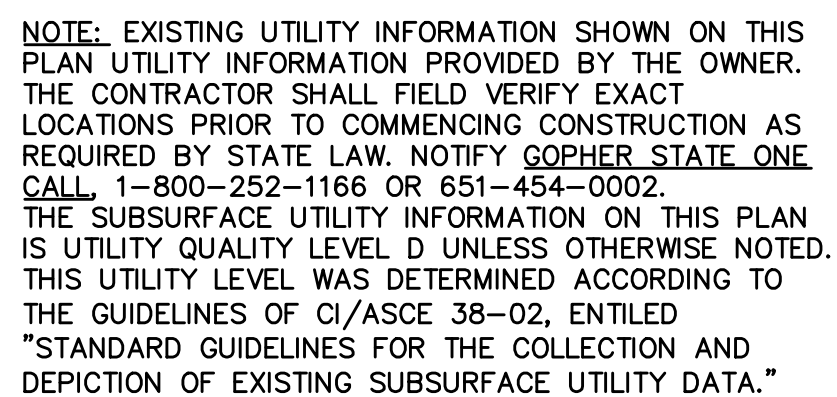
Adopted by the City Council of Inver Grove Heights this 8th day of June 2020

ATTEST:

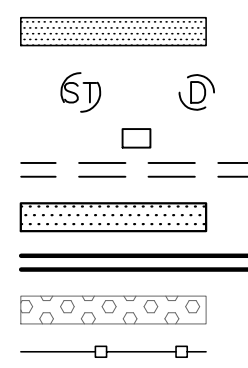
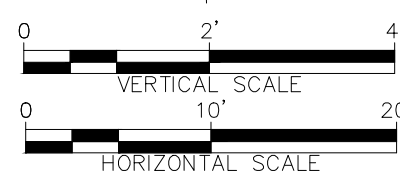


Rebecca Kiernan, City Clerk


George Tourville, Mayor

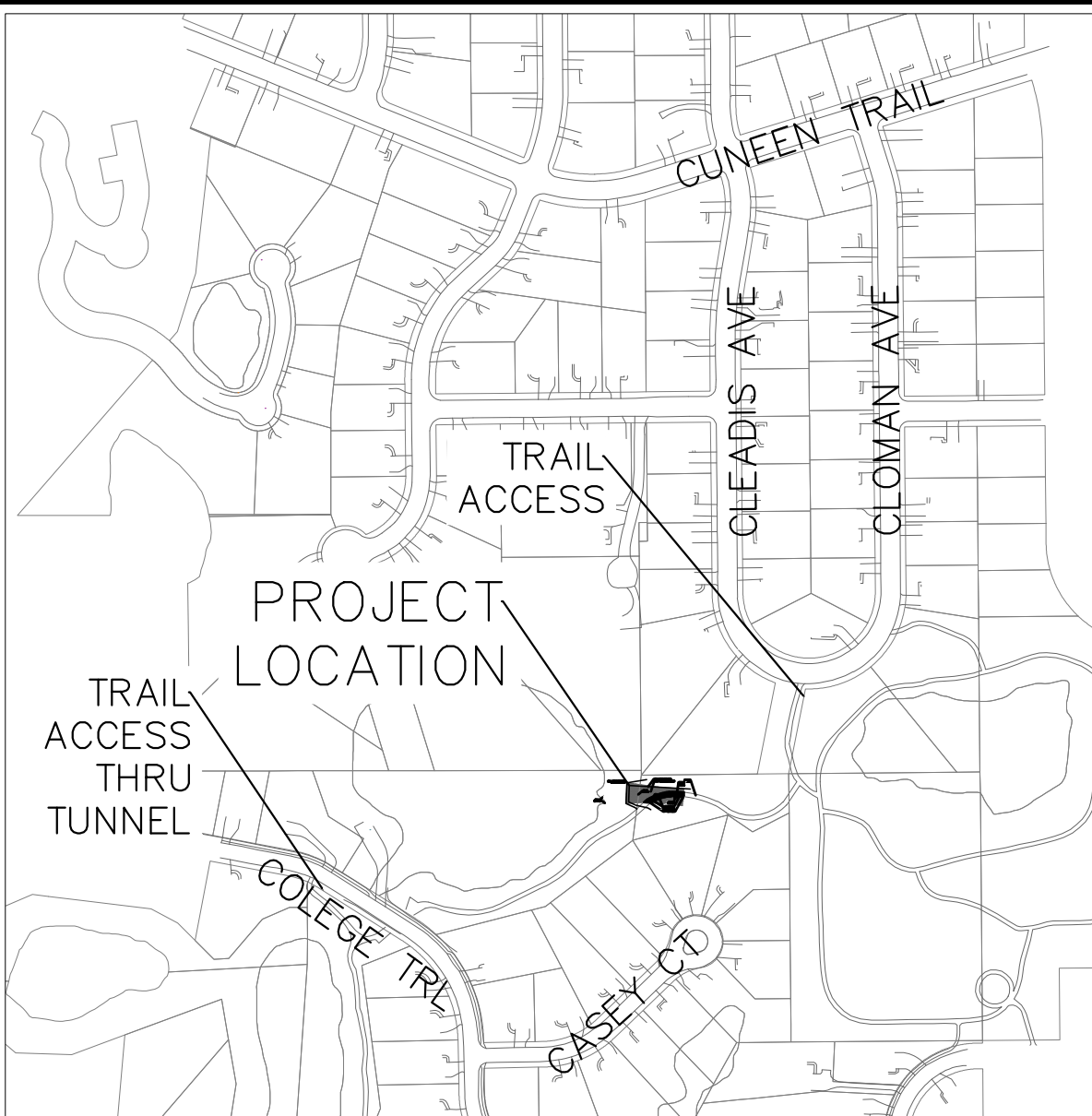


SLEEPY HOLLOW PARK STORM SEWER REPAIRS



LEGEND

EXISTING BITUMINOUS PAVEMENT
EXISTING STORM SEWER MANHOLE
EXISTING CATCH BASIN
EXISTING STORM SEWER
PROPOSED BITUMINOUS PAVEMENT
PROPOSED STORM SEWER
PROPOSED BLANKET & SEED
PROPOSED PERIMETER EROSION CONTROL



SHEET NO. 1	BID PLAN 2019-05 STORMWATER CIP SLEEPY HOLLOW PARK STORM SEWER	 City of Inver Grove Heights 8150 Barbara Avenue Inver Grove Heights, MN 55067 (651) 450-2570 Fax (651) 450-2502	I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF MINNESOTA. STATUTES SECTION 326.02 TO 326.16.		DESIGN FILE: 2019-05	REV. NO.	DATE	DESCRIPTION
			JACOB D. MOSER <i>Jake Moser</i> DATE: 9/19/2019 MINN. REG. NO. 530988	DRAWN BY: JDM	DESIGN BY:			
2			CHECKED BY: TJK	DWG. NAME: 2019-05 CIP STORMWATER				

QUOTE TABULATION

SLEEPY HOLLOW STORM SEWER REPAIR

DATE: 6/2/2019

BY: JDM

REVIEWED: NH

FILEPA* \\GH-City1\Data\PublicWorks\Engineering\PROJECTS_PUBLIC\2019_PROJECTS\2019-05_2019 Stormwater CIP\BIDS.a\Sleepy Hollow\2020.06.02 Bid Tab - 2019-05 SLEEPY HOLLOW PIPE STORM SEWER REPAIR.xlsx

SCHEDULE A: SITEWORK & RESTORATION

ITEM NO.	MNDOT SPEC.NO	DESCRIPTION	UNIT	Engineers Estimate			Valley Rich Inc.		Max Steininger, Inc.		Veit	
				UNIT COST	QUANTITY	AMOUNT	Unit Price	Ammount	Unit Price	Ammount	Unit Price	Ammount
1	2021.501	MOBILIZATION	LS	\$5,000	1	\$5,000	\$ 4,000.00	\$ 4,000.00	\$ 13,700.00	\$ 13,700.00	\$ 20,290.00	\$ 20,290.00
2	2573.503	SILT FENCE, TYPE MS	LF	\$6.00	300	\$1,800	\$ 5.00	\$ 1,500.00	\$ 6.50	\$ 1,950.00	\$ 6.85	\$ 2,055.00
3	2574.507	COMMON TOPSOIL BORROW, 4" THICK, CV	CY	\$70.00	15	\$1,050	\$ 50.00	\$ 750.00	\$ 50.00	\$ 750.00	\$ 137.00	\$ 2,055.00
4	2575.501	TURF ESTABLISHMENT	LS	\$6,000.00	1	\$6,000	\$ 3,500.00	\$ 3,500.00	\$ 1,750.00	\$ 1,750.00	\$ 3,825.00	\$ 3,825.00
5	2104.503	REMOVE BITUMINOUS WALK	SY	\$10.00	75	\$750	\$ 20.00	\$ 1,500.00	\$ 19.00	\$ 1,425.00	\$ 23.50	\$ 1,762.50
6	2104.513	SAWING BIT PAVEMENT	LF	\$10.00	20	\$200	\$ 40.00	\$ 800.00	\$ 6.50	\$ 130.00	\$ 6.00	\$ 120.00
7	2521.511	3" BITUMINOUS WALK	SY	\$30.00	75	\$2,250	\$ 100.00	\$ 7,500.00	\$ 90.00	\$ 6,750.00	\$ 87.80	\$ 6,585.00
TOTAL SCHEDULE A: SITEWORK & RESTORATION						\$17,050		\$ 19,550.00		\$ 26,455.00		\$ 36,692.50

SCHEDULE B: STORM SEWER

ITEM NO.	MNDOT SPEC.NO	DESCRIPTION	UNIT	UNIT COST	QUANTITY	AMOUNT	Unit Price	Ammount	Unit Price	Ammount	Unit Price	Ammount
8	2104.503	REMOVE SEWER PIPE (CMP STORM)	LF	\$30.00	73	\$2,190	\$ 30.00	\$ 2,190.00	\$ 65.00	\$ 4,745.00	\$ 73.50	\$ 5,365.50
9	2503.503	24" RC PIPE SEWER CLASS 4 (ALL JOINTS TIED)	LF	\$300.00	73	\$21,900	\$ 250.00	\$ 18,250.00	\$ 240.00	\$ 17,520.00	\$ 206.00	\$ 15,038.00
10	2503.602	CONNECT TO EXISTING STORM SEWER	EA	\$3,000.00	2	\$6,000	\$ 750.00	\$ 1,500.00	\$ 800.00	\$ 1,600.00	\$ 1,805.00	\$ 3,610.00
11	2105.504	GEOTEXTILE FILTER FABRIC	SY	\$5.00	40	\$200	\$ 10.00	\$ 400.00	\$ 5.50	\$ 220.00	\$ 7.75	\$ 310.00
12		SEEPAGE COLLER PER STM-20	EA	\$3,000.00	1	\$3,000	\$ 900.00	\$ 900.00	\$ 3,500.00	\$ 3,500.00	\$ 5,425.00	\$ 5,425.00
TOTAL SCHEDULE						\$33,290		\$ 23,240.00		\$ 27,585.00		\$ 29,748.50

CONSTRUCTION SUBTOTALS

						AMOUNT	Valley Rich Inc.	Max Steininger, Inc.	Veit
SCHEDULE "A" - SITEWORK & RESTORATION						\$17,050	\$ 19,550.00	\$ 26,455.00	\$ 36,692.50
SCHEDULE "B" - STORM SEWER						\$33,290	\$ 23,240.00	\$ 27,585.00	\$ 29,748.50
TOTAL						\$50,340	\$ 42,790.00	\$ 54,040.00	\$ 66,441.00

CITY OF INVER GROVE HEIGHTS**REQUEST FOR COUNCIL ACTION****Consider the application of an Off-sale Liquor License for Monai LLC dba A & M Liquor for the premises located at 5709 Carmen Avenue (Sale of Business).**

Meeting Date: June 8, 2020
 Item Type: Public Hearing
 Contact: 651-450-2513
 Prepared by: City Clerk Rebecca Kiernan
 Reviewed by:

Fiscal/FTE Impact:

☒	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested - N/A
☐	Other

PURPOSE/ACTION REQUESTED

Consider the application of an Off-Sale Liquor License for Monai LLC dba A & M Liquor for the premises located at 5709 Carmen Avenue, Inver Grove Heights, MN 55076 (existing business).

SUMMARY

Mr. Melvin Joy Karot (Monai LLC) dba A & M Liquor has applied for an Off-sale Liquor License for the premises located at 5709 Carmen Avenue. The Police Department conducted the requisite background investigation of the applicant and found no basis for the denial of the request. The fees and certificate of insurance have been received. The public hearing notice was published in the May 24, 2020 issue of the Pioneer Press.

RECOMMENDATION

Staff recommends approval of the license; however, actual issuance of the license would be contingent upon fulfilling all requirements to hold an Off-Sale liquor license through the Minnesota Alcohol & Gambling Enforcement Division, and the satisfactory and inspections and approvals from the Fire and Building Departments.

ACTION REQUIRED

Conduct a Public Hearing and if Council concurs with the staff recommendation, they should pass a motion approving the Off-Sale Liquor License and the Liquor License application for Monai, LLC, dba A & M Liquor for an Off-Sale liquor license and authorize the issuance of the liquor license upon fulfillment of all requirements to hold the above liquor license through the Minnesota Alcohol & Gambling Enforcement Division, and the satisfactory inspections and approvals from the Fire and Building Departments.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Review draft of the Comprehensive Annual Financial Report for the Year Ended December 31, 2019, Management Letter and Other Required Report

Meeting Date: June 8, 2020
 Item Type: Regular Agenda
 Contact: Amy Hove, 651-450-2521
 Prepared by: Amy Hove, Finance Director
 Reviewed by: N/A

Fiscal/FTE Impact:

- | | |
|--|------------------------------------|
| ☒ | None |
| ☐ | Amount included in current budget |
| ☐ | Budget amendment requested |
| ☐ | FTE included in current complement |
| ☐ | New FTE requested – N/A |
| ☐ | Other |

PURPOSE/ACTION REQUESTED

To review draft of the Comprehensive Annual Financial Report (CAFR), Management Letter and Other Required Report for the year ended December 31, 2019.

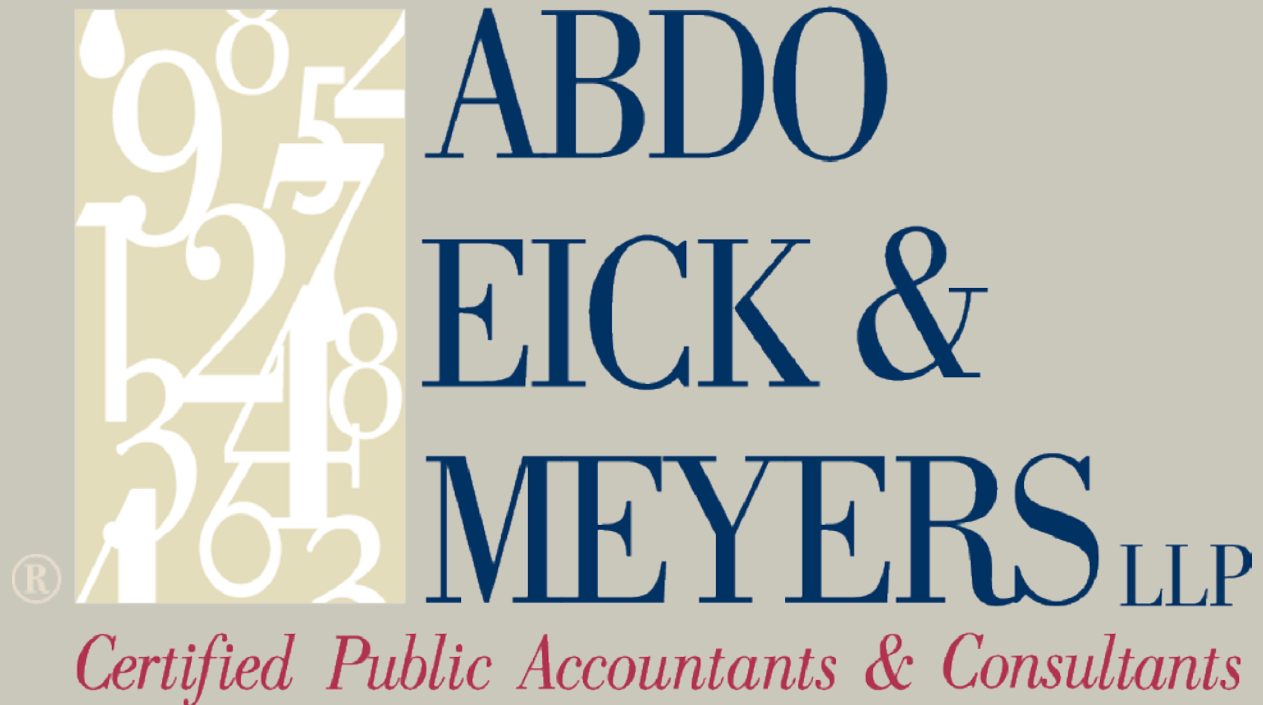
SUMMARY

Each year the City contracts with an independent Certified Public Accounting firm to audit the City's Comprehensive Annual Financial Report. Abdo, Eick & Meyers, LLP (AEM) performed the audit for the 2019 CAFR. They have issued an unqualified (clean) opinion on the City's financial statements. This is the highest form of assurance a Certified Public Accounting Firm can issue. A draft of the CAFR is included within the agenda materials.

In reviewing the CAFR, I suggest reading the Letter of Transmittal which begins on page 11 in the Introductory Section of the report, Management's Discussion and Analysis (MD&A which begins on page 27 in the Financial Section of the report, and the Notes to the Financial Statements which begin on page 61 in the Financial Section in the report.

Bonnie Schwieger from Abdo, Eick & Meyers, LLP will provide an overview of the report at the meeting.

We will be submitting the CAFR to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting. This will be the 33rd year that we have participated in this program.



**City of Inver
Grove
Heights**

**2019 Financial
Statement Audit**

Introduction

Audit Opinion and Responsibility

General Fund Results

Other Governmental Funds

Proprietary Funds

Audit Results

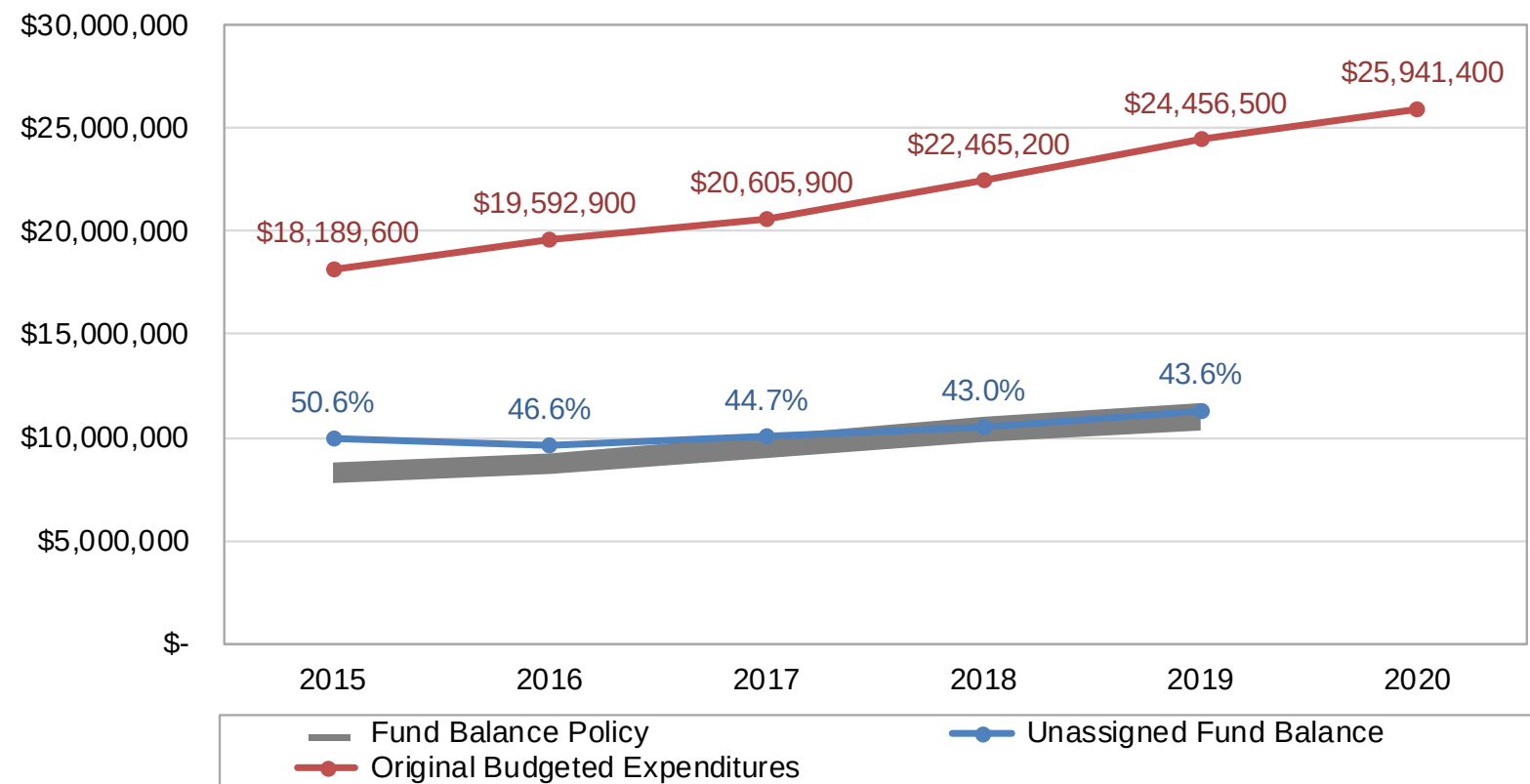
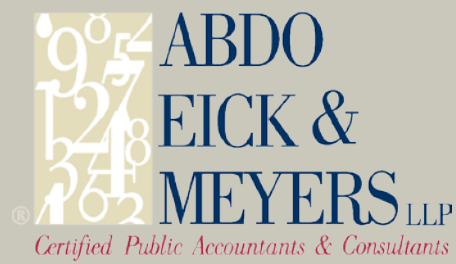
Auditor's Opinion



Minnesota Legal Compliance



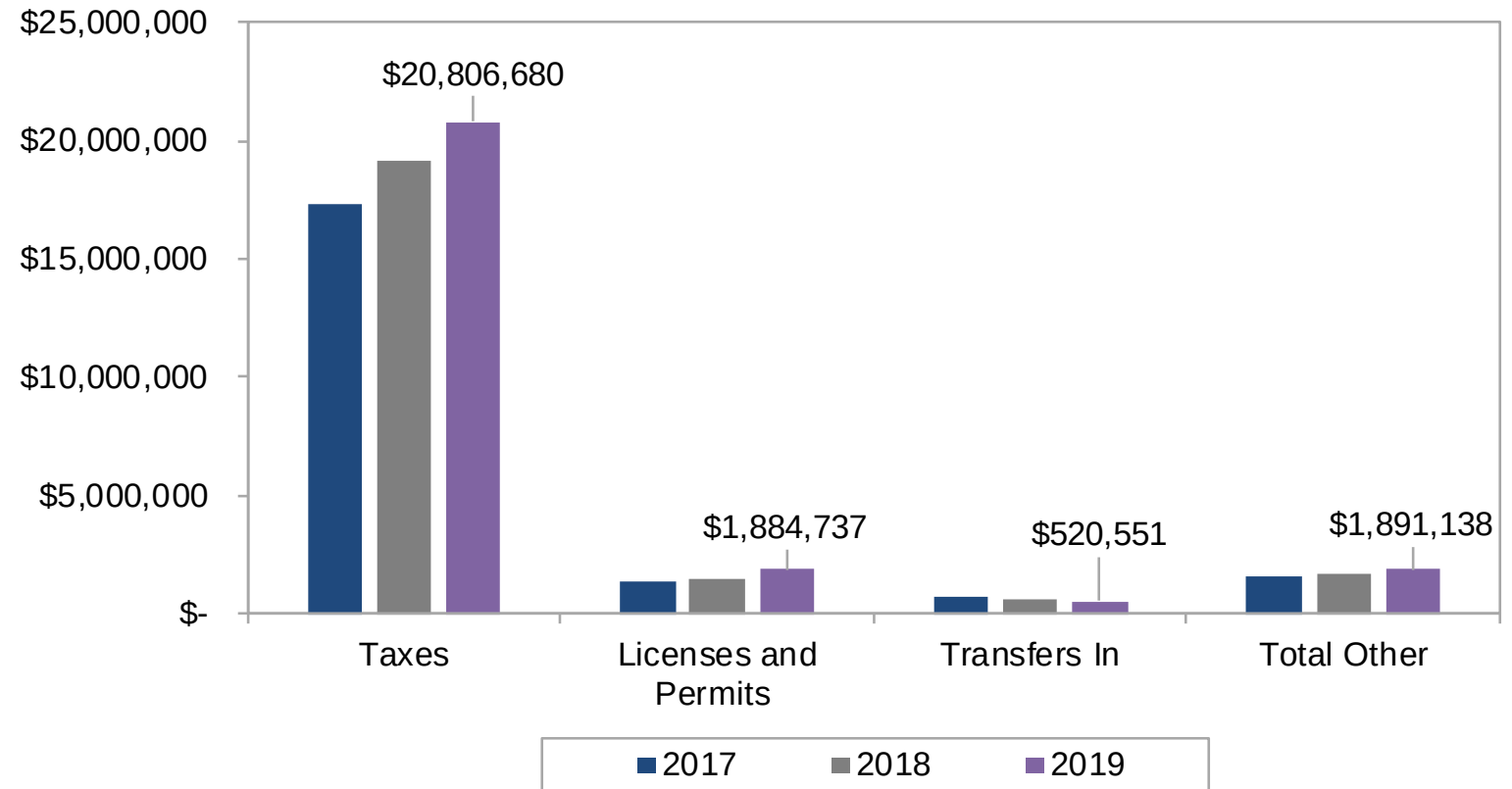
General Fund - Fund Balances



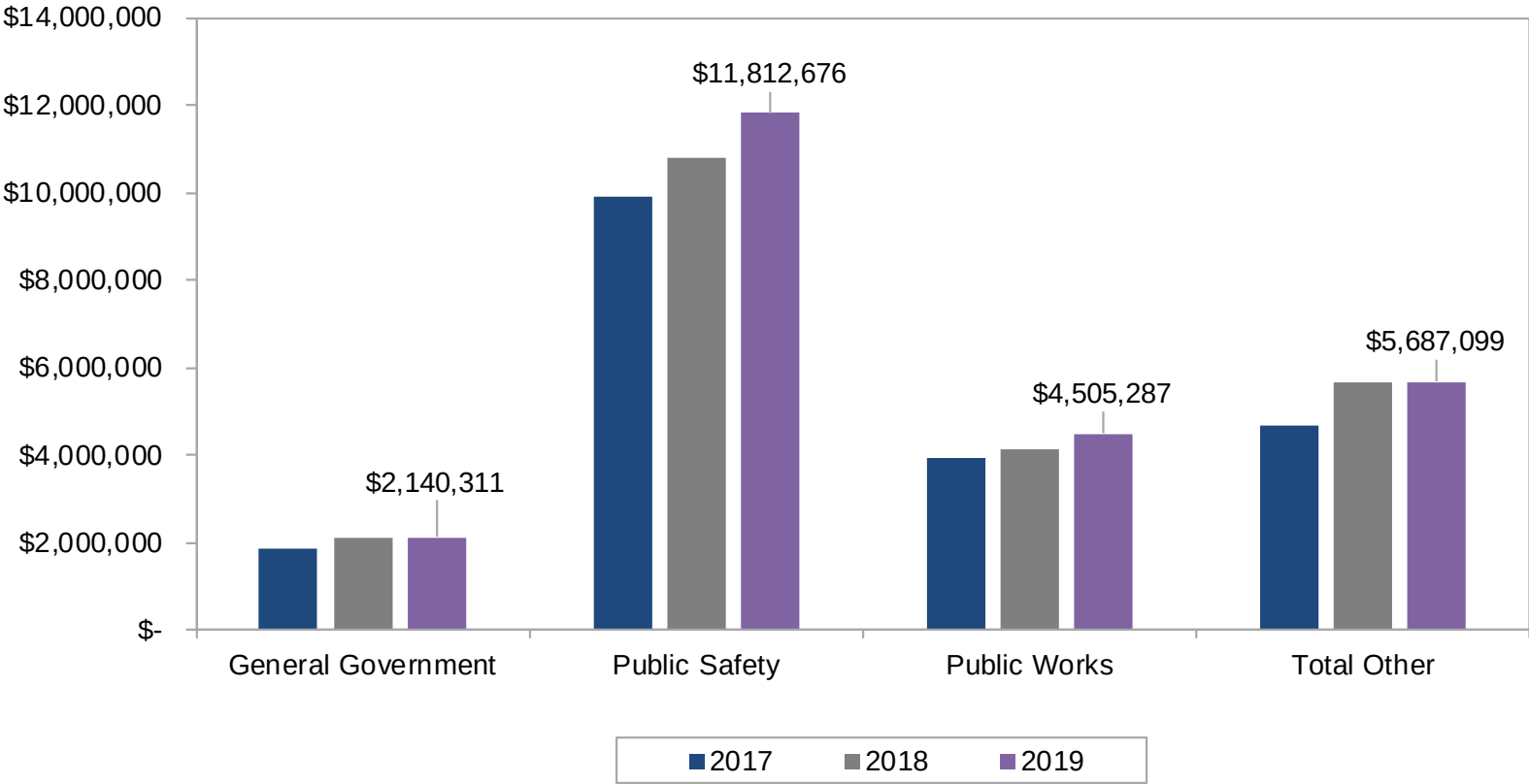
General Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 23,978,500	\$ 24,582,555	\$ 604,055
Expenditures	22,539,700	22,137,516	402,184
Excess of Revenues Over Expenditures	<u>1,438,800</u>	<u>2,445,039</u>	<u>1,006,239</u>
Other Financing Sources (Uses)			
Transfers in	478,000	520,551	42,551
Transfers out	(1,999,000)	(2,007,857)	(8,857)
Total Other Financing Sources (Uses)	<u>(1,521,000)</u>	<u>(1,487,306)</u>	<u>33,694</u>
Net Change in Fund Balances	(82,200)	957,733	1,039,933
Fund Balances, January 1	<u>10,533,140</u>	<u>10,533,140</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 10,450,940</u>	<u>\$ 11,490,873</u>	<u>\$ 1,039,933</u>

General Fund Revenues by Type



General Fund Expenditures by Type



Special Revenue Fund Balances

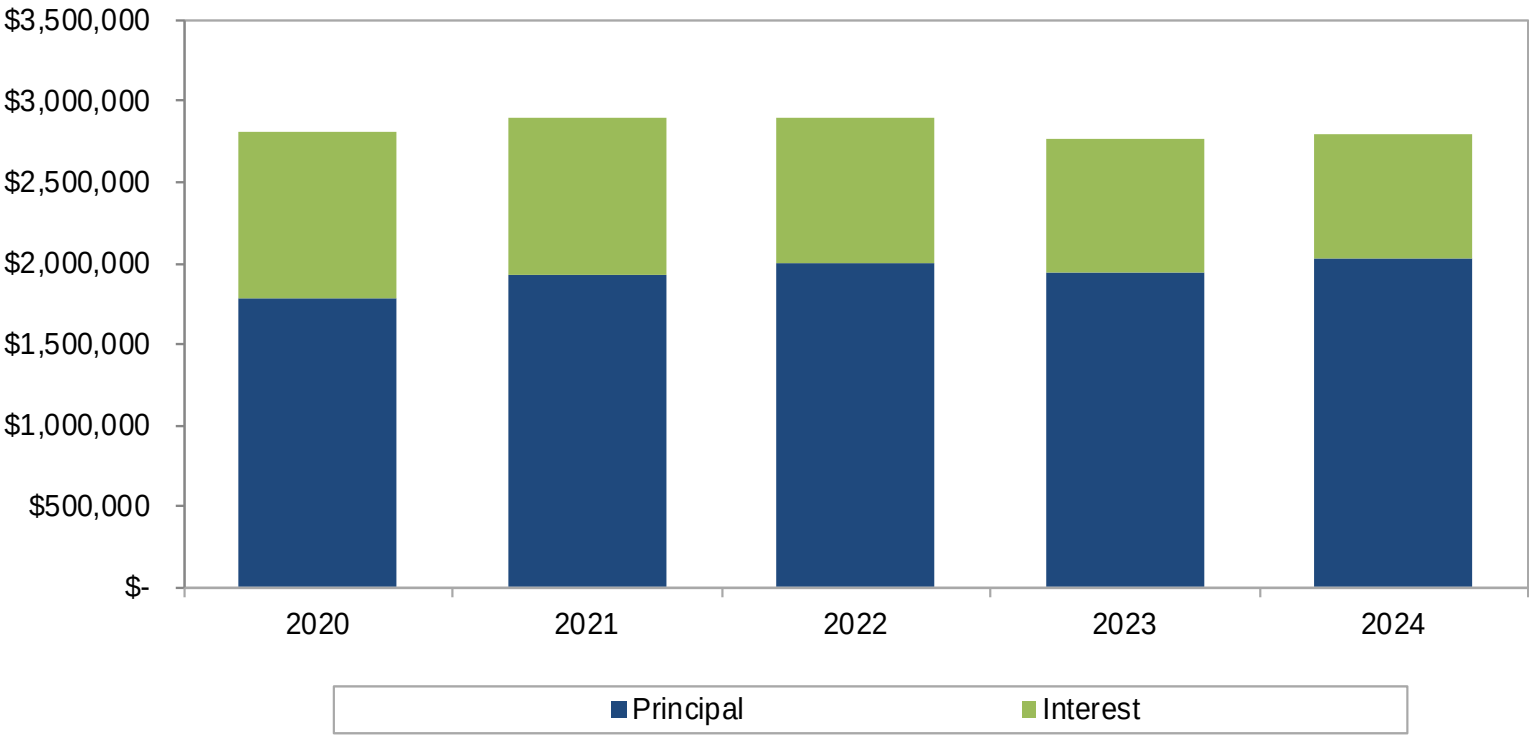
Fund	Fund Balances December 31,		Increase (Decrease)
	2019	2018	
Major			
Community Center	\$ (1,786,238)	\$ (1,855,758)	\$ 69,520
Nonmajor			
Convention and Visitors Bureau	116,343	130,795	(14,452)
Recreation	302,335	303,881	(1,546)
Franchise Fee	2,111,936	1,025,250	1,086,686
Economic Development Authority (EDA)	317,715	334,803	(17,088)
Total	<u>\$ 1,062,091</u>	<u>\$ (61,029)</u>	<u>\$ 1,123,120</u>



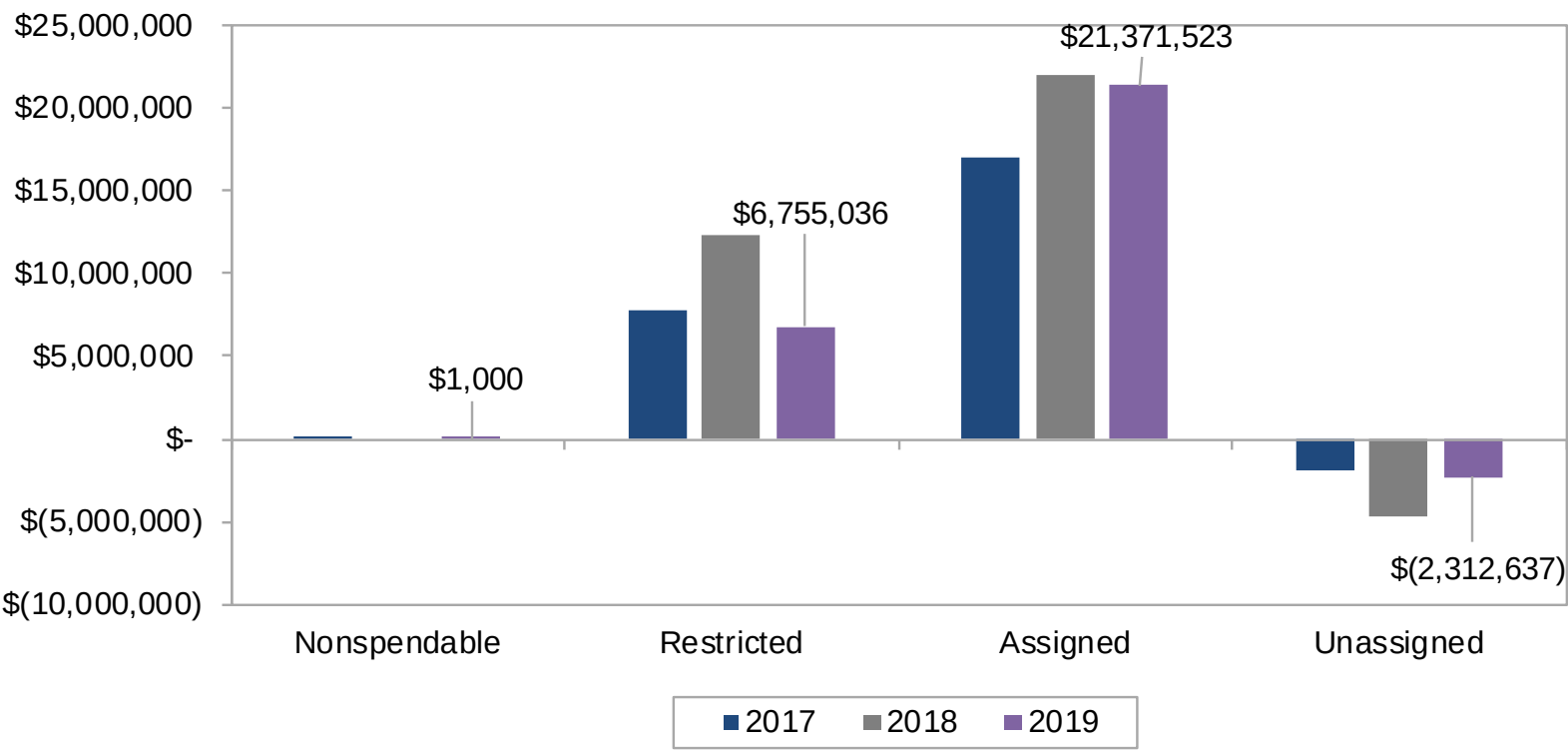
Debt Service Funds



Debt Service Fund		Cash Balance	Total Assets	Bonds Outstanding
Major				
Improvement Bonds		\$ 3,745,885	\$ 4,739,294	\$ 32,940,000
Total Interest Payments				\$ 8,902,059



Capital Projects Fund Balances



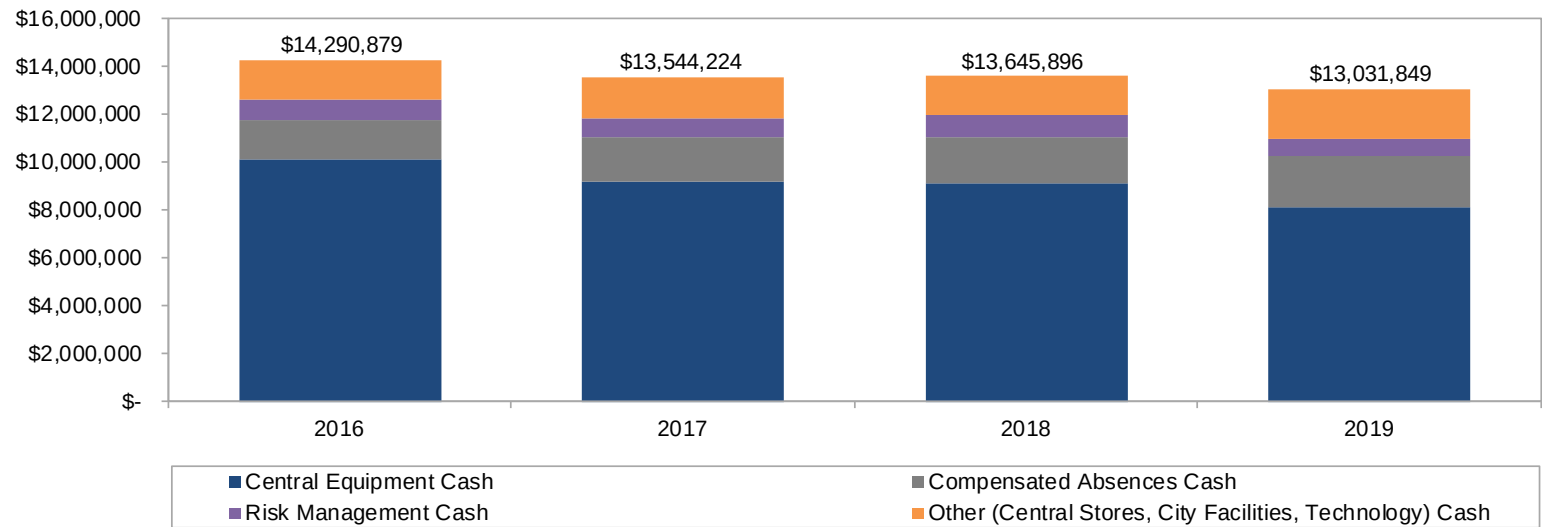
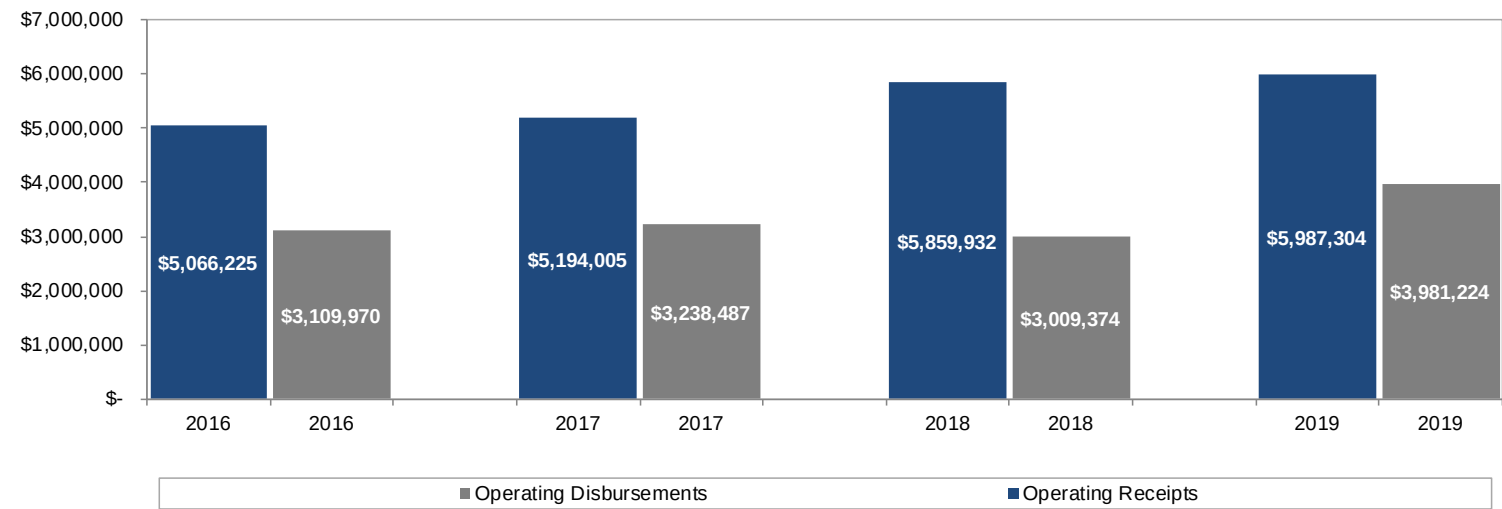
Capital Projects Fund Balances

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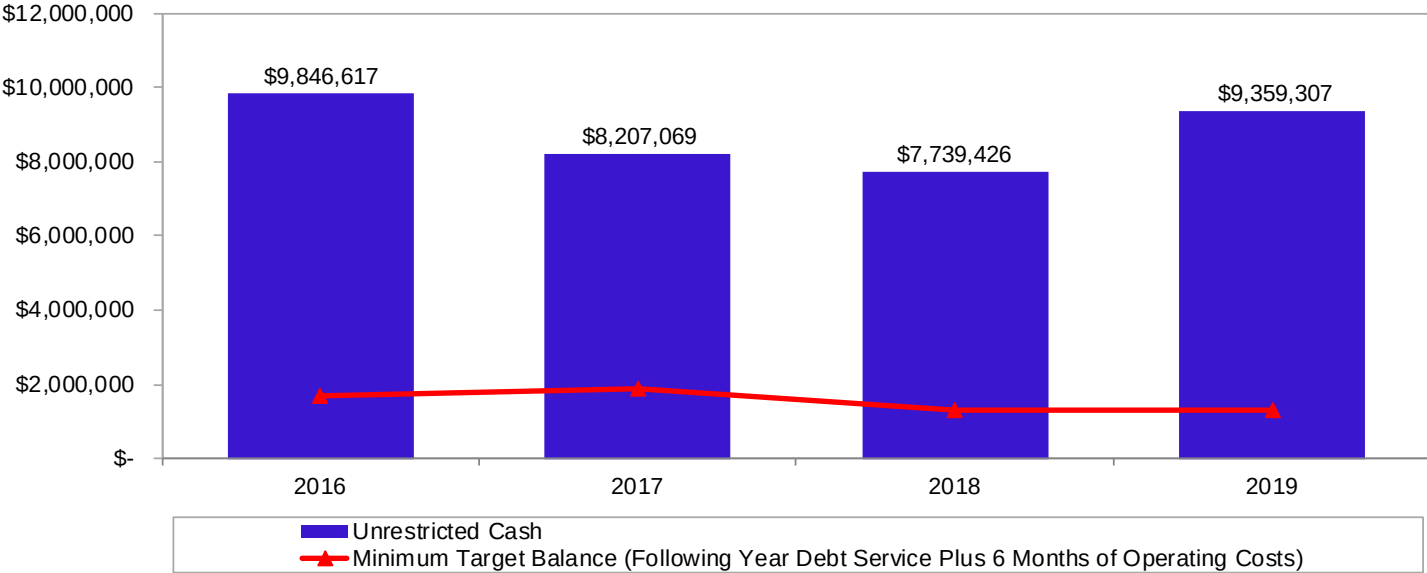
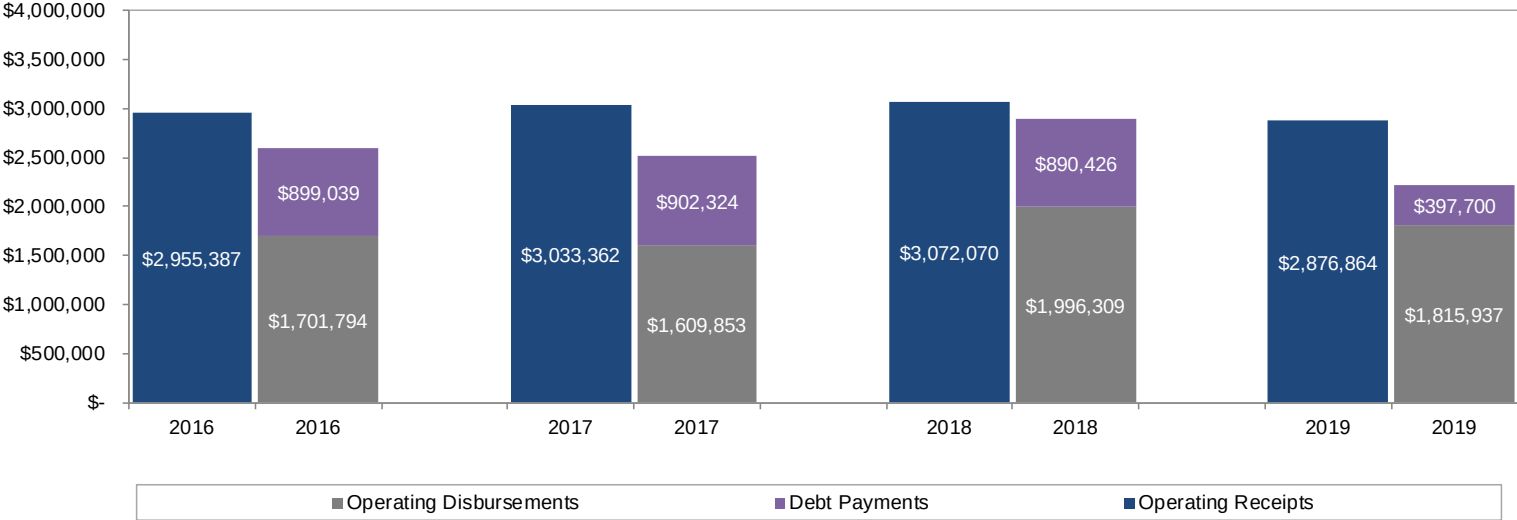


Capital Projects Fund	Fund Balances December 31,		Increase (Decrease)
	2019	2018	
Major			
Closed Bond	\$ 1,968,905	\$ 1,710,725	\$ 258,180
Local Improvement Construction	(955,083)	2,304,993	(3,260,076)
Pavement Management	5,670,367	5,619,860	50,507
Host Community	6,927,640	5,050,724	1,876,916
Nonmajor			
Capital Facilities	71,820	70,425	1,395
Equipment Acquisition	626,016	646,120	(20,104)
Parks Acquisition and Development	2,135,625	2,988,176	(852,551)
State Aid Construction	440,611	3,654,321	(3,213,710)
Capital Improvement Revolving	601,962	399,543	202,419
Community Property	22,261	24,905	(2,644)
Storm Water Management	2,377,631	2,284,576	93,055
Tree Preservation	129,537	125,637	3,900
Parks Capital Replacement	1,323,340	1,398,911	(75,571)
Americans with Disabilities Act	255,082	192,093	62,989
Community Projects	160,305	188,278	(27,973)
Permanent Improvement Revolving	79,600	46,542	33,058
Tax Increment Financing	3,979,303	3,115,746	863,557
Total	<u>\$ 25,814,922</u>	<u>\$ 29,821,575</u>	<u>\$ (4,006,653)</u>

