

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, AUGUST 22, 2022 - 6:00 P.M. - 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, August 22, 2022, in person. Mayor Bartholomew called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:

Present In-Person: Mayor Bartholomew, Council Members: Piekarski Krech, Dietrich, Murphy, Gliva; City Attorney McCauley Nason, City Administrator Wilson, City Clerk Kiernan, Police Chief Chiodo, Public Works Director Connolly, Community Development Director Rand.

3. PRESENTATIONS:

4. CONSENT AGENDA:

- A.** Approve minutes off the July 18, 2022 City Council Work Session
- B.** Approve minutes of the July 25, 2022 City Council Meeting
- C.** Approve minutes of the August 12, 2022 City Council Canvassing Board Meeting
- D.** Approval of Disbursements. Resolution **2022-172**
- E.** Approval of Personnel Actions
- F.** Approval of Massage Therapist Licenses **Pulled for Amendment**
- G.** Accept the Dakota County Regional Roadway System Visioning Study Update. **Resolution 2022-173**
- H.** Accept proposal and Enter Contract for Engineering Staff Augmentation Services with Bolton & Menk Inc, **Resolution 2022-174**
- I.** Approval of Easement Agreements for Argent Trail Drainage Improvement Project (Project No. 2020-12), **Resolution 2022-175 & 2022-176**
- J.** Award Contract and Approve Budget for City Project No. 2020-12 – Argenta Trail Drainage Improvements, **Resolution 2022-177 & 2022-178**
- K.** Contract Amendment for Trail Connection Design Services for Vista Pines Park
- L.** Accept Proposal and Enter Contract with Kimley-Horn & Associates, Inc. for the Southern Sanitary Sewer Study Technical Update, **Resolution 2022-179**
- M.** Approval of Final Plans & Specifications and Authorization to Seek Bids for South Valley Park Redevelopment Project
- N.** Acceptance of January 1 – July 31, 2022 Donations and Sponsorships for the Parks & Recreation Department Project

Motion by Dietrich, second by Gliva, to approve the Consent Agenda minus item F.

Ayes: 5

Nays: 0 Motion carried.

Item 4.F. Approval of Massage Therapist Licenses. Danielle Witte has been removed from the item. Going on to approve Alexander Dimbo's Massage Therapist License.

Motion by Dietrich, second by Gliva, to approve the amended item F.

Ayes: 5

Nays: 0

5. PUBLIC HEARING:

6. **REGULAR AGENDA:**

A. **3rd Reading of Ordinance Amending City Code Related to the Discharge of Bows and Arrows**

Police Chief Mellissa Chiodo stated that the action requested is the third reading and final approval of Ordinance 5-6-1: Use of Firearms and Bows and Arrows and to consider the designated map.

- The reason for this ordinance has come from direction of Council and the City Administrator in 2019, changing land use and population of the city and resident feedback and concerns for safety. This is also to ensure Police Department resources are used as efficiently as possible.

Hunting would be allowed:

- Parcels within the designated updated map that are at least 2.5 acres in size for the owner or resident of the property to bow hunt or engage in target practice. Bow hunting or target practice may only be done by property owners, tenants residing on the property, and the spouses, parents, children, grandparents, aunts, uncles, brothers, and sisters of the owners with written permission.
- Someone other than the property owner may hunt on property of at least 5 acres with written permission from the property owner to be carried on them while hunting.

Shooting or discharge of any bow and arrow is prohibited:

- Within 300ft of any residential or commercial structure unless by property owner or someone given written permission by property owner.
- Within 200ft of any driveway not owned by person engaging in discharge or shooting.
- Within 200ft of any public street, private roadway or city, county, or state park land.

The Department of Natural Resources (DNR) does not have specific setbacks for bow hunting, but the city ordinance would.

Property owners would be responsible for measuring setbacks and making sure they are compliant with the ordinance.

Additional requirements would be:

- The hunter must be licensed and follow DNR rules and requirements for hunting and City Ordinance rules.
- Deer management activities will be allowed in specific cases when Council adopts a resolution to authorize such activities in an approved wildlife management plan.

Exemptions:

- Target practice can happen in an enclosed structure. Posted and designated park areas, official school or college supervised program or licensed commercial archery range.

Police Departments Role:

- Hunters will not be required to register with the PD
- PD will not be determining a hunter's proficiency
- There will not be exemptions made for areas outside of the designated map
- A "do not hunt" list will not be maintained
- Police will respond to calls reporting suspected bow hunting in violation of the ordinance.
 - Outside designated hunting area
 - On parcels smaller than designated
 - Hunting without landowner's permission
 - Trespassing ordinance 5-5-3
 - Any other criminal activity reported to police

Council action is to approve the third reading and grant final adoption of Ordinance 5-6-1: Use of Firearms and Bows and to approve the map designating hunting boundaries.