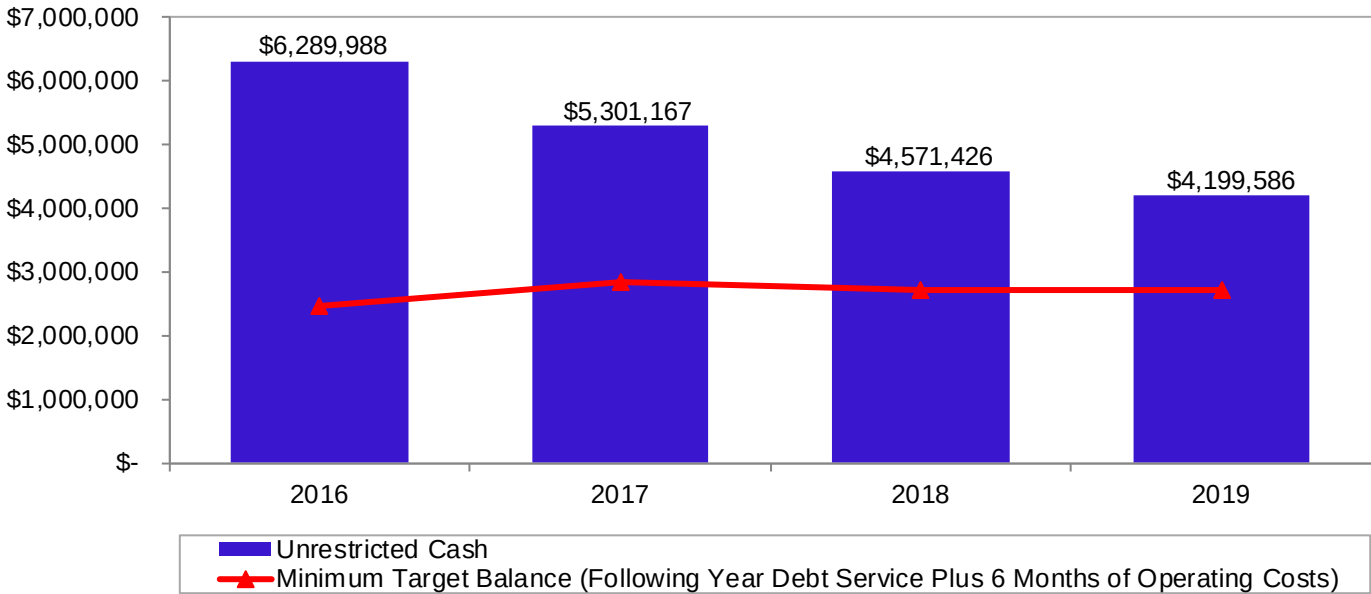
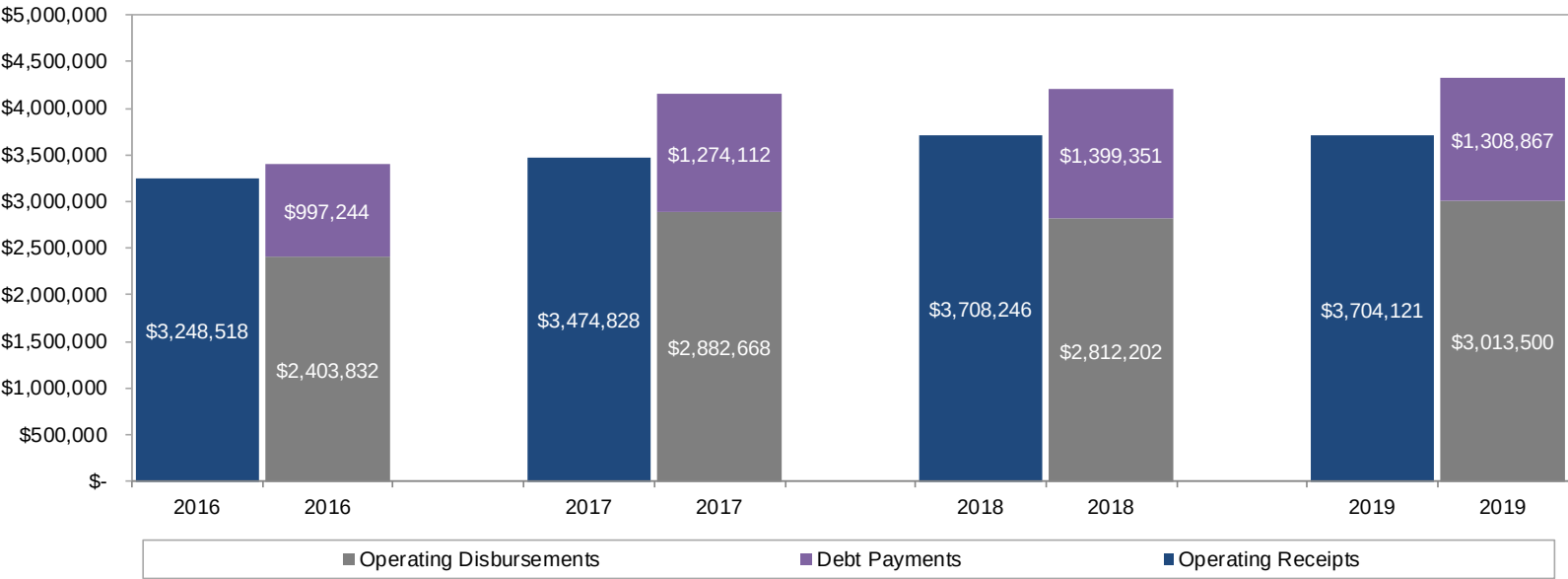
Internal Service Funds



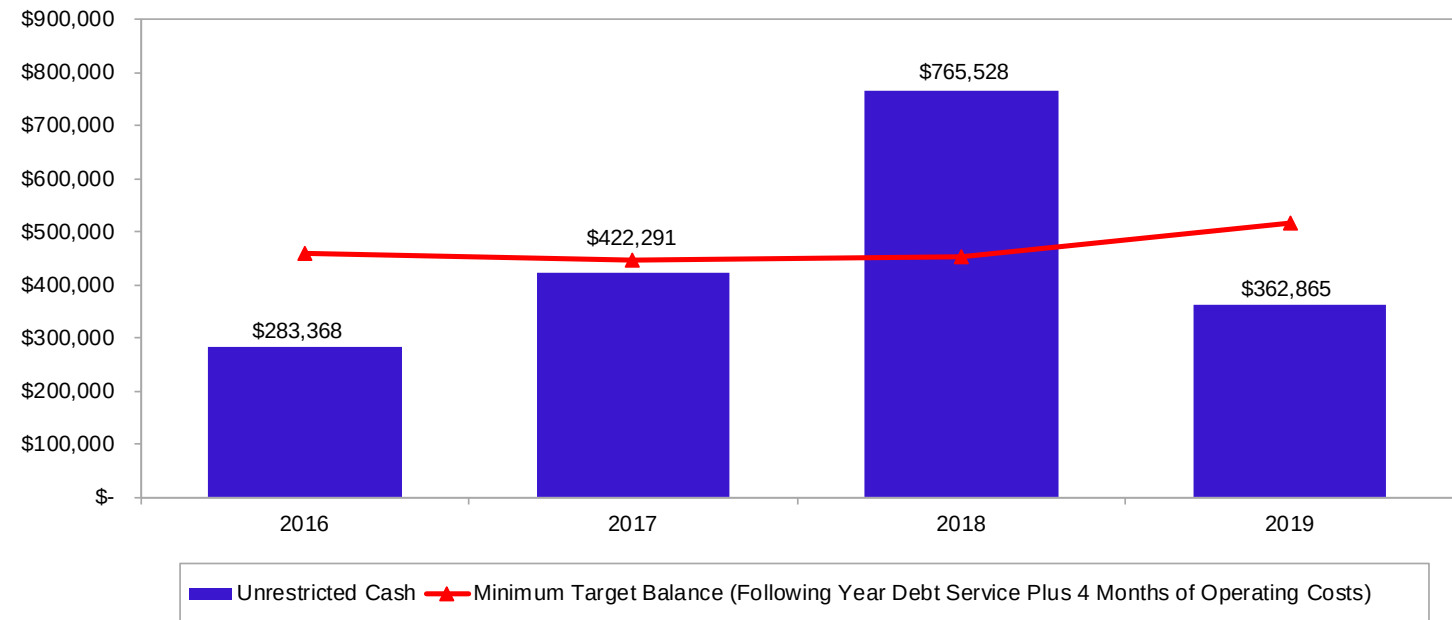
Water Fund



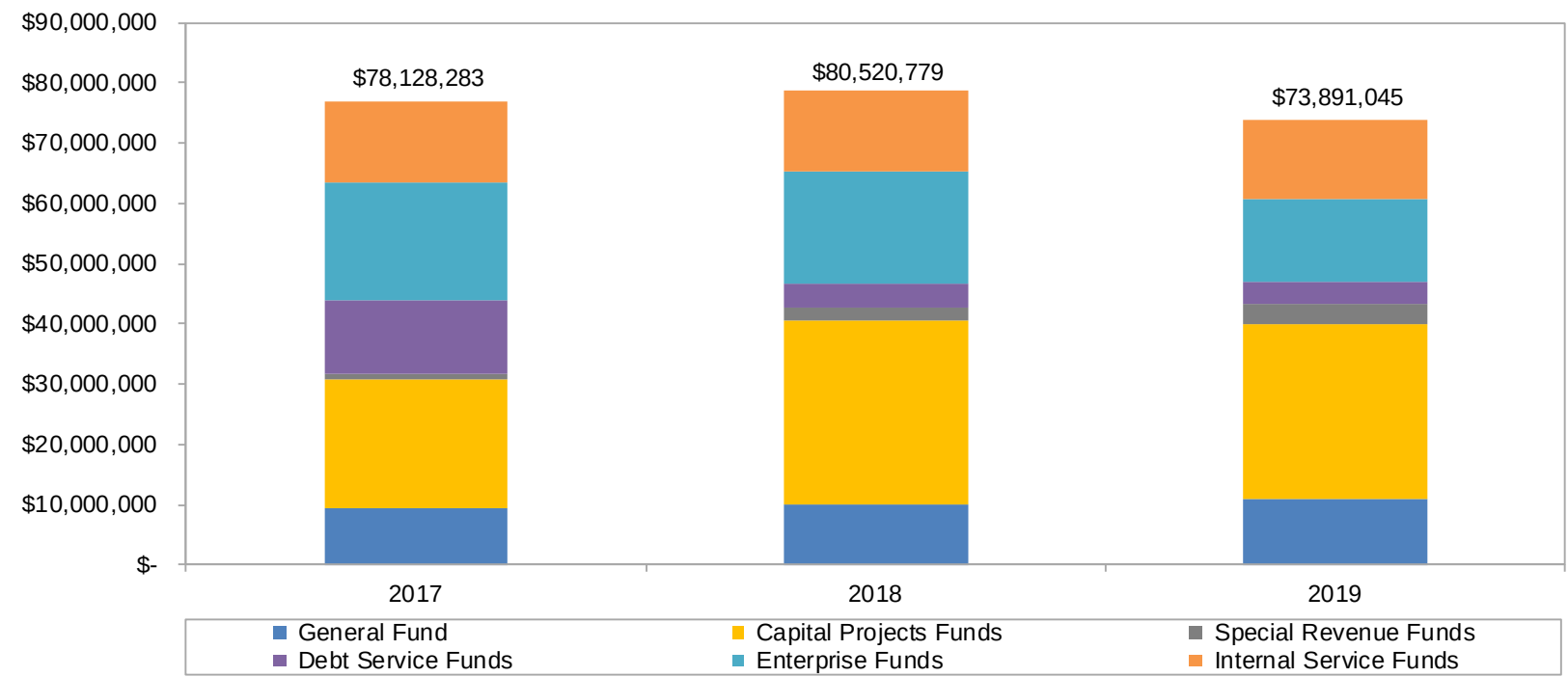
Sewer Fund



**ABDO
EICK &
MEYERS_{LLP}**
Certified Public Accountants & Consultants



Cash and Investments Balances by Fund Type



Questions?

Audit Team

Brad Falteysek
Bonnie Schwieger
Jeff Hines
Caydin Wolters
Tomi McDonald



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2019**

**CITY OF INVER GROVE HEIGHTS,
MINNESOTA**

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CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2019

REPORT PREPARED BY:
FINANCE DEPARTMENT

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City of Inver Grove Heights, Minnesota
Comprehensive Annual Financial Report
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INTRODUCTORY SECTION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

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City of Inver Grove Heights

www.ci.inver-grove-heights.mn.us

June 3, 2020

To the City Council and Citizens of the City of Inver Grove Heights:

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with audit standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Inver Grove Heights for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances of the City of Inver Grove Heights. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Inver Grove Heights has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Inver Grove Heights' financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City of Inver Grove Heights' internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Inver Grove Heights' financial statements have been audited by Abdo, Eick & Meyers, LLP a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Inver Grove Heights for the fiscal year ended December 31, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Inver Grove Heights' financial statements for the fiscal year ended December 31, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Inver Grove Heights' MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Inver Grove Heights, incorporated in 1965, is a suburban community located about 12 miles south of the City of St. Paul, Minnesota and part of the Twin Cities Metropolitan Area that includes Minneapolis with a total population estimated to be 4 million. The city is located in Dakota county, one of the fastest growing counties in the state in terms of population, housing and business growth. The City of Inver Grove Heights currently occupies a land area of approximately 30 square miles and serves a population of approximately 36,000. The City of Inver Grove Heights is empowered to levy a property tax on both real and personal properties located within its boundaries. While it is empowered by state statute to extend its corporate limits by annexation, Inver Grove Heights is still developing within its corporate limits and is bordered on all sides by other incorporated communities.

8150 Barbara Ave. Inver Grove Heights, MN 55077-3412
Telephone: 651-450-2500 • Fax: 651-450-2502

The City of Inver Grove Heights became a statutory city in 1974. The City operates under a statutory form of government consisting of a four-member city council and the mayor who is a voting member. Council members serve four-year staggered terms, with two council members elected every four years and the Mayor serves a two-year term. Among its primary duties, the city council makes laws, sets policies, adopts budgets and oversees a wide-ranging agenda for the community. The city administrator is appointed by the City Council. The city administrator heads the administrative branch of city government and directs all city operations, projects and programs.

The City of Inver Grove Heights provides a full range of services, including police and fire protection, the construction and maintenance of highways, streets and other infrastructure; water and sewer services, community development support, and recreational activities and cultural events.

The annual budget serves as a foundation for the City of Inver Grove Heights' financial planning and control. All departments of the City of Inver Grove Heights submit requests for appropriation for the following year to the city administrator, who uses this information to develop a proposed budget. This is presented to the city council for their review. The city council is required to adopt a proposed budget and tax levy by September 30. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 28.

Factors Affecting Financial Condition

The information in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Inver Grove Heights operates.

Local Economy. The City of Inver Grove Heights continues to experience growth in population and development. State Highway 52, which traverses north and south through the City, allows City residents and businesses a rapid and direct access directly north into downtown St. Paul and to Interstate Highway 94 which connects St. Paul with Minneapolis. This roadway has enhanced transportation throughout the metropolitan area for City residents and increased opportunity for further industrial, commercial and residential development. Interstate Highway 494 traverses east and west through the City and connects with Interstate Highway 694 to form a freeway loop around the entire Twin Cities Metropolitan area. The highway system provides Inver Grove Heights ready access to the downtowns of Minneapolis and St. Paul as well as the international airport located 11 miles away.

Inver Grove Heights has several large industries which account for a significant portion of the City's commercial tax capacity. Some of the industries are highly automated and consequently are major taxpayers but not major employers.

Relevant Financial Policies. In 2019, the City implemented GASB #84, Fiduciary Activities. Implementation did not have any financial effect on the City.

The primary financial goal of the City's investment policy is to ensure the safety of principal invested by the City. Cash temporarily idle during the year is invested in instruments authorized under *Minnesota Statute No. 118A*. Instruments authorized include certificates of deposit, commercial paper, and obligations of U.S. Treasury and government agencies. In order to achieve diversification, the policy provides that, except for U.S. Treasury securities, no more than 50% of the City's total investment portfolio will be invested with a single institution or in a single security type. A report summarizing investment activity and demonstrating compliance with this policy is prepared on a quarterly basis for City Council review. Cash balances from all City funds are pooled into an investment fund and investment income is distributed on a pro-rata basis at the end of each quarter.

Capital financing for major municipal improvements is provided through improvement bonds, general obligation bonds, tax increment bonds, or revenue bonds. Depending upon the project, special assessments may be levied upon properties to share in the cost of the improvement project. The special assessments are collected over a period and are used to help satisfy the improvement bond debt. Internal financing of improvement projects is usually minimal and only for short periods of time.

The City has adopted a comprehensive set of internal control procedures. The City's accounting system was developed and is continually evaluated to assure the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance in the areas of safeguarding assets against loss from unauthorized use or disposition, reliability of financial records, and convenience of access for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the evaluation of cost and benefits requires estimates and judgments by management, and the cost of a control should not exceed the benefits likely to be derived. All internal controls are evaluated against the above criteria. It is our belief that the City's internal accounting controls adequately safeguard the City's assets and provides reasonable assurance of properly recording financial transactions.

Major Initiatives.

Community Development

In 2019, the Community Development Department of the city experienced another busy year of construction and development activity. There was continued work on comprehensive land-use planning, zoning, housing and commercial development, environmental sustainability, and other strategic development issues.

Inver Grove Heights had \$107 million of new construction in 2019 compared to \$81 million in 2018 and \$80 million in 2017. Total residential construction was 174 new dwelling units, including 102 single-family units and 72 multi-family units. In comparison, 82 single-family homes were built in 2018 and 69 in 2017. Residential additions and remodeling continued as homeowners reinvested in their homes. The City issued more than 3,200 building permits for commercial, residential, and remodeling projects in 2019 of which \$66.5 million was residential in nature, \$19.5 million was new commercial building construction and \$21 million was renovation of commercial properties in the city. This continues to reflect a growth trend as total commercial and industrial construction in 2019 totaled \$40.5 in valuation and in 2018 it was \$32.3 million and in 2017 it was \$11.1 million.

Commercial/industrial development approved for construction in 2019 consisted of the city's largest private sector employer, CHS, renovating floors 2 and 3 of their corporate office and constructing a new parking ramp to accommodate sizeable employee growth at this location, a new gas station convenience store (Casey's General Store) and a complete rebuild of an existing gas station convenience store (Holiday Store) and a new climate controlled storage facility (STOR). Commercial renovations that were approved for construction in 2019 included a major renovation of a medical care facility, improvements to Toyota and Ford Dealerships, a McDonald's Restaurant, the doubling in size of Inver Grove Heights Veterinary Clinic, the build out of Inver Grove Brewery and Restaurant in a vacant commercial building, multiple office renovations and sizeable additions to the state community college (Inver Hills) and a public elementary school (Pine Bend). The city also constructed and opened fire station #2 near the center of the city for the purpose of improving the provision of public safety services to the growing population.

The City processed over 80 zoning applications in 2019 including new plats, rezonings to accommodate development, code amendments and conditional use permits. This planning work lay the groundwork for continued residential and commercial construction in the next few years. The City continued construction of sanitary sewer, municipal water, and with the cooperation of other governmental jurisdictions, transportation infrastructure to serve this growth.

In 2019, the City completed a long range 2040 Comprehensive Plan for guiding future development with an eye toward maximizing city opportunities for growth while also providing quality services. Numerous meetings were conducted with the City Council, Planning Commission, Economic Development Authority, and Housing Committee and many land use alternatives were explored. The plan was submitted to the Metropolitan Council a regional planning body, who reviewed and approved it prior to city council adoption.

In economic development activities, the Inver Grove Heights Economic Development Authority (EDA) adopted an economic development strategic plan, that tracks market demand and demographics to position the city for smart growth. The EDA also approved a contract for another year of the 'Open to Business' program counseling services provided by a Twin Cities non-profit for the purpose of supporting the start-up and growth of local business.

Police Department

The Police Department utilizes a team-based approach to its community-oriented policing activity. The department has redoubled its efforts to become more deeply engaged with the community. After several years of scheduling patrol personnel on 12-hour shifts, this has proved to be an effective means of deploying department personnel. The change to patrol shift scheduling has resulted in increased patrol coverage and the ability to focus personnel on targeted problem-solving efforts. Officers participate in child safety fairs, children's safety camps, youth police academy, Town Hall meetings, Crime Free Multi-Housing, Neighborhood Watch Groups and many other events culminating in Minnesota Night to Unite in August, Inver Grove Heights Days in September, and a nine-week Citizen's Academy that starts in late September with the graduation in early November.

The Police Department remains active in a variety of programs, including: Alcohol Compliance Checks, Assault Response Team, Business Check Program, Intensive Supervision Program (ISP), and Critical Incident Stress Management (CISM) team. In addition, the department has an active Police Reserve Unit and Chaplain Corps that provides hundreds of hours of volunteer service in carrying out departmental objectives.

The Police Department maintains many strong connections with neighboring law enforcement agencies and public safety providers in and around Dakota County, including: the Dakota Communications Center (DCC), the Special Operations Team (SOT), the Incident Management Team (IMT), the regional Drug Task Force, MAAG (SWAT), Dakota County Electronic Crime Unit (ECU), and countywide Traffic Safety Initiative. The Police Department also partners with Independent School District No. 199 to co-fund a School Resource Officer (SRO) position. In June 2019 our first K-9 Officer and Partner graduated from an intensive training school in St. Paul and now patrol the street and participate in events in the community showing all the uses for a K-9.

In 2020 the police department will be hiring their first three Police Cadets. The cadets will supplement the police officers by taking animal calls, car lock outs and other duties. The department will also be sending 4 officers to IPMBA bike certification school so they can patrol the City Parks on a bicycle.

Fire Department

The number of emergency calls increased to a record high of 1,811 calls for service, a 15% increase. This is a 51% increase since we started the duty crew in January 2016. While the calls are up, the duty crew size has not changed and remains at 3 personnel on shift. Of those total calls, 62%, were for Emergency Medical Services and Rescue Calls, the same number as in 2018. The rest involved a combination of many other classifications such as: fires, alarms (fire/carbon monoxide), etc. Of those 1,811 calls, 9.1% were concurrent calls where we had at least two calls at the same time. This was up slightly from 2018 where they accounted for 8.5% of the calls, but down from 2017, when concurrent calls were 10.6% of the total.

Recruitment and retention issues of non-career personnel continued to affect Inver Grove Heights, as well as other departments throughout the nation. Regarding recruitment - for the 9 years before 2017, we had averaged losing 5 firefighters per year, but were able to recruit enough people to replace 100% of those who left. However, in 2017, we had 9 firefighters resign or retire and were only able to recruit 3 replacements that started in January 2018. We lost another 8 personnel in 2018. In August 2018, we made conditional job offers to 9 potential recruits, however 6 dropped out before the fire training even started, leaving us with only 3. In August of 2019, we made conditional job offers to 11 and 2 dropped out before any training started. Three more have since dropped out, leaving us presently with 6. However, in 2019, we lost 14 firefighters out of the paid-on-call ranks.

The retention issues also became evident as more senior fire personnel retired from the department. Each duty crew has 3 personnel which includes an officer, driver and firefighter. The officer position is filled by the most highly trained and senior firefighters. With so many of our senior personnel retiring, we had a significant number of holes to fill for duty crew officer shifts throughout 2018. We must wait until our present firefighters get the years of service and training needed to become duty crew officers, which takes 8 or more years, depending on the individual. Because we have a very young department, there are not enough firefighters who will have the years and training needed for approximately 4 or more years, and that is only if they decide to stay with department. Since these are paid-on-call positions and we must train everyone from within, we cannot hire these positions off the street. Because of this lack of experienced firefighters that could serve as an officer on the duty crew, in 2019, we hired 3 full time Shift Captains who work 24 hours at a time so we always have an experienced officer for duty crew. We still have paid-on-call battalion chiefs and lieutenants who fill in the officer position when the shift captains have time off.

Before we hired the 3 shift captains, we had to increase the minimum duty crew hours from 24 hours a month to 28 and even that was not enough to fill all of the open shifts. However, once the shift captains started, we were able to reduce the required hours from 28 to 20 per month. Some of that free time however was taken up by requiring firefighters to respond to a minimum of 25% of the call-backs. These call backs include times when the duty crew is otherwise busy on another call or a larger call that requires more than the 3-person duty crew. That new requirement amounted to an average of 5 call-backs per month.

The department ordered a new 100-foot platform ladder truck to replace the one that is 28 years old. In addition, they also ordered a new heavy rescue truck that will be replacing the current rescue truck that is over 30 years old. Both are due in spring of 2020. Although construction on the new fire station #2 started in 2018, the bulk of the work was completed in 2019. In mid-December 2019, 14 months after starting construction, the fire station opened on a limited basis for training and on-call response. The dorm rooms were not ready yet in 2019. Fire department administrative offices started moving from City Hall to the new fire station at the end of the year.

From this new station, response times to the southern part of the city were reduced, especially to the southeast part of the city. Reducing response times means the Fire Department is now able to improve its quality of care and safety and has started to show benefit to both residences and businesses in the south, by helping them achieve significant reductions in insurance rates.

The Fire Explorer program for youth between the ages of 14 and 20 continues to be successful. This program has always served as an excellent feeder program for the Fire Department, providing 13 out of our 46 firefighters. Advisors for the program include previous Explorers and active Firefighters who have children in the program.

The Fire Department continues to be very involved in prevention, community activities and public education. In 2019, we hired a full time Fire Inspector. While we have always had a full time Fire Marshal, he did not have time to inspect current businesses and multi-family dwellings. This is where the new Inspector has started focusing his time and efforts. The Fire Department also continues to be active with the Inver Grove Heights Beyond the Yellow Ribbon Program, state-wide Veteran's Day celebration, various career fairs, Fire Prevention Week Open House, teaching at safety camps, staffing Inver Grove Heights Days displays and presentations, and attending Night to Unite and safety fairs are some of the bigger events.

Public Works

Public Works continues to oversee the street reconstruction program, a street mill and overlay program and a street crack seal and seal coating program. These programs will ensure a well-maintained roadway infrastructure. The 2019 urban street reconstruction project rebuilt 0.40 miles of street. The crack seal and seal coat projects covered 6.69 and 10.61 miles of street, respectively. The street system was expanded in 2019 with the construction of 0.25 mile of streets in new residential developments and by 0.46 mile with the construction of new 65th Street. The City also participated in the construction of a roundabout at the intersection of Trunk Highway 3 and 70th Street. An additional 0.46 mile of trunk watermain was also installed.

Parks & Recreation

The City successfully completed acquisition of property along Doffing Ave. for park purposes and along the way we have been able to completely remediate the 70-acre property from known contamination on site making it available for public park use. We successfully opened an off-leash dog park in Heritage Village Park in 2019 and currently have over 500 pass holders. We also had a successful ribbon cutting of the North Valley Park Pickleball Courts where we constructed six (6) outdoor courts.

The City is actively pursuing the purchase of land for public parks in the NW area and hopes to make acquisition and begin development in 2020. The City and County continue to work cooperatively on the Mendota Lebanon Regional Trail and the Veterans Memorial Greenway (formerly Rich Valley Greenway).

At the VMCC/Grove, our older adult population continues to grow and participate in many of our social and fitness opportunities. In 2020, we will be replacing the HVAC equipment that services the lap pool and adding basketball hoops to the National Guard Gymnasium and creating a larger birthday party room.

In recreation we saw several new staff in 2019 and we are excited to take a fresh look at the programs we offer to the community to be active.

Inver Wood continues to perform well financially as a positive recreational asset in the community. We expect the 2016 membership drive patrons to continue to utilize the course in 2020 helping improve our tee time utilization and the revenue we generate in greens fees, driving range, pro shop, and food & beverage operations.

Administration

In 2019 the City had some significant changes happen.

The City had several new hires, Police Chief, Community Development Director, Finance Director, City Clerk, IT Manager, and a Communications Manager.

The City undertook a year's long program of cultural assessments. Each Department in many different locations went through a process to survey employees about the current culture the changes they wanted to make to an ideal culture and set a roadmap for projects and changes to make to get there.

The Capital Improvement Plan is a major planning tool for the City and in 2019 we re-examined the way that the tool was laid out, the assumptions made in it and how to fund competing interests while reducing reliance on taxes or increasing debt.

We continue to enjoy the benefit of a large pool of volunteers who assist the City in everything from removal of invasive species, like buckthorn, to scanning thousands of pages of records, plans, and other information to be stored electronically rather than take up space with hard copies.

Technology continues to be at the core of the operations for the City. Besides hiring a new IT Manager, the City made the decision to add staff, including a new position to assist with our Systems Administrator. The City adopted an IT plan that outlines projects, staffing and focus areas for the next five years.

For the Future.

The City's Comprehensive Plan was approved in 2019. This sets forth goals, policies, and plans for the City's future growth and development over the next 20 years.

A major focus of the Comprehensive Plan is the continued expansion of infrastructure and subsequent development of the northwest part of the City, an area of approximately five square miles. Construction of the first segment of sanitary sewer and municipal water occurred in 2009 with further extensions in 2016, 2017, and 2018. Major transportation improvements include the construction of Highway 3/County Road 26 roundabout and 65th Street in 2019. These public improvements will serve the several residential developments that the City approved in recent years, as well as future residential, commercial and office development.

The City continues to concentrate on redevelopment in the Concord Boulevard Neighborhood, an area adjacent to the Mississippi River. The City's goals are to improve the existing residential neighborhood, strengthen and increase commercial activities, increase property values, and provide additional employment opportunities. In the last few years, the City has been acquiring properties and undertaking environmental investigations and remediation. The City has also successfully obtained State and County grants to financially support these redevelopment efforts. In addition to the Concord Neighborhood, the City continues to work on the acquisition and environmental investigation of a property, currently owned by the Minnesota Department of Transportation, for future office development.

The Inver Grove Heights Economic Development Authority continues to work with Progress Plus, a public-private non-profit foundation, the Metropolitan Consortium of Community Developers, a regional economic development organization, and the Dakota County Community Development Authority to undertake various economic development activities. This work includes marketing, business retention, business recruitment, research, and technical and financial assistance to small businesses.

The Police Department's 2020 initiatives include: continuation of the department's social media presence and expansion of outreach efforts in high call volume locations. A community survey was done again in 2019, the Community Safety Survey is a guide that is used to help assess annual policing priorities. We will have officers trained on bicycles to patrol the parks as well as certified on use of a Utility Task Vehicle (UTV) for park patrol.

The Fire Department continues to move forward with the third fire station. Most of construction was completed in 2019 and will finalize in 2020. Due to the continued issues with recruitment and retention of non-career firefighters, full time shift captains were added in 2019 and an internal staffing study will be completed in 2020. Two replacement trucks will be received in the first half of 2020 and fire personnel will receive training in each before putting into operation.

In 2020, the proposed Pavement Management Program will involve work on 14.18 miles of streets. The program will include reconstruction, mill and overlay, crack seal and seal coat projects. The City will partner with Dakota County on the design of a major road improvement project that will expand 70th Street from two to four lanes between the Eagan border and Trunk Highway 3, and that will continue the realignment of Argenta Trail from Amana Trail to 65th Street.

At South Valley Park we have updated the master plan and will be applying for a MN DNR Outdoor Recreation Grant, that, if successful will allow us to begin implementation of different concepts found in the plan such as new playground equipment, a new shelter, performance space, and additional parking in 2021/2022. We also plan to build the communities first Inclusive Playground at Heritage Village Park in 2021 which will be supported by shelters and a restroom facility. These facilities require significant investments and we are working with volunteers to help fundraise for the capital investment that will be required.

The Parks and Recreation Commission will be undertaking the job of updating our Comprehensive Park, Recreation, Trail, and Facility Plan in 2020. The process will include significant community engagement and will help provide a vision for the system over the next 10-20 year. The plan will cover parks, recreation programs, trails, the VMCC/Grove, and Inver Wood Golf Course

With our 2016 Anniversary Membership expiring at the end of 2020, we plan to introduce a new campaign in the fall of 2020 for 2021/2022 play. We expect there to be strong interest in the membership program as we have received positive feedback from existing members. At the VMCC, all four (4) pools filtration system will be replaced in 2021 as an ongoing effort to improve efficiency and replace failing infrastructure.

Finally, we are working with McKinstry to develop a city-wide operations and maintenance plan for all city facilities. The completed plan will provide us with a list of all the assets, their value, condition assessment, and anticipated maintenance and capital replacement needs so we can plan for and budget properly. This is an import project so we can continue to provide excellent municipal services to the public.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Inver Grove Heights for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2018. This was the thirty-second (32) consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government has published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated services of the Finance Department staff. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Inver Grove Heights' finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Joe Lynch', with a stylized, looping flourish at the end.

Joe Lynch
City Administrator



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Inver Grove Heights
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

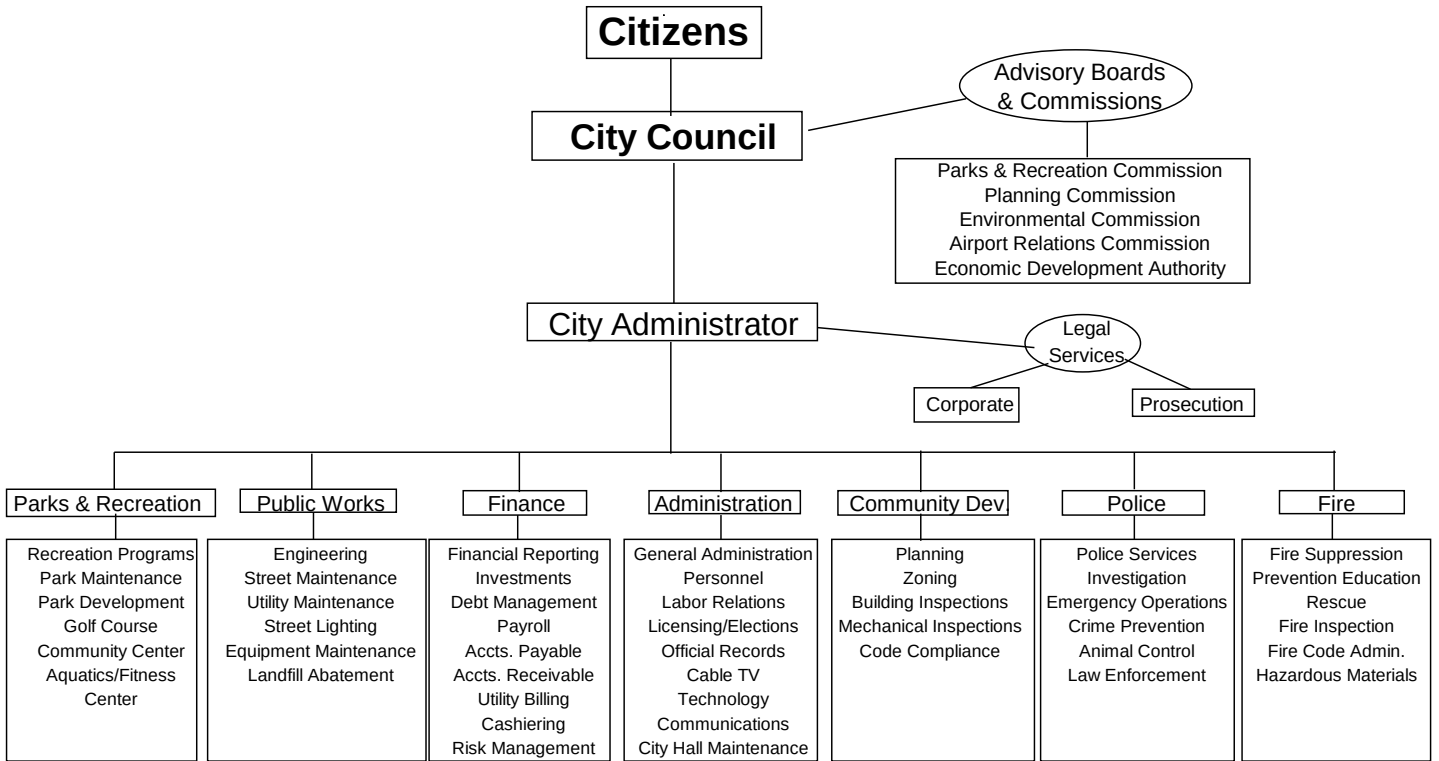
December 31, 2018

Christopher P. Morrell

Executive Director/CEO

CITY OF INVER GROVE HEIGHTS, MINNESOTA

ORGANIZATION CHART



City of Inver Grove Heights, Minnesota

Elected and Appointed Officials
For the Year Ended December 31, 2019

ELECTED

Name	Title	Term Expires
George Tourville	Mayor	12/31/20
Tom Bartholomew	Council Member	12/31/20
Rosemary Piekarski Krech	Council Member	12/31/22
Kara Perry	Council Member	12/31/20
Brenda Dietrich	Council Member	12/31/22

APPOINTED

Name	Title
Joe Lynch	City Administrator
Shannon Battles	Interim Finance Director
Melissa Chiodo	Police Chief
Judy Smith-Thill	Fire Chief
Scott Thureen	Director of Public Works
Heather Rand	Community Development Director
Eric Carlson	Director of Parks and Recreation

FINANCIAL SECTION
CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund and Community Center special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Change in Accounting Standards

As described in Note 8 to the financial statements, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 84, Fiduciary Activities, for the year ended December 31, 2019. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 27 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the related notes disclosures, Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios and the Schedule of Changes in the City's OPEB Liability and Related Ratios starting on page 100 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

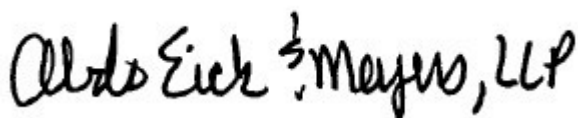
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, statistical section and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
June 3, 2020

People
+ Process[®]
Going
Beyond the
Numbers

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Management's Discussion and Analysis

As management of the City of Inver Grove Heights, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 11 - 17 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$223,646,303 (net position). Of this amount, \$53,923,861 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position for governmental activities increased \$10,912,809 and business-type activities increased \$2,137,641, resulting in a total increase of \$13,050,450, mainly as a result of current year decrease in expenses for business-type activities and increase in taxes for the governmental activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$42,255,122, a decrease of \$1,789,489 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$11,313,120, or 43.6 percent of next year's budgeted expenditures.
- The City's total debt decreased \$6,634,427, (12.00% percent) during the current fiscal year. The decrease was due to scheduled debt payments and refunding bond payments from funds held in escrow.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, community development, and interest on long-term debt. The business-type activities of the City include water and sewer utilities and the golf course.

The government-wide financial statements start on page 39 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Improvement Bonds, Community Center, Closed Bond, Local Improvement Construction, Pavement Management, Developer Escrow and the Host Community funds, which are all considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund and Community Center special revenue fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with its budget.

The basic governmental fund financial statements start on page 44 of this report.

Proprietary Funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for all the water, sewer, and golf course funds, which are considered to be major funds of the City. Conversely, all internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sanitary sewer and golf operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for compensated absences, risk management, central equipment maintenance, office supplies and equipment, city facilities, and technology. Because these services predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements start on page 54 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 61 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees.

Required supplementary information can be found starting on page 100 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the required supplementary information.

Combining and individual fund financial statements and schedules start on page 112 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$223,646,303 at the close of the most recent fiscal year.

By far, the largest portion of the City's net position (71.5 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Inver Grove Heights' Summary of Net Position

	Governmental Activities			Business-type Activities		
	2019	2018	(Decrease)	2019	2018	Increase (Decrease)
Assets						
Current and other assets	\$ 74,778,831	\$ 74,813,209	\$ (34,378)	\$ 13,721,302	\$ 18,071,992	\$ (4,350,690)
Capital assets, net of depreciation	141,064,641	128,656,587	12,408,054	66,068,165	66,691,793	(623,628)
Total Assets	215,843,472	203,469,796	12,373,676	79,789,467	84,763,785	(4,974,318)
Deferred Outflows of Resources						
Deferred charge on refunding	1,657	21,532	(19,875)	174,194	193,371	(19,177)
Deferred other postemployment benefits resources	60,536	49,227	11,309	7,981	6,474	1,507
Deferred pension resources	5,840,739	6,862,683	(1,021,944)	115,171	198,559	(83,388)
Total Deferred Outflows of Resources	5,902,932	6,933,442	(1,030,510)	297,346	398,404	(101,058)
Liabilities						
Long-term liabilities outstanding	46,100,758	45,411,593	689,165	16,088,530	22,800,580	(6,712,050)
Other liabilities	7,407,927	6,032,693	1,375,234	1,071,041	1,512,796	(441,755)
Total Liabilities	53,508,685	51,444,286	2,064,399	17,159,571	24,313,376	(7,153,805)
Deferred Inflows of Resources						
Deferred pension resources	7,326,028	8,809,799	(1,483,771)	174,503	235,827	(61,324)
Deferred other postemployment benefits resources	16,015	-	16,015	2,112	-	2,112
Total Deferred Inflows of Resources	7,342,043	8,809,799	(1,467,756)	176,615	235,827	(59,212)
Net Position						
Net investment in capital assets	108,559,698	101,204,542	7,355,156	51,455,529	51,148,138	307,391
Restricted	9,707,215	9,651,283	55,932	-	-	-
Unrestricted	42,628,763	39,293,328	3,335,435	11,295,098	9,464,848	1,830,250
Total Net Position	\$160,895,676	\$150,149,153	\$ 10,746,523	\$ 62,750,627	\$ 60,612,986	\$ 2,137,641

An additional portion of the City's net position (4.3 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$53,923,861) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Significant changes from the prior year are noted below:

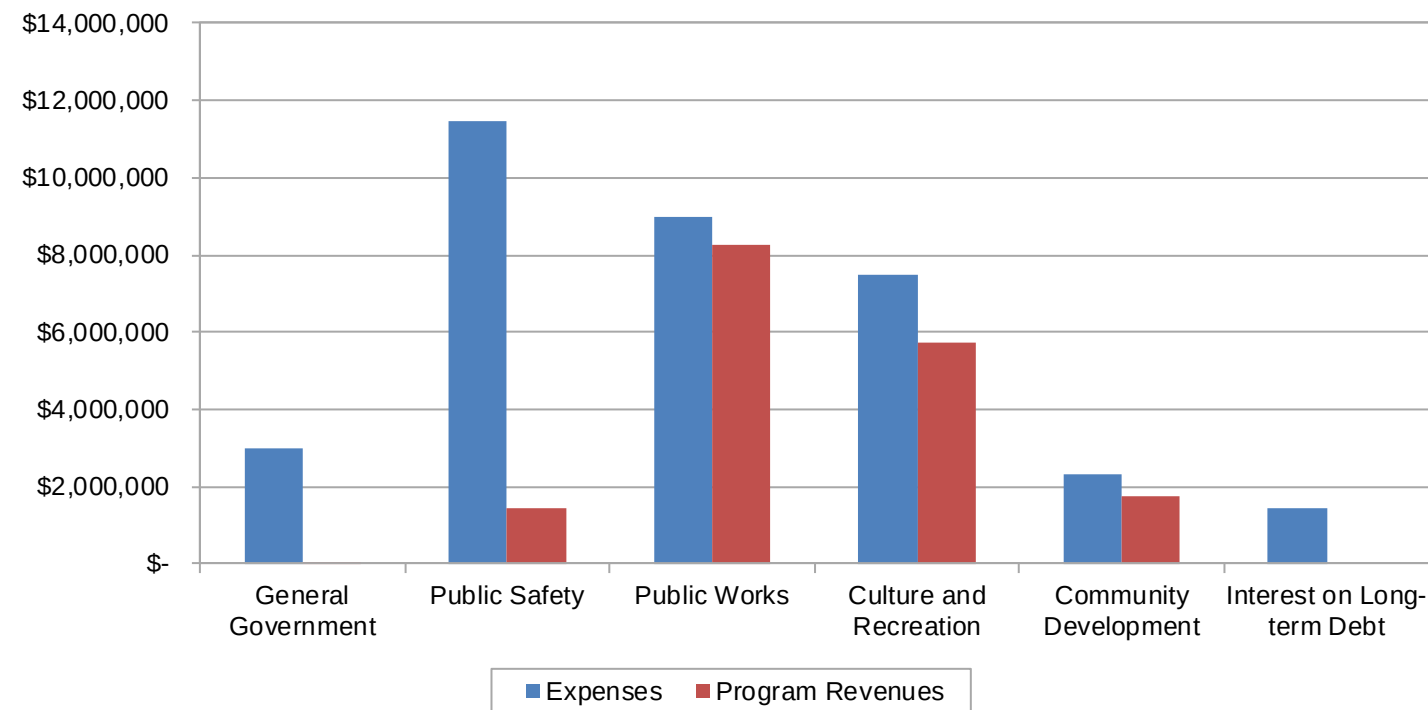
City of Inver Grove Heights' Changes in Net Position

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
Revenues						
Program Revenues						
Charges for services	\$ 9,859,253	\$ 8,728,312	\$ 1,130,941	\$ 8,540,285	\$ 8,705,346	\$ (165,061)
Operating grants and contributions	3,254,500	2,567,895	686,605	6,667	10,087	(3,420)
Capital grants and contributions	4,182,202	7,803,984	(3,621,782)	2,106,572	1,717,863	388,709
General Revenues						
Taxes						
Property taxes	23,348,621	21,043,742	2,304,879	-	-	-
Tax increment	1,738,995	1,655,941	83,054	-	-	-
Other taxes	1,305,257	1,269,287	35,970	-	-	-
Grants and contributions not restricted to specific programs	75,893	161,095	(85,202)	-	-	-
Unrestricted investment earnings	1,592,145	761,542	830,603	341,373	354,181	(12,808)
Gain on sale of capital assets	-	21,486	(21,486)	-	-	-
Total Revenues	<u>45,356,866</u>	<u>44,013,284</u>	<u>1,343,582</u>	<u>10,994,897</u>	<u>10,787,477</u>	<u>207,420</u>
Expenses						
General government	3,017,849	2,395,582	622,267	-	-	-
Public safety	11,486,291	10,236,391	1,249,900	-	-	-
Public works	8,989,180	7,056,944	1,932,236	-	-	-
Culture and recreation	7,497,438	7,139,360	358,078	-	-	-
Community development	2,322,377	2,124,968	197,409	-	-	-
Interest on long-term debt	1,452,062	1,091,471	360,591	-	-	-
Water	-	-	-	2,779,567	3,003,465	(223,898)
Sewer	-	-	-	3,959,592	4,123,098	(163,506)
Golf course	-	-	-	1,796,957	1,932,241	(135,284)
Total Expenses	<u>34,765,197</u>	<u>30,044,716</u>	<u>4,720,481</u>	<u>8,536,116</u>	<u>9,058,804</u>	<u>(522,688)</u>
Excess before Transfers	10,591,669	13,968,568	(3,376,899)	2,458,781	1,728,673	730,108
Transfers (Net)	<u>321,140</u>	<u>939,547</u>	<u>(618,407)</u>	<u>(321,140)</u>	<u>(939,547)</u>	<u>618,407</u>
Change in Net Position	10,912,809	14,908,115	(3,995,306)	2,137,641	789,126	1,348,515
Prior Period Adjustment (See Note 10)	(166,286)	-	(166,286)			
Net Position, January 1	<u>150,149,153</u>	<u>135,241,038</u>	<u>14,908,115</u>	<u>60,612,986</u>	<u>59,823,860</u>	<u>789,126</u>
Net Position, December 31	<u>\$160,895,676</u>	<u>\$150,149,153</u>	<u>\$ 10,746,523</u>	<u>\$ 62,750,627</u>	<u>\$ 60,612,986</u>	<u>\$ 2,137,641</u>

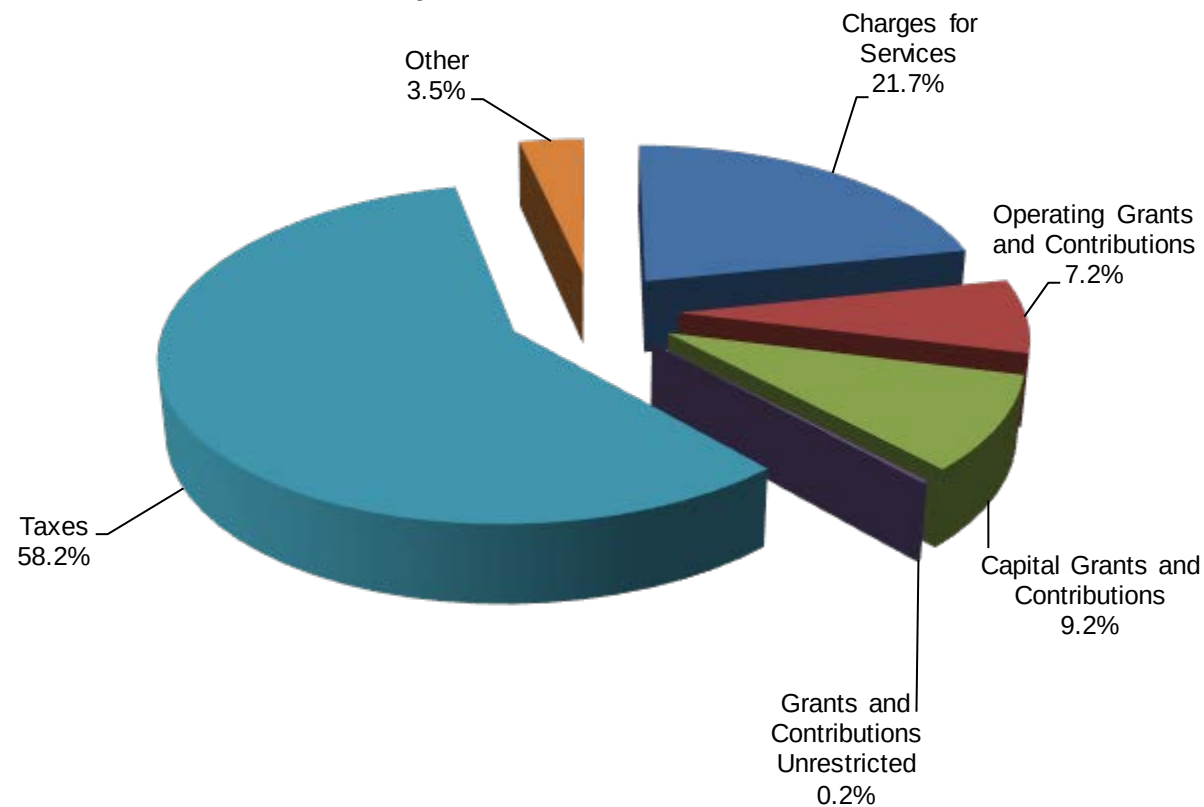
- The decrease in capital grants and contributions from 2018 was due to the MSA funds recorded in the prior year (approximately \$5 million) from the State of Minnesota for street construction.
- The increase in governmental activity expenses was due to an increase in project costs combined with a decrease in recognized pension expense.

Governmental Activities. Governmental activities increased the City's net position by \$10,912,809. This increase was primarily the result of current year increases in tax revenue and charges for services. The following graph depicts various governmental activities and shows the revenues and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities



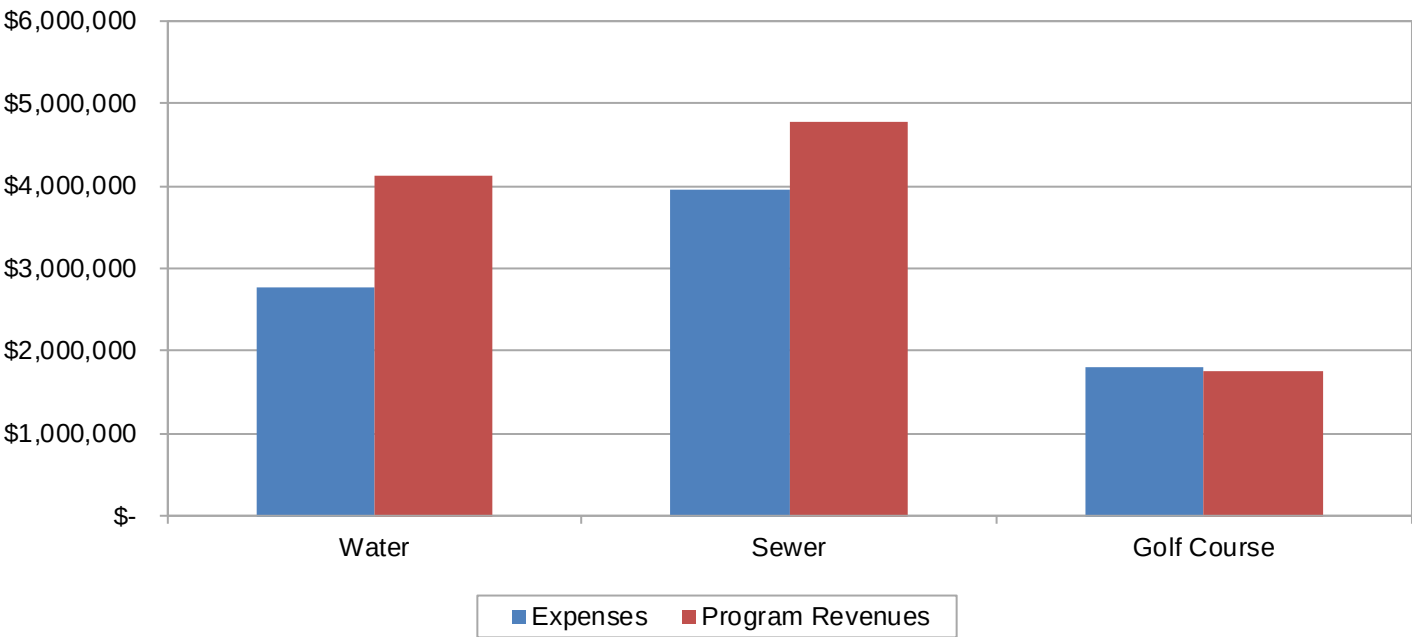
Revenues by Source - Governmental Activities



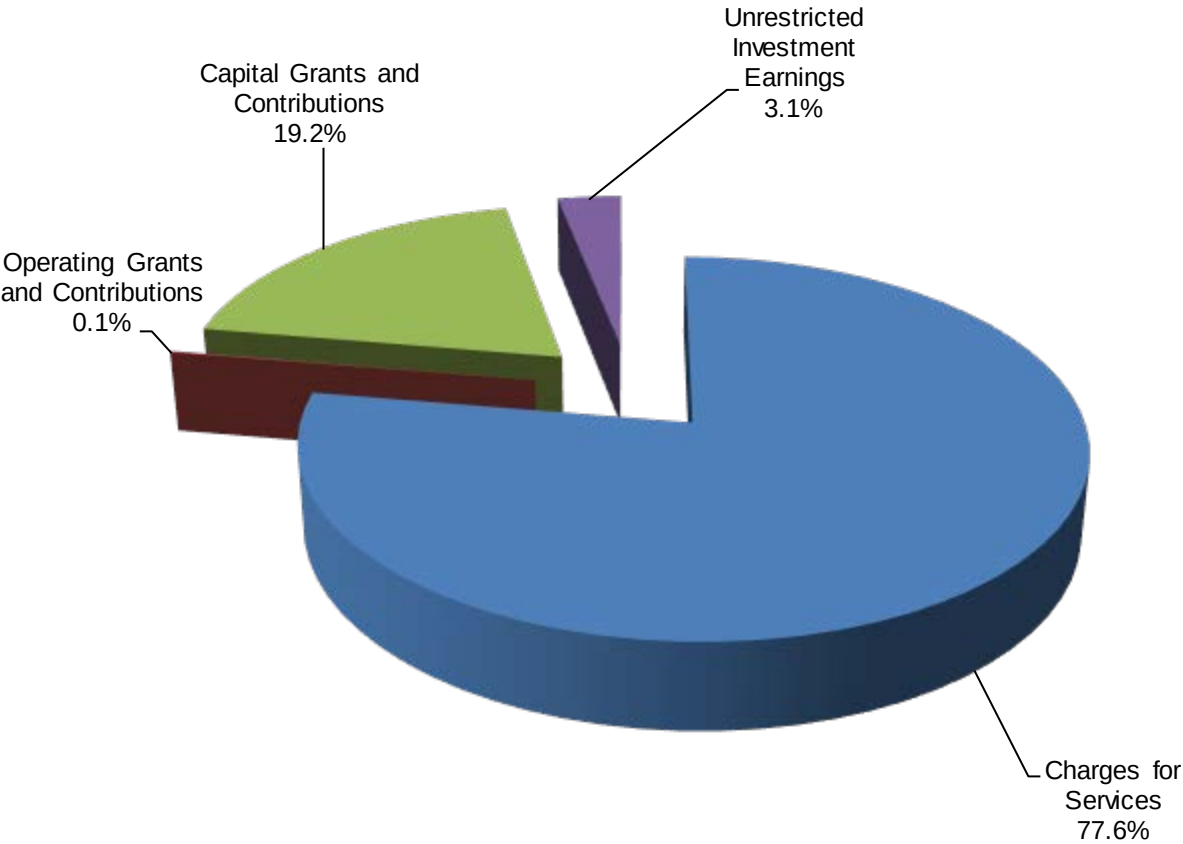
Business-type Activities. The net position of business-type activities increased by \$2,137,641. This increase was primarily the result of a decrease in expenses and an increase in charges for services.

Below are graphs showing the business-type activities revenue and expense comparisons.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds had combined ending fund balances of \$42,255,122, a decrease of \$1,789,489 in comparison with the prior year. Approximately 12.6 percent of this total amount, \$7,211,392, constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it is either 1) nonspendable \$192,989, 2) restricted \$10,642,272, 3) committed \$2,836,946, or 4) assigned \$21,371,523. For further classification refer to Note 3E starting on page 80 of this report.

Activity in the City's major funds is discussed below:

Major Fund	Fund Balances December 31,		Increase (Decrease)
	2019	2018	
General	\$ 11,490,873	\$ 10,533,140	\$ 957,733
The General fund is the chief operating fund of the City. As a measure of the General fund's liquidity, it may be useful to compare total fund balance to the following year's budget. The fund balance is 43.7 percent of next year's budgeted expenses. The increase in fund balance was mostly a result of higher than expected revenues from our various building permit-related accounts.			
Improvement Bonds	\$ 3,887,236	\$ 3,917,211	\$ (29,975)
The Improvement Bonds fund has a total fund balance of \$3,898,507, all of which is restricted for the payment of debt service.			
Community Center	\$ (1,786,238)	\$ (1,855,758)	\$ 69,520
Charges for services for 2019 totaled \$2,376,481. The fund also received transfers of \$732,242 to assist with operating and capital costs resulting in an increase in fund balance.			
Closed Bond	\$ 1,968,905	\$ 1,710,725	\$ 258,180
The Closed Bond fund has a total fund balance of \$1,968,205, of which all is assigned for capital improvements. The net increase in fund balance of \$258,180 was due to interest earnings received in excess of program expenditures.			
Local Improvement Construction	\$ (955,083)	\$ 2,304,993	\$ (3,260,076)
The Local Improvement Construction fund was established to account for the governmental portion of improvement projects. The decrease is primarily related to the spend down of bond proceeds and use of reserves for ongoing capital projects. The State has approved the City's request for an advance in State Aid funding which will allow for completion of pending street projects.			
Pavement Management	\$ 5,670,367	\$ 5,619,860	\$ 50,507
The Pavement Management fund was established to account for the governmental portion of capital projects. The ending fund balance is assigned for capital improvements. The increase is due to a transfers in from other funds and for reimbursement of prior and current year project costs.			
Host Community	\$ 6,927,640	\$ 5,050,724	\$ 1,876,916
Charges for services for 2019 totaled \$2,834,353. These were offset with transfers out of \$907,275 to other funds for various needs of the funds including operations and capital projects resulting in an increase in fund balance The ending balance is assigned for capital improvements.			
Developer Escrow	\$ -	\$ -	\$ -
The Developer Escrow fund was established to account for the developer escrow receipts and related costs. Revenue is recognized in this fund as funds are used for building related costs.			

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the year, unrestricted net position of the enterprise funds amounted to \$11,295,098. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's General fund budget was amended during the year. The original budget called for a \$0 decrease in fund balance and the final budget anticipated use of \$82,200 of fund balance due to carryover requests from the 2018 budget. Revenues were more than budget by \$604,055, primarily due to licenses and permits coming over budget by \$505,637. Expenditures were \$402,184 less than budgeted amounts, primarily due to expenditures for public safety and community development coming under budget by \$132,283 and \$117,793 respectively.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019, amounts to \$207,132,806 (net of accumulated depreciation). This investment in capital assets includes land (tangible and intangible), buildings, improvements, machinery and equipment, park facilities, roads and bridges, and other infrastructure.

Major capital asset events during the current fiscal year included the following:

- Purchases of \$793,826 were made by the Public Works Department to acquire machinery and equipment. This includes: \$221,959 for the purchase of a Mack Truck and the accessorizing of another Mack Truck purchased in the previous year, \$314,569 for eight service trucks, \$154,782 for a Generator, \$34,548 for GBS Survey Equipment, and \$67,977 for a two Slid Loaders.
- Four Vehicles were purchased on behalf of the City's Public Safety Department for \$129,285, which included \$82,951.62 for Squad cars, \$38,074 for a Fire Marshal vehicle and \$8,259 for a Utility Vehicle.
- The Culture and Recreation Department assets activity totaled \$2,361,446. This included \$1,028,994 for the replacement of the West Ice Rink at the Community Center, \$1,005,266 for the completion of the Heritage Village Dog Park, \$66,215 for two parks vehicles, \$70,168 for a new Electronic Kiosk in front of the Community Center, and \$190,802 for a Bobcat Utility Vehicle and two Toro GroundMaster mowers.
- The Golf Course purchased or leased Golf Cars, a Beverage Car, and lawn mowers for \$282,003.
- The City received donated infrastructure and systems from the Amberwood Development in the amount of \$832,427.
- Additionally, the City has construction in progress at year-end for both governmental and business-type activities totaling \$36,553,006. Construction in progress includes Fire Station #2 which is expected to be completed in 2020 and makes up \$10,396,017 or 28% of the balance.
- The City has construction commitments relating to street, water, sanitary sewer, storm water, parks and building improvements of \$1,339,330 at year-end.

City of Inver Grove Heights' Capital Assets (Net of Depreciation)

Additional information on the City's capital assets can be found in Note 3B starting on page 74 of this report.

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
Land	\$ 31,969,987	\$ 31,784,723	\$ 185,264	\$ 3,214,055	\$ 2,880,405	\$ 333,650
Construction in Progress	34,255,391	23,165,772	11,089,619	2,297,615	11,209,681	(8,912,066)
Infrastructure	50,163,861	49,373,333	790,528	-	-	-
Buildings and Systems	15,761,574	16,165,552	(403,978)	59,350,468	51,440,013	7,910,455
Improvements other than Buildings	4,190,890	3,511,530	679,360	832,270	834,266	(1,996)
Machinery and Equipment	4,722,938	4,655,677	67,261	373,757	327,428	46,329
Total	<u>\$141,064,641</u>	<u>\$128,656,587</u>	<u>\$ 12,408,054</u>	<u>\$ 66,068,165</u>	<u>\$ 66,691,793</u>	<u>\$ (623,628)</u>

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$47,345,000. All of the City's bonds are backed by the full faith and credit of the City. During the year, the City issued \$2,500,000 in G.O. Capital Improvement Plan Bonds, Series 2019A.

State statutes limit the amount of G.O. debt a Minnesota city may issue to 3 percent of total estimated market value. The current debt limitation for the City is \$114,177,918. Only the \$26,870,000 in G.O. bonds is counted within the statutory limitation. The other debt of the City is either wholly or partially financed by revenues other than a general tax levy.

City of Inver Grove Heights' Outstanding Debt

Additional information on the City's long-term debt can be found in Note 3D starting on page 76 of this report.

	Governmental Activities			Business-type Activities		
	2019	2018	Increase (Decrease)	2019	2018	Increase (Decrease)
G.O. Bonds	\$ 26,870,000	\$ 25,175,000	\$ 1,695,000	\$ -	\$ -	\$ -
G.O. Special Assessments Bonds	6,070,000	7,090,000	(1,020,000)	-	-	-
G.O. Tax Increment Bonds	-	560,000	(560,000)	-	-	-
G.O. Revenue Bonds	-	-	-	14,405,000	21,085,000	(6,680,000)
Bond Premium	924,154	948,490	(24,336)	381,830	426,921	(45,091)
Total	<u>\$ 33,864,154</u>	<u>\$ 33,773,490</u>	<u>\$ 90,664</u>	<u>\$ 14,786,830</u>	<u>\$ 21,511,921</u>	<u>\$ (6,725,091)</u>

Economic Factors and Next Year's Budgets and Rates

- The City's net tax capacity increased by 5.9 percent for taxes payable 2020 which was slightly less than the 6.0 percent increase for taxes payable 2019. Tax capacity on Residential property increased 7.2 percent, Commercial property increased 3.0 percent, and Industrial property increased 7.2 percent. Without new construction the increase in tax capacity would have been 4.5 percent. The City's levy increased \$1,499,589, or 6.4 percent for taxes payable 2019 but the tax rate decreased 4.7 percent due to tax capacity growth.
- The City has been slowly increasing contributions to the Pavement Management Program. The 2020 budget dedicates \$1,750,000 of the City's overall tax levy to this program. In addition to tax dollars, the program also receives an annual State Aid maintenance contribution of approximately \$415,000.
- Water and sewer fees were increased 2.0 percent and 3.5 percent respectively for 2020, based on our long-range financial plan.
- Storm water utility fees were implemented on July 1, 2012 and were increased 5% for 2020.
- The City evaluated its December 31, 2019 consolidated financial statements for subsequent events through the date the consolidated financial statements were issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact interest income, lodging tax revenue and charges for services at the Community Center. City facilities have been closed since mid-March 2020 with many full time staff continuing to provide operational support from home. Other financial impacts could occur in areas such as property taxes and building permit revenues, although the likelihood or severity of these are unknown at this time. The City continues to prepare for, monitor and respond to changing economic conditions.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director, City of Inver Grove Heights, 8150 Barbara Avenue, Inver Grove Heights, MN 55077-3412.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

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City of Inver Grove Heights, Minnesota

Statement of Net Position

December 31, 2019

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and temporary investments	\$ 58,469,287	\$ 13,921,758	\$ 72,391,045
Cash held with fiscal agent	1,500,000	-	1,500,000
Receivables			
Accrued interest	302,651	71,618	374,269
Taxes	1,439,029	-	1,439,029
Accounts	828,117	1,567,822	2,395,939
Special assessments	4,185,951	21,767	4,207,718
Due from other governments	1,315,016	12,958	1,327,974
Internal balances	1,883,884	(1,883,884)	-
Inventories	56,762	2,970	59,732
Prepaid items	2,237,441	6,293	2,243,734
Land held for resale	1,138,500	-	1,138,500
Net pension asset	1,422,193	-	1,422,193
Capital assets			
Land and construction in progress	66,225,378	5,511,670	71,737,048
Depreciable assets (net of accumulated depreciation)	74,839,263	60,556,495	135,395,758
Total Assets	215,843,472	79,789,467	295,632,939
Deferred Outflows of Resources			
Deferred charge on refunding	1,657	174,194	175,851
Deferred other postemployment benefits resources	60,536	7,981	68,517
Deferred pension resources	5,840,739	115,171	5,955,910
Total Deferred Outflows of Resources	5,902,932	297,346	6,200,278
Liabilities			
Accounts and contracts payable	2,267,099	39,825	2,306,924
Escrows payable	2,519,540	-	2,519,540
Accrued salaries payable	675,114	69,689	744,803
Due to other governments	53,103	147,226	200,329
Accrued interest payable	435,214	168,214	603,428
Deposits payable	23,641	56,810	80,451
Unearned revenue	1,434,216	589,277	2,023,493
Long-term liabilities			
Due within one year	2,729,161	1,320,828	4,049,989
Due in more than one year	33,404,526	13,715,910	47,120,436
Pension liability	9,375,371	973,776	10,349,147
Other postemployment benefits liability	591,700	78,016	669,716
Total Liabilities	53,508,685	17,159,571	70,668,256
Deferred Inflows of Resources			
Deferred pension resources	7,326,028	174,503	7,500,531
Deferred other postemployment benefit resources	16,015	2,112	18,127
Total Deferred Inflows of Resources	7,342,043	176,615	7,518,658
Net Position			
Net investment in capital assets	108,559,698	51,455,529	160,015,227
Restricted for			
Debt service	4,304,080	-	4,304,080
Community development	3,984,956	-	3,984,956
Park improvements	1,418,179	-	1,418,179
Unrestricted	42,628,763	11,295,098	53,923,861
Total Net Position	\$160,895,676	\$ 62,750,627	\$223,646,303

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota

Statement of Activities

For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 3,017,849	\$ 49,005	\$ -	\$ 6,347
Public safety	11,486,291	769,972	690,222	-
Public works	8,989,180	3,971,781	545,402	3,764,519
Culture and recreation	7,497,438	3,314,495	2,018,876	411,336
Community development	2,322,377	1,754,000	-	-
Interest on long-term debt	1,452,062	-	-	-
Total Governmental Activities	<u>34,765,197</u>	<u>9,859,253</u>	<u>3,254,500</u>	<u>4,182,202</u>
Business-type Activities				
Water	2,779,567	3,031,231	5,102	1,081,924
Sewer	3,959,592	3,753,168	538	1,024,648
Golf course	1,796,957	1,755,886	1,027	-
Total Business-type Activities	<u>8,536,116</u>	<u>8,540,285</u>	<u>6,667</u>	<u>2,106,572</u>
Total	<u>\$ 43,301,313</u>	<u>\$ 18,399,538</u>	<u>\$ 3,261,167</u>	<u>\$ 6,288,774</u>

General Revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Tax increments

Lodging taxes

Franchise taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Transfers - Internal Activities

Total General Revenues and Transfers

Change in Net Position

Prior Period Adjustment (See Note 10)

Net position, January 1

Net Position, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (2,962,497)	\$ -	\$ (2,962,497)
(10,026,097)	-	(10,026,097)
(707,478)	-	(707,478)
(1,752,731)	-	(1,752,731)
(568,377)	-	(568,377)
(1,452,062)	-	(1,452,062)
<u>(17,469,242)</u>	<u>-</u>	<u>(17,469,242)</u>
-	1,338,690	1,338,690
-	818,762	818,762
-	(40,044)	(40,044)
<u>-</u>	<u>2,117,408</u>	<u>2,117,408</u>
<u>(17,469,242)</u>	<u>2,117,408</u>	<u>(15,351,834)</u>
20,946,247	-	20,946,247
2,402,374	-	2,402,374
1,738,995	-	1,738,995
133,808	-	133,808
1,171,449	-	1,171,449
75,893	-	75,893
1,592,145	341,373	1,933,518
321,140	(321,140)	-
<u>28,382,051</u>	<u>20,233</u>	<u>28,402,284</u>
10,912,809	2,137,641	13,050,450
(166,286)	-	(166,286)
<u>150,149,153</u>	<u>60,612,986</u>	<u>210,762,139</u>
<u>\$160,895,676</u>	<u>\$ 62,750,627</u>	<u>\$223,646,303</u>

The notes to the financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS
CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

City of Inver Grove Heights, Minnesota

Balance Sheet
Governmental Funds
December 31, 2019

		Debt Service	Special Revenue
	General	Improvement Bonds	Community Center
Assets			
Cash and temporary investments	\$ 10,901,127	\$ 3,745,885	\$ 775,061
Cash with fiscal agent	-	-	-
Receivables			
Accrued interest	34,744	11,271	1,679
Taxes	1,272,240	137,227	-
Accounts	6,139	-	106,561
Special assessments	3,958	844,911	-
Due from other governments	15,275	-	501,258
Due from other funds	-	-	-
Prepaid items	177,753	-	2,853
Land held for resale	-	-	-
Total Assets	\$ 12,411,236	\$ 4,739,294	\$ 1,387,412
Liabilities			
Accounts and contracts payable	\$ 218,695	\$ -	\$ 92,765
Escrows payable	-	-	-
Accrued salaries payable	523,020	-	87,327
Due to other governments	20,384	-	7,785
Due to other funds	-	-	2,433,214
Deposits payable	-	-	5,387
Unearned revenue	22,367	-	45,914
Total Liabilities	784,466	-	2,672,392
Deferred Inflows of Resources			
Unavailable revenues - delinquent taxes	131,939	12,704	-
Unavailable revenues - special assessments	3,958	839,354	-
Unavailable revenues - intergovernmental	-	-	501,258
Total Deferred Inflows of Resources	135,897	852,058	501,258
Fund Balances			
Nonspendable	177,753	-	2,853
Restricted	-	3,887,236	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	11,313,120	-	(1,789,091)
Total Fund Balances	11,490,873	3,887,236	(1,786,238)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,411,236	\$ 4,739,294	\$ 1,387,412

The notes to the financial statements are an integral part of this statement.

Capital Projects						
Closed Bond	Local Improvement Construction	Pavement Management	Host Community	Developer Escrows	Other Governmental Funds	Total Governmental Funds
\$ 1,895,314	\$ 962,395	\$ 5,858,244	\$ 5,645,822	\$ 2,542,501	\$ 13,111,089	\$ 45,437,438
-	-	-	-	-	1,500,000	1,500,000
73,349	1,747	23,365	21,867	-	75,571	243,593
2,176	6,039	7,166	-	-	14,181	1,439,029
-	-	-	261,955	-	453,462	828,117
879,233	1,216,904	1,178,328	-	-	62,617	4,185,951
-	798,483	-	-	-	-	1,315,016
-	-	-	1,000,000	-	-	1,000,000
-	-	-	1,000	-	11,383	192,989
-	-	-	-	-	1,138,500	1,138,500
<u>\$ 2,850,072</u>	<u>\$ 2,985,568</u>	<u>\$ 7,067,103</u>	<u>\$ 6,930,644</u>	<u>\$ 2,542,501</u>	<u>\$ 16,366,803</u>	<u>\$ 57,280,633</u>
\$ -	\$ 1,368,076	\$ 219,959	\$ 124	\$ 22,961	\$ 190,765	\$ 2,113,345
-	-	-	-	2,519,540	-	2,519,540
-	1,767	-	-	-	18,718	630,832
-	4,043	-	2,880	-	5,236	40,328
-	-	-	-	-	1,000,000	3,433,214
-	-	-	-	-	18,254	23,641
-	1,351,828	-	-	-	14,107	1,434,216
-	2,725,714	219,959	3,004	2,542,501	1,247,080	10,195,116
2,260	543	724	-	-	5,684	153,854
878,907	1,214,394	1,176,053	-	-	62,617	4,175,283
-	-	-	-	-	-	501,258
<u>881,167</u>	<u>1,214,937</u>	<u>1,176,777</u>	<u>-</u>	<u>-</u>	<u>68,301</u>	<u>4,830,395</u>
-	-	-	1,000	-	11,383	192,989
-	1,357,554	-	-	-	5,397,482	10,642,272
-	-	-	-	-	2,836,946	2,836,946
1,968,905	-	5,670,367	6,926,640	-	6,805,611	21,371,523
-	(2,312,637)	-	-	-	-	7,211,392
<u>1,968,905</u>	<u>(955,083)</u>	<u>5,670,367</u>	<u>6,927,640</u>	<u>-</u>	<u>15,051,422</u>	<u>42,255,122</u>
<u>\$ 2,850,072</u>	<u>\$ 2,985,568</u>	<u>\$ 7,067,103</u>	<u>\$ 6,930,644</u>	<u>\$ 2,542,501</u>	<u>\$ 16,366,803</u>	<u>\$ 57,280,633</u>

The notes to the financial statements are an integral part of this statement.

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City of Inver Grove Heights, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2019

Amounts reported for the governmental activities in the statement of net position are different because

Total Fund Balances - Governmental Funds	\$ 42,255,122
Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the funds.	1,422,193
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	205,827,483
Less: accumulated depreciation	(82,696,110)
Internal service funds are used by the City to charge the cost of compensated absences, liability, property, and workers compensation insurance, vehicles and equipment, centralized purchase of consumable office supplies, maintaining facilities, and maintenance of computer systems. These balances are reported with governmental activities on the statement of net position.	34,414,696
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Noncurrent liabilities at year-end consist of	
Bonds payable	(32,940,000)
Plus premium on bonds issued	(924,154)
Deferred charge on refunding	1,657
Other postemployment benefits payable	(591,700)
Pension liability	(8,859,365)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Delinquent taxes	153,854
Special assessments	4,175,283
Intergovernmental	501,258
Governmental funds do not report long-term amounts related to pensions and OPEB.	
Deferred outflows other postemployment benefit resources	60,536
Deferred inflows other postemployment benefit resources	(16,015)
Deferred outflows of pension resources	5,779,710
Deferred inflows of pension resources	(7,233,558)
Governmental funds do not report a liability for accrued interest until due and payable.	(435,214)
Total Net Position - Governmental Activities	<u><u>\$160,895,676</u></u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

		<u>Debt Service</u>	<u>Special Revenue</u>
	<u>General</u>	<u>Improvement Bonds</u>	<u>Community Center</u>
Revenues			
Taxes	\$ 20,806,680	\$ 2,387,128	\$ -
Licenses and permits	1,884,737	-	-
Intergovernmental	782,790	6,519	-
Charges for services	670,978	-	2,376,481
Fines and forfeitures	187,738	-	-
Special assessments	6,347	292,292	-
Investment earnings	192,324	49,675	5,263
Miscellaneous	50,961	-	422,839
Total Revenues	<u>24,582,555</u>	<u>2,735,614</u>	<u>2,804,583</u>
Expenditures			
Current			
General government	2,140,311	-	-
Public safety	11,811,292	-	-
Public works	4,505,106	-	-
Culture and recreation	2,078,035	-	3,101,046
Community development	1,601,207	-	-
Capital outlay			
Public safety	1,384	-	-
Public works	181	-	-
Culture and recreation	-	-	366,259
Community development	-	-	-
Debt service			
Principal	-	1,825,000	-
Interest and other charges	-	887,628	-
Bond issuance costs	-	-	-
Total Expenditures	<u>22,137,516</u>	<u>2,712,628</u>	<u>3,467,305</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,445,039</u>	<u>22,986</u>	<u>(662,722)</u>
Other Financing Sources (Uses)			
Transfers in	520,551	-	732,242
Transfers out	(2,007,857)	(52,961)	-
Bonds issued	-	-	-
Premium on bonds issued	-	-	-
Total Other Financing Sources (Uses)	<u>(1,487,306)</u>	<u>(52,961)</u>	<u>732,242</u>
Net Change in Fund Balances	957,733	(29,975)	69,520
Prior Period Adjustment (See Note 10)	-	-	-
Fund Balances, January 1	<u>10,533,140</u>	<u>3,917,211</u>	<u>(1,855,758)</u>
Fund Balances, December 31	<u>\$ 11,490,873</u>	<u>\$ 3,887,236</u>	<u>\$ (1,786,238)</u>

The notes to the financial statements are an integral part of this statement.

Capital Projects						
Closed Bond	Local Improvement Construction	Pavement Management	Host Community	Developer Escrows	Other Governmental Funds	Total Governmental Funds
\$ 15,246	\$ 104,065	\$ 123,578	\$ -	\$ -	\$ 2,938,736	\$ 26,375,433
-	-	-	-	-	-	1,884,737
-	3,334,806	833,170	-	-	7,000	4,964,285
-	-	330	2,834,353	316,219	1,112,354	7,310,715
-	-	-	-	-	-	187,738
7,720	609,322	406,514	-	-	31,952	1,354,147
271,122	265,179	112,656	94,301	-	316,403	1,306,923
-	276,828	102,745	-	-	219,461	1,072,834
<u>294,088</u>	<u>4,590,200</u>	<u>1,578,993</u>	<u>2,928,654</u>	<u>316,219</u>	<u>4,625,906</u>	<u>44,456,812</u>
7,190	-	-	-	-	-	2,147,501
-	-	-	-	85,955	-	11,897,247
6,346	101,968	328,164	141,960	220,326	197,484	5,501,354
-	-	-	-	9,938	817,048	6,006,067
-	-	-	2,503	-	53,431	1,657,141
-	7,881,531	-	-	-	47,428	7,930,343
-	4,027,398	2,397,881	-	-	6,984	6,432,444
-	2,721,405	-	-	-	312,421	3,400,085
-	541,629	-	-	-	78,150	619,779
-	-	-	-	-	560,000	2,385,000
-	-	-	-	-	347,086	1,234,714
-	110,529	-	-	-	-	110,529
<u>13,536</u>	<u>15,384,460</u>	<u>2,726,045</u>	<u>144,463</u>	<u>316,219</u>	<u>2,420,032</u>	<u>49,322,204</u>
<u>280,552</u>	<u>(10,794,260)</u>	<u>(1,147,052)</u>	<u>2,784,191</u>	<u>-</u>	<u>2,205,874</u>	<u>(4,865,392)</u>
52,961	5,385,417	1,289,171	-	-	1,766,122	9,746,464
(75,333)	(406,477)	(91,612)	(907,275)	-	(5,684,290)	(9,225,805)
-	2,500,000	-	-	-	-	2,500,000
-	55,244	-	-	-	-	55,244
<u>(22,372)</u>	<u>7,534,184</u>	<u>1,197,559</u>	<u>(907,275)</u>	<u>-</u>	<u>(3,918,168)</u>	<u>3,075,903</u>
258,180	(3,260,076)	50,507	1,876,916	-	(1,712,294)	(1,789,489)
-	-	-	-	-	(166,286)	(166,286)
<u>1,710,725</u>	<u>2,304,993</u>	<u>5,619,860</u>	<u>5,050,724</u>	<u>-</u>	<u>16,930,002</u>	<u>44,210,897</u>
<u>\$ 1,968,905</u>	<u>\$ (955,083)</u>	<u>\$ 5,670,367</u>	<u>\$ 6,927,640</u>	<u>\$ -</u>	<u>\$ 15,051,422</u>	<u>\$ 42,255,122</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2019

Amounts reported for governmental activities in the statement of activities are different because

Total Net Change in Fund Balances - Governmental Funds	\$ (1,789,489)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	16,002,956
Depreciation expense	(3,541,253)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Capital assets contributed from developers	585,097
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.	
Principal repayments	2,385,000
Bonds issued	(2,500,000)
Current year amortization of deferred charges	(19,875)
Premium on bonds issued	(55,244)
Current year amortization of bond premium	79,580
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(166,524)
Internal service funds are used by the City to charge the cost of compensated absences, liability, property, and workers compensation insurance, vehicles and equipment, centralized purchase of consumable office supplies, maintaining facilities, and maintenance of computer systems. These balances are reported with governmental activities in the statement of activities.	183,383
Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Special assessments	60,684
Property taxes	17,440
Intergovernmental	(47,298)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Other postemployment benefits	10,290
Long-term pension activity is not reported in governmental funds.	
Pension expense	(262,862)
Pension revenue from State contributions	(29,076)
Change in Net Position - Governmental Activities	<u><u>\$ 10,912,809</u></u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 20,814,000	\$ 20,814,000	\$ 20,806,680	\$ (7,320)
Licenses and permits	1,379,100	1,379,100	1,884,737	505,637
Intergovernmental	811,500	811,500	782,790	(28,710)
Charges for services	647,700	647,700	670,978	23,278
Fines and forfeitures	170,000	170,000	187,738	17,738
Special assessments	11,000	11,000	6,347	(4,653)
Investment earnings	139,500	139,500	192,324	52,824
Miscellaneous	5,700	5,700	50,961	45,261
Total Revenues	<u>23,978,500</u>	<u>23,978,500</u>	<u>24,582,555</u>	<u>604,055</u>
Expenditures				
Current				
General government	2,240,500	2,234,400	2,140,311	94,089
Public safety	11,888,900	11,967,000	11,811,292	155,708
Public works	4,465,000	4,466,600	4,505,106	(38,506)
Culture and recreation	2,144,100	2,152,700	2,078,035	74,665
Community development	1,719,000	1,719,000	1,601,207	117,793
Capital outlay				
Public safety	-	-	1,384	(1,384)
Public works	-	-	181	(181)
Total Expenditures	<u>22,457,500</u>	<u>22,539,700</u>	<u>22,137,516</u>	<u>402,184</u>
Excess of Revenues Over Expenditures	<u>1,521,000</u>	<u>1,438,800</u>	<u>2,445,039</u>	<u>1,006,239</u>
Other Financing Sources (Uses)				
Transfers in	478,000	478,000	520,551	42,551
Transfers out	<u>(1,999,000)</u>	<u>(1,999,000)</u>	<u>(2,007,857)</u>	<u>(8,857)</u>
Total Financing Sources (Uses)	<u>(1,521,000)</u>	<u>(1,521,000)</u>	<u>(1,487,306)</u>	<u>33,694</u>
Net Change in Fund Balances	-	(82,200)	957,733	1,039,933
Fund Balances, January 1	<u>10,533,140</u>	<u>10,533,140</u>	<u>10,533,140</u>	-
Fund Balances, December 31	<u>\$ 10,533,140</u>	<u>\$ 10,450,940</u>	<u>\$ 11,490,873</u>	<u>\$ 1,039,933</u>

The notes to the financial statements are an integral part of this statement.

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City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Community Center Special Revenue Fund
For the Year Ended December 31, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Charges for services	\$ 2,406,200	\$ 2,406,200	\$ 2,376,481	\$ (29,719)
Investment earnings	-	-	5,263	5,263
Miscellaneous	321,700	321,700	422,839	101,139
Total Revenues	<u>2,727,900</u>	<u>2,727,900</u>	<u>2,804,583</u>	<u>76,683</u>
Expenditures				
Current				
Culture and recreation	3,212,600	3,212,600	3,101,046	111,554
Capital outlay				
Culture and recreation	593,500	1,043,500	366,259	677,241
Total Expenditures	<u>3,806,100</u>	<u>4,256,100</u>	<u>3,467,305</u>	<u>788,795</u>
Deficiency of Revenues Under Expenditures	(1,078,200)	(1,528,200)	(662,722)	865,478
Other Financing Sources				
Transfers in	<u>1,159,200</u>	<u>1,609,200</u>	<u>732,242</u>	<u>(876,958)</u>
Net Change in Fund Balances	81,000	81,000	69,520	(11,480)
Fund Balances, January 1	<u>(1,855,758)</u>	<u>(1,855,758)</u>	<u>(1,855,758)</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ (1,774,758)</u></u>	<u><u>\$ (1,774,758)</u></u>	<u><u>\$ (1,786,238)</u></u>	<u><u>\$ (11,480)</u></u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Net Position (Continued on the Following Page)
Proprietary Funds
December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf Course	Total	
Assets					
Current Assets					
Cash and temporary investments	\$ 9,359,307	\$ 4,199,586	\$ 362,865	\$ 13,921,758	\$ 13,031,849
Receivables					
Accrued interest	39,075	29,867	2,676	71,618	59,058
Accounts	894,863	671,006	1,953	1,567,822	-
Special assessments	21,570	197	-	21,767	-
Due from other governments	-	12,958	-	12,958	-
Due from other funds	-	-	-	-	4,317,098
Inventories	-	-	2,970	2,970	56,762
Prepaid items	-	-	6,293	6,293	2,044,452
Total Current Assets	<u>10,314,815</u>	<u>4,913,614</u>	<u>376,757</u>	<u>15,605,186</u>	<u>19,509,219</u>
Long-term Assets					
Capital assets					
Land	583,598	768,102	1,862,355	3,214,055	209,122
Construction in progress	1,009,712	1,287,903	-	2,297,615	-
Buildings and systems	51,062,359	42,145,814	920,412	94,128,585	17,409,502
Improvements other than buildings	98,108	39,924	4,501,427	4,639,459	240,717
Machinery and equipment	335,497	26,519	1,081,998	1,444,014	12,135,200
Total Capital Assets	<u>53,089,274</u>	<u>44,268,262</u>	<u>8,366,192</u>	<u>105,723,728</u>	<u>29,994,541</u>
Less accumulated depreciation	<u>(20,749,462)</u>	<u>(13,664,066)</u>	<u>(5,242,035)</u>	<u>(39,655,563)</u>	<u>(12,061,273)</u>
Net Capital Assets	<u>32,339,812</u>	<u>30,604,196</u>	<u>3,124,157</u>	<u>66,068,165</u>	<u>17,933,268</u>
Total Long-term Assets	<u>32,339,812</u>	<u>30,604,196</u>	<u>3,124,157</u>	<u>66,068,165</u>	<u>17,933,268</u>
Total Assets	<u>42,654,627</u>	<u>35,517,810</u>	<u>3,500,914</u>	<u>81,673,351</u>	<u>37,442,487</u>
Deferred Outflows of Resources					
Deferred charge on refunding	-	174,194	-	174,194	-
Deferred other postemployment benefits resources	2,860	1,630	3,491	7,981	-
Deferred pension resources	<u>41,287</u>	<u>25,595</u>	<u>48,289</u>	<u>115,171</u>	<u>61,029</u>
Total Deferred Outflows of Resources	<u>44,147</u>	<u>201,419</u>	<u>51,780</u>	<u>297,346</u>	<u>61,029</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Net Position (Continued)
Proprietary Funds
December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf Course	Total	
Liabilities					
Current Liabilities					
Accounts and contracts payable	\$ 33,031	\$ 1,690	\$ 5,104	\$ 39,825	\$ 153,754
Accrued salaries payable	30,968	16,086	22,635	69,689	44,282
Due to other governments	64,246	82,779	201	147,226	12,775
Due to other funds	-	-	1,883,884	1,883,884	-
Accrued interest payable	10,000	158,214	-	168,214	-
Deposits payable	-	-	56,810	56,810	-
Unearned revenue	152,430	240,840	196,007	589,277	-
Compensated absences payable - current portion	32,705	25,943	32,180	90,828	939,161
Bonds payable - current portion	380,000	850,000	-	1,230,000	-
Total Current Liabilities	703,380	1,375,552	2,196,821	4,275,753	1,149,972
Long-term Liabilities					
Compensated absences payable	103,917	49,385	5,778	159,080	1,330,372
Bonds payable	827,802	12,729,028	-	13,556,830	-
Pension liability	349,079	216,410	408,287	973,776	516,006
Other postemployment benefits payable	27,960	15,931	34,125	78,016	-
Total Long-term Liabilities	1,308,758	13,010,754	448,190	14,767,702	1,846,378
Total Liabilities	2,012,138	14,386,306	2,645,011	19,043,455	2,996,350
Deferred Inflows of Resources					
Deferred pension resources	62,556	38,781	73,166	174,503	92,470
Deferred other postemployment benefit resources	757	431	924	2,112	-
Total Deferred Inflows of Resources	63,313	39,212	74,090	176,615	92,470
Net Position					
Net investment in capital assets	31,132,010	17,199,362	3,124,157	51,455,529	17,933,268
Unrestricted	9,491,313	4,094,349	(2,290,564)	11,295,098	16,481,428
Total Net Position	\$ 40,623,323	\$ 21,293,711	\$ 833,593	\$ 62,750,627	\$ 34,414,696

The notes to the financial statements are an integral part of this statement.

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City of Inver Grove Heights, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf Course	Total	
Operating Revenues					
Charges for services					
Water sales	\$ 2,941,989	\$ -	\$ -	\$ 2,941,989	\$ -
Sewer charges	-	3,694,440	-	3,694,440	-
Late fees	63,047	44,369	-	107,416	-
Water meter sales	26,195	-	-	26,195	-
Foot golf	-	-	2,037	2,037	-
Green fees	-	-	642,047	642,047	-
Golf cart rentals	-	-	473,730	473,730	-
Practice center	-	-	140,783	140,783	-
Golf shop	-	-	67,750	67,750	-
Food and beverage	-	-	206,620	206,620	-
Other	-	-	219,664	219,664	5,960,572
Total Operating Revenues	<u>3,031,231</u>	<u>3,738,809</u>	<u>1,752,631</u>	<u>8,522,671</u>	<u>5,960,572</u>
Operating Expenses					
Personnel services	697,703	433,005	1,021,235	2,151,943	1,233,571
Other current expenses	1,110,038	2,460,397	528,345	4,098,780	2,900,155
Depreciation	963,410	672,246	247,377	1,883,033	1,765,410
Total Operating Expenses	<u>2,771,151</u>	<u>3,565,648</u>	<u>1,796,957</u>	<u>8,133,756</u>	<u>5,899,136</u>
Operating Income (Loss)	<u>260,080</u>	<u>173,161</u>	<u>(44,326)</u>	<u>388,915</u>	<u>61,436</u>
Nonoperating Revenues (Expenses)					
Investment earnings	181,405	145,887	14,081	341,373	285,222
Miscellaneous revenues	5,102	14,897	4,282	24,281	27,985
Interest and amortization expense	(8,416)	(393,944)	-	(402,360)	-
Total Nonoperating Revenues (Expenses)	<u>178,091</u>	<u>(233,160)</u>	<u>18,363</u>	<u>(36,706)</u>	<u>313,207</u>
Income (Loss) Before Contributions and Transfers	<u>438,171</u>	<u>(59,999)</u>	<u>(25,963)</u>	<u>352,209</u>	<u>374,643</u>
Capital Contributions	1,081,924	1,024,648	-	2,106,572	8,259
Transfers In	13,243	812,209	-	825,452	-
Transfers Out	(910,592)	(236,000)	-	(1,146,592)	(199,519)
Total Transfers and Contributions	<u>184,575</u>	<u>1,600,857</u>	<u>-</u>	<u>1,785,432</u>	<u>(191,260)</u>
Change in Net Position	622,746	1,540,858	(25,963)	2,137,641	183,383
Net Position - January 1	<u>40,000,577</u>	<u>19,752,853</u>	<u>859,556</u>	<u>60,612,986</u>	<u>34,231,313</u>
Net Position, December 31	<u>\$ 40,623,323</u>	<u>\$ 21,293,711</u>	<u>\$ 833,593</u>	<u>\$ 62,750,627</u>	<u>\$ 34,414,696</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Cash Flows (Continued on the Following Page)
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf Course	Total	
Cash Flows from Operating Activities					
Receipts from customers and users	\$ 2,872,623	\$ 3,689,762	\$ 1,564,336	\$ 8,126,721	\$ 5,960,592
Other operating receipts	4,241	14,359	3,255	21,855	26,712
Payments to suppliers	(1,149,339)	(2,598,526)	(526,265)	(4,274,130)	(2,958,339)
Payments to employees	(666,598)	(414,974)	(1,018,874)	(2,100,446)	(1,022,885)
Net Cash Provided (Used) by Operating Activities	1,060,927	690,621	22,452	1,774,000	2,006,080
Cash Flows from Noncapital Financing Activities					
Receipts on interfund balances	-	-	-	-	366,136
Payments on interfund balances	-	-	(157,276)	(157,276)	-
Transfers from other funds	13,243	812,209	-	825,452	-
Transfers to other funds	(910,592)	(236,000)	-	(1,146,592)	(199,519)
Net Cash Provided (Used) by Noncapital Financing Activities	(897,349)	576,209	(157,276)	(478,416)	166,617
Cash Flows from Capital and Related Financing Activities					
Connection fees received	819,960	879,596	-	1,699,556	-
Special assessments received	172,382	221	-	172,603	-
Acquisition of capital assets	(588,902)	(141,171)	(282,002)	(1,012,075)	(3,063,385)
Interfund capital sale (purchase)	1,277,809	(1,277,809)	-	-	-
Payment from escrow agent for refunded bonds	-	(5,495,000)	-	(5,495,000)	-
Interest paid on debt	(27,701)	(493,866)	-	(521,567)	-
Principal paid on bonds	(369,999)	(815,001)	-	(1,185,000)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	1,283,549	(7,343,030)	(282,002)	(6,341,483)	(3,063,385)
Cash Flows from Investing Activities					
Investment receipts	172,754	166,012	14,163	352,929	276,641
Net Increase (Decrease) in Cash and Cash Equivalents	1,619,881	(5,910,188)	(402,663)	(4,692,970)	(614,047)
Cash and Cash Equivalents, January 1	7,739,426	10,109,774	765,528	18,614,728	13,645,896
Cash and Cash Equivalents, December 31	<u>\$ 9,359,307</u>	<u>\$ 4,199,586</u>	<u>\$ 362,865</u>	<u>\$ 13,921,758</u>	<u>\$ 13,031,849</u>

The notes to the financial statements are an integral part of this statement.

City of Inver Grove Heights, Minnesota
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf Course	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	\$ 260,080	\$ 173,161	\$ (44,326)	\$ 388,915	\$ 61,436
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation	963,410	672,246	247,377	1,883,033	1,765,410
Loss on disposal of capital assets	-	-	-	-	53,464
Other income related to operations	5,102	14,897	4,282	24,281	27,985
(Increase) decrease in assets/deferred outflows of resources					
Accounts receivable	(158,608)	(36,089)	(1,150)	(195,847)	-
Due from other governments	-	(12,958)	-	(12,958)	20
Inventories	-	-	323	323	3,071
Prepaid items	-	-	(993)	(993)	(21,625)
Deferred OPEB resources	(535)	(327)	(645)	(1,507)	-
Deferred pension resources	31,141	18,897	33,350	83,388	50,779
Increase (decrease) in liabilities/deferred inflows of resources					
Accounts and contracts payable	(7,774)	150	2,971	(4,653)	(105,676)
Accrued salaries payable	6,932	3,219	3,210	13,361	13,677
Due to other governments	(31,527)	(138,279)	(221)	(170,027)	12,582
Deposits payable	-	-	8,862	8,862	-
Unearned revenue	-	-	(196,007)	(196,007)	-
Compensated absences payable	11,646	4,750	(30,591)	(14,195)	201,270
Pension liability	4,457	4,709	19,836	29,002	(15,991)
Other postemployment benefits payable	(688)	(124)	(954)	(1,766)	-
Deferred pension resources	(23,466)	(14,062)	(23,796)	(61,324)	(40,322)
Deferred OPEB resources	757	431	924	2,112	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,060,927</u>	<u>\$ 690,621</u>	<u>\$ 22,452</u>	<u>\$ 1,774,000</u>	<u>\$ 2,006,080</u>
Schedule of Noncash Capital and Related Financing Activities					
Capital assets contributed from developers	\$ 102,302	\$ 145,028	\$ -	\$ 247,330	\$ 8,259
Amortization of bond premium	16,201	28,890	-	45,091	-
Amortization of deferred charges on refunding	-	19,177	-	19,177	-
Book value of assets disposed	-	-	-	-	53,464

The notes to the financial statements are an integral part of this statement.

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City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The City of Inver Grove Heights (the City) was incorporated in 1965 and operates under the State of Minnesota Statutory Plan A form of government. The governing body consists of a five-member City Council elected by voters of the City. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City.