Map boundaries shown. Boundary for the City is south of Courthouse Blvd and Inver Grove Trail and south. Map shows areas off 2.5 acres and greater and 5 acres or greater. Businesses were left on the map as business owners could allow hunting on their parcels.

Questions/Concerns:

- Councilmember Piekarski Krech asked how many deer have been taken in Inver Grove Heights. Police Chief Chiodo was told the DNR did not have numbers specifically for Inver Grove Heights.
- Mayor Bartholomew asked when does the map have to be approved. Police Chief Chiodo replied that the map needs to be approved every year and the last time was September 14, 2022.

Tim Wallace, 11800 Akron Avenue, regarding the setbacks in the ordinance, the portion of the ordinance was crossed in a prior reading about being about to have permission from your neighbor to engage in bow hunting closer to your neighbor's driveway or structure. Being set further into one's own property may cause the hunter to shoot towards neighbors' property instead of their own, whereas setting up a stand on the property line and shooting into your own property would be safer and help lead an injured/shot deer to stay within hunter's property. Wallace asks Council to take into consideration that there are no real statistics for bow hunting injuries. Golfing is statistically a more dangerous sport.

Bob Fashingbauer, MN DNR Area Wildlife Supervisor, was asked by the public to attend the meeting. Fashingbauer states that the only way the DNR can work to control deer population numbers is through hunting season. By limiting the area for hunting it limits the amount of population control hunting that can take place. Data for Inver Grove Heights specifically cannot be pulled for deer population or number of deer taken from the area, but like most cities in the 7-county metro area there is a robust deer population. The track the data by numbers from hunting and reported car accidents involving deer.

Councilmember Piekarski Krech asked Fashingbauer how many deer were taken in the zone and how big is the zone. DNR Supervisor Fashingbauer replies that there aren't any specific numbers about how many deer are in the area or how many were taken because of how deer travel. It would have to be data from license tags.

Councilmember Piekarski Krech asks does the number of deer that Inver Grove Heights potentially takes make a large enough impact on controlling the deer population for the area. DNR Supervisor Fashingbauer states the more deer that can be harvested from an area alleviates the chance of car accidents and calls to the DNR from residents about deer being a nuisance.

City Administrator Wilson asks if the DNR tracks other cities hunting ordinances. As far as the DNR and State's concern hunting could be allowed anywhere. Counties and cities supersede the State on that decision. The DNR decides when hunting can happen but not where.

Chris Wadzinski, 7834 Alberta Way, on the topic of safety, being a hunter for over 40 years, he has never heard of anyone being injured or killed by a bow hunter. In a search through DNR incident reports back to 2002, there have been no incidents where with a bow and arrow. Dakota County is the third highest county in the state for car collisions with deer. Councilmember Piekarski Krech asks if that statistic is in Inver Grove Heights. Wadzinski responded with that it is for all of Dakota County, however, he has seen a car hit a deer right in front of his house and many deer dead in the ditches near his house.

Greg Sperl, 1705 93rd Circle East, put a stand on his property in memorial of his son who was killed and is also concerned that this will affect property value and Grannis's land seems to be turning to County

land and people will be hunting on the other side of his property. A long-range goal was to put a range on his property. Sperl would like the Council to protect his land rights and being able to hunt on his land. He does agree with not being able to hunt near recreational parks.

Levi Hapka, 9330 Inver Grove Trail, has been hunting on this property since he was little. Hapka often sees groups of 10-15 deer walk through his property while he is in his deer stand and while driving down Inver Grove Trail. With high deer populations the chances of diseases effecting deer will spread and increased car accidents will happen involving deer. The concern is that this is where the restrictions are going to start, and the setbacks will get pushed out further and further.

Mark Stangl, 10120 Cloman Path, would like the restrictions east of Inver Grove Trail left out of the restrictions as there are a lot of acres of undeveloped land.

Garrett Wegleitner, 10165 Conrad Ave E, grew up in Inver Grove Heights and has hunted for over 10 years in the area and harvested over 40 animals. Population is a huge concern. MN hunting zones are divided into over 200 units, here is Inver Grove Heights is area 701 where 2,331 deer were harvested in that unit alone which is either the 7th or 8th most in the state.

Jeremy Thilmany, 2557 96th St E, in his search for a new home over a year ago, being able to bow hunt was part of his list of things he wanted in his next home. His concern is over population and disease control if deer population cannot be kept under control and worries then for the safety of his family while driving.