The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The City includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of their operational or financial relationships with the City. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Included in the City's reporting entity, based upon the application of these criteria, is the following blended component unit.

Blended Component Unit

The Inver Grove Heights Economic Development Authority (EDA) is a legal entity separate from the City. Although legally separate, the EDA is reported as if it were part of the primary government because the Board of Commissioners is made up of the Mayor and the four City Council members and the City has operational responsibility over the EDA. It is this criterion that results in the EDA being reported as a blended component unit and reported as a special revenue fund. Separate financial statements are not prepared for the EDA.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using *the current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental funds:

The *General fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Improvement Bonds fund* is a debt service fund that accounts for resources accumulated and payments for principal and interest on long term general obligation debt.

The *Community Center fund* accounts for the activities at the Veterans Memorial and the Grove Community Center. Charges for services within the fund are committed to Community Center activity.

The *Closed Bond, Local Improvement Construction, Pavement Management, and Host Community funds* are capital projects funds that account for improvement revenues and expenditures from replacement funds set aside for capital improvements.

The *Developer Escrow fund* accounts for the activities related to the collection and use of developer and building related escrow accounts.

The City reports the following major proprietary funds:

The *Water fund* and the *Sewer fund* account for activities related to the operation of a water distribution system and a sanitary sewer distribution system, respectively.

The *Golf Course fund* accounts for resources and payments related to the operation and maintenance of a municipal golf course.

Additionally, the City reports the following fund types:

Internal service funds account for compensated absences, risk management, central equipment, central stores, city facilities and technology services provided to other departments or agencies of the City. Internal service funds operate in a manner similar to enterprise funds; however, they provide services primarily to other departments within the City.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments in-lieu of taxes, payments where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statement of Cash Flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The City may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2019:

- Government agency and treasury securities of \$26,981,575 are valued using quoted market prices (Level 1 inputs)
- Negotiable certificates of deposits and municipal bonds of \$24,929,711 are valued using a matrix pricing model (Level 2 inputs)

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes are submitted to the County Auditor by December 28 of each year, to be levied on January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due on October 15.

Unpaid taxes at December 31 become liens on the respective property and are classified in the fund financial statements as delinquent taxes receivable.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the governmental fund financial statements.

Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as a bond indenture. Restricted assets are reported as cash held with fiscal agent.

Accounts Receivable

Accounts receivable include amounts billed for services, such as water, sewer, storm water and nuisance charges, provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2019. The City annually certifies delinquent water, sewer, storm water and nuisance accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

All trade (utility) and property tax receivables are shown at gross amount, since both taxes and trade (utility) receivables are assessable to the property taxes and are collectible upon the sale of the assessed property.

Due From Other Governments

The amounts due from other government primarily include amounts for project cost in which the City is receiving grants to support the projects.

Special Assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivables upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements. At December 31, 2019, the total delinquent special assessment receivable balance is \$18,540.

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Land Held for Resale

Land was acquired by the EDA for subsequent resale for redevelopment purposes. Land held for resale is an asset recorded at the lower of cost or realizable value in the fund that acquired it.

Capital Assets

A capital asset is defined as a financial resource that is tangible or intangible in nature, complete in and of itself, and is not a component of another. Capital assets, which include property, easements, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of acquisition. Infrastructure assets acquired prior to the fiscal year ended December 31, 1979 are not reported.

Intangible assets prior to 2010 were capitalized and bundled with the infrastructure/land purchases and have been determined to have an indefinite life and therefore have not been broken out from the assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of assets are not capitalized.

Property, plant and equipment of the City is depreciated using the straight line method over the following estimated useful lives:

Assets	Useful Life in Years
Buildings and Structures	20 to 50
Equipment and Machinery	3 to 20
Distribution and Collection Systems	50
Streets and Infrastructure	25

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items which qualify for reporting in this category. Accordingly, the items, deferred pension resources and deferred other postemployment benefit resources, are reported only in the statement of net position. These items result from actuarial calculations and current year pension contributions and OPEB contributions made subsequent to the measurement dates. The third item, deferred charge on refunding results in the loss on a bond refunding recognized over shorter of the life of the refunded bond or the refunding bond.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick leave and personal leave benefits. There is an estimated liability for unpaid accumulated sick and personal leave that will be taken as severance upon retirement. All vacation and estimated retirement severance are accrued when incurred in government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For the most part, the General fund is typically used to liquidate governmental compensated absences payable.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Other Postemployment Benefits

Under Minnesota statute 471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in a group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees are able to add dependent coverage during open enrollment period or qualifying life event prior to retirement. All premiums are funded on a pay-as-you-go basis. The liability was determined, in accordance with GASB Statement No. 75, at January 1, 2019. The General fund is typically used to liquidate governmental other postemployment benefits payable.

Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred. In accordance with federal regulations, the City's general obligation tax exempt bonds follow the arbitrage requirements.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For the most part, the General fund is typically used to liquidate governmental pension liabilities.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by Inver Grove Height's Fire Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value.

The total pension expense for the GERP, PEPFP, DCP and Fire Relief Association is as follows:

	Public Employees Retirement Association of Minnesota (PERA)			Fire Relief Association	Total All Plans
	GERP	PEPFP	DCP		
Pension Expense	\$ 880,679	\$ 909,949	\$ 1,406	\$ 268,398	\$ 2,060,432

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items, which arise only under a modified accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, one of the items, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: delinquent taxes, special assessments and intergovernmental. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations.

Furthermore, the City has additional items which qualify for reporting in this category on the statement of net position. The items, deferred pension resources and deferred other postemployment benefit resources, are reported only in the statement of net position and results from actuarial calculations involving net differences between projected and actual earnings on plan investments and changes in proportions.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- a. Restricted net position - Consists of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- b. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned - These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Pursuant to the Fund Balance Policy approved by City Council, the City Administrator has been delegated the authority to assign and remove assignments of fund balance amounts for specific purposes.

Unassigned - These are residual amounts in the General fund not reported in any other classification. The General fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City will strive to maintain a minimum General fund unassigned fund balance of 40 to 45 percent of next year's budgeted expenditures.

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles), as applied to governmental units by the Government Accounting Standards Board (GASB). An annual appropriated budget is adopted for the General fund as well as for the Convention and Visitors Bureau, Recreation, Community Center and Economic Development Authority special revenue funds.

Budgeted amounts are reported as originally adopted, as well as amended by the City Council. Individual amendments were not material in relation to the original appropriations which were adjusted. Budgeted expenditure appropriations lapse at year-end. Any unencumbered appropriations that need to be carried forward to the next year must be reappropriated by the City Council from the fund balance.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General fund. Encumbrances outstanding at year-end expire and outstanding purchase orders are cancelled and not reported in the financial statements. Therefore, there are no outstanding encumbrances at year end.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 2: Stewardship, Compliance and Accountability (Continued)

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public meetings are conducted to obtain taxpayer comments.
3. The General fund budget is legally enacted through passage of a resolution on a departmental basis and can be expended by each department based upon detailed budget estimates for that department. The Convention and Visitors Bureau, Recreation, Community Center and Economic Development Authority special revenue fund budgets are legally enacted through passage of resolutions for each fund as a whole.
4. The City Administrator is authorized to transfer appropriations within a fund's budget. Additional fund appropriations and deletions are or may be authorized by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General fund.
6. Legal debt obligation indentures determine the appropriation level and debt service tax levies for the Debt Service funds. Supplementary budgets are adopted for the Proprietary funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
7. A capital improvement program is reviewed annually by the City Council for the Capital Project funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
8. Expenditures may not legally exceed budgeted appropriations at the total fund level. Monitoring of budgets is maintained at the expenditure category level (i.e., personnel services; other current; capital outlay) within each activity.
9. The City Council may authorize transfers of budgeted amounts between City funds.

B. Deficit Fund Equity

The following fund had a fund equity deficit at December 31, 2019:

Fund	Amount
Major	
Local Improvement Construction	\$ 955,083
Community Center	1,786,238

The fund deficits are expected to be eliminated with future fund revenues or transfers from other funds.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds, with the exception of irrevocable standby letters of credit issued by Federal Home Loan Banks as this type of collateral only requires collateral pledged equal to 100 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

At year end, the City's carrying amount of deposits was \$4,430,197 and the bank balance was \$5,390,928. Of the bank balance, \$500,000 was covered by federal depository insurance. The remaining bank balance was covered by collateral held by the City's agent in the City's name.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

Investments

At year end, the City's investment balances were as follows:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
Pooled Investments at Amortized Costs						
Broker Money Market Funds	N/A	less than 1 year	\$ 17,521,912			
Non-pooled Investments at Fair Value						
Negotiable Certificates of Deposits	N/A	less than 1 year	1,471,205	\$ -	\$ 1,471,205	\$ -
Negotiable Certificates of Deposits	N/A	1 to 5 years	2,081,417	-	2,081,417	-
Government Agency Securities	AAA	less than 1 year	1,996,990	1,996,990	-	-
Government Agency Securities	AAA	1 to 5 years	22,987,445	22,987,445	-	-
Government Agency Securities	AAA	more than 5 years	1,997,140	1,997,140	-	-
Municipal Bonds	A1	1 to 5 years	1,002,920	-	1,002,920	-
Municipal Bonds	AA	less than 1 year	2,004,080	-	2,004,080	-
Municipal Bonds	AA	1 to 5 years	6,756,176	-	6,756,176	-
Municipal Bonds	AA+	1 to 5 years	506,280	-	506,280	-
Municipal Bonds	AA1	less than 1 year	1,626,641	-	1,626,641	-
Municipal Bonds	AA1	1 to 5 years	995,690	-	995,690	-
Municipal Bonds	AA2	1 to 5 years	1,027,280	-	1,027,280	-
Municipal Bonds	AAA	less than 1 year	1,000,000	-	1,000,000	-
Municipal Bonds	AAA	1 to 5 years	4,758,022	-	4,758,022	-
Municipal Bonds	AAA	more than 5 years	1,700,000	-	1,700,000	-
Total Investments			\$ 69,433,198	\$ 26,981,575	\$ 24,929,711	\$ -

(1) Ratings are provided by Standard & Poor's where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

The investments of the City are subject to the following risks:

- *Interest Rate Risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the City's investment policy, the City will not directly invest more than five percent (5 percent) of the total portfolio in securities maturing more than five (5) years from the date of purchase, unless matched to a specific cash flow. The City was not exposed to interest rate risks due to the fact that their investments are not exposed to highly sensitive changes in interest rates.
- *Credit Risk*. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list on page 64 of the notes to the financial statements. In accordance with its investment policy, the City will minimize credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business, and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- *Concentration of Credit Risk*. Concentration of credit risk is defined as positions of five percent (5 percent) or more in the securities of a single issuer. As of December 31, 2019, the following issuers exceeded 5 percent of the City's total investments: FHLMC (27.10 percent) and FHLB (45.33 percent). The City's investment policy does not allow for an investment in any issuer or security type (except U.S. Treasury Bonds) that is in excess of fifty percent (50 percent) of the City's total investments.
- *Custodial Credit Risk- Deposits*. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Minnesota statutes and the City's investment policy states that in order to provide a level of security for all funds, the collateralization level will be 110 percent of market value not covered by insurance. As of December 31, 2019, all of the City's bank balance was covered by federal depository insurance or by perfected collateral held by the City's agent in the City's name.
- *Custodial Credit Risk - Investments*. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of December 31, 2019, all securities were held by the City or its agent in the City's name. The City does not have an investment policy for custodial credit risk.

The City's investments held by a broker-dealer were insured by SIPC or other supplemental insurance as of December 31, 2019. However, each investment brokerage firm may have a limit to their supplemental insurance coverage and because of the size of the City's portfolio in relation to the brokerage firm's excess SIPC coverage limits; the portion of the supplemental policy applicable to the City's portfolio is unknown. The City accepts the risk due to the controls in place at the broker-dealer.

City of Inver Grove Heights, Minnesota

Notes to the Financial Statements

December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

A reconciliation of cash and temporary investments as shown on the statement of net position for the City follows:

Carrying Amount of Deposits	\$ 4,430,197
Investments	69,433,198
Petty Cash	<u>27,650</u>
 Total	 <u><u>\$ 73,891,045</u></u>
 As Reported on the Financial Statements	
Statement of net position	
Cash and temporary investments	\$ 72,391,045
Cash held with fiscal agent	<u>1,500,000</u>
 Total	 <u><u>\$ 73,891,045</u></u>

B. Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated				
Land	\$ 31,784,723	\$ 185,264	\$ -	\$ 31,969,987
Construction in progress	<u>23,165,772</u>	<u>11,803,268</u>	<u>(713,649)</u>	<u>34,255,391</u>
Total Capital Assets not Being Depreciated	<u>54,950,495</u>	<u>11,988,532</u>	<u>(713,649)</u>	<u>66,225,378</u>
 Capital Assets Being Depreciated				
Infrastructure	105,489,515	3,197,556	-	108,687,071
Buildings and systems	36,918,818	1,028,994	-	37,947,812
Improvements other than buildings	8,705,048	1,005,267	-	9,710,315
Machinery and equipment	<u>12,562,026</u>	<u>1,261,481</u>	<u>(572,059)</u>	<u>13,251,448</u>
Total Capital Assets Being Depreciated	<u>163,675,407</u>	<u>6,493,298</u>	<u>(572,059)</u>	<u>169,596,646</u>
 Less Accumulated Depreciation for				
Infrastructure	(56,116,182)	(2,407,028)	-	(58,523,210)
Buildings and systems	(20,753,266)	(1,432,972)	-	(22,186,238)
Improvements other than buildings	(5,193,518)	(325,907)	-	(5,519,425)
Machinery and equipment	<u>(7,906,349)</u>	<u>(1,140,756)</u>	<u>518,595</u>	<u>(8,528,510)</u>
Total Accumulated Depreciation	<u>(89,969,315)</u>	<u>(5,306,663)</u>	<u>518,595</u>	<u>(94,757,383)</u>
 Total Capital Assets Being Depreciated, Net	<u>73,706,092</u>	<u>1,186,635</u>	<u>(53,464)</u>	<u>74,839,263</u>
 Governmental Activities Capital Assets, Net	<u><u>\$ 128,656,587</u></u>	<u><u>\$ 13,175,167</u></u>	<u><u>\$ (767,113)</u></u>	<u><u>\$ 141,064,641</u></u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

Depreciation expense was charged to functions of the governmental activities as follows:

Governmental Activities

General Government	\$ 717,434
Public Safety	368,047
Public Works	2,922,583
Culture and Recreation	1,222,491
Community Development	76,108
	<u>76,108</u>

Total Depreciation Expense - Governmental Activities	<u><u>\$ 5,306,663</u></u>
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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets not Being Depreciated				
Land	\$ 2,880,405	\$ 333,650	\$ -	\$ 3,214,055
Construction in progress	11,209,681	730,072	(9,642,138)	2,297,615
Total Capital Assets not Being Depreciated	<u>14,090,086</u>	<u>1,063,722</u>	<u>(9,642,138)</u>	<u>5,511,670</u>
Capital Assets Being Depreciated				
Buildings and systems	84,572,767	9,555,818	-	94,128,585
Improvements other than buildings	4,639,459	-	-	4,639,459
Machinery and equipment	1,404,300	282,003	(242,289)	1,444,014
Total Capital Assets Being Depreciated	<u>90,616,526</u>	<u>9,837,821</u>	<u>(242,289)</u>	<u>100,212,058</u>
Less Accumulated Depreciation for				
Buildings and systems	(33,132,754)	(1,645,363)	-	(34,778,117)
Improvements other than buildings	(3,805,193)	(1,996)	-	(3,807,189)
Machinery and equipment	(1,076,872)	(235,674)	242,289	(1,070,257)
Total Accumulated Depreciation	<u>(38,014,819)</u>	<u>(1,883,033)</u>	<u>242,289</u>	<u>(39,655,563)</u>
Total Capital Assets Being Depreciated, Net	<u>52,601,707</u>	<u>7,954,788</u>	<u>-</u>	<u>60,556,495</u>
Business-type Activities Capital Assets, Net	<u><u>\$ 66,691,793</u></u>	<u><u>\$ 9,018,510</u></u>	<u><u>\$ (9,642,138)</u></u>	<u><u>\$ 66,068,165</u></u>

Depreciation expense was charged to programs of the business-type activities as follows:

Business-type Activities

Water	\$ 963,410
Sewer	672,246
Golf Course	247,377
	<u>247,377</u>

Total Depreciation Expense - Business-type Activities	<u><u>\$ 1,883,033</u></u>
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City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

C. Construction Commitments

The City has the following construction commitments at December 31, 2019 as follows:

Project	Spent to Date	Remaining Commitment
55th Street Court Reconstruction (Project 1809F)	\$ 800,303	\$ 109,237
Atwater Path Reconstruction & Street Lighting (Project 1809D)	406,450	53,542
Heritage Village Park (Project 1707)	1,313,938	133,016
Bancroft Way Area Reconstruction (Project 1609E)	1,200,851	127,428
Broderick Boulevard Reconstruction (Project 1509D)	3,318,897	126,850
VMCC/Golf Course Parking Lots (Project 1721)	831,228	-
Fire Station #2 - Sewer & Water Improvement (Project 1808)	848,617	39,917
Fire Station Fiber Optic Improvement (Project 1811)	23,432	3,644
VMCC West Rink Replacement (Project 1722)	136,510	380
Intersection Improvement at T.H. 3 & Diffley Ct (Project 1805)	-	174,317
68th Street Storm Sewer Outfall Repair (Project 1904)	36,140	4,975
HVAC Replacement for Lap / Dive Pools (Project 1913)	10,000	368,000
NWA Trunk Watermain Improvement 65th Street Loop Phase 3 (Project 1703)	268,814	49,681
TH 3 Intersection Improvements (Project 1724)	3,532,686	80,260
NWA Trunk WA improvement - 65th Street Loop (Phase IV) (Project 1803)	457,511	68,082
	<u>\$ 13,185,378</u>	<u>\$ 1,339,330</u>

D. Long-term Debt

General Obligation (G.O.) Bonds

The City issues G.O. and revenue bonds to provide funds for the acquisition and construction of major capital facilities and equipment. Debt service is covered by tax increments, special assessments, property tax levies and revenues. In addition, bonds have been issued to refund G.O., G.O. special assessment, and G.O. revenue bonds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Bonds, Series 2015A	\$ 7,745,000	2.00 - 3.00 %	09/17/15	02/01/31	\$ 6,395,000
G.O. Refunding Capital Bonds, Series 2016A	8,515,000	2.75 - 3.00	12/29/16	02/01/34	8,190,000
G.O. Capital Improvement Plan Bonds, Series 2018A	9,785,000	3.35 - 5.00	12/27/18	02/01/39	9,785,000
G.O. Capital Improvement Plan Bonds, Series 2018A	2,500,000	3.50 - 4.00	01/03/19	02/01/39	2,500,000
Total G.O. Bonds					<u>\$ 26,870,000</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity for G.O. bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 950,000	\$ 860,048	\$ 1,810,048
2021	1,315,000	825,923	2,140,923
2022	1,370,000	780,173	2,150,173
2023	1,450,000	729,573	2,179,573
2024	1,525,000	676,223	2,201,223
2025 - 2029	8,325,000	2,542,569	10,867,569
2030 - 2034	7,915,000	1,249,497	9,164,497
2034 - 2039	4,020,000	346,469	4,366,469
Total	<u>\$ 26,870,000</u>	<u>\$ 8,010,475</u>	<u>\$ 34,880,475</u>

G.O. Improvement (Special Assessment) Bonds

The following bonds were issued to finance various improvements and will be repaid primarily from special assessments levied on the properties benefiting from the improvements. Some issues, however, are partially financed by ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds, Series 2010B	\$ 4,885,000	2.00 - 3.13 %	10/06/10	02/01/27	\$ 2,350,000
G.O. Improvement Refunding Bonds, Series 2014B	2,415,000	2.00	12/30/14	02/01/20	235,000
G.O. Improvement Bonds, Series 2017B	3,505,000	2.00 - 3.00	12/11/17	02/01/33	<u>3,485,000</u>
Total G.O. Special Assessment Bonds					<u>\$ 6,070,000</u>

Annual debt service requirements to maturity for G.O. special assessment bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 840,000	\$ 160,067	\$ 1,000,067
2021	615,000	139,419	754,419
2022	625,000	120,819	745,819
2023	490,000	104,094	594,094
2024	500,000	89,244	589,244
2025 - 2029	2,055,000	230,272	2,285,272
2030 - 2033	945,000	47,669	992,669
Total	<u>\$ 6,070,000</u>	<u>\$ 891,584</u>	<u>\$ 6,961,584</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

G.O. Revenue Bonds

The following bonds were issued to finance capital improvements in the enterprise funds. They will be repaid from future revenues pledged from the Water and Sewer enterprise funds and are backed by the taxing power of the City. Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments are as follows:

				Water	Sewer
Net Operating Revenues				\$ 3,031,231	\$ 3,738,809
Principal and Interest				397,700	1,308,867
Percentage of Revenues				13.12 %	35.01 %

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Utility Revenue Refunding Bonds, Series 2012A	\$ 5,315,000	2.00 - 2.15 %	04/24/12	02/01/22	\$ 1,170,000
G.O. Sewer Revenue Refunding Bonds, Series 2014B	5,015,000	2.00 - 3.00	12/30/14	02/01/29	3,980,000
G.O. Sewer Revenue Bonds, Series 2015B	4,185,000	3.00 - 4.00	09/17/15	02/01/31	3,570,000
G.O. Sewer Refunding Revenue Bonds, Series 2017A	5,685,000	1.50 - 3.00	01/12/17	02/01/36	5,685,000
Total G.O. Revenue Bonds					<u>\$ 14,405,000</u>

The annual debt service requirements to maturity for G.O. revenue bonds are as follows:

Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2020	\$ 1,230,000	\$ 387,713	\$ 1,617,713
2021	1,270,000	355,163	1,625,163
2022	1,305,000	321,288	1,626,288
2023	935,000	290,463	1,225,463
2024	970,000	262,475	1,232,475
2025 - 2029	5,315,000	869,330	6,184,330
2030 - 2034	2,560,000	264,937	2,824,937
2035 - 2036	820,000	22,687	842,687
Total	<u>\$ 14,405,000</u>	<u>\$ 2,774,056</u>	<u>\$ 17,179,056</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable					
G.O. bonds	\$ 25,175,000	\$ 2,500,000	\$ (805,000)	\$ 26,870,000	\$ 950,000
G.O. special assessment bonds	7,090,000	-	(1,020,000)	6,070,000	840,000
G.O. tax increment bonds	560,000	-	(560,000)	-	-
Bond premium	948,490	55,244	(79,580)	924,154	-
Total Bonds Payable	33,773,490	2,555,244	(2,464,580)	33,864,154	1,790,000
Compensated Absences Payable	2,068,263	1,140,431	(939,161)	2,269,533	939,161
Governmental Activity Long-term Liabilities	<u>\$ 35,841,753</u>	<u>\$ 3,695,675</u>	<u>\$ (3,403,741)</u>	<u>\$ 36,133,687</u>	<u>\$ 2,729,161</u>
Business-type Activities					
Bonds Payable					
G.O. revenue bonds	\$ 21,085,000	\$ -	\$ (6,680,000)	\$ 14,405,000	\$ 1,230,000
Bond premium	426,921	-	(45,091)	381,830	-
Total Bonds Payable	21,511,921	-	(6,725,091)	14,786,830	1,230,000
Compensated Absences Payable	264,103	76,633	(90,828)	249,908	90,828
Business-type Activity Long-term Liabilities	<u>\$ 21,776,024</u>	<u>\$ 76,633</u>	<u>\$ (6,815,919)</u>	<u>\$ 15,036,738</u>	<u>\$ 1,320,828</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

E. Components of Fund Balance

Fund equity balances are classified below to reflect the limitations and restrictions of the respective funds.

	General	Improvement Bonds	Community Center	Closed Bond
Nonspendable				
Prepaid items	\$ 177,753	\$ -	\$ 2,853	\$ -
Restricted for				
Debt service	-	3,887,236	-	-
Community development	-	-	-	-
Park improvements	-	-	-	-
Capital improvements	-	-	-	-
Total Restricted	-	3,887,236	-	-
Committed to				
Convention and				
Visitors Bureau	-	-	-	-
Recreation	-	-	-	-
Economic development	-	-	-	-
Pavement management	-	-	-	-
Total Committed	-	-	-	-
Assigned to				
Capital improvements	-	-	-	1,968,905
Unassigned	11,313,120	-	(1,789,091)	-
Total	\$ 11,490,873	\$ 3,887,236	\$ (1,786,238)	\$ 1,968,905

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

	Local Improvement Construction	Pavement Management	Host Community	Other Governmental	Total
Nonspendable					
Prepaid items	\$ -	\$ -	\$ 1,000	\$ 11,383	\$ 192,989
Restricted for					
Debt service	-	-	-	-	3,887,236
Community development	-	-	-	3,979,303	3,979,303
Park improvements	-	-	-	1,418,179	1,418,179
Capital improvements	1,357,554	-	-	-	1,357,554
Total Restricted	1,357,554	-	-	5,397,482	10,642,272
Committed to					
Convention and					
Visitors Bureau	-	-	-	112,268	112,268
Recreation	-	-	-	302,230	302,230
Economic development	-	-	-	310,512	310,512
Pavement management	-	-	-	2,111,936	2,111,936
Total Committed	-	-	-	2,836,946	2,836,946
Assigned to					
Capital improvements	-	5,670,367	6,926,640	6,805,611	21,371,523
Unassigned	(2,312,637)	-	-	-	7,211,392
Total	\$ (955,083)	\$ 5,670,367	\$ 6,927,640	\$ 15,051,422	\$ 42,255,122

F. Interfund Receivables, Payables and Transfers

The composition of interfund balances at December 31, 2019 is as follows:

Receivable Fund	Payable Fund	Purpose	Amount
Internal Service	Golf Course	To loan funds for repairs and maintenance	\$ 1,883,884
Internal Service	Community Center	To loan funds for capital improvements	2,433,214
Host Community	Nonmajor governmental	To loan funds for land purchase	1,000,000
Total			\$ 5,317,098

The Internal Service Central Equipment fund made advances to the Golf Course and Community Center funds which will be paid back in annual installments. The Host Community fund made advances to the nonmajor governmental EDA fund, which will be paid back when the land for resale has sold.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

The composition of interfund transfers for the year ended December 31, 2019 is as follows:

Fund	Transfer In			
	General	Closed Bond	Local Improvement Construction	Pavement Management
Transfer Out				
General	\$ -	\$ -	\$ 8,857	\$ 1,250,000
Improvement Bonds	-	52,961	-	-
Closed Bond	-	-	-	-
Local Improvement Construction	-	-	-	39,171
Pavement Management	-	-	91,612	-
Host Community	-	-	35,239	-
Nonmajor Governmental	48,551	-	5,069,440	-
Water	236,000	-	21,950	-
Sewer	236,000	-	-	-
Internal Service Funds	-	-	158,319	-
Total	<u>\$ 520,551</u>	<u>\$ 52,961</u>	<u>\$ 5,385,417</u>	<u>\$ 1,289,171</u>

Fund	Transfer In				
	Community Center	Nonmajor Governmental	Water	Sewer	Total
Transfer Out					
General	\$ -	\$ 749,000	\$ -	\$ -	\$ 2,007,857
Improvement Bonds	-	-	-	-	52,961
Closed Bond	-	75,333	-	-	75,333
Local Improvement Construction	-	194,496	13,243	159,567	406,477
Pavement Management	-	-	-	-	91,612
Host Community	732,242	139,794	-	-	907,275
Nonmajor Governmental	-	566,299	-	-	5,684,290
Water	-	-	-	652,642	910,592
Sewer	-	-	-	-	236,000
Internal Service Funds	-	41,200	-	-	199,519
Total	<u>\$ 732,242</u>	<u>\$ 1,766,122</u>	<u>\$ 13,243</u>	<u>\$ 812,209</u>	<u>\$ 10,571,916</u>

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 3: Detailed Notes on All Funds (Continued)

The City annually budgets transfers for specific purposes and includes transfers to cover funds annual operations, transfers for debt service payments, transfers made as part of capital improvement plans and other transfers made for various reasons. The City made the following one-time non-budgeted transfers for the year ended December 31, 2019:

- A transfer from the General fund to the Local Improvement Construction fund was adopted by resolution. The transfer was for construction projects.
- A transfer from the Closed Bond fund to the nonmajor governmental fund was adopted by resolution. The transfer was to close a fund.
- A transfer from the Improvement Bonds fund to the Closed Bond fund was adopted by resolution. The transfer was to close a fund.
- A transfer from the Local Improvement Construction fund to the Pavement Management fund, nonmajor governmental funds, water and sewer funds were adopted by resolution. The transfers were to fund construction projects.
- Transfers from the Pavement Management fund to the Local Improvement Construction fund were adopted by resolution. The transfers were for construction projects.
- A transfer from the Host Community fund to the Local Improvement Construction fund was adopted by resolution. The transfer was for construction projects.
- Transfers from the Host Community fund to the Community Center fund were budgeted and adopted by resolution. The transfers were to support operations and capital needs.
- Transfers from the Host Community fund to the nonmajor governmental funds were adopted by resolution. The transfers were for construction projects.
- Transfers from the nonmajor governmental funds to the Local Improvement Construction fund and other nonmajor governmental funds were adopted by resolution. The transfers were for construction projects.
- Transfers from the Water fund to the Local Improvement and Sewer fund were adopted by resolution. The transfers were for construction projects.
- Transfers from the Internal Service fund to the Local Improvement fund were adopted by resolution. The transfers were for construction projects.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 4: Defined Benefit Pension Plans - Statewide

A. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (GERP)

All full-time and certain part-time employees of the City are covered by the General Employees Retirement Plan (GERP). GERP members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

Public Employees Police and Fire Plan (PEPFP)

The PEPFP, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFP also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

B. Benefits Provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

GERP Benefits

GERP benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. Members hired prior to July 1, 1989 receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for average salary for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989 normal retirement age is the age for unreduced Social Security benefits capped at 66.

Annuities, disability benefits and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

PEPFP Benefits

Benefits for the PEPFP members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for PEPFP members first hired after June 30, 2014 vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3.0 percent of average salary for each year of service. A full, unreduced pension is earned when members are age 55 and vested, or for members who were first hired prior to July 1, 1989, when age plus years of service equal at least 90.

City of Inver Grove Heights, Minnesota

Notes to the Financial Statements

December 31, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Annuities, disability benefits and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

Minnesota statutes chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2019 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the years ending December 31, 2019, 2018 and 2017 were \$620,963, \$593,314 and \$544,197, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

Police and Fire Fund Contributions

Police and Fire member's contribution rates increased from 10.80 percent of pay to 11.30 percent and employer rates increased from 16.20 percent to 16.95 percent on January 1, 2019. The City's contributions to the Police and Fire Fund for the years ending December 31, 2019, 2018 and 2017 were \$745,061, \$618,063 and \$581,071, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2019, the City reported a liability of \$6,297,276 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million to the fund in 2019. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$195,825. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the City's proportionate share was 0.1139 percent which was an increase of 0.0018 from its proportion measured as of June 30, 2018.

City's Proportionate Share of the Net Pension Liability	\$ 6,297,276
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>195,825</u>
Total	<u><u>\$ 6,493,101</u></u>

For the year ended December 31, 2019, the City recognized pension expense of \$866,014 for its proportionate share of General Employees Plan's pension expense. In addition, the City recognized an additional \$14,665 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

At December 31, 2019, the City reported its proportionate share of General Employee's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 174,941	\$ 31,661
Changes in Actuarial Assumptions	18,724	496,250
Net Difference Between Projected and Actual Earnings on Plan Investments	-	600,580
Changes in Proportion	230,251	-
Contributions Paid to PERA Subsequent to the Measurement Date	<u>320,881</u>	<u>-</u>
Total	<u>\$ 744,797</u>	<u>\$ 1,128,491</u>

The \$320,881 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2020	\$ (217,634)
2021	(403,571)
2021	(93,516)
2022	10,146

Police and Fire Fund Pension Costs

At December 31, 2019, the City reported a liability of \$4,051,871 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the City's proportionate share was 0.3806 percent which was an increase of 0.0345 from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, the City recognized pension expense of \$858,568 for its proportionate share of the Police and Fire Plan's pension expense. The City also recognized \$51,381 for the year ended December 31, 2019, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.- Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the Police and Fire Fund each year until the plan is 90 percent funded or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. In addition, the state will pay \$4.5 million on October 1, 2018 and October 1, 2019 in direct state aid. Thereafter, by October 1 of each year, the state will pay \$9 million until full funding is reached or July 1, 2048, whichever is earlier.

City of Inver Grove Heights, Minnesota

Notes to the Financial Statements

December 31, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

At December 31, 2019, the City reported its proportionate share of Police and Fire Plan's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 172,605	\$ 702,195
Changes in Actuarial Assumptions	3,455,082	4,575,459
Net Difference Between Projected and Actual Earnings on Plan Investments	-	759,400
Changes in Proportion	634,797	-
Contributions Paid to PERA Subsequent to the Measurement Date	<u>394,551</u>	<u>-</u>
Total	<u>\$ 4,657,035</u>	<u>\$ 6,037,054</u>

The \$394,551 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2020	\$ (150,701)
2021	(421,716)
2021	(1,359,290)
2022	62,968
2023	94,168

E. Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disableds were based on RP-2014 tables for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for General Employees Plan and 1.0 percent per year for Police and Fire Plan.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employees Plan was completed in 2019. The most recent four-year experience study for the Police and Fire Plan was completed in 2016. Economic assumptions were updated in 2018 based on a review of inflation and investment return assumptions.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The following changes in actuarial assumptions and plan provisions occurred in 2019:

General Employees Fund

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

Police and Fire Fund

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- There have been no changes since the prior valuation

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	35.5 %	5.10 %
Private Markets	25.0	5.90
Fixed Income	20.0	0.75
International Equity	17.5	5.90
Cash Equivalents	<u>2.0</u>	-
Total	<u><u>100.00 %</u></u>	

F. Discount Rate

The discount rate used to measure the total pension liability in 2019 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund and the Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

G. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	City Proportionate Share of NPL		
	1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
General Employees Fund	\$ 10,352,382	\$ 6,297,276	\$ 2,948,979
Police and Fire Fund	8,856,638	4,051,871	78

H. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Note 5: Defined Contribution Plan

There are four City Council members that are covered by the Defined Contribution Plan (DCP), a multiple-employer deferred compensation plan administered by PERA. The DCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses, therefore, there is no future liability to the employer. *Minnesota statutes*, chapter 353D.03, specify the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees' contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment fund. For administering the plan, PERA receives 2.0 percent of employer contributions and twenty-five hundredths of 1.0 percent (0.25 percent) of the assets in each member's account annually.

Pension expense for the year is equal to contributions made. Total contributions made by the City during the fiscal year 2019 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 1,406	\$ 1,406	5.00%	5.00%	5.00%

The City's contributions to the DCP for the years ended December 31, 2019, 2018 and 2017 were \$1,406, \$1,800 and \$1,800, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 6: Defined Benefit Pension Plans - Fire Relief Association

A. Plan Description

All members of the Inver Grove Heights Fire Department (the Department) are covered by a defined benefit plan administered by the Inver Grove Heights Firefighters Relief Association (the Association). As of December 31, 2018, the plan covered 54 active firefighters and 13 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

B. Benefits Provided

A firefighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full-service pension upon retirement.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as prescribed by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

C. Contributions

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed \$209,866 in fire state aid to the plan on behalf of the Department for the year ended December 31, 2018, which was recorded as a revenue. There were no required employer contributions calculated based on statutory provisions. In 2018 and 2019, the City made voluntary contributions of \$80,475 and \$82,775 to the plan, respectively.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

D. Pension Costs

At December 31, 2019, the City reported a net pension liability (asset) of \$(1,422,193) for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2018. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2018	\$ 3,974,595	\$ 5,732,792	\$ (1,758,197)
Changes for the Year			
Service cost	197,738	-	197,738
Interest on pension liability (asset)	232,865	-	232,865
Assumption Changes	32,691	-	32,691
Plan Changes	81,241	-	81,241
Contributions (employer)	-	80,475	(80,475)
Nonemployer contributions	-	205,308	(205,308)
Projected Investment Return	-	330,578	(330,578)
(Gain)/loss	(290,848)	(690,670)	399,822
Benefit payments	(245,000)	(245,000)	-
Administrative expenses	-	(8,008)	8,008
Total Net Changes	8,687	(327,317)	336,004
Ending Balance December 31, 2018	\$ 3,983,282	\$ 5,405,475	\$ (1,422,193)

For the year ended December 31, 2019, the City recognized pension expense of \$58,532.

At December 31, 2019, the City reported deferred outflows of resources and its contributions subsequent to the measurement date related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	334,986
Changes in Actuarial Assumptions	53,540	-
Net Difference Between Projected and Actual Earnings on Plan Investments	290,672	-
Contributions to Plan Subsequent to the Measurement Date	209,866	-
Total	\$ 554,078	\$ 334,986

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

Deferred outflows of resources totaling \$209,866 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources related to the plan will be recognized in pension expense as follows:

2020	\$ 73,807
2021	(25,682)
2021	(1,130)
2022	102,953
2023	(35,181)
Thereafter	(105,541)

E. Actuarial Assumptions

The total pension asset at December 31, 2019 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement Eligibility at 100 Percent at Age 50	
Salary Increases	2.50% per year
Cost of Living Increases	0.00% per year
Investment Rate of Return	5.50%
20-Year Municipal Bond Yield	3.50%

The discount rate changed from 5.75% to 5.50% in 2019.

The long-term expected rate of return on pension plan investments was based on the plan's target investment allocation along with long-term expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	10.00 %	2.25 %
Fixed Income	32.00	3.40
Equities	57.00	7.10
Other	1.00	6.00
Total	<u>100.00 %</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 5.50 percent. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

G. Pension Asset Sensitivity

The following presents the City's net pension asset for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	City Proportionate Share of NPA		
	1 Percent Decrease (4.50%)	Current (5.50%)	1 Percent Increase (6.50%)
Defined Benefit Plan	\$ (1,284,632)	\$ (1,422,193)	\$ (1,553,184)

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report. The report may be obtained by writing to the Inver Grove Heights Firefighters Relief Association, 8150 Barbara Ave, Inver Grove Heights, MN 55077.

Note 7: Postemployment Benefits Other Than Pensions

A. Plan Description

The City provides a single-employer defined benefit health care plan to eligible retirees and their spouses. The plan offers medical coverage and is administered by HealthPartners, Inc. It is the City's policy for Council to periodically review its medical coverage, and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. The City does not issue a publicly available report.

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	8
Active Plan Members	<u>137</u>
Total Plan Members	<u><u>145</u></u>

B. Funding Policy

Retirees receiving benefits contribute 100 percent of their premium costs. Retirees and their spouses contribute to the health care plan at the same rate as City employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the City, based on the contract terms with HealthPartners, Inc. The required contributions are based on projected pay-as-you-go financing requirements. For the year ended December 31, 2019, the City's average contribution rate was .5 percent of covered-employee payroll. For fiscal year 2019, the City contributed \$68,517 to the plan. As of January 1, 2019, there were eight retirees receiving health benefits from the City's health plan.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 7: Postemployment Benefits Other Than Pensions (Continued)

C. Actuarial Methods and Assumptions

The City's total OPEB liability of \$669,716 was measured as of December 31, 2019, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of January 1, 2018. Roll forward procedures were used to roll forward the total OPEB liability to the measurement date.

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.80%
Expected Long-Term Investment Return	N/A
20-Year Municipal Bond Yield	3.80%
Inflation Rate	2.50%
Salary Increases	3.00%
Medical Trend Rate	6.25% in 2019 grading to 5% over 5 years

The discount rate used to measure the total OPEB liability was 3.80 percent. Mortality rates were based on the RP-2014 White Collar Mortality Tables (de-trended to 2006) and then projected beyond the valuation date using scale MP-2017.

The actuarial assumptions used in the January 1, 2018 valuation were based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

D. Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balances at December 31, 2018	<u>\$ 686,478</u>
Changes for the Year:	
Service cost	36,389
Interest	22,943
Changes in assumptions or other inputs	(20,393)
Benefit payments	<u>(55,701)</u>
Net Changes	<u>(16,762)</u>
Balances at December 31, 2019	<u><u>\$ 669,716</u></u>

Since the prior measurement date, the following assumptions changed:

- The discount rate was changed from 3.30% to 3.80%.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 7: Postemployment Benefits other than Pensions (Continued)

E. Sensitivity of the Total OPEB Liability

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current discount rate:

1 Percent Decrease (2.8%)	Current (3.8%)	1 Percent Increase (4.8%)
\$ 718,141	\$ 669,716	\$ 624,899

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a Healthcare Cost Trend Rate that is 1-percentage point lower (5.25 percent decreasing to 4.00 percent) or 1-percentage-point higher (7.25 percent increasing to 6.00 percent) than the current cost trend rate:

1 Percent Decrease (5.25% Decreasing to 4%)	Healthcare Cost Trend Rates (6.25% Decreasing to 5%)	1 Percent Increase (7.25% Decreasing to 6%)
\$ 603,443	\$ 669,716	\$ 748,075

F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the City recognized OPEB expense of \$57,066. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Actuarial Assumptions	\$ -	\$ 18,127
Contributions to OPEB Subsequent to the Measurement Date	68,517	-
Total	\$ 68,517	\$ 18,127

Deferred outflows of resources totaling \$68,517 related to pensions resulting from the City's contributions to OPEB subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	
2020	\$ (2,266)
2021	(2,266)
2022	(2,266)
2023	(2,266)
2024	(2,266)
Thereafter	(6,797)

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 8: Operating Agreement

In June 2016, the City entered into a use agreement with Independent School District No. 199, to grant the District right and privilege to use the Aquatic and Fitness Center and National Guard Armory. The use agreement will commence on January 1, 2017 and terminate on December 31, 2026. Under the use agreement, the annual fee has been determined for the next two years and for each calendar year, is payable in two equal installments on June 1 and December 31.

The net book value of the assets noted above being leased are as follows:

Asset	
Buildings	\$ 17,689,059
Less: Accumulated depreciation	<u>(17,452,052)</u>
Total	<u><u>\$ 237,007</u></u>

Future annual usage rates are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 262,500
2021	<u>275,000</u>
Total	<u><u>\$ 537,500</u></u>

Note 9: Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the City is not subject to a deductible.

Property and casualty insurance is provided through a pooled self-insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portion of the insurance policies and for any exclusions from the insurance policies. These amounts are considered immaterial to the financial statements.

The City continues to carry commercial insurance for all other risks of loss, including disability and employee health insurance.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The risk management activities of the City are accounted for by the Risk Management fund, an internal service fund, which charges its costs to user departments. The fund is designed to build up a reserve which will provide the City the opportunity to assume a greater share of its insurance risks and thereby reducing the cost to purchase insurance.

City of Inver Grove Heights, Minnesota
Notes to the Financial Statements
December 31, 2019

Note 9: Other Information (Continued)

B. Contingencies

Tax Increment Financing Districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

The City has entered into "pay as you go" Tax Increment Financing notes within its TIF districts. These notes are payable only to the extent of the increment received. As a result, they are a commitment within the district but they have not met the criteria to be reported as a liability on the statement of net position.

C. Conduit Debt Obligations

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payment received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2019, there was one series of Housing Revenue Bonds outstanding as follows:

Series	Amount Issued	Balance Outstanding 12/31/19
2005 Senior Housing Revenue Refunding Bonds	\$ 32,290,000	\$ 21,735,000

Note 10: Prior Period Adjustment

During fiscal year 2019, a prior period adjustment was recorded to correct a 2018 Due From Other Government balance. In 2018, \$166,286 was recorded in the Economic Development fund as a Due From Other Governments but was not actually a receivable at year end and was never collected. A prior period adjustment has been recorded to remove the receivable balance.

Note 11: Change in Accounting Principle

During fiscal year 2019, the City implemented a new accounting pronouncement issued by the Government Accounting Standards Board (GASB), Statement No. 84, *Fiduciary Activities*. This change in Accounting Principle did not require a restatement of net position.

Note 12: Subsequent Event

In December 2019, a novel strain of coronavirus (COVID-19) surfaced. The spread of COVID-19 around the world in the first quarter of 2020 has caused significant volatility in U.S. and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies and, as such, the City is unable to determine if it will have a material impact to its operations.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

City of Inver Grove Heights, Minnesota
Required Supplementary Information
For the Year Ended December 31, 2019

Schedule of Employer's Share of PERA Net Pension Liability - General Employees Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/19	0.1139 %	\$ 6,297,276	\$ 195,825	\$ 6,493,101	\$ 8,063,116	80.5 %	80.2 %
06/30/18	0.1121	6,218,848	204,030	6,422,878	7,509,053	85.5	79.5
06/30/17	0.1086	6,932,952	87,187	7,020,139	6,960,481	100.9	75.9
06/30/16	0.1064	8,639,152	112,841	8,751,993	6,603,007	132.5	68.9
06/30/15	0.1083	5,612,668	-	5,612,668	6,363,706	88.2	78.2

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Schedule of Employer's PERA Contributions - General Employees Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/19	\$ 620,963	\$ 620,963	\$ -	\$ 8,279,503	7.5 %
12/31/18	593,314	593,314	-	7,910,851	7.5
12/31/17	544,197	544,197	-	7,255,965	7.5
12/31/16	499,836	499,836	-	6,664,480	7.5
12/31/15	488,967	488,967	-	6,519,564	7.5

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Notes to the Required Supplementary Information - General Employees Fund

Changes in Actuarial Assumptions

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

Changes in Plan Provisions

2019 - The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Schedule of Employer's Share of PERA Net Pension Liability - Police and Fire Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/19	0.3806 %	\$ 4,051,871	\$ -	\$ 4,051,871	\$ 4,012,373	101.0 %	89.3 %
06/30/18	0.3461	3,689,070	-	3,689,070	3,647,742	101.1	88.8
06/30/17	0.3420	4,617,407	-	4,617,407	3,506,580	131.7	85.4
06/30/16	0.3320	13,323,738	-	13,323,738	3,201,037	416.2	63.9
06/30/15	0.3310	3,760,965	-	3,760,965	3,030,956	124.1	86.6

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Schedule of Employer's PERA Contributions - Police and Fire Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/19	\$ 745,061	\$ 745,061	\$ -	\$ 4,395,638	17.0 %
12/31/18	618,063	618,063	-	3,815,205	16.2
12/31/17	581,071	581,071	-	3,586,858	16.2
12/31/16	540,976	540,976	-	3,339,358	16.2
12/31/15	499,560	499,560	-	3,083,704	16.2

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Notes to the Required Supplementary Information - Police and Fire Fund

Changes in Actuarial Assumptions

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2016 to MP-2017. As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 5.6 percent. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2037 and 2.5 percent per year thereafter.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Notes to the Required Supplementary Information - Police and Fire Fund (Continued)

Changes in Plan Provisions

2018 - As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger. An end date of July 1, 2048 was added to the existing \$9.0 million state contribution. New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The combined service annuity (CSA) load was 30.00 percent for vested and non-vested, deferred members. The CSA has been changed to 33.00 percent for vested members and 2.00 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.00 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65.00 percent to 60.00 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed postretirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.60 percent per annum to 7.50 percent per annum.

2015 - The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.5 percent, to a fixed rate of 2.5 percent.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios

	2019 (Fire Relief Report Date 2018)	2018 (Fire Relief Report Date 2017)	2017 (Fire Relief Report Date 2016)	2016 (Fire Relief Report Date 2015)	2015 (Fire Relief Report Date 2014)
Total Pension Liability					
Service cost	\$ 197,738	\$ 192,915	\$ 147,752	\$ 152,797	\$ 149,070
Interest on pension liability (asset)	232,865	224,791	173,689	151,603	149,666
Changes of assumptions	32,691	-	33,665	-	-
Plan changes	81,241	-	879,054	-	-
Loss	(290,848)	-	(105,129)	-	-
Benefit payments	(245,000)	(319,214)	-	(168,074)	(55,673)
Net Change in Total Pension Liability	8,687	98,492	1,129,031	136,326	243,063
Total Pension Liability - January 1	98,492	-	2,747,072	2,610,746	2,367,683
Total Pension Liability - December 31 (a)	\$ 107,179	\$ 98,492	\$ 3,876,103	\$ 2,747,072	\$ 2,610,746
Plan Fiduciary Net Position					
Employer contributions	\$ 80,475	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Nonemployer contributions	205,308	198,234	195,016	192,612	180,645
Projected investment return	330,578	286,264	271,808	277,385	221,943
Gain (loss)	(690,670)	520,427	122,761	(497,477)	-
Benefit payments	(245,000)	(319,214)	-	(168,074)	(55,673)
Administrative expenses	(8,008)	(8,822)	(7,600)	(7,700)	(6,752)
Net Change in Plan Fiduciary Net Position	(327,317)	701,889	606,985	(178,254)	365,163
Plan Fiduciary Net Position - January 1	5,732,792	5,030,903	4,423,918	4,602,172	4,237,009
Plan Fiduciary Net Position - December 31 (b)	\$ 5,405,475	\$ 5,732,792	\$ 5,030,903	\$ 4,423,918	\$ 4,602,172
Fire Relief's Net Pension Liability (Asset) - December 31 (a-b)	\$ (5,298,296)	\$ (5,634,300)	\$ (1,154,800)	\$ (1,676,846)	\$ (1,991,426)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A)	5043.41%	5820.57%	129.79%	161.04%	176.28%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Fire Relief's Net Pension Liability (Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Notes to the Required Supplementary Information - Fire Relief Association

Changes in Actuarial Assumptions

2018 - The discount rate changed from 5.75% to 5.00%.