Bill Carlson, 9157 Dalton Court & 9886 Anawanda Path, in response to Councilmember Piekarski Krech from the prior Council meeting asking if people should have the right to hunt on their own land and it isn't. It is why we have ordinances. There are things homeowners can do to keep deer at bay from their gardens. Carlson used to own 11 acres in the city and every year hunters would knock on their door to ask to hunt their land. He believes 2.5 acres is too small to hunt on and the door knocking is going to start all over again. With the setbacks, even if hunters are 200 or 300 feet away, they could still shoot towards your house even if it is unethical. Carlson feels that he has had to avoid hitting distracted drivers more often than he has had to avoid hitting deer in over 65 years of his life. Controlled hunts can take care of the deer population.

Muriel Carlson, 9157 Dalton Court & 9886 Anawanda Path, concerned that 2.5 acres is too small to hunt on and the setbacks don't consider that people can still shoot towards that 200/300 feet especially around parks and schools. There is only 1 larger city in Dakota County that still allows hunting other than Inver Grove Heights and Carlson feels Inver Grove Heights should follow suit with the majority of cities in the area.

Amy Hunting, 2645 96th St E, showing an arial photo of her parcel and figured out where 300ft is from her house and all her neighbors and there is no where she could discharge a bow on her lot per ordinance. Hunting shows this with another property in the same neighborhood and with the whole neighborhood. The property with the largest piece of area that a bow could be discharged is on the list that they do not want hunting in their area. These areas are too close together with children and pets. Statistics that Hunting has looked up show that accidents do happen, and it is typically when hunters shoot at movement and not the intended targets. Hunting asks that bow hunting be allowed in Inver Grove Heights, but not in residential areas.

Eric Grutzner, 6180 South Robert Trail, agrees that hunting should not be allowed in residential areas, but it should be allowed on 60-acre plot that is outside of the proposed area. Asking that large plots are grandfathered in for bow hunting.

Brian Barner, 9836 Alaureate Trail, believes bow hunting should be allowed in Inver Grove Heights because it makes this city unique, and the city has beautiful rural areas and is a premium to living here.

Ruth Rechtzigel, 10620 Courthouse Blvd, feels that hunters do not show respect for property and does not want hunting in Inver Grove Heights.

Tom Fee, 6515 Babcock Trail, believes that hunting should be allowed on larger properties that may lay outside of the proposed area where it makes sense.

Karen Taylor, 8815 River Heights Way, states that there are areas where hunting shouldn't be allowed especially in residential areas where there are people around and might not know there is hunting occurring around them.

Levi Hinton, 8985 Aralia Ct, from an environmental viewpoint reducing the opportunity for bow hunting on property and the changes are drastic and limiting.

Kathy Glassing, 9640 Inver Grove Trail, feels that bow hunting should be discontinued on the south side of Inver Grove Trail also. With new housing developments and more population and traffic it is dangerous.

Todd Gabriel, 8755 River Heights Way, hunting is needed in Inver Grove Heights to help keep the deer population down to help prevent more vehicle accidents and from deer damaging landscaping. Gabriel would like to see the 2.5 acres maintained

Jim Taylor, 8815 River Heights Way, believes that bow hunting shouldn't be allowed on 2.5 acres. There are things people can do to prevent the damage from deer and the population doesn't seem as much as some may say.

Karen Taylor, 8815 River Heights Way, anyone can see her beautiful flower gardens if they believe deer are eating gardens and damaging landscaping.

Mayor Bartholomew asks Police Chief Chiodo for clarification on the setbacks. Mayor Bartholomew asks if the 300 feet from a structure means for a non-resident and the property owner can hunt in that area. Police Chief Chiodo says that in the written ordinance in section 2.A. states that the property owner can hunt within that 300ft to a residential or commercial structure and the property's owner can give written permission to a person to hunt on their property and include that 300 ft. Bartholomew asks if someone is hunting around his property and they don't have permission, then they cannot hunt within 300 feet of his property and 200 feet from the driveway. Chiodo says that is correct. They would need permission from the property owner to come within the 300 feet. Bartholomew says that this would limit a lot of the smaller 2.5 acre lots from bow hunting. Chiodo says that will vary on the lot size, shape, and location of the structure.

Mayor Bartholomew asks how a property owner would keep hunters 300 feet away. Chief Chiodo says that then a complaint to the police department would have to be made if it is an ongoing issue.

Councilmember Piekarski Krech asked if there are any statistics on car accidents involving deer for Inver Grove Heights. Police Chief Chiodo replied that there isn't a report with statistics on that readily available right now.

Administrator Wilson wanted to restate that the 300-foot setback from the structure and the 200-foot setback from the driveway is currently in the code. The new part of the ordinance is the 300-foot setback is from park land.