2016 - The discount rate changed from 6.00% to 5.75%.

2015 - The benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

Changes in Plan Provisions

2018 - The benefit level changed from \$7,900 to \$8,100.

2016 - The benefit level changed from \$5,900 to \$7,900.

2015 - There were no changes in actuarial assumptions in 2015.

Schedule of Employer's Fire Relief Association Contributions

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/19	\$ 205,308	\$ 288,083	\$ (82,775)
12/31/18	203,308	283,783	(80,475)
12/31/17	198,234	220,234	(22,000)
12/31/16	195,016	220,016	(25,000)
12/31/15	190,612	215,612	(25,000)
12/31/14	205,645	205,645	-

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

City of Inver Grove Heights, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2019

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

	2019	2018
Total OPEB Liability		
Service cost	\$ 36,389	\$ 38,497
Interest	22,943	22,833
Changes in assumptions	(20,393)	
Benefit payments	(55,701)	(56,043)
Net Change in Total OPEB Liability	(16,762)	5,287
 Total OPEB Liability - Beginning	 686,478	 681,191
 Total OPEB Liability - Ending	 <u>\$ 669,716</u>	 <u>\$ 686,478</u>
 Covered Payroll	 \$ 10,686,455	 \$ 10,375,199
 City's total OPEB liability as a percentage of covered payroll	 6.27 %	 6.62 %

Changes in Assumptions:

In 2018, the following assumptions changes:

The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2014 Generational Improvement Scale (Blue Collar Tables for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables (de-trended to 2006) and then projected beyond the valuation date using scale MP-2017 (Blue Collar Tables for Police and Fire Personnel).

The subsidized benefits for the officers injured in the line of duty are assumed to end after five years for the two individuals under age 40 as of the valuation date and at age 65 for the one individual over age 55 as of the valuation date.

The withdrawal and retirement tables for all employees were updated.

The discount rate was changed from 4.00% to 3.30%

In 2019, the following assumptions changes:

The discount rate was changed from 3.30% to 3.80%

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

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COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

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NONMAJOR GOVERNMENTAL FUNDS

City of Inver Grove Heights, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2019

		Debt Service		
		Tax		
	Special	Increment	Capital	Total
	Revenue	Financing	Projects	Nonmajor
		Bonds		Governmental
				Funds
Assets				
Cash and temporary investments	\$ 2,474,233	\$ -	\$ 10,636,856	\$ 13,111,089
Cash held with fiscal agent	-	-	1,500,000	1,500,000
Receivables				
Accrued interest	8,384	-	67,187	75,571
Taxes	7,870	-	6,311	14,181
Accounts	273,098	-	180,364	453,462
Special assessments	-	-	62,617	62,617
Prepaid items	11,383	-	-	11,383
Land held for resale	1,138,500	-	-	1,138,500
	<u>1,138,500</u>	<u>-</u>	<u>-</u>	<u>1,138,500</u>
Total Assets	<u>\$ 3,913,468</u>	<u>\$ -</u>	<u>\$ 12,453,335</u>	<u>\$ 16,366,803</u>
Liabilities				
Accounts and contracts payable	\$ 15,233	\$ -	\$ 175,532	\$ 190,765
Accrued salaries payable	17,131	-	1,587	18,718
Due to other governments	414	-	4,822	5,236
Due to other funds	1,000,000	-	-	1,000,000
Deposits payable	18,254	-	-	18,254
Unearned revenue	14,107	-	-	14,107
Total Liabilities	<u>1,065,139</u>	<u>-</u>	<u>181,941</u>	<u>1,247,080</u>
Deferred Inflows of Resources				
Unavailable revenues - delinquent taxes	-	-	5,684	5,684
Unavailable revenues - special assessments	-	-	62,617	62,617
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>68,301</u>	<u>68,301</u>
Fund Balances				
Nonspendable	11,383	-	-	11,383
Restricted	-	-	5,397,482	5,397,482
Committed	2,836,946	-	-	2,836,946
Assigned	-	-	6,805,611	6,805,611
Total Fund Balances	<u>2,848,329</u>	<u>-</u>	<u>12,203,093</u>	<u>15,051,422</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,913,468</u>	<u>\$ -</u>	<u>\$ 12,453,335</u>	<u>\$ 16,366,803</u>

City of Inver Grove Heights, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2019

		Debt Service		
		Tax		Total
	Special	Increment	Capital	Nonmajor
	Revenue	Financing	Projects	Governmental
		Bonds		Funds
Revenues				
Taxes	\$ 1,199,721	\$ -	\$ 1,739,015	\$ 2,938,736
Intergovernmental	7,000	-	-	7,000
Charges for services	206,624	-	905,730	1,112,354
Special assessments	-	-	31,952	31,952
Investment earnings	31,170	-	285,233	316,403
Miscellaneous	13,868	-	205,593	219,461
Total Revenues	<u>1,458,383</u>	<u>-</u>	<u>3,167,523</u>	<u>4,625,906</u>
Expenditures				
Current				
Public works	-	-	197,484	197,484
Culture and recreation	774,357	-	42,691	817,048
Community development	40,643	-	12,788	53,431
Capital outlay				
Public safety	-	-	47,428	47,428
Public works	-	-	6,984	6,984
Culture and recreation	-	-	312,421	312,421
Community development	-	-	78,150	78,150
Debt service				
Principal	-	560,000	-	560,000
Interest and other charges	-	6,300	340,786	347,086
Total Expenditures	<u>815,000</u>	<u>566,300</u>	<u>1,038,732</u>	<u>2,420,032</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>643,383</u>	<u>(566,300)</u>	<u>2,128,791</u>	<u>2,205,874</u>
Other Financing Sources (Uses)				
Transfers in	583,193	566,300	616,629	1,766,122
Transfers out	(6,690)	-	(5,677,600)	(5,684,290)
Total Other Financing Sources (Uses)	<u>576,503</u>	<u>566,300</u>	<u>(5,060,971)</u>	<u>(3,918,168)</u>
Net Change in Fund Balances	1,219,886	-	(2,932,180)	(1,712,294)
Prior Period Adjustment (See Note 10)	(166,286)	-	-	(166,286)
Fund Balances, January 1	<u>1,794,729</u>	<u>-</u>	<u>15,135,273</u>	<u>16,930,002</u>
Fund Balances, December 31	<u>\$ 2,848,329</u>	<u>\$ -</u>	<u>\$ 12,203,093</u>	<u>\$ 15,051,422</u>

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NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Convention and Visitors Bureau was created by a resolution of the City Council to account for the local lodging tax revenues collected per Ordinance No. 1015 which was adopted by the City Council on October 8, 2001, under the authority of Minnesota statutes, section 469.190.

Recreation accounts for recreation activities of the City.

Franchise Fee accounts for the collection of gas and electric franchise fees to support pavement management.

Economic Development Authority accounts for the activities of the Economic Development Authority.

City of Inver Grove Heights, Minnesota
Nonmajor Special Revenue Funds
Subcombining Balance Sheet
December 31, 2019

	Convention and Visitors Bureau	Recreation	Franchise Fees	Economic Development Authority	Total
Assets					
Cash and temporary investments	\$ 114,833	\$ 350,194	\$ 1,836,526	\$ 172,680	\$ 2,474,233
Receivables					
Accrued interest	511	1,557	6,277	39	8,384
Taxes	7,870	-	-	-	7,870
Accounts	-	3,965	269,133	-	273,098
Prepaid items	4,075	105	-	7,203	11,383
Land held for resale	-	-	-	1,138,500	1,138,500
Total Assets	\$ 127,289	\$ 355,821	\$ 2,111,936	\$ 1,318,422	\$ 3,913,468
Liabilities					
Accounts and contracts payable	\$ 10,946	\$ 4,287	\$ -	\$ -	\$ 15,233
Accrued salaries payable	-	16,424	-	707	17,131
Due to other governments	-	414	-	-	414
Due to other funds	-	-	-	1,000,000	1,000,000
Deposits payable	-	18,254	-	-	18,254
Unearned revenue	-	14,107	-	-	14,107
Total Liabilities	10,946	53,486	-	1,000,707	1,065,139
Fund Balances					
Nonspendable	4,075	105	-	7,203	11,383
Committed	112,268	302,230	2,111,936	310,512	2,836,946
Total Fund Balances	116,343	302,335	2,111,936	317,715	2,848,329
Total Liabilities and Fund Balances	\$ 127,289	\$ 355,821	\$ 2,111,936	\$ 1,318,422	\$ 3,913,468

City of Inver Grove Heights, Minnesota
Nonmajor Special Revenue Funds
Subcombining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2019

	Convention and Visitors Bureau	Recreation	Franchise Fee	Economic Development Authority	Total
Revenues					
Taxes					
Franchise	\$ -	\$ -	\$ 1,065,913	\$ -	\$ 1,065,913
Lodging	133,808	-	-	-	133,808
Intergovernmental	7,000	-	-	-	7,000
Charges for services	-	206,624	-	-	206,624
Investment earnings	2,608	7,541	20,773	248	31,170
Miscellaneous	2,470	11,398	-	-	13,868
Total Revenues	<u>145,886</u>	<u>225,563</u>	<u>1,086,686</u>	<u>248</u>	<u>1,458,383</u>
Expenditures					
Current					
Culture and recreation	153,648	620,709	-	-	774,357
Community development	-	-	-	40,643	40,643
Total Expenditures	<u>153,648</u>	<u>620,709</u>	<u>-</u>	<u>40,643</u>	<u>815,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,762)</u>	<u>(395,146)</u>	<u>1,086,686</u>	<u>(40,395)</u>	<u>643,383</u>
Other Financing Sources (Uses)					
Transfers in	-	393,600	-	189,593	583,193
Transfers out	(6,690)	-	-	-	(6,690)
Total Other Financing Sources (Uses)	<u>(6,690)</u>	<u>393,600</u>	<u>-</u>	<u>189,593</u>	<u>576,503</u>
Net Change in Fund Balances	(14,452)	(1,546)	1,086,686	149,198	1,219,886
Prior Period Adjustment (See Note 10)	-	-	-	(166,286)	(166,286)
Fund Balances, January 1	<u>130,795</u>	<u>303,881</u>	<u>1,025,250</u>	<u>334,803</u>	<u>1,794,729</u>
Fund Balances, December 31	<u>\$ 116,343</u>	<u>\$ 302,335</u>	<u>\$ 2,111,936</u>	<u>\$ 317,715</u>	<u>\$ 2,848,329</u>

City of Inver Grove Heights, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Convention and Visitors Bureau Special Revenue Fund
For the Year Ended December 31, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Lodging taxes	\$ 148,000	\$ 148,000	\$ 133,808	\$ (14,192)
Intergovernmental	7,000	7,000	7,000	-
Investment earnings	-	-	2,608	2,608
Miscellaneous	-	-	2,470	2,470
Total Revenues	155,000	155,000	145,886	(9,114)
Expenditures				
Current				
Culture and recreation	160,300	160,300	153,648	6,652
Deficiency of Revenues				
Under Expenditures	(5,300)	(5,300)	(7,762)	(2,462)
Other Financing Uses				
Transfers out	(7,400)	(7,400)	(6,690)	710
Net Change in Fund Balances	(12,700)	(12,700)	(14,452)	(1,752)
Fund Balances, January 1	130,795	130,795	130,795	-
Fund Balances, December 31	<u>\$ 118,095</u>	<u>\$ 118,095</u>	<u>\$ 116,343</u>	<u>\$ (1,752)</u>

City of Inver Grove Heights, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Recreation Special Revenue Fund
For the Year Ended December 31, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Charges for services	\$ 224,700	\$ 224,700	\$ 206,624	\$ (18,076)
Investment earnings	4,700	4,700	7,541	2,841
Miscellaneous	10,000	10,000	11,398	1,398
Total Revenues	<u>239,400</u>	<u>239,400</u>	<u>225,563</u>	<u>(13,837)</u>
Expenditures				
Current				
Culture and recreation	<u>678,000</u>	<u>678,000</u>	<u>620,709</u>	<u>57,291</u>
Deficiency of Revenues				
Under Expenditures	(438,600)	(438,600)	(395,146)	43,454
Other Financing Sources				
Transfers in	<u>393,600</u>	<u>393,600</u>	<u>393,600</u>	<u>-</u>
Net Change in Fund Balances	(45,000)	(45,000)	(1,546)	43,454
Fund Balances, January 1	<u>303,881</u>	<u>303,881</u>	<u>303,881</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 258,881</u>	<u>\$ 258,881</u>	<u>\$ 302,335</u>	<u>\$ 43,454</u>

City of Inver Grove Heights, Minnesota
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Economic Development Authority Special Revenue Fund
For the Year Ended December 31, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Investment earnings	\$ -	\$ -	\$ 248	\$ 248
Expenditures				
Current				
Community development	75,100	110,100	40,643	69,457
Deficiency of Revenues				
Under Expenditures	(75,100)	(110,100)	(40,395)	69,705
Other Financing Sources				
Transfers in	75,100	75,100	189,593	114,493
Net Change in Fund Balances	-	(35,000)	149,198	184,198
Prior Period Adjustment (See Note 10)	-	-	(166,286)	(166,286)
Fund Balances, January 1	334,803	334,803	334,803	-
Fund Balances, December 31	<u>\$ 334,803</u>	<u>\$ 299,803</u>	<u>\$ 317,715</u>	<u>\$ 17,912</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Project funds account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by Proprietary funds).

Capital Facilities accounts for financial resources assigned for future City capital facilities.

Equipment Acquisition accounts for major equipment purchases.

Parks Acquisition and Development accounts for park dedication fees, related revenues and park and/or trail improvements.

State Aid Construction accounts for the use of municipal state aid allotments to finance projects not assessed such as street lights, sidewalks, and streets.

Capital Improvement Revolving accounts for preliminary construction costs incurred for projects not ordered.

Community Property accounts for financial resources assigned for future community property purchases and sales.

Storm Water Management accounts for storm water projects.

Tree Preservation accounts for financial resources assigned for tree preservation.

Parks Capital Replacement accounts for financial resources assigned for maintenance and replacement of parks facilities.

Americans with Disabilities Act accounts for financial resources assigned for building repairs and maintenance.

Community Projects accounts for financial resources assigned for future community projects.

Permanent Improvement Revolving accounts for improvement revenues and expenditures from replacement funds set aside for capital improvements.

Tax Increment Financing accounts for the use of tax increment in the City's tax increment districts.

City of Inver Grove Heights, Minnesota
Nonmajor Capital Projects Funds
Subcombining Balance Sheet
December 31, 2019

	Capital Facilities	Equipment Acquisition	Parks Acquisition and Development	State Aid Construction	Capital Improvement Revolving	Community Property
Assets						
Cash and temporary investments	\$ 71,523	\$ 623,424	\$ 2,122,115	\$ 419,853	\$ 599,470	\$ 22,203
Cash held with fiscal agent	-	-	-	-	-	-
Receivables						
Accrued interest	297	2,592	13,510	20,758	2,478	58
Taxes	-	-	-	-	30	-
Accounts	-	-	-	-	-	-
Special assessments	-	-	-	-	49,654	-
Total Assets	<u>\$ 71,820</u>	<u>\$ 626,016</u>	<u>\$ 2,135,625</u>	<u>\$ 440,611</u>	<u>\$ 651,632</u>	<u>\$ 22,261</u>
Liabilities						
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits payable	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Unavailable revenues - delinquent taxes	-	-	-	-	16	-
Unavailable revenues - special assessments	-	-	-	-	49,654	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,670</u>	<u>-</u>
Fund Balances						
Restricted	-	-	1,418,179	-	-	-
Assigned	71,820	626,016	717,446	440,611	601,962	22,261
Total Fund Balances	<u>71,820</u>	<u>626,016</u>	<u>2,135,625</u>	<u>440,611</u>	<u>601,962</u>	<u>22,261</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 71,820</u>	<u>\$ 626,016</u>	<u>\$ 2,135,625</u>	<u>\$ 440,611</u>	<u>\$ 651,632</u>	<u>\$ 22,261</u>

Storm Water Management	Tree Preservation	Parks Capital Replacement	Americans with Disabilities Act	Community Projects	Permanent Improvement Revolving	Tax Increment Financing	Total
\$ 2,198,626	\$ 129,002	\$ 1,317,584	\$ 254,252	\$ 159,569	\$ 79,325	\$ 2,639,910	\$ 10,636,856
-	-	-	-	-	-	1,500,000	1,500,000
9,949	535	5,756	830	736	272	9,416	67,187
-	-	-	-	-	18	6,263	6,311
180,364	-	-	-	-	-	-	180,364
-	-	-	-	-	12,963	-	62,617
<u>\$ 2,388,939</u>	<u>\$ 129,537</u>	<u>\$ 1,323,340</u>	<u>\$ 255,082</u>	<u>\$ 160,305</u>	<u>\$ 92,578</u>	<u>\$ 4,155,589</u>	<u>\$ 12,453,335</u>
\$ 4,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,633	\$ 175,532
1,587	-	-	-	-	-	-	1,587
4,822	-	-	-	-	-	-	4,822
11,308	-	-	-	-	-	170,633	181,941
-	-	-	-	-	15	5,653	5,684
-	-	-	-	-	12,963	-	62,617
-	-	-	-	-	12,978	5,653	68,301
-	-	-	-	-	-	3,979,303	5,397,482
2,377,631	129,537	1,323,340	255,082	160,305	79,600	-	6,805,611
2,377,631	129,537	1,323,340	255,082	160,305	79,600	3,979,303	12,203,093
<u>\$ 2,388,939</u>	<u>\$ 129,537</u>	<u>\$ 1,323,340</u>	<u>\$ 255,082</u>	<u>\$ 160,305</u>	<u>\$ 92,578</u>	<u>\$ 4,155,589</u>	<u>\$ 12,453,335</u>

City of Inver Grove Heights, Minnesota
Nonmajor Capital Projects Funds
Subcombining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2019

	Capital Facilities	Equipment Acquisition	Parks Acquisition and Development	State Aid Construction	Capital Improvement Revolving	Community Property
Revenues						
Tax increments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes	-	-	-	-	14	-
Charges for services	-	-	379,780	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings	1,395	12,024	60,494	75,415	8,085	173
Miscellaneous	-	-	205,593	-	-	-
Total Revenues	<u>1,395</u>	<u>12,024</u>	<u>645,867</u>	<u>75,415</u>	<u>8,099</u>	<u>173</u>
Expenditures						
Current						
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay						
Public safety	-	47,428	-	-	-	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	215,551	-	-	-
Community development	-	-	-	-	-	78,150
Debt service						
Interest and other	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>47,428</u>	<u>215,551</u>	<u>-</u>	<u>-</u>	<u>78,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,395</u>	<u>(35,404)</u>	<u>430,316</u>	<u>75,415</u>	<u>8,099</u>	<u>(77,977)</u>
Other Financing Sources (Uses)						
Transfers in	-	15,300	-	-	194,320	75,333
Transfers out	-	-	(1,282,867)	(3,289,125)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>15,300</u>	<u>(1,282,867)</u>	<u>(3,289,125)</u>	<u>194,320</u>	<u>75,333</u>
Net Change in Fund Balances	1,395	(20,104)	(852,551)	(3,213,710)	202,419	(2,644)
Fund Balances, January 1	<u>70,425</u>	<u>646,120</u>	<u>2,988,176</u>	<u>3,654,321</u>	<u>399,543</u>	<u>24,905</u>
Fund Balances, December 31	<u>\$ 71,820</u>	<u>\$ 626,016</u>	<u>\$ 2,135,625</u>	<u>\$ 440,611</u>	<u>\$ 601,962</u>	<u>\$ 22,261</u>

Storm Water Management	Tree Preservation	Parks Capital Replacement	Americans with Disabilities Act	Community Projects	Permanent Improvement Revolving	Tax Increment Financing	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,738,995	\$ 1,738,995
-	-	-	-	-	6	-	20
525,950	-	-	-	-	-	-	905,730
-	-	-	-	-	31,952	-	31,952
45,135	3,900	25,851	3,473	3,752	1,100	44,436	285,233
-	-	-	-	-	-	-	205,593
<u>571,085</u>	<u>3,900</u>	<u>25,851</u>	<u>3,473</u>	<u>3,752</u>	<u>33,058</u>	<u>1,783,431</u>	<u>3,167,523</u>
165,759	-	-	-	31,725	-	-	197,484
-	-	42,691	-	-	-	-	42,691
-	-	-	-	-	-	12,788	12,788
-	-	-	-	-	-	-	47,428
-	-	-	6,984	-	-	-	6,984
-	-	96,870	-	-	-	-	312,421
-	-	-	-	-	-	-	78,150
-	-	-	-	-	-	340,786	340,786
<u>165,759</u>	<u>-</u>	<u>139,561</u>	<u>6,984</u>	<u>31,725</u>	<u>-</u>	<u>353,574</u>	<u>1,038,732</u>
405,326	3,900	(113,710)	(3,511)	(27,973)	33,058	1,429,857	2,128,791
-	-	265,176	66,500	-	-	-	616,629
<u>(312,271)</u>	<u>-</u>	<u>(227,037)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(566,300)</u>	<u>(5,677,600)</u>
<u>(312,271)</u>	<u>-</u>	<u>38,139</u>	<u>66,500</u>	<u>-</u>	<u>-</u>	<u>(566,300)</u>	<u>(5,060,971)</u>
93,055	3,900	(75,571)	62,989	(27,973)	33,058	863,557	(2,932,180)
<u>2,284,576</u>	<u>125,637</u>	<u>1,398,911</u>	<u>192,093</u>	<u>188,278</u>	<u>46,542</u>	<u>3,115,746</u>	<u>15,135,273</u>
<u>\$ 2,377,631</u>	<u>\$ 129,537</u>	<u>\$ 1,323,340</u>	<u>\$ 255,082</u>	<u>\$ 160,305</u>	<u>\$ 79,600</u>	<u>\$ 3,979,303</u>	<u>\$ 12,203,093</u>

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued on the Following Pages)
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019			2018
	Budget Amounts		Actual Amounts	Actual Amounts
	Original	Final		
Revenues				
Taxes				
Property taxes	\$ 20,702,200	\$ 20,702,200	\$ 20,701,144	\$ 19,082,299
Cable franchise fees	111,800	111,800	105,536	111,786
Total taxes	<u>20,814,000</u>	<u>20,814,000</u>	<u>20,806,680</u>	<u>19,194,085</u>
Licenses and permits				
Business	1,371,600	1,371,600	1,883,178	1,512,932
Nonbusiness	7,500	7,500	1,559	2,669
Total licenses and permits	<u>1,379,100</u>	<u>1,379,100</u>	<u>1,884,737</u>	<u>1,515,601</u>
Intergovernmental				
Federal				
Other	-	-	-	14,553
State				
Police and fire aid	531,100	531,100	638,168	581,110
PERA aid	20,200	20,200	20,190	20,190
Other	100,000	100,000	945	6,103
County	63,000	63,000	18,670	12,958
Local	97,200	97,200	104,817	103,915
Total intergovernmental	<u>811,500</u>	<u>811,500</u>	<u>782,790</u>	<u>738,829</u>
Charges for services				
General government	4,600	4,600	6,138	(3,635)
Public safety	71,400	71,400	22,775	30,502
Public works	323,400	323,400	372,784	399,060
Rentals	223,000	223,000	241,237	206,272
Community development	25,300	25,300	28,044	40,574
Total charges for services	<u>647,700</u>	<u>647,700</u>	<u>670,978</u>	<u>672,773</u>
Fines and forfeitures	170,000	170,000	187,738	185,181
Special assessments	11,000	11,000	6,347	11,955
Investment earnings	139,500	139,500	192,324	123,461
Miscellaneous				
Donations	-	-	11,661	9,550
Other	5,700	5,700	39,300	13,528
Total miscellaneous	<u>5,700</u>	<u>5,700</u>	<u>50,961</u>	<u>23,078</u>
Total Revenues	<u>23,978,500</u>	<u>23,978,500</u>	<u>24,582,555</u>	<u>22,464,963</u>

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures					
Current					
General government					
Mayor and City Council					
Personnel services	\$ 49,900	\$ 49,900	\$ 49,186	\$ 714	\$ 49,580
Supplies	23,300	23,300	23,186	114	24,361
Other services and charges	110,200	104,100	148,135	(44,035)	116,573
Total mayor and city council	183,400	177,300	220,507	(43,207)	190,514
City administration					
Personnel services	756,100	756,100	756,612	(512)	662,617
Supplies	75,900	75,900	77,286	(1,386)	81,175
Other services and charges	165,800	165,800	180,870	(15,070)	173,324
Total city administration	997,800	997,800	1,014,768	(16,968)	917,116
Elections					
Personnel services	50,000	50,000	2,001	47,999	86,017
Supplies	6,100	6,100	8,940	(2,840)	18,020
Other services and charges	13,400	13,400	-	13,400	3,978
Total elections	69,500	69,500	10,941	58,559	108,015
Financial administration					
Personnel services	752,900	752,900	670,396	82,504	710,637
Supplies	67,400	67,400	67,273	127	71,562
Other services and charges	169,500	169,500	156,426	13,074	134,317
Total financial administration	989,800	989,800	894,095	95,705	916,516
Total general government	2,240,500	2,234,400	2,140,311	94,089	2,132,161
Public safety					
Police					
Personnel services	6,075,500	6,075,500	6,091,254	(15,754)	5,670,019
Supplies	551,800	551,800	538,595	13,205	536,165
Other services and charges	2,025,100	2,025,100	1,976,209	48,891	1,768,006
Total police	8,652,400	8,652,400	8,606,058	46,342	7,974,190
Fire					
Personnel services	1,988,200	2,024,200	1,924,004	100,196	1,568,200
Supplies	208,900	219,700	218,990	710	278,406
Other services and charges	1,039,400	1,070,700	1,062,240	8,460	933,151
Total fire	3,236,500	3,314,600	3,205,234	109,366	2,779,757
Total public safety	11,888,900	11,967,000	11,811,292	155,708	10,753,947

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public works					
Streets and highways					
Personnel services	\$ 209,700	\$ 209,700	\$ 215,729	\$ (6,029)	\$ 209,790
Supplies	13,700	13,700	13,400	300	13,800
Other services and charges	48,800	48,800	42,292	6,508	34,209
Total streets and highways	272,200	272,200	271,421	779	257,799
Engineering					
Personnel services	965,100	965,100	944,765	20,335	864,721
Supplies	96,200	96,200	101,768	(5,568)	82,221
Other services and charges	151,700	153,300	143,103	10,197	146,219
Total engineering	1,213,000	1,214,600	1,189,636	24,964	1,093,161
Street maintenance					
Personnel services	1,006,600	1,006,600	1,053,701	(47,101)	955,275
Supplies	532,400	532,400	458,843	73,557	476,048
Other services and charges	1,253,600	1,253,600	1,383,209	(129,609)	1,216,632
Total street maintenance	2,792,600	2,792,600	2,895,753	(103,153)	2,647,955
Street lighting					
Other services and charges	187,200	187,200	148,296	38,904	162,635
Total public works	4,465,000	4,466,600	4,505,106	(38,506)	4,161,550
Culture and recreation					
Parks and recreation					
Personnel services	1,128,900	1,128,900	1,060,790	68,110	1,013,956
Supplies	226,700	226,700	226,141	559	221,926
Other services and charges	788,500	797,100	791,104	5,996	732,741
Total culture and recreation	2,144,100	2,152,700	2,078,035	74,665	1,968,623
Community development					
Community development					
Personnel services	241,200	241,200	231,400	9,800	384,914
Supplies	51,600	51,600	52,164	(564)	54,828
Other services and charges	18,800	18,800	22,604	(3,804)	51,533
Total community development	311,600	311,600	306,168	5,432	491,275

City of Inver Grove Heights, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Budget Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Expenditures (Continued)					
Current (continued)					
Community development (continued)					
Planning					
Personnel services	\$ 370,700	\$ 370,700	\$ 341,295	\$ 29,405	\$ 271,344
Supplies	21,200	21,200	18,271	2,929	14,019
Other services and charges	121,700	121,700	99,627	22,073	42,156
Total planning	513,600	513,600	459,193	54,407	327,519
Inspections					
Personnel services	716,900	716,900	656,975	59,925	678,527
Supplies	63,900	63,900	62,537	1,363	61,909
Other services and charges	113,000	113,000	116,334	(3,334)	102,628
Total inspections	893,800	893,800	835,846	57,954	843,064
Total community development	1,719,000	1,719,000	1,601,207	117,793	1,661,858
Total current	22,457,500	22,539,700	22,135,951	403,749	20,678,139
Capital outlay					
Public safety	-	-	1,384	(1,384)	28,203
Public works	-	-	181	(181)	-
Total capital outlay	-	-	1,565	(1,565)	28,203
Total Expenditures	22,457,500	22,539,700	22,137,516	402,184	20,706,342
Excess of Revenues					
Over Expenditures	1,521,000	1,438,800	2,445,039	1,006,239	1,758,621
Other Financing Sources (Uses)					
Transfers in	478,000	478,000	520,551	42,551	639,994
Transfers out	(1,999,000)	(1,999,000)	(2,007,857)	(8,857)	(2,045,220)
Total Other Financing Sources (Uses)	(1,521,000)	(1,521,000)	(1,487,306)	33,694	(1,405,226)
Net Change in Fund Balances	-	(82,200)	957,733	1,039,933	353,395
Fund Balances, January 1	10,533,140	10,533,140	10,533,140	-	10,179,745
Fund Balances, December 31	<u>\$ 10,533,140</u>	<u>\$ 10,450,940</u>	<u>\$ 11,490,873</u>	<u>\$ 1,039,933</u>	<u>\$ 10,533,140</u>

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INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis. Revenues are recognized in the accounting period in which they are earned and become objectively measurable; expenses are recognized in the period incurred, if objectively measurable.

Compensated Absences was established to account for payment of unused vacation, sick, personal leave, severance and also the allocation of such costs to respective departments.

Risk Management was established to account for all City insurance programs related to the ongoing operations with the exception of employee benefit coverage.

Central Equipment was established to account for the cost of operating a maintenance facility and providing vehicles and equipment used by City departments and funds. The exception is the Golf Course fund which maintains its own equipment and vehicles.

Central Stores was established to account for the centralized purchase of consumable office supplies used by departments of the City.

City Facilities was established to account for the cost of maintaining City Hall. User departments are charged a rental fee based upon square footage.

Technology was established to account for the maintenance of all computer systems of the City.

City of Inver Grove Heights, Minnesota
Internal Service Funds
Combining Statement of Net Position
December 31, 2019

	Compensated Absences	Risk Management	Central Equipment	Central Stores
Assets				
Current Assets				
Cash and temporary investments	\$ 2,100,425	\$ 741,241	\$ 8,142,069	\$ 486,716
Receivables				
Accrued interest	8,164	3,704	39,112	2,028
Due from other funds	-	-	4,317,098	-
Inventories	-	-	56,762	-
Prepaid items	-	152,936	1,891,516	-
Total Current Assets	<u>2,108,589</u>	<u>897,881</u>	<u>14,446,557</u>	<u>488,744</u>
Noncurrent Assets				
Capital assets				
Land	-	-	209,122	-
Buildings and systems	-	-	1,708,857	-
Improvements other than buildings	-	-	240,717	-
Machinery and equipment	-	-	11,109,412	-
Less accumulated depreciation	-	-	(8,800,573)	-
Total Capital Assets (Net of Accumulated Depreciation)	<u>-</u>	<u>-</u>	<u>4,467,535</u>	<u>-</u>
Total Assets	<u>2,108,589</u>	<u>897,881</u>	<u>18,914,092</u>	<u>488,744</u>
Deferred Outflows of Resources				
Deferred pension resources	<u>-</u>	<u>653</u>	<u>24,972</u>	<u>-</u>
Liabilities				
Current Liabilities				
Accounts and contracts payable	-	1,189	63,962	8,232
Accrued salaries payable	-	416	19,007	-
Due to other governments	-	-	787	-
Compensated absences payable - current	879,124	1,050	30,073	-
Total Current Liabilities	<u>879,124</u>	<u>2,655</u>	<u>113,829</u>	<u>8,232</u>
Noncurrent Liabilities				
Compensated absences payable	1,230,906	1,406	45,021	-
Pension liability	-	5,518	211,140	-
Total Noncurrent Liabilities	<u>1,230,906</u>	<u>6,924</u>	<u>256,161</u>	<u>-</u>
Total Liabilities	<u>2,110,030</u>	<u>9,579</u>	<u>369,990</u>	<u>8,232</u>
Deferred Inflows of Resources				
Deferred pension resources	<u>-</u>	<u>989</u>	<u>37,837</u>	<u>-</u>
Net Position				
Investment in capital assets	-	-	4,467,535	-
Unrestricted	(1,441)	887,966	14,063,702	480,512
Total Net Position	<u>\$ (1,441)</u>	<u>\$ 887,966</u>	<u>\$ 18,531,237</u>	<u>\$ 480,512</u>

City Facilities	Technology	Total
\$ 408,831	\$ 1,152,567	\$ 13,031,849
1,652	4,398	59,058
-	-	4,317,098
-	-	56,762
-	-	2,044,452
<u>410,483</u>	<u>1,156,965</u>	<u>19,509,219</u>
-	-	209,122
15,700,645	-	17,409,502
-	-	240,717
26,586	999,202	12,135,200
<u>(2,527,980)</u>	<u>(732,720)</u>	<u>(12,061,273)</u>
<u>13,199,251</u>	<u>266,482</u>	<u>17,933,268</u>
<u>13,609,734</u>	<u>1,423,447</u>	<u>37,442,487</u>
<u>5,088</u>	<u>30,316</u>	<u>61,029</u>
41,253	39,118	153,754
3,099	21,760	44,282
-	11,988	12,775
7,204	21,710	939,161
<u>51,556</u>	<u>94,576</u>	<u>1,149,972</u>
14,379	38,660	1,330,372
43,022	256,326	516,006
<u>57,401</u>	<u>294,986</u>	<u>1,846,378</u>
<u>108,957</u>	<u>389,562</u>	<u>2,996,350</u>
<u>7,710</u>	<u>45,934</u>	<u>92,470</u>
13,199,251	266,482	17,933,268
<u>298,904</u>	<u>751,785</u>	<u>16,481,428</u>
<u>\$ 13,498,155</u>	<u>\$ 1,018,267</u>	<u>\$ 34,414,696</u>

City of Inver Grove Heights, Minnesota
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2019

	Compensated Absences	Risk Management	Central Equipment	Central Stores
Operating Revenues				
Charges for services	<u>\$ 222,709</u>	<u>\$ 961,400</u>	<u>\$ 2,885,500</u>	<u>\$ 99,200</u>
Operating Expenses				
Personnel services	267,962	3,142	410,739	-
Other current expenses	-	1,124,447	815,884	106,922
Depreciation	<u>-</u>	<u>-</u>	<u>978,019</u>	<u>-</u>
Total Operating Expenses	<u>267,962</u>	<u>1,127,589</u>	<u>2,204,642</u>	<u>106,922</u>
Operating Income (Loss)	<u>(45,253)</u>	<u>(166,189)</u>	<u>680,858</u>	<u>(7,722)</u>
Nonoperating Revenues				
Investment earnings	37,512	18,238	192,578	9,579
Miscellaneous revenues	<u>-</u>	<u>17,642</u>	<u>8,038</u>	<u>1,566</u>
Total Nonoperating Revenues	<u>37,512</u>	<u>35,880</u>	<u>200,616</u>	<u>11,145</u>
Income (Loss) Before Transfers and Contributions	(7,741)	(130,309)	881,474	3,423
Capital Contributions	-	-	8,259	-
Transfers Out	<u>-</u>	<u>-</u>	<u>(158,319)</u>	<u>-</u>
Change in Net Position	(7,741)	(130,309)	731,414	3,423
Net Position, January 1	<u>6,300</u>	<u>1,018,275</u>	<u>17,799,823</u>	<u>477,089</u>
Net Position, December 31	<u><u>\$ (1,441)</u></u>	<u><u>\$ 887,966</u></u>	<u><u>\$ 18,531,237</u></u>	<u><u>\$ 480,512</u></u>

City Facilities	Technology	Total
<u>\$ 621,463</u>	<u>\$ 1,170,300</u>	<u>\$ 5,960,572</u>
88,674	463,054	1,233,571
359,710	493,192	2,900,155
629,747	157,644	1,765,410
<u>1,078,131</u>	<u>1,113,890</u>	<u>5,899,136</u>
<u>(456,668)</u>	<u>56,410</u>	<u>61,436</u>
6,699	20,616	285,222
107	632	27,985
<u>6,806</u>	<u>21,248</u>	<u>313,207</u>
(449,862)	77,658	374,643
-	-	8,259
<u>(41,200)</u>	<u>-</u>	<u>(199,519)</u>
(491,062)	77,658	183,383
<u>13,989,217</u>	<u>940,609</u>	<u>34,231,313</u>
<u><u>\$ 13,498,155</u></u>	<u><u>\$ 1,018,267</u></u>	<u><u>\$ 34,414,696</u></u>

City of Inver Grove Heights, Minnesota
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2019

	Compensated Absences	Risk Management	Central Equipment	Central Stores
Cash Flows from Operating Activities				
Receipts from customers and users	\$ 222,709	\$ 961,400	\$ 2,885,500	\$ 99,200
Other operating receipts	-	17,628	7,518	1,566
Payments to suppliers	-	(1,172,436)	(823,066)	(100,876)
Payments to employees	(88,358)	(8,994)	(387,046)	-
Net Cash Provided (Used) by Operating Activities	<u>134,351</u>	<u>(202,402)</u>	<u>1,682,906</u>	<u>(110)</u>
Cash Flows from Noncapital Financing Activities				
Receipts on interfund balances	-	-	366,136	-
Transfers to other funds	-	-	(158,319)	-
Net Cash Used by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>207,817</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	-	-	(3,028,837)	-
Cash Flows from Investing Activities				
Investment receipts	<u>35,546</u>	<u>17,841</u>	<u>188,397</u>	<u>9,198</u>
Net Increase (Decrease) in Cash and Cash Equivalents	169,897	(184,561)	(949,717)	9,088
Cash and Cash Equivalents, January 1	<u>1,930,528</u>	<u>925,802</u>	<u>9,091,786</u>	<u>477,628</u>
Cash and Cash Equivalents, December 31	<u>\$ 2,100,425</u>	<u>\$ 741,241</u>	<u>\$ 8,142,069</u>	<u>\$ 486,716</u>

City Facilities	Technology	Total
\$ 621,463	\$ 1,170,320	\$ 5,960,592
-	-	26,712
(334,588)	(527,373)	(2,958,339)
<u>(86,047)</u>	<u>(452,440)</u>	<u>(1,022,885)</u>
<u>200,828</u>	<u>190,507</u>	<u>2,006,080</u>
-	-	366,136
<u>(41,200)</u>	<u>-</u>	<u>(199,519)</u>
<u>(41,200)</u>	<u>-</u>	<u>166,617</u>
<u>-</u>	<u>(34,548)</u>	<u>(3,063,385)</u>
<u>5,937</u>	<u>19,722</u>	<u>276,641</u>
165,565	175,681	(614,047)
<u>243,266</u>	<u>976,886</u>	<u>13,645,896</u>
<u>\$ 408,831</u>	<u>\$ 1,152,567</u>	<u>\$ 13,031,849</u>

City of Inver Grove Heights, Minnesota
Internal Service Funds
Statements of Cash Flows (Continued)
For the Year Ended December 31, 2019

	Compensated Absences	Risk Management	Central Equipment	Central Stores
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (45,253)	\$ (166,189)	\$ 680,858	\$ (7,722)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	-	-	978,019	-
Loss on disposal of capital assets	-	-	53,464	-
Other income related to operations	-	17,642	8,038	1,566
(Increase) decrease in assets/deferred outflows of resources				
Due from other governments	-	-	-	-
Inventories	-	-	3,071	-
Prepaid items	-	(23,305)	-	-
Deferred pension resources	-	1,665	18,284	-
Increase (decrease) in liabilities/deferred inflows of resources				
Accounts and contracts payable	-	(24,670)	(64,504)	6,046
Accrued salaries payable	-	(279)	5,844	-
Due to other governments	-	(14)	787	-
Compensated absences payable	179,604	24	7,259	-
Pension liability	-	(5,512)	5,323	-
Deferred pension resources	-	(1,764)	(13,537)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 134,351</u>	<u>\$ (202,402)</u>	<u>\$ 1,682,906</u>	<u>\$ (110)</u>
Schedule of Noncash Capital and Related Financing Activities				
Capital assets contributed from other funds	\$ -	\$ -	\$ 8,259	\$ -
Book value of assets disposed	\$ -	\$ -	\$ 53,464	\$ -

City Facilities	Technology	Totals
\$ (456,668)	\$ 56,410	\$ 61,436
629,747	157,644	1,765,410
-	-	53,464
107	632	27,985
-	20	20
-	-	3,071
-	1,680	(21,625)
3,942	26,888	50,779
25,122	(47,670)	(105,676)
403	7,709	13,677
-	11,809	12,582
1,134	13,249	201,270
56	(15,858)	(15,991)
<u>(3,015)</u>	<u>(22,006)</u>	<u>(40,322)</u>
<u>\$ 200,828</u>	<u>\$ 190,507</u>	<u>\$ 2,006,080</u>
\$ -	\$ -	\$ 8,259
\$ -	\$ -	\$ 53,464

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STATISTICAL SECTION (UNAUDITED)

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2019

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STATISTICAL SECTION (UNAUDITED)

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	<u>Pages</u>
Financial Trends	145 - 154
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	157 - 163
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
Debt Capacity	164 - 170
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	171 - 173
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	174 - 178
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

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City of Inver Grove Heights, Minnesota
Summary Financial Report
Governmental Funds
Revenues and Expenditures For General Operations
For the Years Ended December 31, 2019 and 2018

	Total		Percent Increase (Decrease)
	2019	2018	
Revenues			
Taxes	\$ 26,375,433	\$ 24,029,756	9.76 %
Licenses and permits	1,884,737	1,515,601	24.36
Intergovernmental	4,964,285	8,443,585	(41.21)
Charges for services	7,310,715	6,635,041	10.18
Fines and forfeits	187,738	185,181	1.38
Special assessments	1,354,147	1,235,379	9.61
Donations	-	88,317	(100.00)
Investment earnings	1,306,923	565,567	131.08
Miscellaneous	1,072,834	776,392	38.18
Total Revenues	<u>\$ 44,456,812</u>	<u>\$ 43,474,819</u>	2.26 %
Per Capita	\$ 1,253	\$ 1,229	1.95 %
Expenditures			
Current			
General government	\$ 2,147,501	\$ 2,147,041	0.02 %
Public safety	11,897,247	10,753,947	10.63
Public works	5,501,354	4,668,439	17.84
Culture and recreation	6,006,067	6,058,369	(0.86)
Community development	1,657,141	1,915,702	(13.50)
Capital outlay			
Public safety	7,930,343	1,832,467	332.77
Public works	6,432,444	11,223,873	(42.69)
Culture and recreation	3,400,085	4,374,262	(22.27)
Community development	619,779	672,805	(7.88)
Debt service			
Principal	2,385,000	11,015,000	(78.35)
Interest and other charges	1,234,714	1,134,477	8.84
Bond issuance costs	110,529	124,608	(11.30)
Total Expenditures	<u>\$ 49,322,204</u>	<u>\$ 55,920,990</u>	(11.80) %
Per Capita	\$ 1,390	\$ 1,581	(12.07) %
Total Long-term Indebtedness	\$ 33,864,154	\$ 33,773,490	0.27 %
Per Capita	954	955	(0.04)
General Fund Balance - December 31	\$ 11,490,873	\$ 10,533,140	9.09 %
Per Capita	324	298	8.76

The purpose of this report is to provide a summary of financial information concerning the City of Inver Grove Heights to interested citizens. The complete financial statements may be examined at City Hall, 8150 Barbara Avenue, Inver Grove Heights, MN 55077-3412. Questions about this report should be directed to the Finance Department at (651) 450-2500.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	Restated 2012 (1)	2013
Governmental Activities				
Net investment in capital assets	\$ 74,158,575	\$ 72,950,086	\$ 83,551,495	\$ 85,313,175
Restricted	12,453,322	14,658,567	6,562,002	5,419,184
Unrestricted	25,315,734	20,841,229	35,453,954	33,615,784
Total Governmental Activities Net Position	<u>\$ 111,927,631</u>	<u>\$ 108,449,882</u>	<u>\$ 125,567,451</u>	<u>\$ 124,348,143</u>
Business-type Activities				
Net investment in capital assets	\$ 45,236,978	\$ 56,914,506	\$ 34,833,936	\$ 38,002,856
Restricted	658,415	452,053	-	-
Unrestricted	12,609,019	9,876,848	18,909,882	21,168,180
Total Business-type Activities Net Position	<u>\$ 58,504,412</u>	<u>\$ 67,243,407</u>	<u>\$ 53,743,818</u>	<u>\$ 59,171,036</u>
Total Primary Government				
Net investment in capital assets	\$ 119,395,553	\$ 129,864,592	\$ 118,385,431	\$ 123,316,031
Restricted	13,111,737	15,110,620	6,562,002	5,419,184
Unrestricted	37,924,753	30,718,077	54,363,836	54,783,964
Total Primary Government Net Position	<u>\$ 170,432,043</u>	<u>\$ 175,693,289</u>	<u>\$ 179,311,269</u>	<u>\$ 183,519,179</u>

Note: The City implemented GASB Statement No. 63 and GASB Statement No. 65 in fiscal 2013. Net position information has been restated for 2012 for this accounting change. Years prior to 2012 have not been restated. The City implemented GASB Statement No. 68 and GASB Statement No. 67 in fiscal 2015. Years prior to 2015 have not been restated. The City implemented GASB Statement No. 75 in fiscal 2018. Years prior to 2018 have not been restated.

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2014	2015	2016	2017	2018	2019
\$ 88,745,756	\$ 92,587,696	\$ 96,443,126	\$ 93,604,421	\$ 101,204,542	\$ 108,559,698
6,560,238	7,697,092	8,666,803	10,112,971	9,651,283	9,707,215
37,024,099	32,064,187	30,600,727	31,939,890	39,293,328	42,628,763
<u>\$ 132,330,093</u>	<u>\$ 132,348,975</u>	<u>\$ 135,710,656</u>	<u>\$ 135,657,282</u>	<u>\$ 150,149,153</u>	<u>\$ 160,895,676</u>
\$ 38,248,637	\$ 40,500,700	\$ 48,192,046	\$ 49,136,855	\$ 51,148,138	\$ 51,455,529
-	-	-	-	-	-
20,875,925	18,559,610	13,397,258	10,707,274	9,464,848	11,295,098
<u>\$ 59,124,562</u>	<u>\$ 59,060,310</u>	<u>\$ 61,589,304</u>	<u>\$ 59,844,129</u>	<u>\$ 60,612,986</u>	<u>\$ 62,750,627</u>
\$ 126,994,393	\$ 133,088,396	\$ 144,635,172	\$ 142,741,276	\$ 152,352,680	\$ 160,015,227
6,560,238	7,697,092	8,666,803	10,112,971	9,651,283	9,707,215
57,900,024	50,623,797	43,997,985	42,647,164	48,758,176	53,923,861
<u>\$ 191,454,655</u>	<u>\$ 191,409,285</u>	<u>\$ 197,299,960</u>	<u>\$ 195,501,411</u>	<u>\$ 210,762,139</u>	<u>\$ 223,646,303</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Changes in Net Position (Continued on the Following Pages)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	Restated 2012 (1)	2013
Expenses				
Governmental activities				
General government	\$ 1,996,947	\$ 1,873,647	\$ 1,835,043	\$ 1,789,711
Public safety	7,335,691	7,399,743	7,840,331	7,806,417
Public works	8,655,734	7,135,787	10,021,043	6,225,122
Culture and recreation	6,296,071	6,990,333	6,320,509	6,417,200
Community development	1,216,039	1,202,751	1,786,359	1,784,117
Interest on long-term debt	1,945,392	2,230,632	1,612,457	1,026,367
Total Governmental Activities Expenses	<u>27,445,874</u>	<u>26,832,893</u>	<u>29,415,742</u>	<u>25,048,934</u>
Business-type activities				
Water	2,367,258	2,393,558	2,967,411	2,550,172
Sewer	2,728,937	3,018,197	3,253,964	3,342,170
Golf course	1,905,427	2,014,668	1,926,395	1,653,246
Total Business-type Activities Expenses	<u>7,001,622</u>	<u>7,426,423</u>	<u>8,147,770</u>	<u>7,545,588</u>
Total Primary Government Expenses	<u>\$ 34,447,496</u>	<u>\$ 34,259,316</u>	<u>\$ 37,563,512</u>	<u>\$ 32,594,522</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 495,545	\$ 557,450	\$ 578,465	\$ 13,492
Public safety	413,967	456,068	540,587	612,664
Public works	3,435,705	2,810,312	3,176,747	3,159,957
Culture and recreation	2,673,480	2,677,946	2,864,888	2,683,173
Community development	436,696	667,667	720,775	1,082,712
Operating grants and contributions	861,740	876,505	938,347	952,499
Capital grants and contributions	9,618,339	5,382,914	5,320,013	2,971,574
Total Governmental Activities Program Revenues	<u>17,935,472</u>	<u>13,428,862</u>	<u>14,139,822</u>	<u>11,476,071</u>
Business-type activities				
Charges for services				
Water	2,762,005	2,879,883	3,304,846	3,054,386
Sewer	2,697,623	2,776,965	2,875,891	3,016,134
Golf course	1,436,476	1,405,244	2,819,818	1,402,594
Operating grants and contributions	-	-	-	1,961
Capital grants and contributions	1,852,464	28,889	92,036	1,188,808
Total Business-type Activities Program Revenues	<u>8,748,568</u>	<u>7,090,981</u>	<u>9,092,591</u>	<u>8,663,883</u>
Total Primary Government Program Revenues	<u>\$ 26,684,040</u>	<u>\$ 20,519,843</u>	<u>\$ 23,232,413</u>	<u>\$ 20,139,954</u>

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 1,764,065	\$ 1,655,475	\$ 2,996,056	\$ 2,481,001	\$ 2,395,582	\$ 3,017,849
8,069,896	8,109,514	10,727,458	12,087,235	10,236,391	11,486,291
7,284,147	6,816,075	8,887,750	7,690,391	7,056,944	8,989,180
6,382,850	6,576,337	6,768,580	7,919,434	7,139,360	7,497,438
-	1,792,921	1,599,270	2,540,933	2,124,968	2,322,377
873,009	771,350	926,142	1,007,774	1,091,471	1,452,062
<u>24,373,967</u>	<u>25,721,672</u>	<u>31,905,256</u>	<u>33,726,768</u>	<u>30,044,716</u>	<u>34,765,197</u>
2,722,584	2,381,673	2,562,739	2,705,498	3,003,465	2,779,567
3,422,724	3,628,484	3,571,160	4,265,285	4,123,098	3,959,592
1,537,243	1,581,313	1,486,481	3,901,573	1,932,241	1,796,957
<u>7,682,551</u>	<u>7,591,470</u>	<u>7,620,380</u>	<u>10,872,356</u>	<u>9,058,804</u>	<u>8,536,116</u>
<u>\$ 32,056,518</u>	<u>\$ 33,313,142</u>	<u>\$ 39,525,636</u>	<u>\$ 44,599,124</u>	<u>\$ 39,103,520</u>	<u>\$ 43,301,313</u>
\$ 13,086	\$ 11,190	\$ 19,706	\$ 21,386	\$ 12,049	\$ 49,005
625,566	629,828	628,342	689,060	635,233	769,972
3,257,758	3,552,354	3,346,781	3,038,693	3,469,315	3,971,781
2,966,749	3,184,781	3,570,598	2,922,124	3,210,032	3,314,495
1,144,089	702,948	1,019,012	1,202,410	1,401,683	1,754,000
1,170,083	1,012,882	986,082	1,219,181	2,567,895	3,254,500
6,587,288	3,860,088	5,079,885	2,125,371	7,803,984	4,182,202
<u>15,764,619</u>	<u>12,954,071</u>	<u>14,650,406</u>	<u>11,218,225</u>	<u>19,100,191</u>	<u>17,295,955</u>
2,818,851	2,899,782	2,878,095	3,051,811	3,132,068	3,031,231
3,052,651	3,088,659	3,281,356	3,460,592	3,693,679	3,753,168
1,414,141	1,634,226	1,306,162	1,467,194	1,879,599	1,755,886
1,418	12,587	12,345	8,283	10,087	6,667
1,177,104	1,463,961	2,175,951	1,392,096	1,717,863	2,106,572
<u>8,464,165</u>	<u>9,099,215</u>	<u>9,653,909</u>	<u>9,379,976</u>	<u>10,433,296</u>	<u>10,653,524</u>
<u>\$ 24,228,784</u>	<u>\$ 22,053,286</u>	<u>\$ 24,304,315</u>	<u>\$ 20,598,201</u>	<u>\$ 29,533,487</u>	<u>\$ 27,949,479</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	Restated 2012 (1)	2013
Net Revenues (Expenses)				
Governmental activities	\$ (9,510,402)	\$(13,404,031)	\$(15,275,920)	\$(13,572,863)
Business-type activities	1,746,946	(335,442)	944,821	1,118,295
Total Primary Government Net Revenues (Expenses)	<u><u>\$ (7,763,456)</u></u>	<u><u>\$(13,739,473)</u></u>	<u><u>\$(14,331,099)</u></u>	<u><u>\$(12,454,568)</u></u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 15,188,210	\$ 15,043,355	\$ 14,943,650	\$ 14,607,605
Tax increments	1,931,921	1,969,395	1,922,302	1,861,618
Lodging taxes	67,329	77,882	79,790	88,151
Franchise taxes	86,148	88,755	90,442	90,442
Grants and contributions not restricted to specific programs	130,042	134,220	300,636	162,694
Other general revenues	93,539	159,354	-	-
Unrestricted investment earnings	669,074	1,165,824	375,830	(210,750)
Gain on sale of capital assets	-	210,741	1,561	17,780
Transfers	2,221,384	(8,923,244)	(1,388,301)	(4,263,985)
Total Governmental Activities	<u><u>20,387,647</u></u>	<u><u>9,926,282</u></u>	<u><u>16,325,910</u></u>	<u><u>12,353,555</u></u>
Business-type activities				
Unrestricted investment earnings	131,225	151,193	274,251	44,938
Transfers	(2,221,384)	8,923,244	1,388,301	4,263,985
Total Business-type Activities	<u><u>(2,090,159)</u></u>	<u><u>9,074,437</u></u>	<u><u>1,662,552</u></u>	<u><u>4,308,923</u></u>
Total Primary Government	<u><u>\$ 18,297,488</u></u>	<u><u>\$ 19,000,719</u></u>	<u><u>\$ 17,988,462</u></u>	<u><u>\$ 16,662,478</u></u>
Change in Net Position				
Governmental activities	\$ 10,877,245	\$ (3,477,749)	\$ 1,049,990	\$ (1,219,308)
Business-type activities	(343,213)	8,738,995	2,607,373	5,427,218
Total Primary Government	<u><u>\$ 10,534,032</u></u>	<u><u>\$ 5,261,246</u></u>	<u><u>\$ 3,657,363</u></u>	<u><u>\$ 4,207,910</u></u>

Note: The City implemented GASB Statement No. 63 and GASB Statement No. 65 in fiscal 2013. Net position information has been restated for 2012 for this accounting change. Years prior to 2012 have not been restated. The City implemented GASB Statement No. 68 and GASB Statement No. 67 in fiscal 2015. Years prior to 2015 have not been restated. The City implemented GASB Statement No. 75 in fiscal 2018. Years prior to 2018 have not been restated.

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (8,609,348)	\$(12,767,601)	\$(17,254,850)	\$(22,508,543)	\$(10,944,525)	\$(17,469,242)
781,614	1,507,745	2,033,529	(1,492,380)	1,374,492	2,117,408
<u>\$ (7,827,734)</u>	<u>\$(11,259,856)</u>	<u>\$(15,221,321)</u>	<u>\$(24,000,923)</u>	<u>\$ (9,570,033)</u>	<u>\$(15,351,834)</u>
\$ 15,070,818	\$ 16,657,367	\$ 18,068,901	\$ 19,395,888	\$ 21,043,742	\$ 23,348,621
1,931,061	2,020,664	1,959,743	1,578,646	1,655,941	1,738,995
105,877	106,361	128,367	133,979	133,872	133,808
90,442	98,221	103,406	107,441	1,135,415	1,171,449
95,004	144,337	280,346	146,791	161,095	75,893
-	-	-	-	-	-
575,796	435,751	345,223	545,279	761,542	1,592,145
12,855	11,070	78,545	89,116	21,486	-
1,112,503	841,284	(348,000)	458,029	939,547	321,140
<u>18,994,356</u>	<u>20,315,055</u>	<u>20,616,531</u>	<u>22,455,169</u>	<u>25,852,640</u>	<u>28,382,051</u>
284,415	232,427	147,465	205,234	354,181	341,373
(1,112,503)	(841,284)	348,000	(458,029)	(939,547)	(321,140)
<u>(828,088)</u>	<u>(608,857)</u>	<u>495,465</u>	<u>(252,795)</u>	<u>(585,366)</u>	<u>20,233</u>
<u>\$ 18,166,268</u>	<u>\$ 19,706,198</u>	<u>\$ 21,111,996</u>	<u>\$ 22,202,374</u>	<u>\$ 25,267,274</u>	<u>\$ 28,402,284</u>
\$ 10,385,008	\$ 7,547,454	\$ 3,361,681	\$ (53,374)	\$ 14,908,115	\$ 10,912,809
(46,474)	898,888	2,528,994	(1,745,175)	789,126	2,137,641
<u>\$ 10,338,534</u>	<u>\$ 8,446,342</u>	<u>\$ 5,890,675</u>	<u>\$ (1,798,549)</u>	<u>\$ 15,697,241</u>	<u>\$ 13,050,450</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	Restated 2012 (1)	2013
General Fund				
Reserved	\$ 2,745	N/A	N/A	N/A
Unreserved	5,773,572	N/A	N/A	N/A
Nonspendable	N/A	\$ 24,021	\$ 9,159	\$ 4,399
Restricted	N/A	-	45,800	76,800
Unassigned	N/A	6,326,550	7,232,157	8,029,014
Total General Fund	<u>\$ 5,776,317</u>	<u>\$ 6,350,571</u>	<u>\$ 7,287,116</u>	<u>\$ 8,110,213</u>
All Other Governmental Funds				
Reserved	\$ 5,342,811	N/A	N/A	N/A
Unreserved, reported in				
Special revenue funds	772,562	N/A	N/A	N/A
Capital project funds	19,084,320	N/A	N/A	N/A
Debt service funds	3,794,637	N/A	N/A	N/A
Nonspendable	N/A	\$ 621	\$ 1,001,348	\$ 19,644
Restricted	N/A	6,874,221	4,234,679	3,088,157
Committed	N/A	596,070	630,787	1,038,100
Assigned	N/A	20,691,467	15,858,720	13,113,187
Unassigned	N/A	(2,144,267)	(3,026,964)	(3,246,835)
Total All Other Governmental Funds	<u>\$ 28,994,330</u>	<u>\$ 26,018,112</u>	<u>\$ 18,698,570</u>	<u>\$ 14,012,253</u>

Note: GASB Statement No. 54 replaced the categories used to classify fund balance. The City implemented GASB Statement No. 54 in 2011, prior year balances were not reclassified.

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental to enterprise (business-type) in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2014	2015	2016	2017	2018	2019
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
\$ 57,292	\$ 3,667	\$ 15,799	\$ 141,195	\$ 12,679	\$ 177,753
22,000	-	-	-	-	-
9,111,824	9,922,952	9,600,129	10,038,550	10,520,461	11,313,120
<u>\$ 9,191,116</u>	<u>\$ 9,926,619</u>	<u>\$ 9,615,928</u>	<u>\$ 10,179,745</u>	<u>\$ 10,533,140</u>	<u>\$ 11,490,873</u>
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
\$ 21,450	\$ 7,203	\$ 2,887	\$ 17,761	\$ 105,287	\$ 15,236
4,137,256	10,128,899	18,332,804	20,275,918	16,286,001	10,642,272
1,023,281	955,348	720,397	738,817	1,790,562	2,836,946
13,249,048	14,066,297	13,408,861	17,069,166	22,069,612	21,371,523
(2,727,214)	(1,949,474)	(1,847,409)	(3,741,559)	(6,573,705)	(4,101,728)
<u>\$ 15,703,821</u>	<u>\$ 23,208,273</u>	<u>\$ 30,617,540</u>	<u>\$ 34,360,103</u>	<u>\$ 33,677,757</u>	<u>\$ 30,764,249</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	Restated 2012 (1)	2013
Revenues				
Taxes	\$ 17,198,981	\$ 17,258,994	\$ 17,091,099	\$ 16,627,528
Licenses and permits	515,398	815,420	750,483	951,948
Intergovernmental	3,347,225	3,948,793	4,170,433	2,143,879
Charges for services	6,183,014	5,560,114	6,168,808	6,241,363
Fines and forfeitures	141,962	115,075	125,164	148,113
Special assessments	2,887,090	2,397,132	1,945,973	1,500,383
Donations	-	-	-	-
Investment earnings	527,014	991,558	213,053	(183,005)
Miscellaneous	1,546,668	847,598	1,383,500	261,540
Total Revenues	<u>32,347,352</u>	<u>31,934,684</u>	<u>31,848,513</u>	<u>27,691,749</u>
Expenditures				
Current				
General government	1,873,064	1,852,938	1,697,773	1,623,512
Public safety	7,202,451	7,304,412	7,644,656	7,750,149
Public works	4,949,744	6,081,929	5,995,442	4,168,764
Culture and recreation	5,019,535	5,346,020	4,932,946	4,926,142
Community development	1,269,570	1,212,442	1,298,078	1,612,680
Capital outlay	16,080,562	6,819,201	8,003,440	3,440,919
Debt service				
Principal	3,828,462	4,215,622	3,194,586	4,632,042
Interest and other charges	1,993,944	2,278,893	1,476,542	1,112,013
Bond issuance costs	-	-	-	-
Total Expenditures	<u>42,217,332</u>	<u>35,111,457</u>	<u>34,243,463</u>	<u>29,266,221</u>
Deficiency of Revenues under expenditures	<u>(9,869,980)</u>	<u>(3,176,773)</u>	<u>(2,394,950)</u>	<u>(1,574,472)</u>
Other Financing Sources (Uses)				
Transfers in	14,723,247	12,099,659	11,122,977	9,003,530
Transfers out	(11,114,442)	(10,853,484)	(11,829,020)	(10,907,954)
Bond proceeds	11,770,000	-	-	-
Discount on bonds issued	(18,485)	-	-	-
Premium on bonds issued	-	58,634	13,500	-
Refunding bonds issued	-	4,505,000	395,000	-
Payment to refunded bond escrow agent	-	-	-	-
Principal paid on refunded bonds	-	(5,240,000)	-	(400,000)
Insurance recovery	-	-	-	15,676
Sale of capital assets	-	205,000	-	-
Total Other Financing Sources (Uses)	<u>15,360,320</u>	<u>774,809</u>	<u>(297,543)</u>	<u>(2,288,748)</u>
Net Change in Fund Balances	<u>\$ 5,490,340</u>	<u>\$ (2,401,964)</u>	<u>\$ (2,692,493)</u>	<u>\$ (3,863,220)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>22.24%</u>	<u>23.32%</u>	<u>16.27%</u>	<u>21.65%</u>

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental to enterprise (business-type) in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2014	2015	2016	2017	2018	2019
\$ 17,190,552	\$ 18,951,875	\$ 20,287,670	\$ 21,228,180	\$ 24,029,756	\$ 26,375,433
1,241,654	844,006	1,133,121	1,355,686	1,515,601	1,884,737
4,124,588	1,111,405	2,686,298	1,828,149	8,443,585	4,964,285
6,389,688	6,857,352	7,073,953	6,044,318	6,635,041	7,310,715
135,382	120,029	119,855	173,365	185,181	187,738
2,295,620	1,759,195	1,536,041	1,649,876	1,235,379	1,354,147
-	-	-	-	88,317	-
359,937	257,824	231,466	391,228	565,567	1,306,923
234,831	455,909	771,714	1,050,756	776,392	1,072,834
<u>31,972,252</u>	<u>30,357,595</u>	<u>33,840,118</u>	<u>33,721,558</u>	<u>43,474,819</u>	<u>44,456,812</u>
1,641,093	1,667,440	1,868,611	1,870,026	2,147,041	2,147,501
7,959,499	8,342,569	9,332,846	9,837,271	10,753,947	11,897,247
4,466,294	4,580,122	4,504,655	4,848,977	4,668,439	5,501,354
5,174,615	5,284,502	5,268,205	5,696,321	6,058,369	6,006,067
1,499,946	1,612,736	1,696,528	2,008,043	1,915,702	1,657,141
5,497,746	4,939,260	8,747,031	6,000,301	18,103,407	18,382,651
6,249,919	3,688,280	2,851,870	2,575,000	11,015,000	2,385,000
888,890	675,558	787,537	882,784	1,134,477	1,234,714
83,755	131,221	140,713	85,505	124,608	110,529
<u>33,461,757</u>	<u>30,921,688</u>	<u>35,197,996</u>	<u>33,804,228</u>	<u>55,920,990</u>	<u>49,322,204</u>
<u>(1,489,505)</u>	<u>(564,093)</u>	<u>(1,357,878)</u>	<u>(82,670)</u>	<u>(12,446,171)</u>	<u>(4,865,392)</u>
7,171,496	5,633,063	7,596,433	5,668,147	9,224,763	9,746,464
(5,917,699)	(4,762,561)	(7,928,133)	(4,960,644)	(7,300,022)	(9,225,805)
-	7,745,000	-	3,505,000	9,785,000	2,500,000
-	-	-	-	-	-
118,912	188,546	273,154	128,904	407,479	55,244
4,650,000	-	8,515,000	-	-	-
(1,761,033)	-	-	-	-	-
-	-	-	-	-	-
300	-	-	-	-	-
-	-	-	47,643	-	-
<u>4,261,976</u>	<u>8,804,048</u>	<u>8,456,454</u>	<u>4,389,050</u>	<u>12,117,220</u>	<u>3,075,903</u>
<u>\$ 2,772,471</u>	<u>\$ 8,239,955</u>	<u>\$ 7,098,576</u>	<u>\$ 4,306,380</u>	<u>\$ (328,951)</u>	<u>\$ (1,789,489)</u>
<u>24.25%</u>	<u>16.36%</u>	<u>12.30%</u>	<u>10.98%</u>	<u>31.32%</u>	<u>10.86%</u>

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City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Tax Increments</u>	<u>Lodging Tax</u>	<u>Franchise Tax</u>	<u>Total</u>
2010	\$ 15,113,583	\$ 1,931,921	\$ 67,329	\$ 86,148	\$ 17,198,981
2011	15,122,962	1,969,395	77,882	88,755	17,258,994
2012	14,998,565	1,922,302	79,790	90,442	17,091,099
2013	14,587,317	1,861,618	85,530	93,063	16,627,528
2014	15,063,172	1,931,061	98,691	97,628	17,190,552
2015	16,726,629	2,020,664	106,361	98,221	18,951,875
2016	18,096,154	1,959,743	128,367	103,406	20,287,670
2017	19,408,114	1,578,646	133,979	107,441	21,228,180
2018	21,104,528	1,655,941	133,872	1,135,415 ⁽¹⁾	24,029,756
2019	23,331,181	1,738,995	133,808	1,171,449	26,375,433

(1) The City began the collection of gas and electric utility franchise fees in 2018.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended December 31, (1)	Tax Capacity				
	Real Property		Personal Property	Less Tax Exempt Real Property	Total Taxable Assessed Value
	Residential Property	Commercial Property			
2010	\$ 28,706,695	\$ 9,408,125	\$ 601,227	\$ 3,681,380	\$ 35,034,667
2011	26,997,619	9,019,537	642,312	3,833,236	32,826,232
2012	24,584,767	9,012,637	664,866	3,795,448	30,466,822
2013	22,793,327	9,065,568	706,136	3,788,856	28,776,175
2014	23,532,484	9,252,706	711,742	3,824,454	29,672,478
2015	25,635,739	9,263,633	726,252	3,914,916	31,710,708
2016	27,361,534	9,779,662	753,881	4,071,056	33,824,021
2017	28,111,605	9,722,415	787,939	4,126,152	34,495,807
2018	31,103,141	9,930,791	823,979	4,623,984	37,233,927
2019	33,620,344	10,011,283	802,338	4,660,532	39,773,433

Source: Dakota County Assessor.

(1) Represents the year the taxes are payable, not the year the taxes are levied.

Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
41.757	\$3,311,984,400	1.17 %
43.162	3,128,770,600	1.17
44.883	2,893,900,109	1.18
46.312	2,720,514,055	1.20
46.128	2,798,175,018	1.20
48.131	3,005,516,326	1.19
49.266	3,198,957,044	1.18
51.644	3,270,107,980	1.18
51.112	3,560,206,357	1.18
53.537	3,805,930,599	1.17

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City of Inver Grove Heights		
	Operating Millage	Debt Service Millage	Total Direct Rate
2010	38.821 %	2.936 %	41.757 %
2011	40.540	2.629	43.169
2012	40.974	3.909	44.883
2013	42.116	4.196	46.312
2014	41.849	4.279	46.128
2015	43.984	4.147	48.131
2016	43.621	5.645	49.266
2017	45.717	5.927	51.644
2018	46.379	4.733	51.112
2019	47.674	5.863	53.537

Source: Dakota County Treasurer - Auditor.

1 Overlapping rates are those of local and county governments that apply to property owners within the City of Inver Grove Heights. Not all overlapping rates apply to all City of Inver Grove Heights property owners (i.e. the rates for School District #199 apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the school district.)

(2) Special districts include: Metropolitan Council, Mosquito Control, and Metropolitan Transit.

Overlapping Rates (1)					Total Direct & Overlapping Rates
Dakota County	School District No. 199	School District No. 196	School District No. 197	Special Districts (2)	
27.269 %	21.795 %	25.391 %	18.850 %	4.421 %	139.483 %
29.149	24.679	26.959	19.692	4.644	148.292
31.426	28.363	28.440	21.857	5.021	159.990
33.421	27.556	27.956	24.429	5.341	165.015
31.827	33.418	27.606	23.863	4.993	167.835
29.633	34.864	23.271	24.063	4.567	164.529
28.570	30.272	24.317	22.170	4.614	159.209
28.004	28.572	23.336	22.295	4.458	158.309
26.580	26.680	21.352	21.224	3.878	150.826
25.386	26.537	20.613	24.246	3.824	154.143

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Principal Property Taxpayers
Current and Nine Years Ago

Taxpayer	2019			2010		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
Xcel Energy (Northern States Power)	\$ 1,990,390	1	4.48 %	\$ 1,486,724	1	3.58 %
Flint Hills	951,622	2	2.14	524,414	2	1.26
Southview Gables	910,970	3	2.05	425,000	3	1.02
Lake Cove Village Partnership	497,176	4	1.12	359,732	5	0.87
Salem Green Ltd. Partnership	473,102	5	1.06	262,501	9	0.63
PHM Inver Grove Inc	440,401	6	0.99	360,784	4	0.87
Brentwood Hills Ltd. Partnership	350,636	7	0.79	275,000	8	0.66
Pearlwood Estates LP	349,684	8	0.79	306,694	6	0.74
Chicago & NW Trans Co.	314,012	9	0.71	-		-
Vansouth Ltd. Partnership	285,186	10	0.64	-		-
Farmers Union Central Exchange (Cenex)	-		-	303,470	7	0.73
Individual	-		-	237,500	10	0.57
Total	<u>\$ 6,563,179</u>		<u>14.77 %</u>	<u>\$ 4,541,819</u>		<u>10.93 %</u>

Source: Dakota County Treasurer - Auditor.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year	Collection of Current Year's Levy	Percentage of Levy Collected	Collection of Prior Years' Levy	Total Collections	Percentage of Total Collections to Levy
2010	\$ 15,689,990	\$ 14,872,404	94.79 %	\$ 167,249	\$ 15,039,653	95.86 %
2011	15,632,796	14,836,938	94.91	133,075	14,970,013	95.76
2012	14,958,691	14,850,595	99.28	67,699	14,918,294	99.73
2013	14,551,809	14,486,760	99.55	65,049	14,551,809	100.00
2014	15,056,760	14,906,474	99.00	150,286	15,056,760	100.00
2015	16,468,844	16,369,815	99.40	99,029	16,468,844	100.00
2016	18,022,195	17,928,458	99.48	93,737	18,022,195	100.00
2017	19,197,825	19,056,388	99.26	141,437	19,197,825	100.00
2018	21,041,791	20,921,998	99.43	119,793	21,041,791	100.00
2019	23,310,688	23,282,030	99.88	-	23,282,030	99.88

Source: Dakota County Treasurer - Auditor.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income		Per Capita
	General Obligation (G.O.) Bonds (1)	G.O. Tax Increment Bonds	G.O. Special Assessments Bonds	G.O. Revenue Bonds (1)	Capital Leases				
2010	\$ 32,241,708	\$ 11,128,847	\$ 16,055,000	\$ 1,620,000	\$ -	\$61,045,555	3.76	%	\$ 1,802
2011	30,800,655	9,924,586	13,655,000	1,235,000	157,875	55,773,116	4.77		1,651
2012	12,288,258	8,540,273	12,252,929	24,356,205	108,445	57,546,110	4.97		1,704
2013	10,171,859	6,105,000	10,456,544	21,040,004	83,245	47,856,652	4.02		1,400
2014	9,790,308	3,982,550	9,796,053	17,282,225	56,823	40,907,959	3.79		1,187
2015	17,363,296	2,836,275	7,567,731	20,408,629	29,120	48,205,051	3.94		1,389
2016	25,734,951	1,681,275	6,242,731	19,018,096	-	52,677,053	4.27		1,502
2017	25,073,158	1,131,275	8,452,731	23,197,427	-	57,854,591	4.45		1,642
2018	25,943,500	560,000	7,269,990	21,511,921	-	55,285,411	3.88		1,563
2019	27,673,288	-	6,190,866	14,786,830	-	48,650,984	3.27		1,371

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for personal income and population data.

(1) The G.O. revenue bonds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less Amounts Restricted for Debt Service</u>	<u>Net Bonded Debt</u>	<u>Percentage of Estimated Market Value of Taxable Property (1)</u>	<u>Per Capita (2)</u>
2010	\$ 61,045,555	\$ 805,606	\$ 60,239,949	1.82 %	\$ 1,778
2011	55,615,241	482,331	55,132,910	1.76	1,632
2012	57,437,665	5,055,559	52,382,106	1.81	1,551
2013	47,773,407	4,662,906	43,110,501	1.58	1,261
2014	40,851,136	6,000,117	34,851,019	1.25	1,011
2015	48,175,931	5,119,578	43,056,353	1.43	1,243
2016	52,677,053	4,657,944	48,019,109	1.50	1,363
2017	57,854,591	5,129,747	52,724,844	1.61	1,496
2018	55,285,411	4,201,334	51,084,077	1.43	1,444
2019	48,650,984	4,304,080	44,346,904	1.17	1,250

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

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City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
School District # 199	\$ 51,435,000	93.8619 %	\$ 48,277,868
School District # 196	122,785,000	5.2478	6,443,511
School District # 197 (3)	136,015,000	0.6899	938,367
Metropolitan Council (2)	221,800,000	0.9362	2,076,492
Total Overlapping Debt	532,035,000		57,736,238
City of Inver Grove Heights Direct Debt	33,864,154	100.0000	33,864,154
Total Direct and Overlapping Debt	\$ 565,899,154		\$ 91,600,392

Source: Dakota County Treasurer/Auditor, Official Statement obtained on EMMA and Municipal Advisor's records

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Inver Grove Heights, Minnesota. This process recognizes that, when considering the government's ability of issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

1 Amounts do not include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

2 Debt includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation sewer revenue, wastewater revenue, and radio revenue bonds and lease obligations outstanding all of which are supported entirely by revenues and have not been included in the Overlapping Debt.

3 Based upon the long term facilities maintenance revenue formula and current statistics, the District anticipates a portion of this debt will be paid by the State of Minnesota.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012 (1)	2013
Debt Limit	\$ 99,474,529	\$ 93,976,981	\$ 86,930,669	\$ 81,615,422
Total Net Debt Applicable to Limit	<u>31,436,102</u>	<u>31,282,986</u>	<u>8,878,622</u>	<u>7,685,804</u>
Legal Debt Margin	<u>\$ 68,038,427</u>	<u>\$ 62,693,995</u>	<u>\$ 78,052,047</u>	<u>\$ 73,929,618</u>
Total Net Debt Applicable to the Limit as a Percent of Debt Limit	31.60%	33.29%	10.21%	9.42%

(1) The G.O. revenue bonds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 83,945,251	\$ 90,165,490	\$ 95,968,711	\$ 98,103,239	\$106,806,191	\$ 114,177,918
6,181,018	14,077,236	13,229,040	14,530,123	23,056,521	24,751,521
<u>\$ 77,764,233</u>	<u>\$ 76,088,254</u>	<u>\$ 82,739,671</u>	<u>\$ 83,573,116</u>	<u>\$ 83,749,670</u>	<u>\$ 89,426,397</u>
7.36%	15.61%	13.78%	14.81%	21.59%	21.68%

Legal Debt Margin Calculation for Fiscal Year 2019	
Taxable Market Value	<u>\$3,805,930,599</u>
Debt Limit (3 Percent of Market Value)	<u>\$ 114,177,918</u>
Debt Applicable to Limit	
General obligation bonds	26,870,000
Less: amount available in debt service funds	<u>(2,118,479)</u>
Total Net Debt Applicable to Limit	<u>24,751,521</u>
Legal Debt Margin	<u>\$ 89,426,397</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Pledged Revenue Coverage
Last Ten Fiscal Years

Water G.O. Revenue Bonds

Fiscal Year	Water Charges and other (2)	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal (5)	Interest	Total	
2013	\$ 3,054,386	\$ 1,461,176	\$ 1,593,210	\$ 685,000	\$ 331,270	\$ 1,016,270	156.77 %
2014	2,818,851	1,771,162	1,047,689	745,000	169,423	914,423	114.57
2015	2,899,782	1,449,803	1,449,979	805,000	91,050	896,050	161.82
2016	2,878,095	1,572,283	1,305,812	825,000	74,039	899,039	145.25
2017	3,051,811	1,702,566	1,349,245	845,000	57,324	902,324	149.53
2018	3,132,068	2,005,111	1,126,957	850,000	40,426	890,426	126.56
2019	3,031,231	1,807,741	1,223,490	369,999	27,701	397,700	307.64

Sewer G.O. Revenue Bonds

Fiscal Year	Sewer Charges and other (3)	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal (6)	Interest	Total	
2013	\$ 3,016,134	\$ 2,287,807	\$ 728,327	\$ 235,000	\$ 445,141	\$ 680,141	107.08 %
2014	3,052,651	2,299,419	753,232	465,000	434,060	899,060	83.78
2015	3,088,659	2,653,539	435,120	475,000	301,760	776,760	56.02
2016	3,281,356	2,455,570	825,786	525,000	472,244	997,244	82.81
2017	3,460,592	2,938,354	522,238	715,000	559,112	1,274,112	40.99
2018	3,693,679	2,779,890	913,789	790,000	609,351	1,399,351	65.30
2019	3,738,809	2,893,402	845,407	815,001	493,866	1,308,867	64.59

Golf Course G.O. Revenue Bonds

Fiscal Year	Golf Course Charges and Others (4)	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2010	\$ 1,408,208	\$ 1,392,570	\$ 15,638	\$ 350,000	\$ 102,585	\$ 452,585	3.46 %
2011	1,435,930	1,579,430	(143,500)	370,000	88,585	458,585	(31.29)
2012	1,401,052	1,690,209	(289,157)	385,000	73,415	458,415	(63.08)
2013	1,560,687	1,566,754	(6,067)	1,235,000	57,053	1,292,053	(0.47)

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Excludes depreciation expense.

(2) There are no water fund debt service requirements before 2013.

(3) There are no sewer fund debt service requirements before 2013.

(4) There are no golf course debt service requirements after 2013.

(5) Excludes refunded principal paid through cash held with fiscal agent (\$2,380,000 in 2013, \$2,885,000 in 2014).

(6) Excludes refunded principal paid through escrow agent (\$4,780,000 in 2014).

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income (1)	Unemployment Rate
2010	33,880	\$1,173,975,880	\$ 34,651	7.3 %
2011	33,774	1,159,022,358	34,317	6.2
2012	33,774	1,147,370,328	33,972	5.3
2013	34,189	1,162,562,756	34,004	4.7
2014	34,458	1,213,335,096	35,212	3.9
2015	34,627	1,219,285,924	35,212	3.5
2016	35,234	1,234,916,466	35,049	3.3
2017	35,236	1,300,419,816	36,906	3.3
2018	35,372	1,425,526,972	40,301	2.6
2019	35,481	1,488,569,874	41,954	3.0

Data Sources

Metropolitan Council (www.metrocouncil.org)

Minnesota Dept of Employment and Economic Development (www.deed.state.mn.us)

U.S. Census Bureau (www.factfinder2.census.gov)

(1) Per Capita Personal Income uses the latest published numbers.

(2) Per Capita Personal Income is for the State of Minnesota, not solely the City of Inver Grove Heights and uses the latest published data.

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City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Principal Employers
Current Year and Nine Years Ago

	2019			2010		
	Employees	Rank	Percent of City Employment (1)	Employees	Rank	Percent of City Employment (1)
Cenex / CHS Cooperatives	2,500	1	12.73	840	2	4.48
Independent School District 199	630	2	3.21	500	4	2.66
City of Inver Grove Heights	550	3	2.80			-
Gertens	525	4	2.67			
Inver Hills Community College	448	5	2.28	550	3	2.93
Travel Tags	350	6	1.78	430	6	2.29
Total Construction	250	7	1.27			
Wal-Mart	210	8	1.07	270	7	1.44
Cub Foods	160	9	0.82			
BFI Waste Services	150	10	0.76	140	8	0.75
Koch Refinery (Flint Hills)				918	1	4.89
Evergreen Industries				500	5	2.66
Southview Chevrolet				135	9	0.72
Lofton Label				133	10	0.71
Total	<u>5,773</u>		<u>29.39 %</u>	<u>4,416</u>		<u>23.53 %</u>

Source: Reference USA, written and telephone survey (September 2017), the Minnesota Department of Employment and Economic Development and City records for 2017.

(1) Represents total employment within the company, not just those working within the City.

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015
General Government	29	27	27	29	29	28
Public Safety						
Police						
Officers	33	33	33	32	32	35
Civilians	6	6	5	5	5	6
Fire						
Firefighters and officers	1	1	2	2	2	3
Civilians	2	2	2	2	2	2
Public Works						
Engineering	8	8	8	6	6	6
Maintenance	15	15	15	15	15	15
Culture and Recreation	25	24	23	22	22	25
Water and Sewer	9	9	9	7	7	7
Total	<u>128</u>	<u>125</u>	<u>124</u>	<u>120</u>	<u>120</u>	<u>127</u>

Source: City budgets and personnel records.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
34	30	32	38
36	39	39	40
6	5	7	5
3	4	4	7
2	1	1	1
6	6	7	8
16	16	13	12
24	28	27	30
9	8	9	10
<u>136</u>	<u>137</u>	<u>139</u>	<u>151</u>

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Operating Indicators by Function
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015
Police						
Physical arrests (1)	308	383	327	346	353	418
Traffic violations	4,195	2,616	2,237	2,244	1,653	1,285
Fire						
Calls answered	1,256	1,170	1,243	1,159	1,249	1,193
Public Works						
Resurfacing (miles)	2.45	2.53	2.45	0.83	1.75	1.25
Culture and Recreation						
Athletic field permits issued	2,828	2,884	2,941	2,794	2,849	2,877
Community center admissions	181,206	198,940	206,968	231,137	230,717	227,791
Rink hours used	4,080	4,091	3,988	4,272	4,155	4,045
Rounds of golf purchased	49,936	50,531	52,581	47,027	50,667	52,997
Driving range buckets (2)	24,505	20,548	25,216	17,608	17,167	19,901
Water						
New connections	6	10	147	105	50	37
Water main breaks	7	4	6	6	10	3
Average daily consumption (millions of gallons)	2.73	2.75	3.08	2.79	2.65	2.75

Sources: City department records.

(1) Only felony arrests were tracked in 2010 and thereafter.

(2) Driving range buckets can be purchased in three sizes ranging from twenty to seventy-five balls per bucket.

2016	2017	2018	2019
377	520	542	544
1,154	2,086	2,542	1,909
1,324	1,602	1,577	1,816
0.70	0.68	1.81	0.4
2,823	2,907	2,856	2,842
225,696	227,323	228,911	219,918
5,467	5,822	4,493	5,449
42,913	44,067	59,738	57,644
10,647	13,457	13,921	14,281
427	78	198	72
4	5	9	1
2.65	2.80	2.70	2.68

City of Inver Grove Heights, Minnesota
Statistical Section (Unaudited)
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015
Public Safety						
Police						
Stations	1	1	1	1	1	1
Patrol units	21	21	21	21	21	21
Fire stations						
Stations	2	2	2	2	2	2
Fire trucks	10	10	10	10	10	10
Other vehicles	4	4	4	4	4	4
Public Works						
Highways and streets						
Streets (miles) (3)	147	147	134	135	140	141
Street lights (1)	61	33	33	33	33	33
Traffic signals (2)	2	2	2	2	2	2
Culture and Recreation						
Parks acreage	885	885	885	844	844	844
Parks	27	27	27	28	28	28
Swimming pools	4	4	4	4	4	4
Ice rinks	10	10	10	10	10	10
Athletic fields	24	24	24	24	24	24
Tennis courts	11	11	11	11	11	11
Community centers	1	1	1	1	1	1
Golf courses	1	1	1	1	1	1
Utilities						
Water						
Miles of water main (3)	155	155	148	152	158	156
Wells	7	7	7	7	7	7
Fire hydrants	1,595	1,598	1,605	1,554	1,683	1,711
Maximum daily capacity (millions of gallons)	13	13	13	13	13	13
Sewer						
Miles of sanitary sewer	116	124	128	125	125	132
Miles of storm sewers	105	117	120	98	99	102

Source: City department records.

(1) The majority of street lights in the City are owned by the utility companies.

(2) The majority of traffic lights in the City are owned by Dakota County and/or the State of Minnesota.

(3) Prior to 2012, calculations included privately owned water mains and streets.

2016	2017	2018	2019
1	1	1	1
21	20	19	20
2	2	2	3
10	11	11	11
4	4	4	4
144	149	152	141
33	33	33	48
2	2	2	2
844	844	911	916
28	28	28	28
4	4	4	4
10	10	10	10
24	24	24	24
11	11	11	14
1	1	1	1
1	1	1	1
161	158	152	154
7	7	7	7
1,647	1,673	1,762	1,802
13	13	13	13
129	129	130	131
102	104	101	108

Management Communication

City of Inver Grove Heights

Inver Grove Heights, Minnesota

For the Year Ended
December 31, 2019



People
+ Process®
Going
Beyond the
Numbers

Management, Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota, (the City) for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 9, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control over financial reporting (internal control) of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Audit Findings

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or Minnesota statutes.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The City changed accounting policies during 2019 related to accounting and financial reporting for fiduciary activities (GASB 84). We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements include depreciation on capital assets, allocation of payroll and compensated absences, the liability for other postemployment benefits, value of land held for resale, and the assets and liabilities for the City's pensions.

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.
- Allocations of gross wages and payroll benefits are approved by City Council within the City's budget and are derived from each employee's estimated time to be spent servicing the respective functions of the City. These allocations are also used in allocating accrued compensated absences payable.
- Management's estimate of its OPEB liability is based on several factors including, but not limited to, anticipated retirement age for active employees, life expectancy, turnover, and healthcare cost trend rate.
- Management's estimate of land held for resale is based on estimated net realizable value of acquired assets intended to be resold. Land and property purchased that management believes will be donated for economic development purposes are expensed in the year acquired.
- Management's estimate of its pension liabilities and assets are based on several factors including, but not limited to, anticipated investment return rate, retirement age for active employees, life expectancy, salary increases and form of annuity payment upon retirement.
 - o The allocation of the pension liability related to Minnesota Public Employee Retirement Association (PERA) is based on the City's proportionate share of employer contributions to the PERA cost-sharing multiple employer Coordinated and Police and Fire pension plans.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were noted.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 3, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) (Management's Discussion and Analysis, the Schedules of Employer's Share of the Net Pension Liability, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, the Schedules of Employer's Contributions and the Schedule of Funding Progress for Other Post-Employment Benefits Plan), which is information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information (combining and individual fund financial statements and schedules), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory or statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on them.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future City financial statements: ⁽¹⁾

GASB Statement No. 87 - Leases

Summary

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Effective Date and Transition

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or, if applied to earlier periods, the beginning of the earliest period restated). However, lessors should not restate the assets underlying their existing sales-type or direct financing leases. Any residual assets for those leases become the carrying values of the underlying assets.

How the Changes in This Statement Will Improve Accounting and Financial Reporting

This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements.

GASB Statement No. 90 - Majority Equity Interests

Summary

The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

Future Accounting Standard Changes (Continued)

Effective Date and Transition

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

How the Changes in This Statement Will Improve Accounting and Financial Reporting

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously was reported inconsistently. In addition, requiring reporting of information about component units if the government acquires a 100 percent equity interest provides information about the cost of services to be provided by the component unit in relation to the consideration provided to acquire the component unit.

⁽¹⁾ *Note.* From GASB Pronouncements Summaries. Copyright 2019 by the Financial Accounting Foundation, 401 Merritt 7, Norwalk, CT 06856, USA, and is reproduced with permission.

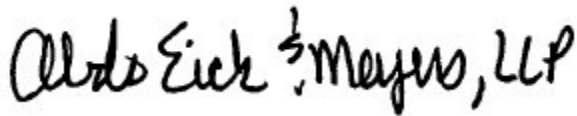
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Restriction on Use

This communication is intended solely for the information and use of the City Council, management, and the Minnesota Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendations in the report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the continued opportunity to be of service and for the courtesy and cooperation extended to us by your staff.



ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
June 3, 2020

Other Required Report

City of Inver Grove Heights

Inver Grove Heights, Minnesota

For the Year Ended
December 31, 2019

City of Inver Grove Heights, Minnesota
Other Required Report
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For the Year Ended December 31, 2019

Other Required Report

Independent Auditor's Report
on Minnesota Legal Compliance

Page No.

3



INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements which collectively comprise the City's basic financial statements,, and have issued our report thereon dated June 3, 2020.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the result of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
June 3, 2020

CITY OF INVER GROVE HEIGHTS

REQUEST FOR CITY COUNCIL ACTION

RESOLUTION APPROVING THE TRANSFER OF AUTHORITY OVER TAX INCREMENT FINANCING DISTRICT NO. 4-1 FROM THE CITY OF INVER GROVE HEIGHTS, MINNESOTA TO THE INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

Meeting Date: June 8, 2020

Item Type: regular

Prepared by: Heather Rand,
Community Development Director

Contact: 651-450-2546

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| ☐ | None |
| ☐ | Amount included in current budget |
| ☐ | Budget amendment requested |
| ☐ | FTE included in current complement |
| ☐ | New FTE requested – N/A |
| ☒ | Other (Decertified TIF #4-1) |

PURPOSE/ACTION REQUESTED:

City Council approve resolution approving the transfer of authority over tax increment financing district No. 4-1 from the City of Inver Grove Heights, Minnesota to the Inver Grove Heights Economic Development Authority (EDA). A companion resolution to this city council resolution is also placed on EDA June 8, 2020 agenda for consideration.

SUMMARY:

For the purpose of advancing the development of affordable housing in the city and in keeping with the criteria outlined in a June 8, 2020 dated approved City of Inver Grove Heights Affordable Housing Development Program Policy, the city must approve a resolution transferring authority over tax increment financing district #4-1 to the EDA. The reason for such change is to enable the EDA to take guardianship of the funds and accept responsibility for advancing the development of affordable housing in the city of Inver Grove Heights. EDA's (Economic Development Authority) are able to focus on development and redevelopment opportunities to a greater extent than a city council that has a much broader policy purview. The city council retains the authority to determine if the decertified TIF District #4-1 unspent or encumbered funds may be returned to the county for redistribution at a later date.

Staff recommend approval of the city council resolution approving the transfer as drafted.

CITY OF INVER GROVE HEIGHTS
COUNTY OF DAKOTA
STATE OF MINNESOTA

RESOLUTION NO. 2020-115

RESOLUTION APPROVING THE TRANSFER OF AUTHORITY OVER TAX INCREMENT FINANCING DISTRICT NO. 4-1 FROM THE CITY OF INVER GROVE HEIGHTS, MINNESOTA TO THE INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

BE IT RESOLVED by the City Council (the "Council") of the City of Inver Grove Heights, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The City has heretofore established Development District No. 4 (the "Development District") and adopted a Development Program therefor, pursuant to Minnesota Statutes, Sections 469.124 to 469.134, as amended (the "Development District Act"). Within the Development District, the City has established Tax Increment Financing District No. 4-1 (the "TIF District") pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "TIF Act").

1.02. The Inver Grove Heights Economic Development Authority (the "EDA") has been properly established by an enabling resolution approved by the Council (the "Enabling Resolution") pursuant to Minnesota Statutes, Sections 469.090 to 469.108 (the "EDA Act").

1.03. Section 469.094, subdivision 2 of the EDA Act authorizes the City, by resolution, to transfer to the EDA the control, authority and operation of any program or project as defined in the TIF Act and the Development District Act.

1.04. The Council has determined that is necessary and in the public interest to transfer administration of the TIF District and the Development District to the EDA, in accordance with the limitations and to the extent described in this resolution.

Section 2. Transfer to EDA approved.

2.01. The City hereby transfers to the EDA control, authority and operation of the TIF District, and the Development District necessary for the proper administration of the TIF District and amounts deposited in the TIF District fund.

2.02. Pursuant to Section 469.094, subdivision 2 of the EDA Act, the EDA may exercise all of the powers that the City would have with respect to the TIF District and the Development District so transferred, subject to all terms and conditions of the Enabling Resolution and the TIF Plan for the TIF District.

2.03. The transfer described herein is effective upon approval of this resolution.

Approved by the City Council of the City of Inver Grove Heights this 8th day of June, 2020.



Mayor

ATTEST:



City Clerk

CITY OF INVER GROVE HEIGHTS REQUEST FOR CITY COUNCIL ACTION

RESOLUTION ADOPTING AFFORDABLE HOUSING DEVELOPMENT PROGRAM POLICY

Meeting Date: June 8, 2020
Item Type: regular
Prepared by: Heather Rand,
Community Development Director
Contact: 651-450-2546

Fiscal/FTE Impact:	
☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other (Decertified TIF 4-1)

PURPOSE/ACTION REQUESTED:

Approve resolution adopting an Inver Grove Heights affordable housing development program policy that will serve as a framework guide for city council, EDA and city staff actions toward advancing the creation and retention of affordable housing in the community. This requested action is a continuation from the May 26, 2020 city council meeting. Attached please find city council requested additional information from Ehlers and Legal Counsel on use of 4-1 TIF funds.

SUMMARY:

The City’s TIF District 4-1 was decertified in 2019 and is no longer capturing tax increment. However, there is a cash balance in the District of approximately \$4.1 million. These funds may still be used by the City, but due to limitations under State law and the city adopted TIF Plan, the funds may only be used to assist affordable housing projects throughout the City or turned back to local government jurisdictions proportionally.

If the City opts to use the TIF District 4-1 balance to assist the development of affordable housing, city staff in consultation with Ehlers the city’s financial advisor, recommend the EDA and City Council establish an affordable housing policy with criteria and a process for awarding funds to specific development projects. Toward this end, the attached Affordable Housing Development Program Policy is proposed for city council consideration.

Key provisions of the policy are summarized below.

Affordable Housing

Funds may be used to assist development of multi-family rental housing for families and/or seniors that reserve either 20% of the units for residents at or below 50% of the median income, or 40% of the units for residents at or below 50% of the median income. The chart below shows the current (2020) affordable housing income and rent limits:

2020 Income Limits		
Family Size	50% of Median Income	60% of Median Income
1	\$36,200	\$43,440
2	\$41,400	\$49,680
3	\$46,550	\$55,680
4	\$51,700	\$62,040

2020 Rent Limits		
Bedroom Size	50% of Median Income	60% of Median Income
1	\$970	\$1,164
2	\$1,163	\$1,396
3	\$1,344	\$1,613

To further illustrate with an example, a single parent with one child making \$23.88 per hour is at 60% of median income. Senior housing development projects, (age 55 or older) would also be potentially eligible. The housing may be located anywhere within the City that complies with existing zoning codes and restrictions.

City/EDA Affordable Housing Program Funds Used for Gap Financing

In certain situations, the cost of utilities, streets, public improvements, City fees, environmental remediation or site acquisition may make an affordable housing project financially infeasible. In any of these situations, the City may consider providing financial assistance from the Affordable Housing Development Fund to fill a demonstrated financial gap in the project.

The Fund may be used for:

- a. Extending or relocating utilities or constructing utility infrastructure
- b. Street improvements or street assessments
- c. Site improvements such as sidewalks and streetscaping
- d. Other eligible public improvements
- e. Site acquisition
- f. Clearance and demolition expenses
- g. Environmental remediation
- h. City fees including park dedication, utility connection, or storm water fees

Gap financing may be provided in the form of a grant, deferred or forgivable loan, or interest-bearing loan.

Demonstrated Financial Need and Formal Review Process

A developer requesting City or EDA assistance from the Affordable Housing Development Program Fund would need to demonstrate that the project is financially infeasible without the assistance. To accomplish this objective, the developer would submit a financial assistance application with a fee and a financial *proforma* that would be reviewed by the City's staff and financial advisor. After review of the financial assistance application, the amount and form of assistance recommended by staff would be the minimum needed to make the project feasible without unduly enriching the developer.

EDA Approval of Specific Projects

Each award of funds from the Affordable Housing Development Program Fund shall be considered and approved by the EDA. The EDA is not obligated to award funds to any project and may impose additional restrictions on a project. For example, the EDA can require a higher level of exterior finishes, a larger dedication of land for a park, or other public benefit as part of the assistance package.

EDA Program Administration

It is contemplated that the City's EDA will administer the Affordable Housing Development Fund. Because TIF 4-1 is a City tax increment district, the City Council will need to

authorize the EDA to administer this program. Authorization via an enabling resolution will be requested at the June 8, 2020 City Council meeting.

Loan Repayments

If the EDA provides financial assistance from the Affordable Housing Development Program Fund in the form of a loan, the loan repayments are still considered to be Tax Increment and must be segregated from other funds of the city and/or EDA per state law. As such, the loan repayments would go back into the Affordable Housing Development Program Fund to assist future affordable housing development within the city of Inver Grove Heights.

Affordable Housing Program Policy Amendments

It is possible that over time, this affordable housing development program policy would be amended by the EDA and City Council, so that it remains relevant and meets the city's emerging and everchanging affordable housing needs.

Decertified TIF 4-1 Fund Usage Legal Parameters

Attached, please find additional information clarifying legal parameters for usage of the decertified TIF funds from Jason Aarsvold and Jessica Cook, Ehlers Public Financial Advisors and from Bond/TIF legal counsel Jennifer Boulton, Kennedy & Graven Law Firm.

Recommendation

Staff recommend city council approval of the affordable housing development program policy.

MEMORANDUM

TO: EDA Commissioners, City of Inver Grove Heights
FROM: Jessica Cook and Jason Aarsvold
DATE: June 8, 2020
SUBJECT: Affordable Housing Development Program Policy

At its May 26, 2020 meeting the EDA considered an Affordable Housing Development Program Policy. The proposed source of funds for assisting future affordable housing developments is all or a portion of the \$4.1 million cash balance in the City's TIF District 4-1, which was decertified in 2019 and is no longer capturing tax increment. The EDA expressed concern about committing all the funds to affordable housing development. The purpose of this memo is to clarify how TIF 4-1 may be used, and at what point it becomes fully committed to affordable housing, assuming the EDA and Council choose to use some of it for that purpose.

The cash balance in TIF 4-1 Fund may only be used in two ways:

- 1) To fund affordable rental housing developments anywhere within the City; or
- 2) Be returned to Dakota County for redistribution to the City, the County, and the School District. If the funds are returned, the City would receive approximately \$2,134,000 back from Dakota County which may be used for any governmental purpose.

It is not necessary to make an irrevocable decision about how to allocate the cash balance at this time. The funds will remain in the City's TIF 4-1 Fund until they are either allocated to a specific housing project and disbursed at closing or returned to the County.

In addition, we anticipate the legislature may consider allowing flexibility for the use of existing TIF balances to help cope with the COVID-19 pandemic. For this reason, we would advise the City and EDA to wait to make a decision about returning TIF proceeds to the County until after the proposed special legislative session.

The purpose of adopting an Affordable Housing Development Program Policy at this time is to accomplish the following:

- 1) Provide an alternative to establishing new tax increment districts or tax abatements to assist with affordable housing;

- 2) Indicate to developers that the EDA is willing to consider using a portion of the TIF 4-1 proceeds to provide financial assistance to affordable housing developments within the City that meet the City's overall development goals;
- 3) Provide a set of criteria that establishes which projects are eligible and against which the EDA staff and Commissioners can evaluate projects; and
- 4) Provide a means of funding City infrastructure associated with affordable housing development.

Each project would come to the EDA for individual approval, and TIF 4-1 proceeds would only be disbursed on an as-needed basis for approved projects.

Policy for Available Tax Increment

One question that arose at the May 26 meeting was whether the City should adopt a general policy about how to use available tax increment from its TIF Districts. We would suggest that a general policy is unnecessary at this time because the policy direction is already provided within the state statutes and the TIF Plan. For all future districts TIF must be used in accordance with the specific purposes and budget in the TIF Plan within five years of establishing the district or excess TIF must be returned to Dakota County for redistribution.

In 2018 the City Council established policy direction by modifying TIF 4-1 to allow the proceeds to be used for affordable housing. The policy question the EDA was asking at its May 26 meeting was whether the EDA should continue with this policy direction or return TIF proceeds to the County. We would contend that this is not an "either/or" situation. Unless the EDA and City know that they want to return 100% of the proceeds to the county for redistribution, the EDA can consider using a portion of the TIF 4-1 proceeds for affordable housing on a case-by-case basis and retain the ability to return the remaining portion to the County at any time. The City's TIF attorney, Jenny Boulton of Kennedy & Graven, has provided a memo confirming that approving an Affordable Housing Program Policy does not irrevocably commit all of TIF 4-1 proceeds to affordable housing but rather indicates a willingness to consider using TIF 4-1 for that purpose and provides policy direction for staff when evaluating affordable housing projects that do come forward.



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TO: EDA Board and City Council, City of Inver Grove Heights
FROM: Jenny Boulton, Kennedy & Graven, Chartered
DATE: June 4, 2020
RE: Affordable Housing Development Program Policy Questions

A. Introduction

At its May 26, 2020 meeting the EDA considered an Affordable Housing Development Program Policy, the proposed source of funding for which is all or a portion of the cash balance in the City's TIF District 4-1. I have been asked to address certain questions that were raised at that meeting.

B. Discussion

1. The remaining funds (a cash balance of approximately \$4.1 million dollars) in the decertified TIF District 4-1 are not, under current law, required to be spent by a certain deadline. Please note however, that the Office of the State Auditor sometimes inquires about large unspent TIF fund balances so it is beneficial to have contemplated the intended purpose for retaining those funds.
2. If the City determined to return the cash balance from TIF District 4-1 to the County for distribution to the appropriate taxing jurisdictions, the distribution would be based on local tax rates. The City's tax rate is .51037; therefore, if all \$4.1 million were returned the City's share would be approximately \$2,134,000.
3. The tax increment financing laws apply limits on the amount of tax increments that can be spent after 5 years and outside of the TIF district. In addition, tax increments cannot be spent outside the underlying project area for the TIF district except for the limited purpose of affordable rental housing meeting specified requirements. TIF District 4-1 was established under special laws which defined the underlying project area as the area of the TIF District 4-1 plus surrounding roads and without the ability to expand that area because of the special circumstances under which it was allowed to be established. As a result, effectively the only use of the remaining funds is for affordable housing meeting specified requirements or returning the funds to the County for redistribution. The use for affordable rental housing can be for acquisition, site improvement and building construction costs of the housing facility or infrastructure costs to the extent directly related to the affordable rental housing facility. The draft Affordable Housing Development Program Policy identifies proposed costs that the City and EDA would consider using the remaining tax increments for.

4. The City Council could determine to allocate a portion of the \$4.1 million balance for Affordable Housing Development Fund now and also allocate a portion to be returned the funds to the County for redistribution. Furthermore, the City Council could later determine to return additional funds to the County for redistribution if the Council determines at that time that the City prefers to use such remaining funds for a different purpose. There is not currently any deadline under the tax increment financing laws for the City to determine to return an additional portion of those funds to the County for redistribution if not used for affordable housing purposes.
5. The City would typically adopt a resolution stating how the funds are to be allocated. Or if the City determines to transfer administration of TIF District 4-1 to the EDA, the EDA could adopt that resolution. There is not currently any deadline under the tax increment financing laws for the City to determine how to allocate the funds; however as mentioned in Section 1 above, it is beneficial to have contemplated the intended purpose for retaining those funds in order to be able to respond to inquiries from the Office of the State Auditor.
6. There was recently proposed legislation that would have provided significant new authority for the use of tax increment fund balances. That legislation was not adopted during the last regular session of the Minnesota Legislature, but may come back up during special session so the Council may wish to consider waiting a little longer to make a decision on the allocation of funds remaining in TIF District 4-1 to see if any additional opportunities arise. I do not have any insight regarding the likelihood of the proposed legislation being adopted.

City of Inver Grove Heights, Minnesota

AFFORDABLE HOUSING DEVELOPMENT PROGRAM POLICY

I. PURPOSE

The purpose of this policy is to establish the criteria and procedures by which TIF #4-1 funds may be used as an "Affordable Housing Development Program Fund" to incent and support the development of affordable housing in the City.

In 2018, the City modified its Tax Increment Financing District #4-1 to allow the use of tax increment for affordable housing projects throughout the City. In particular, the plan was modified to allow for an additional 10% pooling for affordable housing pursuant to Minnesota Statutes, Section 469.1763 subd. 2(d).

TIF District #4-1 was decertified at the end of 2019 and the properties in the districts are no longer capturing tax increment. The remaining balance of tax increments that have been captured in the district fund are restricted for affordable housing projects, unless the city council elects to distribute funds to the respective tax jurisdictions that were impacted by the creation of TIF #4-1. Toward this end, the EDA/City is creating the Affordable Housing Development Program Fund (the "Fund") to incent the development or rehabilitation of affordable rental housing within the City of Inver Grove Heights utilizing TIF District #4-1's fund balance.

In certain situations, the cost of utilities, streets, eligible public improvements, City fees, environmental remediation or site acquisition may make an affordable housing project financially infeasible. In any of these situations, the City may consider providing financial assistance from the Fund to fill a demonstrated financial gap in the project. This policy shall be used as a guide in reviewing applications for financial assistance from the Affordable Housing Development Fund.

II. POLICY

It is the policy of the City of Inver Grove Heights to establish a TIF #4-1 Affordable Housing Development Fund to provide financial assistance to affordable housing projects to assist with certain development costs. Eligible projects must consist of rental housing that meets the income and rent qualifications for the Low Income Housing Tax Credit Program as defined under section 42(c) of the Internal Revenue Code.

The Affordable Housing Development Program Fund shall be used to provide financial assistance to eligible projects to pay for the following eligible project costs:

- a. Extending or relocating utilities or constructing utility infrastructure
- b. Street improvements or street assessments
- c. Site improvements such as sidewalks and streetscaping
- d. Other eligible public improvements
- e. Site acquisition
- f. Clearance and demolition expenses
- g. Environmental remediation
- h. City fees including park dedication, utility connection, or storm water fees

III. PROCEDURE

A developer may request assistance from the Fund by submitting an financial assistance application and supporting documentation, together with the non-refundable application fee to the Inver Grove Heights EDA. Significant additional information may be requested at any time by the City and its Economic Development Authority ("EDA") and may be in addition to the materials outlined in the financial assistance application. The Applicant shall be required to submit any and all information as requested by the City/EDA.

City staff and, as appropriate, the City's financial advisor shall review the application materials and make a preliminary recommendation to the EDA/City. The staff recommendation will include:

- a. The proposed amount of the financial assistance
- b. The proposed structure and terms of the financial assistance.
- c. A rationale for the recommendation
- d. Eligible affordable housing project costs and the estimated cost thereof

The EDA/City may either deny or grant approval of a grant, deferred or forgivable loan, or interest-bearing loan utilizing the Fund or other available resources as the funding source. Once the EDA/City has completed preliminary due diligence and financial review of the application, the developer applicant shall deposit additional funds in an amount established by the City/EDA, but not less than \$10,000 as an initial escrow, to cover attorney and consultant costs incurred as part of drafting and negotiating a development agreement, and conducting any fiscal analysis that may be required to meet the requirements of utilizing any public financing to support the affordable housing project proposed. If additional expenses are incurred beyond the initial deposit, prior to the execution of a development agreement,

the City/EDA shall notify the applicant in writing and the applicant will be required to deposit additional funds into the escrow upon notice. Unused applicant escrow funds on deposit shall be returned to the developer applicant.

IV. GENERAL TERMS AND CONDITIONS

The project must comply with the rent and income restrictions for 20 years and report the rents and incomes to the EDA/City for the term of the restrictions on an annual basis.

Any repayments of financial assistance made from this Fund are considered tax increment and shall be redeposited in the Fund to be used for future affordable housing purposes.

The City/EDA reserves the right to deny any application for financial assistance at any stage of the proceedings prior to adopting the resolution approving the affordable housing financial assistance. The Applicant is not entitled to rely on any preliminary actions by the City/EDA or its staff prior to the adoption by city/EDA of a final resolution of approval of the financial assistance, and all expenditures, obligations, costs, fees, or liabilities incurred by the Applicant in connection with the Project are incurred by the Applicant at its sole risk and expense and not in reliance on any actions of the City/EDA.

Any applicant who is not in good standing with the City/EDA, in regard to licenses, fees, taxes or other specific charges, will not be considered for receiving financial assistance.

The Applicant shall hold the City/EDA, its officers, consultants, attorneys, and agents harmless from any and all claims arising from or in connection with the project or financial assistance application, including but not limited to, any legal or actual violations of any State or Federal securities laws.

The City/EDA shall have the option of amending or waiving sections of this affordable housing development policy when they determined a change necessary or appropriate to continue to advance its affordable housing goals.

INVER GROVE HEIGHTS CITY COUNCIL

DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 2020-116

RESOLUTION ADOPTING AN AFFORDABLE HOUSING DEVELOPMENT FUND POLICY

WHEREAS, the City of Inver Grove Heights (the "City") has previously established Tax Increment Financing District 4-1 (the "District ") and modified the District in 2018 to allow the use of tax increment for affordable housing projects;

WHEREAS, the District was decertified in December 2019 and the remaining balance of tax increments in the District may be used to assist affordable housing projects throughout the City; and

WHEREAS, the City of Inver Grove Heights City Council and Inver Grove Heights Economic Development Authority (the "EDA") desire to increase the availability of affordable housing in the City;

NOW, THEREFORE BE IT RESOLVED that the City Council adopt an Affordable Housing Development Fund Policy that establishes a loan and grant program to provide financial assist ance to affordable housing developments.

NOW, THEREFORE BE IT RESOLVED that the City Council adopt an Affordable Housing Development Program Fund Policy that establishes a loan and grant program to provide financial assistance to affordable housing developments; provided, however that the City Council may, by resolution adopted at any time before the final expenditure of such funds from the District, determine to return such tax increments to Dakota County for redistribution to the applicable taxing jurisdictions in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "TIF Act").

Adopted by the Inver Grove Heights City Council on June 8, 2020.

Ayes: 5

Nays: 0


George Tourville, Mayor

Attest :



City Clerk Rebecca Kiernan

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

RON CLARK CONSTRUCTION

Meeting Date: June 8, 2020
 Item Type: Regular Agenda
 Contact: Allan Hunting 651.450.2554
 Prepared by: Allan Hunting, City Planner
 Reviewed by:

Fiscal/FTE Impact:

☒	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	Other

PURPOSE/ACTION REQUESTED

Consider a Resolution relating to a Comprehensive Plan Amendment to change the land use of approximately 2.14 acres from P, Public/Institutional to HDR, High Density Residential. Property generally located in the northeast quadrant of Upper 55th Street and Babcock Trail

- Requires a 4/5th's vote.
- 60-day deadline: August 1, 2020 (second 60 days)

SUMMARY

The applicant is proposing to change the land use designation of approximately 2.14 acres from Public/Institutional to High Density Residential. The applicant is proposing to construct a 3-story 49 unit apartment building on vacant land that is owned by the Church. The church owns a total of 5.14 acres that contain the church building and a cemetery. The east side of the property is vacant, and the applicant proposes to purchase the land and construct the apartment building. The applicant is proposing to utilize tax credits from the Dakota County CDA to provide work force housing units.

If the comprehensive plan amendment is approved, an application for rezoning, platting and conditional use permit for multiple family would be required before development can occur. This next process provides for public review and comment on the actual site plan.

ANALYSIS

There are several different uses in and around the subject site including a city fire station, CHS office building and parking lot, church/cemetery. There are some residential uses to the west of Babcock Trail and south of Upper 55th Street. A higher density housing project would be a use that could be compatible with the surrounding existing uses.

One of the bigger challenges with this location is access and traffic. Access would be from Upper 55th Street using a slightly relocated driveway that serves the church parking lot. Due to topography of the site, an access to Babcock Trail is not feasible. Residents have raised concerns with traffic volumes at the Babcock Trail/Upper 55th intersection. Some traffic analysis will have to be done to sort these issues out. Pedestrian and trail connections have also been raised. Some of these are existing issues but will require additional review as part of a development application.

RECOMMENDATION

Planning Division. Supports the request and recommends approval of the comp plan change.

Planning Commission. The Planning Commission also supports the request for the land use change (9-0).

Attachments: Resolution approving the Comp Plan Amendment

Ron Clark Construction – Council Memo
June 8, 2020
Page 2

Planning Commission Recommendation
Planning Staff Report
E-mail from Residents (3)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 2020-116

**RESOLUTION APPROVING A COMPREHENSIVE PLAN MAP AMENDMENT TO
CHANGE THE LAND USE DESIGNATION OF 2.14 ACRES FROM P, PUBLIC
INSTITUTIONAL TO HDR, HIGH DENSITY RESIDENTIAL**

**CASE NO. 20-10PA
(Ron Clark Construction)**

WHEREAS, an application has been submitted for property legally described as;

SEE EXHIBIT A

WHEREAS, an amendment to change boundaries of any district may be granted by the City Council on an affirmative vote of 4/5ths of the Council as per City Code Title 10, Chapter 3, Section 10-3-5, A;

WHEREAS, the City of Inver Grove Heights Planning Commission reviewed the request on May 18, 2020, in accordance with City Code Title 10, Chapter 3, Section 10-3-5, D;

WHEREAS, the change to the Comprehensive Plan Land Use Plan was found by the City Council to be consistent with the existing and proposed uses in the area;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, that the Comprehensive Plan Map Amendment is hereby approved subject to the following conditions:

1. The Metropolitan Council shall not require any significant modifications to the comprehensive plan amendment.

2. The Metropolitan Council shall not make a finding that the comprehensive plan amendment has a substantial impact or contain a substantial departure from any metropolitan systems plan.
3. The amendment shall not become effective until a rezoning and development plans have been approved by the City Council.

Adopted by the City Council of Inver Grove Heights on this 8th day of June, 2020.

Ayes: 5
Nays: 0

ATTEST:



Rebecca Kiernan, City Clerk


George Tourville, Mayor

**RECOMMENDATION TO
CITY OF INVER GROVE HEIGHTS**

TO: Mayor and City Council of Inver Grove Heights

FROM: Planning Commission

DATE: May 18, 2020

SUBJECT: **RON CLARK CONSTRUCTION – CASE NO. 20-10PA**

Reading of Notice

Commissioner Simon read the public hearing to consider the request for a comprehensive plan amendment to change the land use designation on a portion of the property from P, Institutional to HDR, High Density Residential, for the property located at 5590 Babcock Trail. 19 notices were mailed.

Presentation of Request

Allan Hunting, City Planner, explained the request as detailed in the report. He advised that the applicant is requesting to change the land use of approximately 2.14 acres of the total site from Public/Institutional to High Density Residential. The applicant would like to construct a 49-unit apartment building on vacant land on the east side of the Church's property. If the comprehensive plan amendment is successful, an application for rezoning, platting, and conditional use permit would be required before development could occur. This subsequent process provides for public review and comment on the actual site plan. Staff believes there is value to the City in allowing the land use change by providing a housing product that meets goals of varied housing opportunities and brings excess land owned by the church back on the tax rolls and thus providing added tax base. If a comprehensive plan change were approved, it would not take effect until a project was approved. Staff recommends approval of the request.

Chair Maggi thanked Mr. Hunting for clarifying that tonight's discussion was regarding the comprehensive plan designation only, not about the detailed layout of the property and apartment building. She noted that Commissioners received emails from two neighbors who were opposed to the request and had traffic concerns.

Mr. Hunting advised that many ideas were discussed regarding access and the proposed location off Upper 55th Street was ultimately determined to be the best. He noted that the County has jurisdiction over Babcock Trail and likely would not support an access point there.

Chair Maggi asked if the vacant property directly north of the proposed apartment building location was owned by CHS.

Mr. Hunting replied in the affirmative.

Commissioner Simon asked if this change would require Met Council approval.

Mr. Hunting replied in the affirmative.

Commissioner Niemioja asked how many high-density housing units the City was supposed to have.

Mr. Hunting replied that over the next 30 years the City should try to construct 571 new affordable workforce housing units.

Opening of Public Hearing

Mike Waldo, Ron Clark Construction, 7500 West 78th Street, Edina, advised he was available to answer any questions.

Chair Maggi asked the applicant if he read and understood the report.

Mr. Waldo replied in the affirmative. He advised that this will be their seventh affordable housing building, with three of them being in Dakota County. He thinks this will be a great addition to the nearby church and daycare, is a good location from a transit perspective, and would be a good transition between the single-family to the south and west and the heavy uses to the north and east. It will also provide an improved pick up/drop off area for the church and will give them a couple additional handicapped parking spots.

Commissioner Wippermann asked how the proposed building compared to one they built in Rosemount.

Mr. Waldo replied that it was almost identical in size and layout.

Commissioner Wippermann asked who would own the building.

Mr. Waldo replied himself and Ron Clark.

Commissioner Wippermann asked for clarification of their involvement with the County.

Mr. Waldo replied that the County would be involved with the initial financing and allocation of tax credits. The County also inspects properties every 1-3 years for 30 years to make sure the building is kept up to their standards. From that perspective this is better than a market rate project in that buildings are maintained at a higher level than you would see in most market rate buildings.

William Bader, 1925 Upper 55th Street, stated he lived across the street from the church was concerned about the additional traffic this project would bring to an already busy area. He was also concerned about crime and the potential for the church to sell and be replaced by more multi-family housing.

Chair Maggi closed the public hearing.

Planning Commission Discussion

Chair Maggi noted that at this point they are only addressing the comprehensive plan amendment but will eventually be looking at the access point, which is a concern because Babcock Trail and Upper 55th Street is a busy intersection.

Commissioner Niemioja stated she agreed with the traffic concern; however, in her opinion this is the right location for a project of this type, especially with its access to transportation and

surrounding properties that do not have a conflict. She supported moving forward with the application knowing that they will be looking at it more closely down the road.

Commissioner Weber asked if they would be creating a new parcel and if so, would the parking lots be on the church's property.

Mr. Hunting replied that they would eventually create a new lot which would have its own parking, as well as some shared parking in another area.

Commissioner Weber stated that for clarity reasons he believed everything tied to this building should be put on one lot and guided High Density Residential.

Chair Maggi asked if the new lot would be sold to the applicant with the remainder being owned by the church.

Mr. Hunting replied in the affirmative and asked the applicant to address proposed boundaries.

Mr. Waldo showed where the lot would be split, and noted that the parking in front of their building would be on their property and the church's parking would stay on the church property. There would also be a shared easement for access and parking, in addition to 19 proof of parking stalls that would be kept as green space until parking needs deemed them necessary.

Commissioner Weber asked if 2.14 acres was the accurate size of the proposed lot.

Mr. Waldo replied in the affirmative, stating the lot line is defined based on that acreage.

Commissioner Simon noted that according to the applicant's narrative there will also be 61 underground parking spaces.

Commissioner Robertson stated in her opinion this is an ideal location for an affordable housing project and it addresses the City's commitment to respecting the integrity and needs of individuals across all housing types.

Commissioner Kramer stated there is a need for this type of housing; however, this particular location feels a little bit forced. He also had concerns about the access point. At this point he would support the comprehensive plan amendment to let it continue to evolve and get into greater detail.

Commissioner Niemioja stated the church/cemetery property would likely stay intact as it would be difficult to move a cemetery.

Commissioner Robertson stated she agreed with the access concern but would support the proposal because tonight's decision was only on the guiding and not specific details of the plan. She also felt this was a good location for this type of project.

Commissioner Scales supported the request, stating it was a good location to have affordable housing next to a church with daycare and access to public transportation. He agreed that there were traffic/access challenges but stated they could be worked out at a later date.

Planning Commission Recommendation

Motion by Commissioner Scales, second by Commissioner Robertson, to approve the request for a comprehensive plan amendment to change the land use designation on a portion of the property from P, Institutional to HDR, High Density Residential, for the property located at 5590 Babcock Trail, with the conditions listed in the report.

Motion carried (9/0). This item goes to the City Council on June 8, 2020.

PLANNING REPORT CITY OF INVER GROVE HEIGHTS

CASE NO.:	20-10PA
APPLICANT:	Ron Clark Construction
PROPERTY OWNER:	Zion Methodist Church
REQUEST:	Comprehensive Plan Amendment to change land use from P, Public/Institutional to HDR, High Density Residential.
LOCATION:	Northeast Quadrant of Upper 55 th Street and Babcock Trail
HEARING DATE:	May 18, 2020
COMPREHENSIVE PLAN:	P, Public/Institutional
ZONING:	P, Institutional
REVIEWING DIVISIONS:	Planning
	PREPARED BY: Allan Hunting City Planner

BACKGROUND

The applicant is proposing to change the land use designation of approximately 2.14 acres from Public/Institutional to High Density Residential. The applicant is proposing to construct a 3-story 49 unit apartment building on vacant land that is owned by the Church. The church owns a total of 5.14 acres that contain the church building and a cemetery. The east side of the property is vacant, and the applicant proposes to purchase the land and construct the apartment building. The applicant is proposing to utilize tax credits from the Dakota County CDA to provide work force housing units.

The applicant has submitted a concept plan that shows the location of the building, parking lot, access point options and general storm water location. The building would be on the far east side of the lot with parking in front and south and west of the building. Some of the parking would be shared between the two uses. Access would be from Upper 55th Street because the grades off Babcock Trail and location of the cemetery make that option not possible. The current driveway on Upper 55th Street is closer to the intersection than all would prefer so the applicant proposed a shared driveway with the far west driveway opening on the fire station property. Upon discussion with the fire department, this arrangement did not work with the way their parking lot is utilized. Therefore, this site would have one driveway on Upper 55th Street.

Staff has met with the applicant a couple of times prior to the application submission and we believe we have sorted out most of the larger site plan obstacles.

If the comprehensive plan amendment is successful, an application for rezoning, platting and conditional use permit for multiple family will be required before development can occur. This subsequent process provides for public review and comment on the actual site plan.

SURROUNDING USES

The subject property is surrounded by:

North	Vacant, parking lot, Cenex Office complex; zoned B-1; guided Office.
East	Group Health medical building; zoned B-1; guided Office
West	Church/cemetery; zoned P; guided P/I
South	Church parking lot, City Fire Station #3; zoned P; guided P/I

EVALUATION OF REQUEST

Comprehensive Plan Amendment

The subject parcel is currently guided Public/Institutional and defined in the 2040 Comprehensive Plan as follows:

“Uses categorized as public/institutional include a number of different types of public and semi-public uses. Most of the institutional land in Inver Grove Heights is developed land occupied by public or private schools, religious institutions, or facilities associated with the government such as City Hall, Veterans Memorial Community Center, state or county facilities.”

The applicant is proposing to change the land use designation to HDR, High Density Residential to be consistent with the type and density of the proposed project.

High Density Residential is defined in the 2040 Comprehensive Plan as:

“Areas designated as high density residential are intended to accommodate multi-family housing at densities exceeding 12 units per net acre. Uses in this category will be principally limited to higher density apartments or condominium buildings for either general occupancy or for special segments of the population such as senior housing.”

This report lists other policies in the 2040 Comprehensive Plan that are relevant to the request:

ESTABLISHED DEVELOPMENT AREA POLICIES

1. Allow infill development in a manner that protects the character of existing residential neighborhoods.

3. Provide a broad range of housing opportunities.
5. Provide appropriate buffers to allow density transitions and to accommodate a range of housing types.

HOUSING POLICIES

3. Partner with housing development agencies to assist with the development of affordable housing in locations of the community that have (or will have) transit options and are in close proximity to employment centers.
4. Maintain a balanced housing supply with housing available for people at all income levels and unit types that meet the varying life-cycle needs of Inver Grove Heights residents.

Existing surrounding uses. The site is currently surrounded by a mix of non-residential uses including; church, office parking lot, medical clinic, city fire station. Across the street on Babcock consists of a mix of single family and multiple family apartment housing. The Cenex office building is north of the site and on the south side of Upper 55th Street is elderly care housing and single family residential along both sides of Babcock Trail south of Upper 55th.

Amending the plan would allow for a broader range of housing opportunities and would provide an economic use for excess land owned by the church.

There is a bus route in this area of the city to provide transportation options for future tenants.

ALTERNATIVES

The Planning Commission has the following alternatives available for the proposed request:

A. Approval If the Planning Commission finds the application acceptable, the Commission should make the following recommendations:

- o Approving the Comprehensive Plan Amendment from Public/Institutional to HDR, High Density Residential subject to the following conditions:

1. The Metropolitan Council shall not require any significant modifications to the comprehensive plan amendment.
2. The Metropolitan Council shall not make a finding that the comprehensive plan amendment has a substantial impact or contain a substantial departure from any metropolitan systems plan.
3. The comprehensive plan land use change shall not become effective until a rezoning and development plan has been approved by the City Council.

B. Denial If the Planning Commission does not favor the comprehensive plan amendment, a recommendation of denial should be forwarded to the City Council. With a recommendation of denial, findings or the basis for the denial should be given.

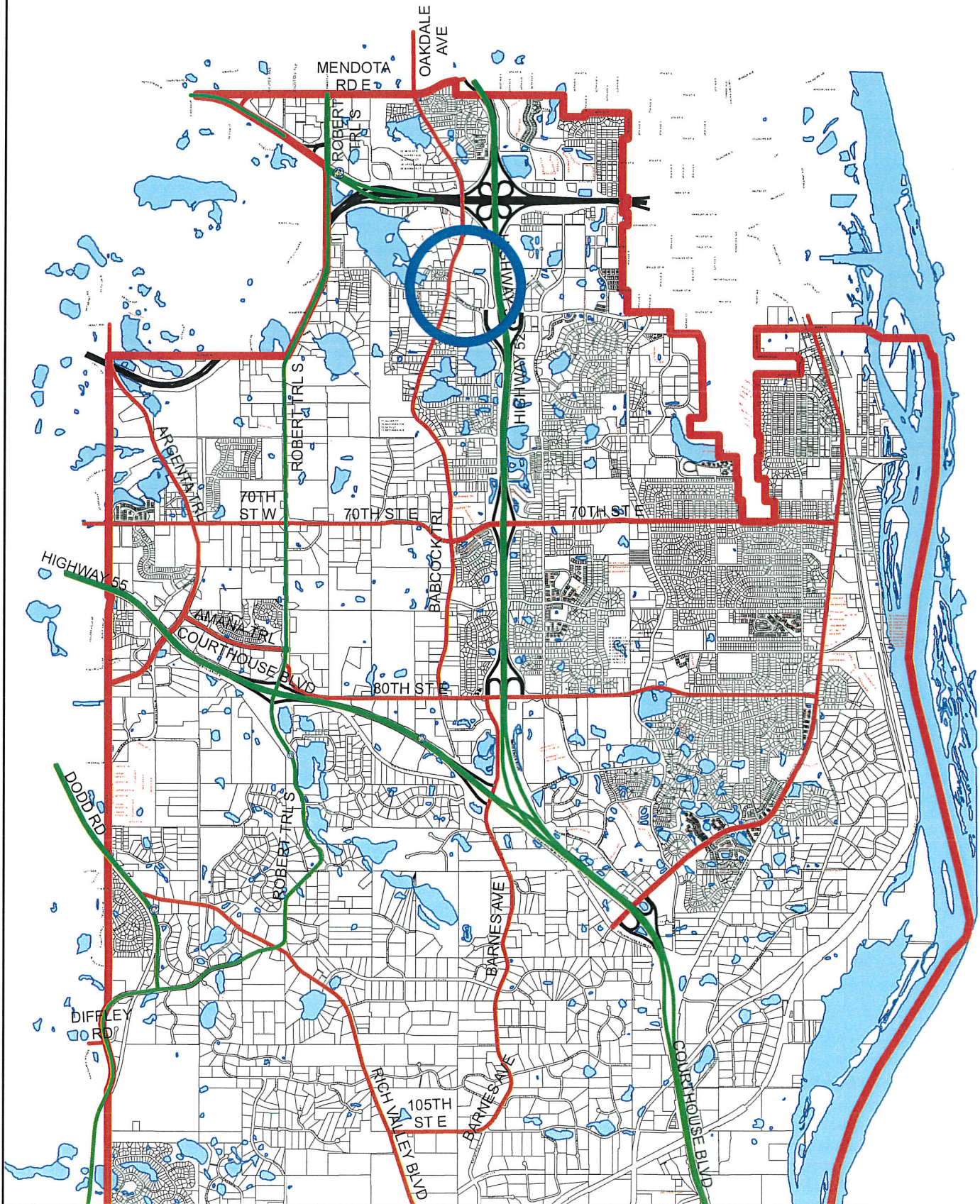
RECOMMENDATION

Staff believes there is value to the City in allowing the land use change by providing a housing product that meets goals of varied housing opportunities and brings excess land owned by a church back on the tax rolls providing added tax base.

Attachments: Location Map
Existing/Proposed Comp Plan Map
Applicant Narrative
Concept Site Plan
Background Material



Ron Clark Construction CPA Location Area Map

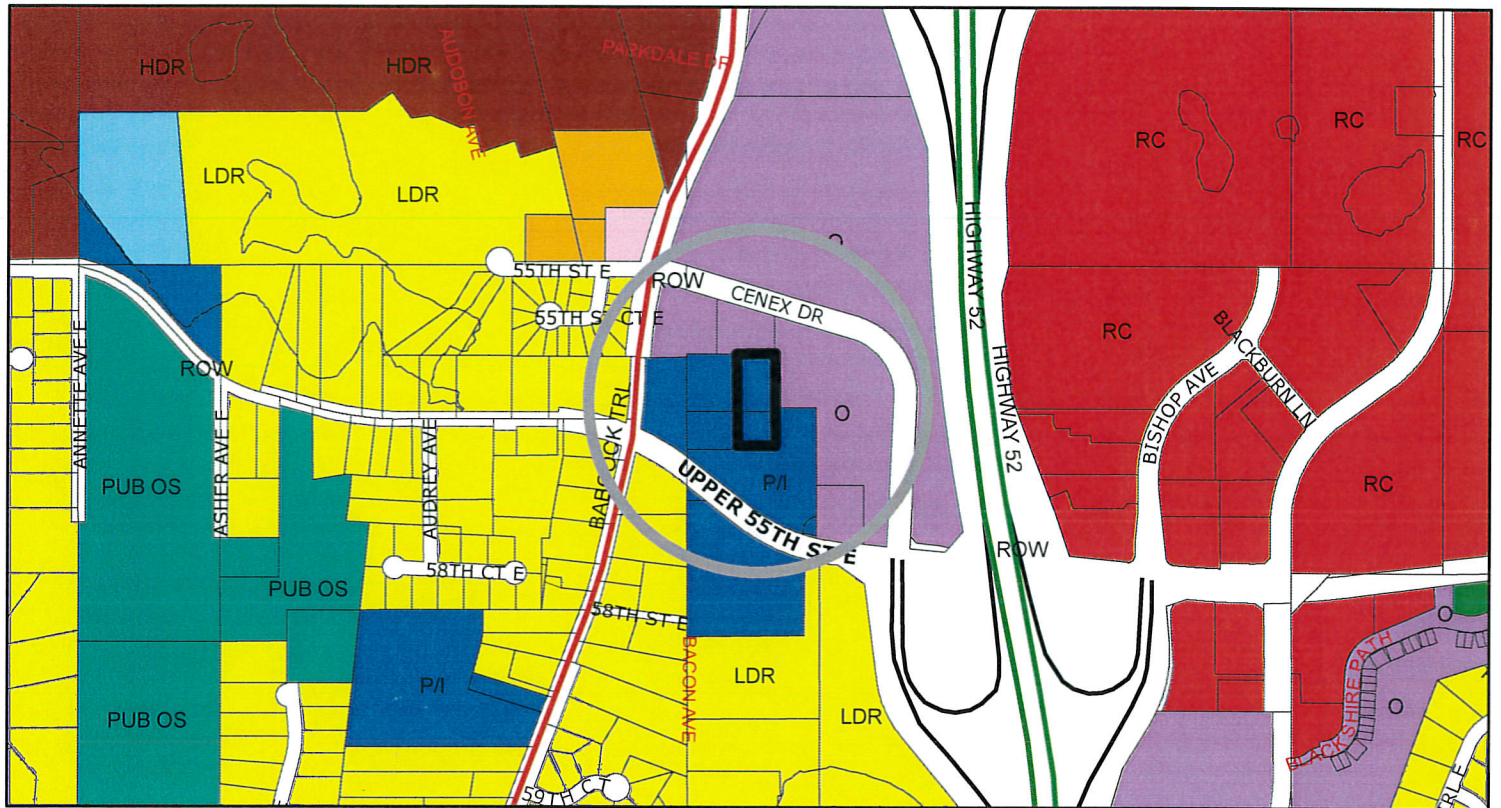




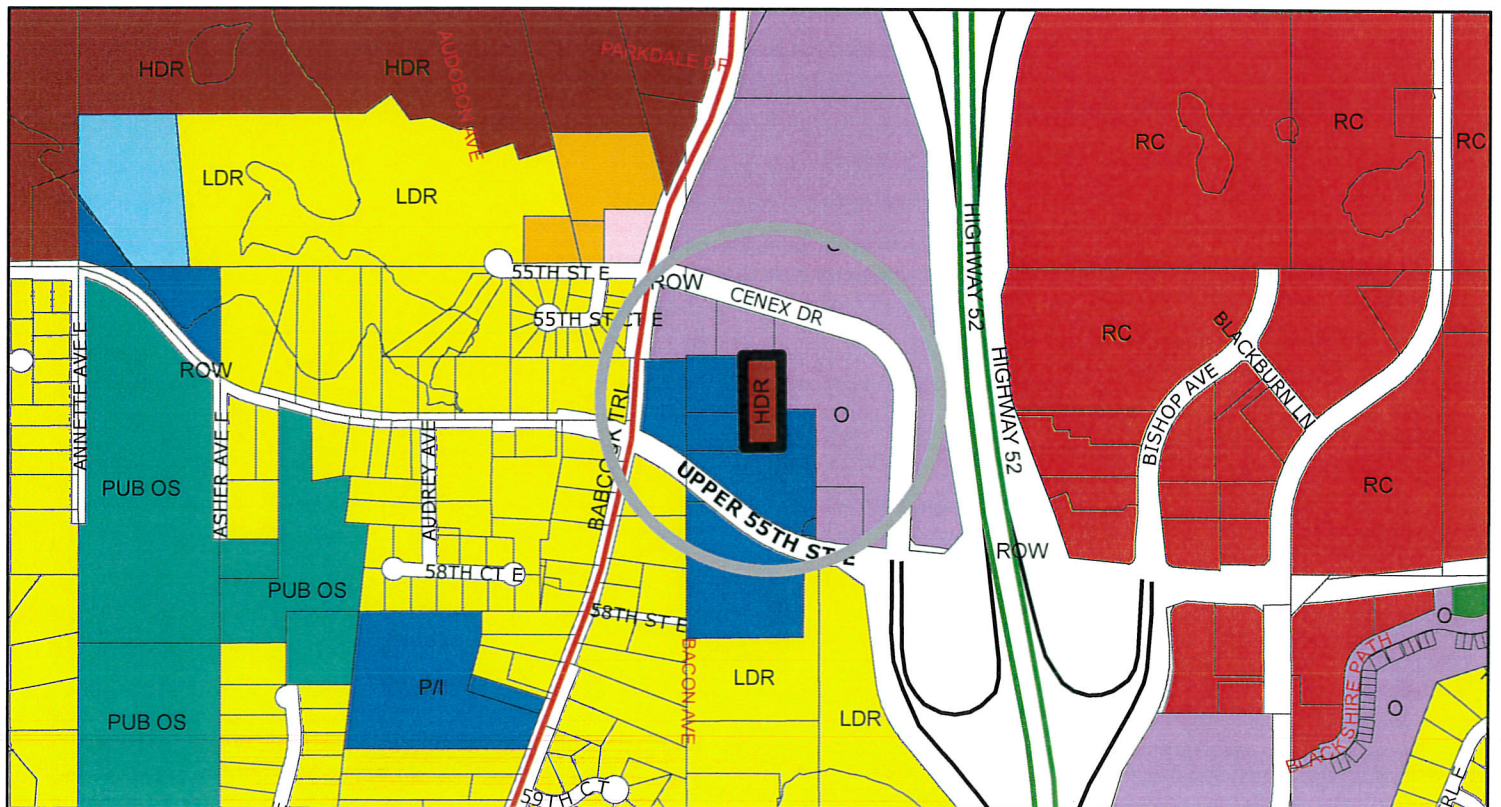
Ron Clark Construction CPA



Existing Land Use Designation



Proposed Land Use Designation



Monday, April 06, 2020

City of Inver Grove Heights
Allan Hunting – City Planner
8150 Barbara Avenue
Inver Grove Heights, MN 55077

RE: Babcock Trail Apartments

Subject: Comprehensive Plan Amendment Application Submittal Letter/Narrative

Dear Allan,

Attached for your review & comment is our application and related information for our proposed Babcock Trail Apartments.

Below is a description of the development as well as the supporting plans and documentation required as part of our submittal:

1) Project Description:

- a. Our project consists of a 49 unit 3-Story wood frame apartment building over a precast concrete parking garage. Parking will consist of 61 stalls of parking in the underground garage, 43 stalls at grade and 19 Proof of Parking stalls for a total of 123 potential parking stalls (2.1 stall/unit base project, 2.5 stall/unit potential w/PP).
- b. Our development team has been working to create a development plan for our site that meets the needs of the whole Inver Grove Heights community and responds to the needs identified in the City's Comprehensive Plan. We are pleased to submit this initial application for The Comprehensive Plan Amendment Application. As discussed, this application will provide proof of the City's support of the development for our upcoming application to Dakota County for their Minnesota Housing Tax Credit Program. If we are selected for tax credits, we will then follow up later this year with the balance of the City applications required for the overall project approval.
- c. The site currently consists of one 5.14 acre lot. Please see attached survey dated 8-16-1993. Our plan would be to split the lot into two lots one for the existing church (3.0 acre) and one for our apartment building (2.14 acre) prior to any additional right of way dedication requirements.
- d. We have been discussing with city staff the potential of utilizing the current west access off upper 55th into the fire department site as a shared access. This allows the access to be farther away from Babcock Trail which give us better stacking and visibility exiting the site, along with better internal circulation for the daycare/church drop off and the main apartment building traffic flow. We are looking for direction from the Planning Commission and City Council as to this potential shared use.

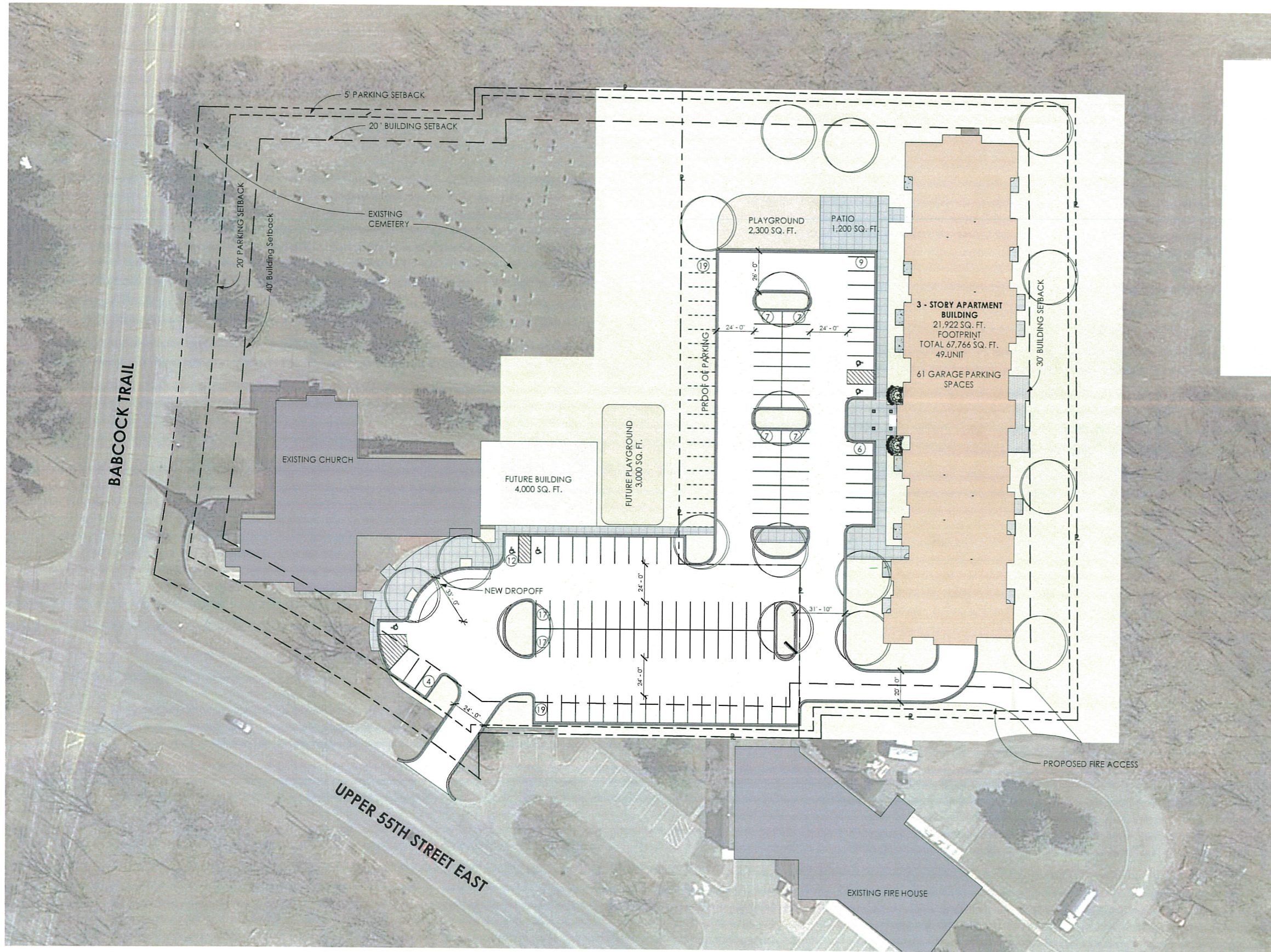
- e. The Babcock Trail apartment will foster a safe and scenic, family oriented community with a play area and numerous interior and exterior common areas for the residents. The site will incorporate sound landscape design to blend in well with the surrounding areas. The project will strive to incorporate Minnesota Green Community Criteria and sustainable building design in order to reduce energy expenditures and to enhance the health, well-being and productivity of the building occupants.
 - f. If awarded the tax credits from Dakota County our project would be in conjunction with Minnesota Housing and the Dakota County Community Development Agency and will provide workforce housing for the community.
 - g. In Dakota County we have successfully completed a similar building in Lakeville in 2017 and are in the process of completing another similar project in Rosemount later this year.
 - h. The project will be professionally managed and operated by Steven Scott Management, a respected Twin Cities management group. Our team is committed to providing a safe, quality living environment and look forward to working with the City of Rosemount.
- 2) Applications Attached:
- a. Comprehensive Plan Amendment
 - i. Completed Checklist
 - ii. Check for Fees of \$450.00 (mailed separately)
- 3) Project Team Information:
- a. Construction Manager:
 - i. Ron Clark Construction
 - ii. 7500 West 78th Street
 - iii. Edina, MN 55439
 - iv. Mike Roebuck
 - v. 952-947-3022
 - vi. mike@ronclark.com
 - b. Civil Engineer & Landscape Architect
 - i. Civil Site Group (CSG)
 - ii. 4931 W. 35th Street #200
 - iii. St. Louis Park, MN 55416
 - iv. David Knaeble
 - v. 763-234-7523
 - vi. dknaeble@civilsitegroup.com

- c. Building Architect:
 - i. Tushie Montgomery Architects (TMA)
 - ii. 7645 Lyndale Avenue S. #100
 - iii. Minneapolis, MN 55423
 - iv. Mike Stueven
 - v. 612-861-9636
 - vi. MikeS@tmiarchitects.com
 - d. Property Manager:
 - i. Steven Scott Management
 - ii. Mark Jensen
 - iii. 5402 Parkdale Drive STE 200
 - iv. St. Louis Park, MN 55416
 - v. 952-540-8647
 - vi. markjensen@steven-scott.com
- 4) Supplemental Project Information included in the Flash Drive:
- a. Architectural Site Plan
 - i. Shared access plan with Church/Daycare for review and comment
 - b. Grading Plan
 - i. Concept plan for review and comment
 - c. Utility Plan
 - i. Concept plan for review and comment
 - ii. Upgrade existing stormwater pond on City Property and provide piped EOF along easement to the North. For review and comment.
 - d. Survey & Legal description (8-16-1993)
 - e. Address List & Address Labels. (to be provided within 2 weeks)
 - f. Project PowerPoint presentation comparing our similar projects in Dakota County located in Lakeville & Rosemount.

We look forward to working with you on this project and please contact me with any comments, questions or any additional information that you require.
Sincerely,

Michael R. Roebuck
President
Ron Clark Construction

Ron Clark -Chairman
Mike Waldo - CEO



DEVELOPMENT SUMMARY

SITE SUMMARY:
SITE AREA: 224,096 SQ. FT. (5.14 ACRES)
 (SHALL BE VERIFIED BY SURVEY AT LATER DATE)

PROPOSED APARTMENT SITE: 93,414 SQ. FT. (2.14 ACRES)
PROPOSED CHURCH SITE: 130,680 SQ. FT. (3.00 ACRES)

BUILDING SUMMARY:
 3 - STORY APARTMENT BUILDING
 49 UNIT
 21,922 SQ. FT. FOOTPRINT TOTAL 65,766 SQ. FT.

PARKING SUMMARY:
REQUIRED PARKING SPACES 2 PARKING SPACES PER UNIT

APARTMENT SURFACE PARKING	43	PARKING SPACES
GARAGE PARKING	61	PARKING SPACES

TOTAL PROVIDED APARTMENT PARKING 104 PARKING SPACES
 (2.1 SPACES PER UNIT)

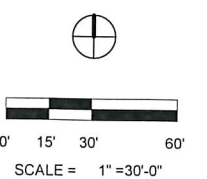
CHURCH SURFACE PARKING 69 PARKING SPACES

TOTAL PROVIDED SITE PARKING 173 PARKING SPACES

PROOF OF PARKING SUMMARY:

TOTAL POSSIBLE APARTMENT PARKING 123 PARKING SPACES
 (WITH 19 PROOF OF PARKING) (2.5 SPACES PER UNIT)

TOTAL POSSIBLE SITE PARKING 192 PARKING SPACES
 (WITH 19 PROOF OF PARKING)



Inver Grove Heights- Proposed Apartment Building 5590 Babcock Tr E, Inver Grove Heights, MN

April 6, 2020



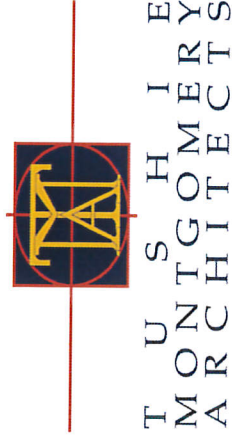
ENTRY DRIVE

Wexford Place Apartment Building – Concept Drawing

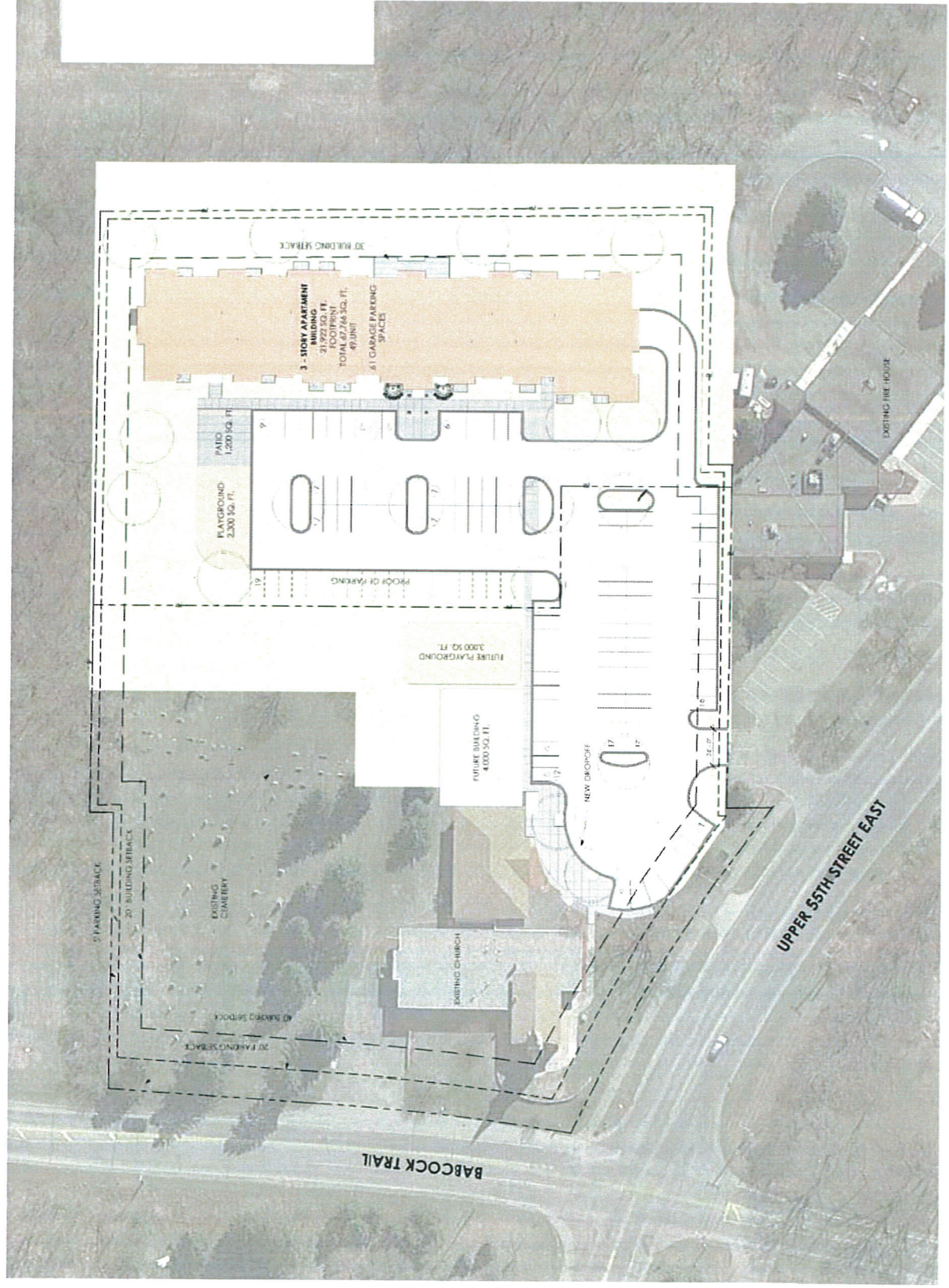


Ron Clark Team for Inver Grove Heights Project

- Ron Clark Construction & Design (owner)
 - Ron Clark
 - Mike Waldo
 - Mike Roebuck
- Tushie Montgomery Architects (architect)
 - Gary Tushie
 - Andy Krenik
 - Kevin Kroen
 - Mike Stueven
- Steven Scott Management (property manager)
 - Kristie Rice & Jana Miller



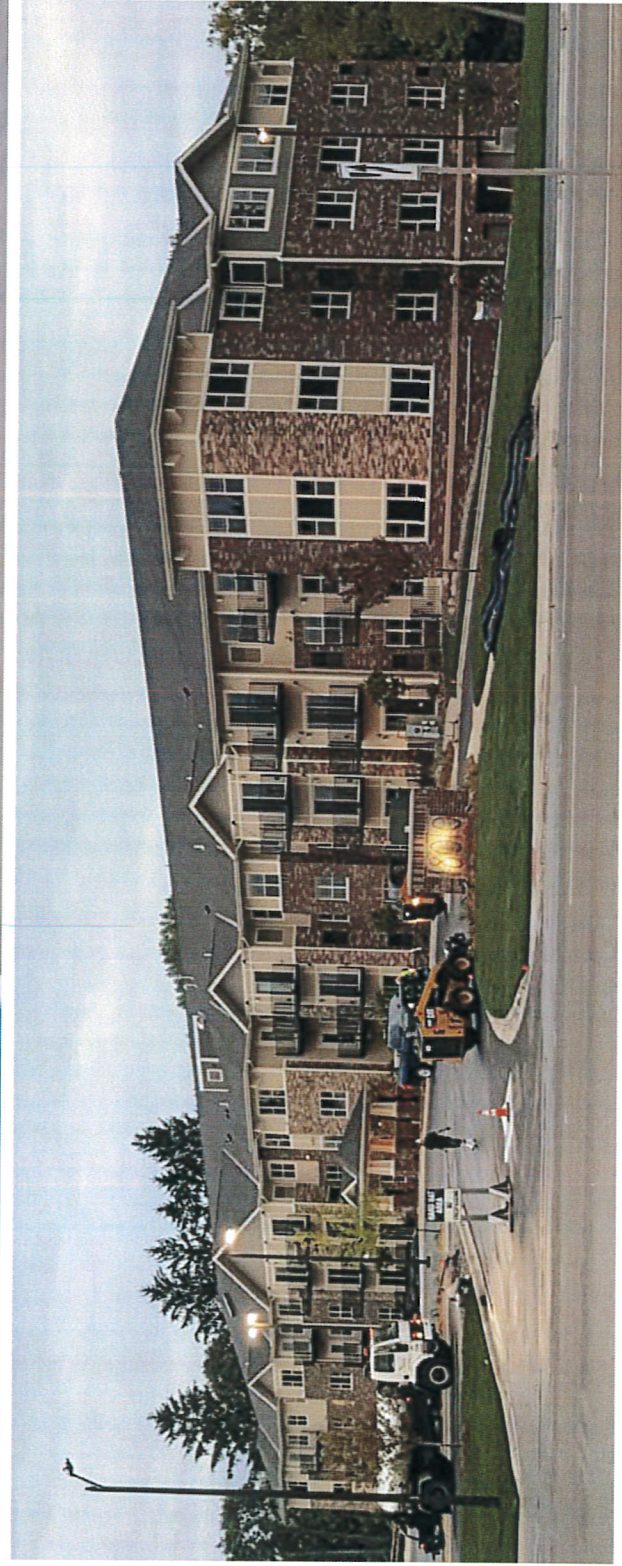
Concept site plan showing existing and proposed uses



[4]



Ron Clark Apartment Buildings in Savage & Lakeville



Ron Clark Apartment Building in Carver





Ron Clark Apartment Building - Pike Lake Marsh - Prior Lake, MN

Architecture

Exterior design features and materials will be consistent with the high standards established by the City in their Design Guidelines.

Architectural roof shingles

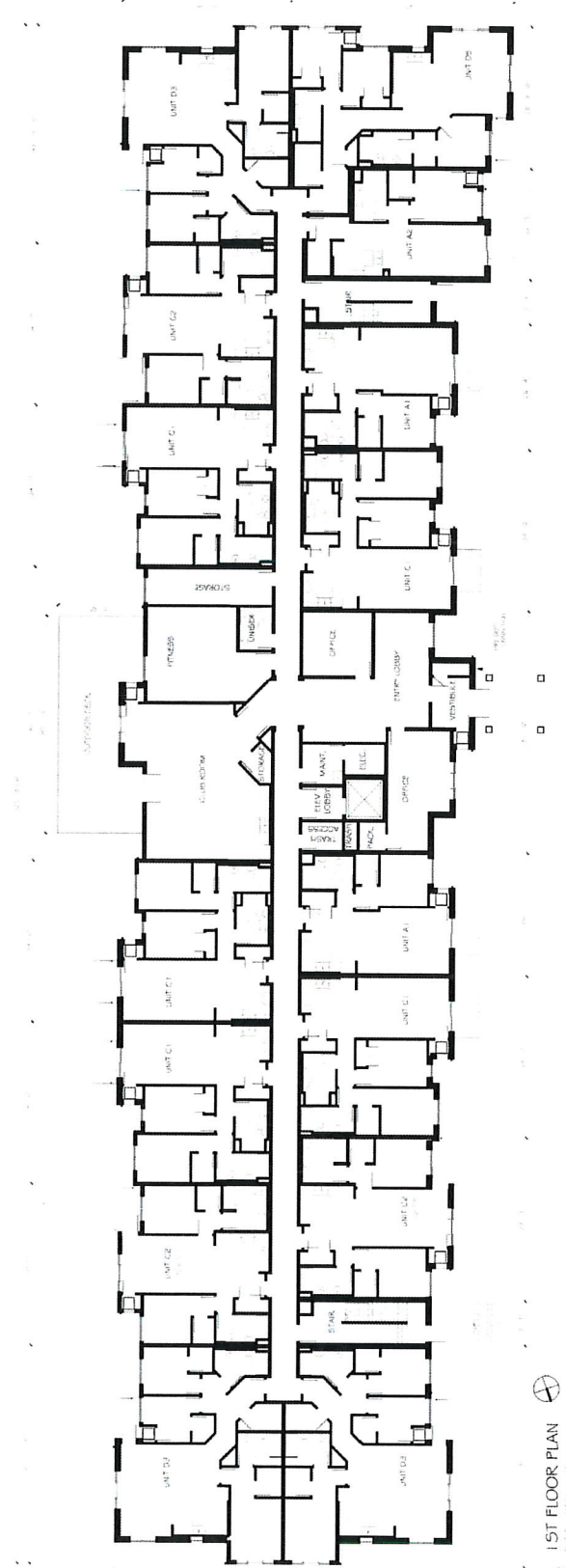
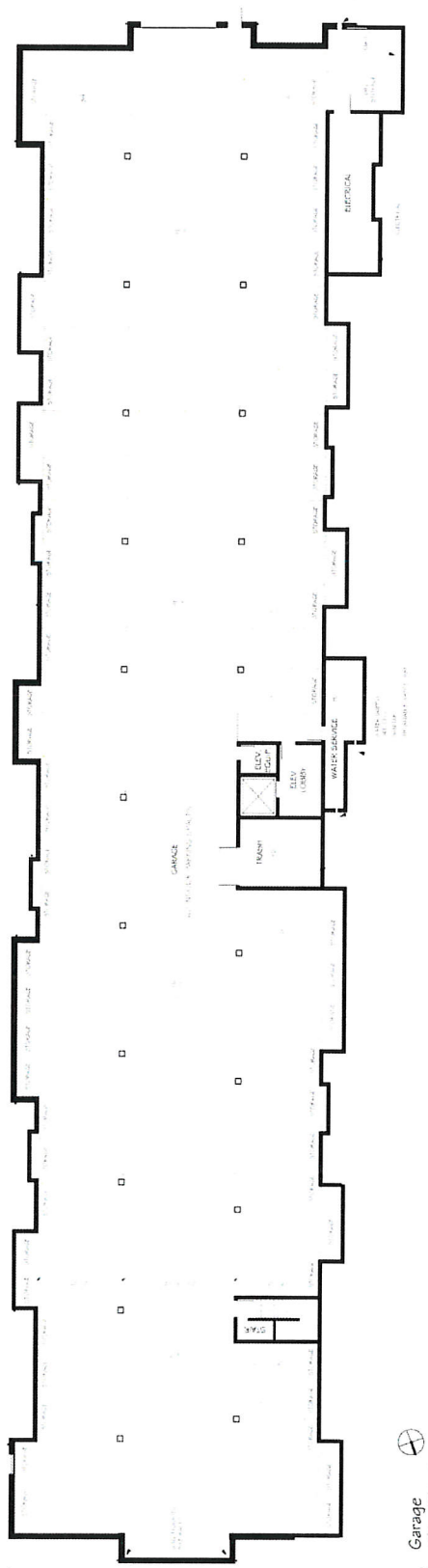
High Quality Lap siding, Brick and other siding accents

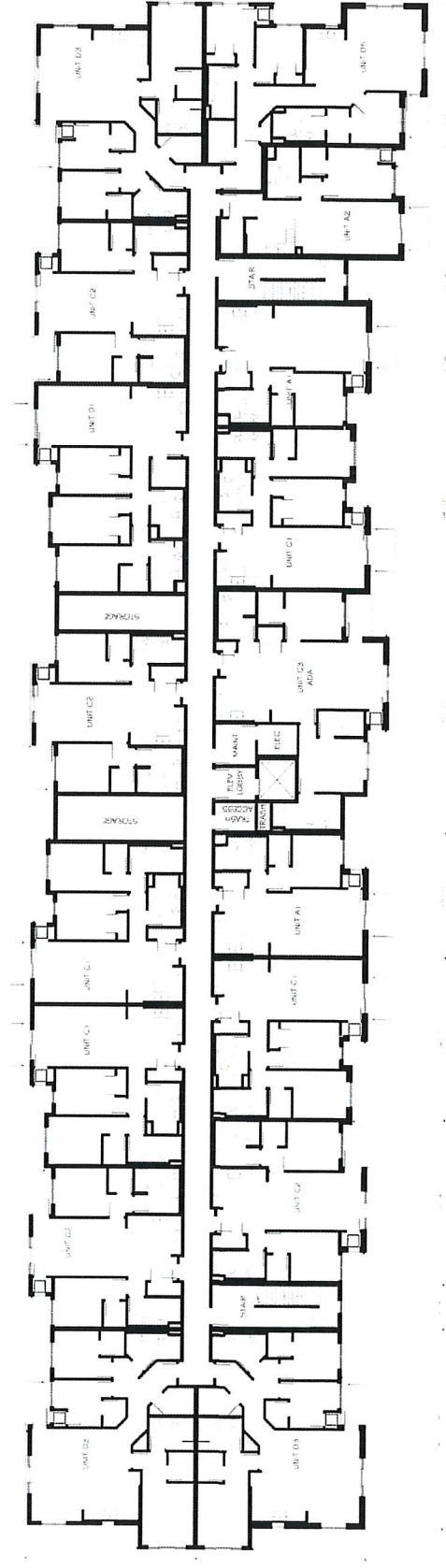
Maintenance Free Decks for all units

Focus is on Energy Conservation and Sustainability

Exterior deck, fenced in play area and grilling station

Wexford Place - Garage Level and First Floor



[illegible]

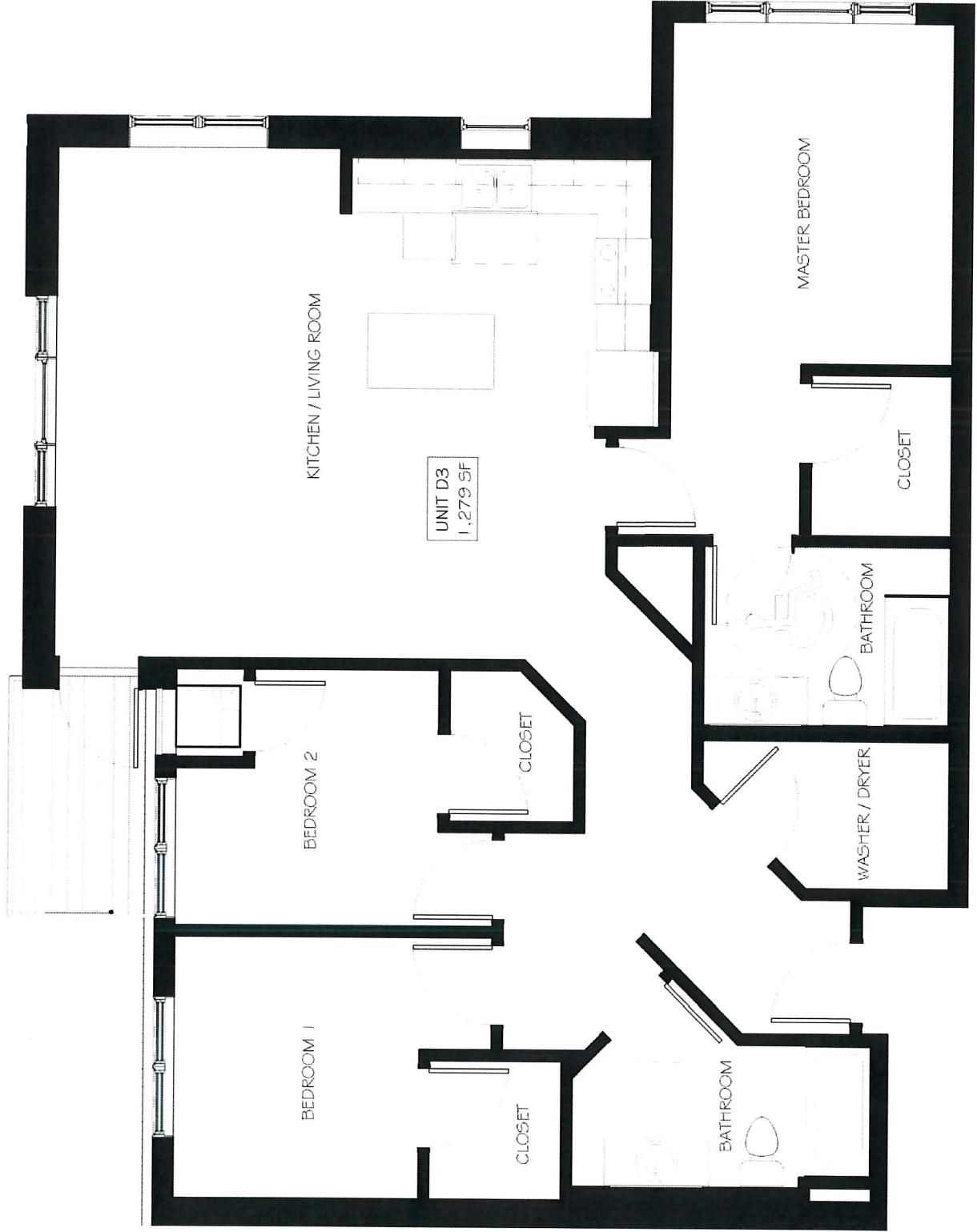
1 Bedroom Floor Plan Concept



2 Bedroom
Floor Plan
Concept



3 Bedroom Floor Plan Concept



Commons Area Pictures from our Savage & New Hope Buildings



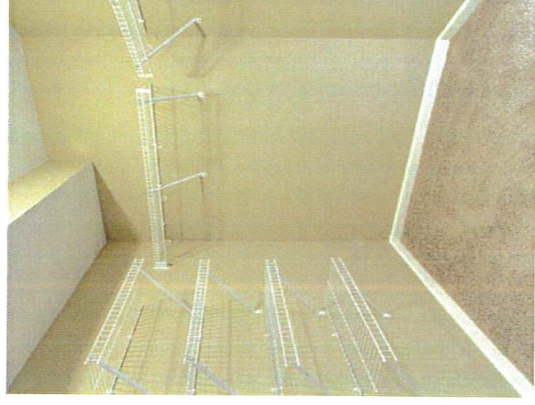
Pictures from our Savage and New Hope Buildings



Pictures from our Savage and New Hope Buildings



Pictures from our Savage and New Hope Buildings



Pictures from our Savage and New Hope Buildings



Pictures from our Savage and New Hope Buildings



Preliminary recap of Apartment Building size, unit mix and unit sizes

UNIT MIX SUMMARY

1 BED ("A" UNITS)	9	18%
2 BED ("C" UNITS)	26	53%
3 BED ("D" UNITS)	14	29%
Grand total	49	100%

UNIT MIX BY UNIT TYPE

UNIT A1	6	747 SF
UNIT A2	3	740 SF
UNIT C1	13	963 SF
UNIT C2	11	952 SF
UNIT C3 ADA	2	1,177 SF
UNIT D1	2	1,215 SF
UNIT D3	9	1,279 SF
UNIT D5	3	1,267 SF
Grand total	49	

PROJECT INFO.

BUILDING AREA SUMMARY	
GARAGE	22,175 SF
1ST FLOOR	21,992 SF
2ND FLOOR	21,940 SF
3RD FLOOR	21,835 SF
GRAND TOTAL	87,941 SF

PARKING COUNT SUMMARY	
GARAGE SPACES	61
SURFACE PARKING	37
PROOF OF PARKING	9
TOTAL POTENTIAL PARKING SPACES - 107	
PARKING SUMMARY: (2.0 PARKING SPACES PER UNIT REQUIRED)	
GARAGE PARKING SPACES	61
SURFACE PARKING SPACES	37
TOTAL PARKING SPACES	98
(98 PARKING SPACES / 49 UNITS = 2.0 SPACES PER UNIT)	
PROOF OF PARKING SPACES	
(107 PARKING SPACES (WITH PROOF OF PARKING) / 49 UNITS	
= 2.18 PACES PER UNIT	

Based on other buildings which are nearly the same unit mix, we expect about 140 total residents in the building, with about 70 being children: 1 bedroom units ave. 1.2 residents, 2 bedroom ave. 2.6, 3 bedroom ave. 4.3

Current Income requirements and Rents for Inver Grove Heights

- 2019 Qualifying Incomes: at or below \$42,000 (family of 1)
at or below \$48,000 (family of 2)
at or below \$54,000 (family of 3)
at or below \$60,000 (family of 4)
at or below \$64,800 (family of 5)
at or below \$69,600 (family of 6)
- Each resident in the household must pass extensive credit, criminal & housing history checks
- Projected rents - net of utilities:
 - 1 bedroom = \$893/month
 - 2 bedroom = \$1,068/month
 - 3 bedroom = \$1,230/month
- Tenant pays only for their household electric and A/C

Professional Management

- Steven Scott Management will be our management company, they are a highly respected local company.
- We will have an onsite resident caretaker, we also will have a building manager who is at the building a minimum of 30 hours per week, along with a Senior Manager who oversees the building management.
- As part of the maintenance and management of the building we are in each unit, normally monthly or bi-monthly to maintain equipment and to do a quick inspection to confirm no lease violations or undo wear and tear is happening.
- The leases are also very clear as to our right to evict or non-renew a tenant for either a major lease violation or continued smaller issues. They also sign a Drug-free/Crime-free lease addendum.
- Smoking is not allowed anywhere in the building.

Questions/Comments?

Mike Waldo or Mike Roebuck
Ron Clark Construction & Design
7500 West 78th Street
Minneapolis, MN 55439
Phone: 952-947-3000
Email: mwaldo@ronclark.com

From: [Kim Fox](#)
To: [Allan Hunting](#)
Subject: Fwd: Ron Clark Co struction-Case No. 20-10pA
Date: Thursday, May 28, 2020 7:36:08 PM

Please add this email to your counsel report for Ron Clark

Begin forwarded message:

From: "lizfusenig@aol.com" <lizfusenig@aol.com>
Date: May 28, 2020 at 7:14:58 PM CDT
To: Kim Fox <kfox@invergroveheights.org>
Subject: Ron Clark Co struction-Case No. 20-10pA
Reply-To: lizfusenig@aol.com

Hello Kim,

I realized I missed the planning meeting on May 19th but wanted to share my thoughts about the Ron Clark Construction proposal. I live at 5667 Babcock Trail in Inver Grove Heights-just 3 houses in from the intersection of upper 55th and Babcock. My concern with adding a high density residential building is the additional traffic and safety concerns on Babcock.

In the seven years we have lived on Babcock Trail, traffic has tripled and adding this complex would only exacerbate this issue. Traffic has actually increased since Robert Street opened up instead of decreased. Additionally, since the Vikings stadium opened traffic on Babcock has increased.

There are times I wait in my car over 10 minutes in my driveway just to turn onto Babcock due to traffic. Additionally, it took me 5 minutes standing on at the end of my driveway just trying to walk across the street to get my mail today due to traffic. This is not unusual. This is the street I live on and I don't even feel safe walking my dogs on Babcock.

My concern is with the pedestrian safety concerns if this construction project were to be approved. There is an existing pedestrian problem: the safety children who walk to school from the existing apartments on Babcock and Upper 55th. I have called the city previously about adding sidewalks for the kids to walk on (especially in the winter as they walk in the road due to the snowplow drifts) and was told that "most parents drive their kids to school". There are still many kids that walk in Babcock and we still have many children who walk to school.

I've always said that one should never offer complaints without a solution, so here is a proposal to bring to the planning commission:

Have Ron Clark Construction pay the entire cost (not taxpayer money) for the following :

1) Adding /paying for stoplights at Upper 55th and Babcock

- 2) Adding/paying for a sidewalk on the west side of Babcock so children/pedestrians can safely walk.
- 3) Ron Clark to cover the entire cost of any road construction from the new property to Salem elementary.

I feel there is existing issues that have to be addressed before adding to the problems specified above. I thank you for your consideration.

Sincerely,
Elizabeth Clare
651-249-3149

From: [Annie Platek](#)
To: [Kim Fox](#)
Subject: Planning Commission Meeting Re:5590 Babcock Trail
Date: Monday, May 18, 2020 10:54:32 AM

We are **not** in favor of changing the land use designation of this property to High Density Residential. This will negatively impact our property value as well as increase the traffic flow.

Steve & Ann Platek
1920 Upper 55th St. E.
IGH 55077

Annie C. Platek

From: [Kim Fox](#)
To: ["Rich"](#)
Cc: [Allan Hunting](#)
Subject: RE: Ron Clark Constr.- Case No.20-10PA
Date: Monday, May 11, 2020 7:57:04 AM

Mr. Young:

Thank you for your comments. I will forward these to the Planning Commission and the City Planner.
Kim

From: Rich <rich.young02@icloud.com>

Sent: Sunday, May 10, 2020 9:24 PM

To: Kim Fox <kfox@invergroveheights.org>

Subject: Ron Clark Constr.- Case No.20-10PA

Planning Commission,

Property located at 5590 Babcock Trl and Identified as PID #20-03210-75-040,20-03310-50-050, and 20-03310-51-020.

I am against the land use designation being changed from P to HDR on said properties.

Has there been any safety, traffic, and environmental studies?

The added traffic of construction equipment and storage of material would be even worst than it was for the construction of the parking ramp at the Cenex complex. Which was much worse than I anticipated.

The area outside of said properties does not have sidewalks and to update them at this time, COVID-19 lockdown, would be a great hardship on home owners.

Babcock Trail, north and south, has no sidewalks and steep ditches forcing people to walk on the roadway.

Upper 55th St, west of Babcock Trl., doesn't have sidewalks either and a paved shoulder only about 100 ft.

There has also been an increase of traffic since the Viking Trainer Facility has been built.

Sincerely,

Richard Young

5718 Babcock Trl. E.

Inver Grove Hgts, MN 55077

Sent from [Mail](#) for Windows 10

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Establishing Parking Restrictions for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements

Meeting Date: June 8, 2020
 Item Type: Regular
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Steve Dodge, Assistant City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director
 Judy Thill, Fire Chief

SWD

	Fiscal/FTE Impact:
☐	None
☐	Amount included in current budget
☐	Budget amendment requested
☐	FTE included in current complement
☐	New FTE requested – N/A
☒	Other: Pavement Management Fund, Franchise Fee Funds, Sewer Fund, Water Fund, Special Assessments, DCSWCD Grant

PURPOSE/ACTION REQUESTED

Consider a resolution establishing parking restrictions for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements

SUMMARY

City Project No. 2016-09G was ordered on November 25, 2019, as part of the City's Pavement Management Program. The project is being considered for award on the consent agenda for the June 8, 2020 Council meeting. 60th Street, 62nd Street and Bacon Avenue are currently 24-foot wide rural roads with no parking restrictions.

These roads are being reconstructed to a 28-foot urban road with surmountable curb. A 20-foot fire lane is required per Fire Code; therefore, parking can only be allowed on one side of the road. Parking will be prohibited on the north side of 60th Street, the west side of Bacon Avenue and the north side of 62nd Street.

There are pinch points on 60th Street and Bacon Avenue where the road narrows to 24 feet due to the DNR Lake, wetland, and slope impacts. Parking is proposed to be prohibited on both sides of the road at these two locations where the 20-foot lane Fire Code requirement cannot be met (see attached Exhibit A).

Residents along 60th Street have requested parking be allowed on one side of the road because this situation is unique and the road is being reconstructed from rural to urban sections. I have attached a second resolution for Council to consider which addresses the request. Parking would be allowed on the south side of 60th Street, including the narrower 24-foot road section (See attached Exhibit B). Attached is a letter from the resident at 1945 60th Street in support of allowing parking on the south side of 60th Street at the narrower section of road.

The Council meeting is being held remotely pursuant to Minn. Stat. Sec. 13D.021, following the Governor's "Stay at Home" executive orders and the City's declaration of a local emergency. The City Hall building, 8150 Barbara Avenue will be closed; however, we are providing an opportunity for residents to remotely provide feedback, view and/or participate in the regular Council meeting by using letters, emails, viewing on TV or device, and calling in. See further instructions below for providing your method of participation.

To provide feedback or participate in the no parking resolution regular agenda item on June 8th, you have the following options:

- (1) Mail written comments to the City in advance of the Council meeting: No Parking Resolution CP 2016-09G, C/O City Clerk, City Hall, 8150 Barbara Avenue, Inver Grove Heights, MN 55077. Written comments received prior to the 7 p.m. Council meeting will be provided to the Council and incorporated into the record.
- (2) Drop written comments (addressed as shown above) in the utility payment box (across from City Hall front entrance doors) in advance of the Council meeting. Written comments received prior to the 7 p.m. Council meeting will be provided to the Council and incorporated into the record.
- (3) Email your comments to cityclerk@invergroveheights.org
- (4) To provide public comment during the meeting, **via phone call only:**
 - a. Phone number: 651-450-2471
 - a. Please call in by 7 pm, the City Council meeting start time, on June 8, 2020.
 - b. Phone calls will also be taken during the City Council meeting; however, public comment must be received prior to Council approving the item.
 - c. Provide Name, address and phone number to be reached at.
 - d. Identify you are calling in for public comment on City Project 2016-09G – 60th Street, 62nd Street and Bacon Improvements.
 - e. The City Staff person managing the calls for public comment will provide directions.

To view the Council meeting live you can:

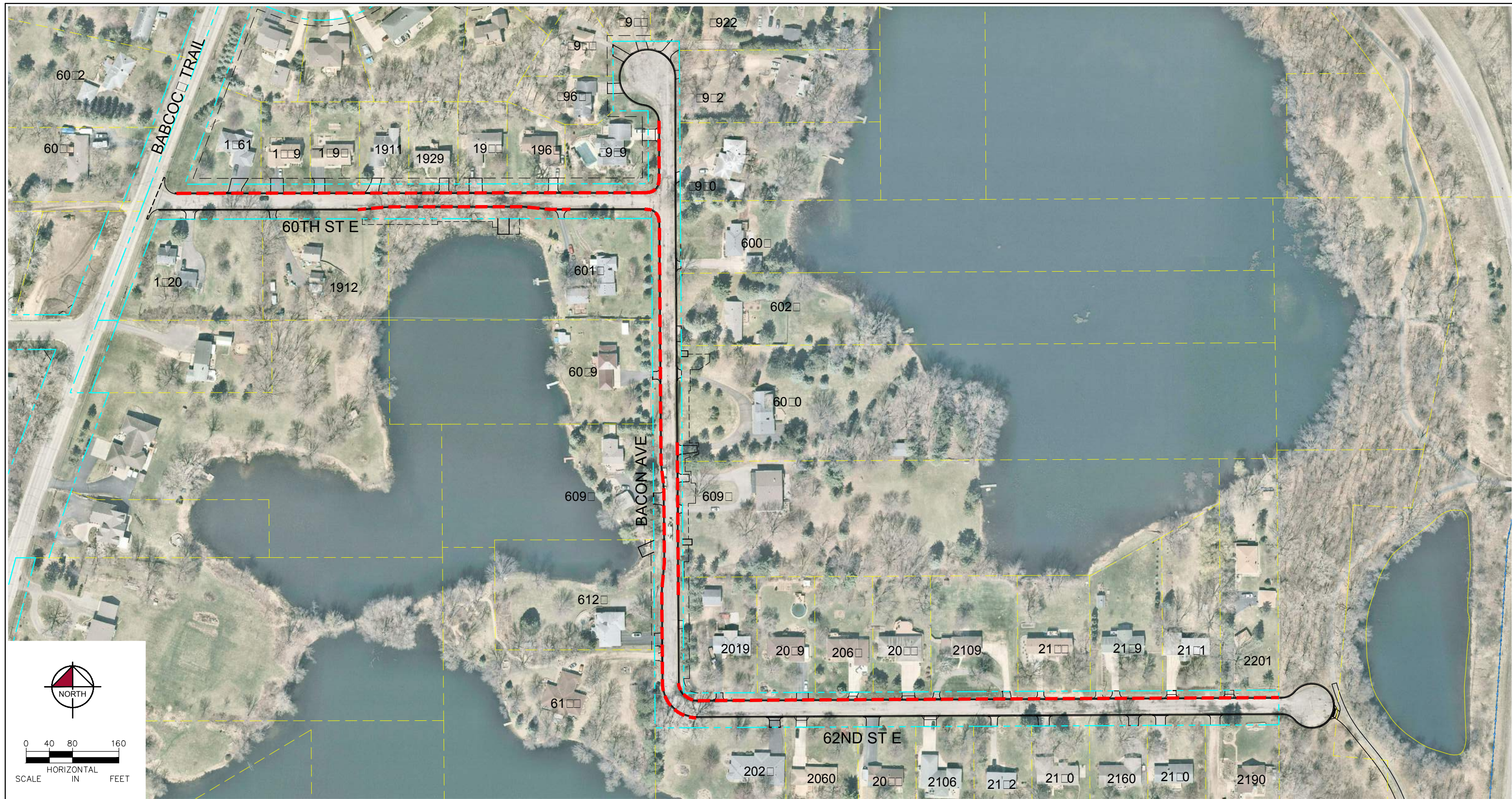
- (1) livestream on Townsquare TV in real time. The meeting can be viewed at <https://www.townsquare.tv/webstreaming>.
- (2) Watch on your local access TV Channel NDC4 (channel 19)

Staff recommends passage of one of the attached resolutions which would authorize the posting of no parking signs along 60th Street, 62nd Street and Bacon Avenue for City Project No. 2016-09G – 60th Street, 62nd Street and Bacon Avenue Improvements

SWD/kf

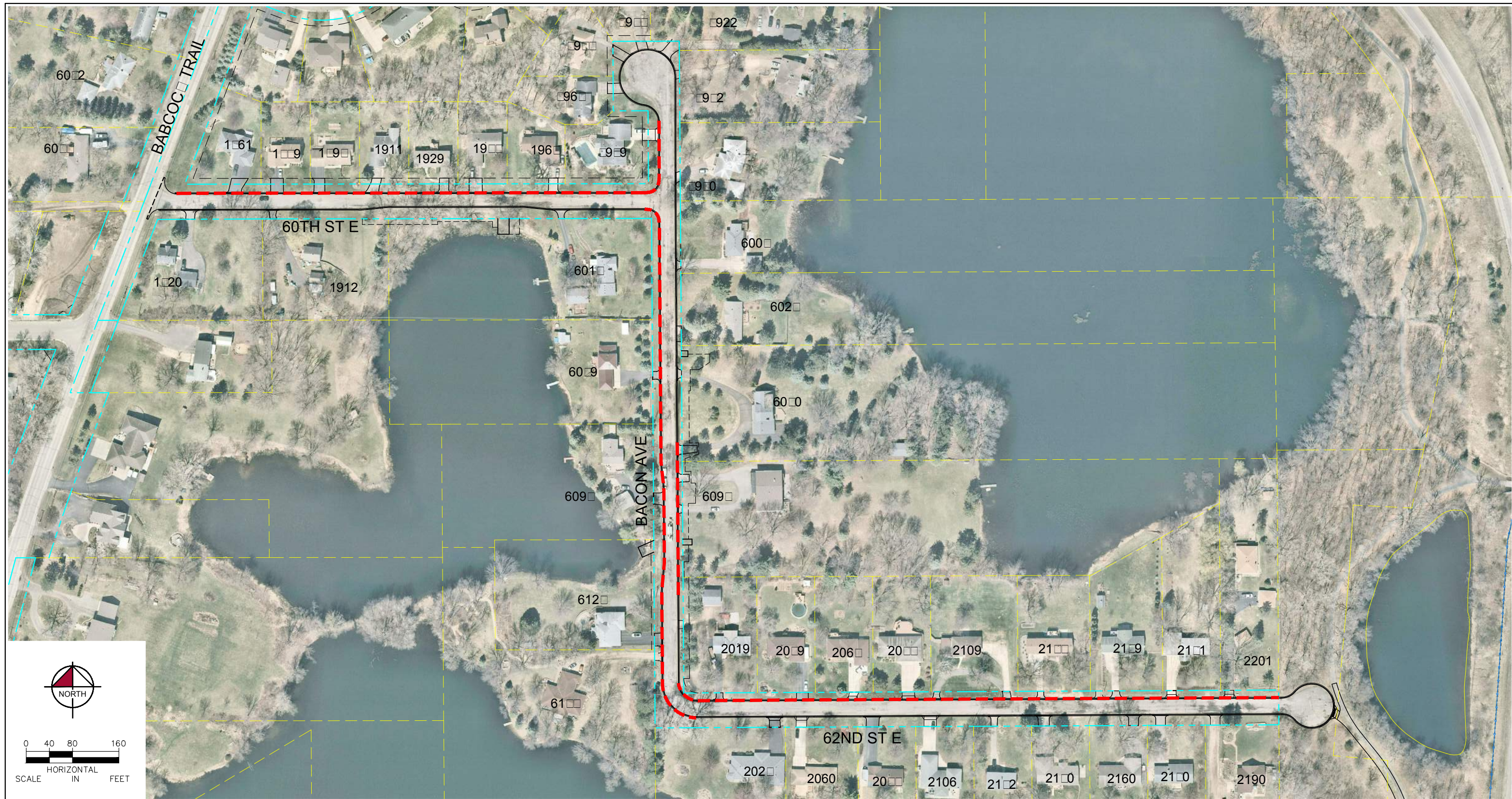
Attachments: No Parking Exhibits
Letter from 1945 60th Street
Resolutions

K:\TWC_civil\City\IGH\160509037-e2nd STREET AREA RECON\CAD\Plan Sheets\Exhibits\OPEN HOUSE\160509037 - PROW- Urban_No Parking.dwg May 20, 2020 - 8:22am



----- NO PARKING ZONES

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Matthew J & Beth Heiss
1945 60th St E
Inver Grove Heights, MN 55077
651-451-9677 mbheiss@msn.com

June 3, 2020

City of Inver Grove Heights
Scott Thureen, Public Works Director
8150 Barbara Ave.
Inver Grove Heights, MN 55077-3412

RE: No Parking Resolution – Remote Council Meeting Participation Information 60th Street, 62nd Street and Bacon Avenue improvements – City Project No. 2016-09G

We are in agreement that the state of our street needs to be addressed. We received the June 1, 2020 letter regarding a no parking resolution.

Our property is located on 60th Street where the road narrows to 24 feet due to DNR lake, wetland, and slope impacts.

We are in favor of:

(2) Parking prohibited on the north side of 60th Street, the west side of Bacon Avenue, a section on east side of Bacon Avenue with road width less than 28 feet, and the north side of 62nd Street.

Please feel free to contact us at the above phone or email. Thank you for your consideration.

Sincerely,

Matthew J and Beth Heiss

No Action Taken

CITY OF INVER GROVE HEIGHTS DAKOTA COUNTY, MINNESOTA

RESOLUTION RELATING TO PARKING RESTRICTIONS ON 60th STREET, 62nd STREET and BACON AVENUE FOR CITY PROJECT NO. 2016-09G 60TH STREET, 62ND STREET AND BACON AVENUE IMPROVEMENTS

RESOLUTION NO. _____

WHEREAS, this resolution was passed this 8th day of June 2020 by the City of Inver Grove Heights in Dakota County, Minnesota. The municipal corporation shall hereinafter be called the "City",
WITNESSETH:

WHEREAS, the City has planned the improvement of 60th Street East from Babcock Trail to Bacon Avenue, 62nd Street East from Bacon Avenue to its east terminus, and Bacon Avenue from 62nd Street East to its north terminus in the City of Inver Grove Heights, Minnesota; and

WHEREAS, the City will be reconstructing the road from a rural section to an urban section; and

WHEREAS, this improvement does not provide adequate width for parking; and approval of the proposed construction on a City street must therefore be conditioned upon certain parking restrictions; and

WHEREAS, City Code Title 6 Chapter 3 and Minnesota Statute Statute 169.04 does authorize "Regulatory and Warning Sign Placement"; and

WHEREAS, Minnesota Statutes, Chapter 169.04, has been adopted by the City Council of Inver Grove Heights by reference as part of said City Code.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the City shall ban the parking of motor vehicles on the north side of 60th Street East, on both sides of 60th Street East where the road narrows to less the 28 feet, on the west side of Bacon Avenue, on both sides of Bacon Avenue where the road narrows to less the 28 feet, and on the north side of 62nd Street East (see Exhibit A).

All such signs, upon placements, shall be in full force and effect under the Laws of the State of Minnesota, Chapter 169.04, and the Highway Traffic Regulation Act.

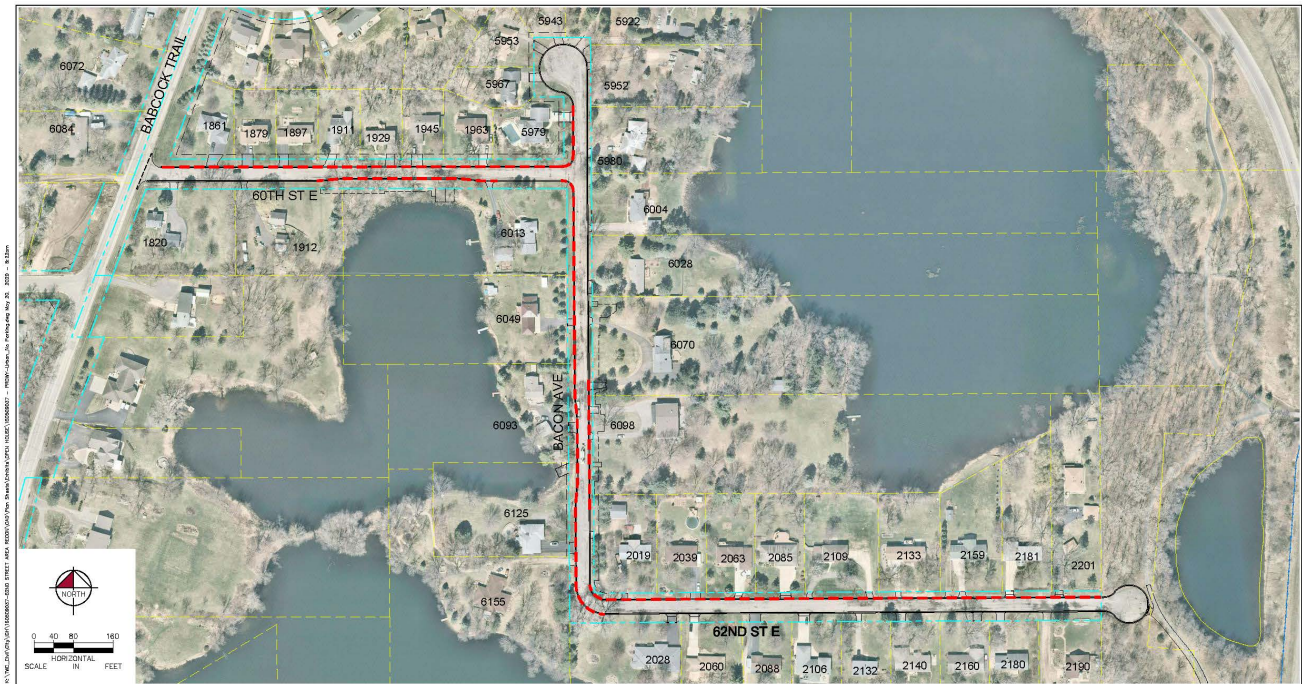
Adopted by the City Council of Inver Grove Heights this 8th day of June 2020.

George Tourville, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

EXHIBIT A NO PARKING RESTRICTIONS



No Action Taken

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION RELATING TO PARKING RESTRICTIONS ON 60th STREET, 62nd STREET and
BACON AVENUE FOR CITY PROJECT NO. 2016-09G 60TH STREET, 62ND STREET AND BACON
AVENUE IMPROVEMENTS**

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WHEREAS, this improvement does not provide adequate width for parking; and approval of the proposed construction on a City street must therefore be conditioned upon certain parking restrictions; and

WHEREAS, City Code Title 6 Chapter 3 and Minnesota Statute Statute 169.04 does authorize "Regulatory and Warning Sign Placement"; and

WHEREAS, Minnesota Statutes, Chapter 169.04, has been adopted by the City Council of Inver Grove Heights by reference as part of said City Code.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the City shall ban the parking of motor vehicles on the north side of 60th Street East, on the west side of Bacon Avenue, on both sides of Bacon Avenue where the road narrows to less the 28 feet, and on the north side of 62nd Street East (see Exhibit B).

All such signs, upon placements, shall be in full force and effect under the Laws of the State of Minnesota, Chapter 169.04, and the Highway Traffic Regulation Act.

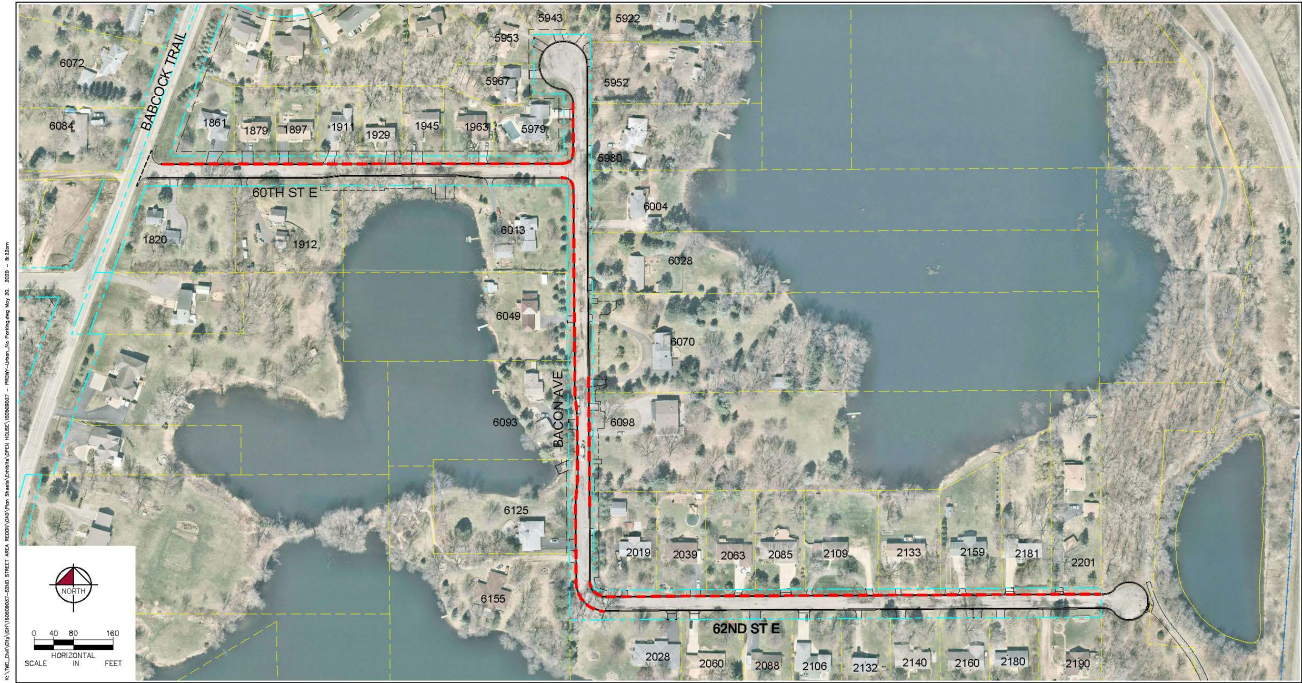
Adopted by the City Council of Inver Grove Heights this 8th day of June 2020.

George Tourville, Mayor

ATTEST:

Rebecca Kiernan, City Clerk

EXHIBIT B
NO PARKING RESTRICTIONS



----- NO PARKING ZONES

EXHIBIT B - NO PARKING (60TH STREET PINCH POINT EXCEPTION)

60TH STREET, 62ND STREET AND
BACON AVENUE IMPROVEMENTS

CITY PROJECT 2016-09G