Mayor Bartholomew states that he thinks that bow hunting shouldn't be allowed on the 2.5-acre residential areas. Hunting should be allowed at south of highway 55 and 52, over to 120th Street and 117th Street and then to the Eagan border. It should not be allowed in the River Heights area for safety concerns. Bartholomew supports how the ordinance is written.

Councilmember Piekarski Krech said that people who live north of Highway 55 and live on larger lots should be able to hunt on their property especially if the deer population is as bad as believed. She isn't against hunting, but it needs to be done safely and responsibly without infringing on equity and fairness for property rights and privileges. Mayor Bartholomew asks if that is something that needs to be revisited because it is also a place that is rapidly developing, bordered by a highway, and has connecting traffic to surrounding communities.

Councilmember Piekarski Krech asked should a property owner with 60, 80, or 100 plus acres but doesn't reside in the proposed bow hunting boundaries be able to hunt even though their property might border a development or of the like. Bartholomew says that he understands that people with a larger number of acres should be able to utilize their property, but as this is the third reading it shouldn't be coming up now. He is willing to help protect the rights of those property owners with allowable land.

Councilmember Murphy said that this ordinance set out to help with the safety of residents, but also protect the rights of property owners while alleviating some of the work for the police department. He believed that the ordinance as written does that. It is possible that this ordinance will be revisited as the city changes. Murphy is also a little surprised that the larger lots outside of the boundaries is coming up now and that is something to take into consideration.

Councilmember Gliva said compromise in this situation is hard with such differing of opinions but agrees with Murphy that this is a good step for the city and sets out to do what it was intended to do. She agrees with finding the balance between safety and property rights. The visual from Ms. Hunting with the circles on properties marking the 300-foot setback was very helpful, but that isn't something that has change in the code. Restricting large properties north of the boundary is not treating everything equally and needs to be rethought.

Mayor Bartholomew asks where to go with the ordinance because this is the third reading, ask staff to comeback with more revisions or let the ordinance die with lack of motion.

Police Chief Chiodo said throughout this process she has based this ordinance on facts and information gathering and does not feel comfortable weighing in on what to do about the larger lots because it would be based on opinion instead of facts.

City Administrator Wilson says that she wouldn't want all the time and effort already put into this ordinance and have to start over. If Council is not ready to act on the ordinance that is in front of them, the 3rd reading can be continued into the next meeting giving staff the time to make the suggested

revisions. To address the circumstances with the larger lots, the current map has where hunting is allowed under some conditions and not allowed under any conditions. The map could be taken out all together and leave the language to describe where hunting is allowed and not allowed. Another option might be to create zones for what size lots would be allowed in those respective zones for hunting. She is not recommending any option specifically.

Councilmember Piekarski Krech would like to see something like what was decided for snowmobiling. This would keep the 2.5 acres south of 52 and add 10 plus acres for allowable hunting land in the northwest region of the city

Mayor Bartholomew thinks that sounds like a good idea, but he would also like to see what 10 acres in the northwest area looks like. He is thinking it should be more than 10 acres for a lot for hunting. He would like to see the options for making zones for the hunting land areas. One zone would be the original south of 52 area, a second zone would be the river area and the third could be the northwest area having larger plots of land to be allowed for hunting.

Police Chief Chiodo reminds mayor and council that the bow hunting season starts on September 19th. Mayor Bartholomew says he would like to have the item comeback for the next meeting. He asks Police Chief Chiodo if the start of the season is the absolute date the ordinance needs to be approved by. Police Chief Chiodo says she would highly recommend not trying to put the ordinance into effect once the season has started.

City Administrator Wilson says that an option for putting the ordinance into effect during hunting season is to include an effective date such as January 1st, 2023. If the council were to adopt the ordinance prior to the season starting the effective ate is 5 days after the ordinance has been approved.

Councilmember Murphy clarifies that what the remaining concern is for the council is to address the larger lots north of highway 52. Mayor Bartholomew states he would like to keep the discussion moving along and come back to the next council meeting with more information about the larger lots north of 52. Administrator Wilson clarified that council would like for staff to produce a 3-zone scenario.

Mayor Bartholomew asks if there is any motion for the item.

Motion by Bartholomew, second by Piekarski Krech to gain clarity on the large lots and look at the possibility of a third zone that item 6A 3rd Reading of Ordinance Amending City Code Related to the Discharge of Bows and Arrows to September 12, 2022

Ayes: 5

Nays: 0 Motion carried.

Motion by Piekarski Krech, second by Bartholomew to continue item 6.B Resolution Adopting Designated Bow Hunting Area Map to September 12, 2022

Ayes: 5

Nays: 0 Motion carried.

6C. 2nd Reading of Ordinance Amending City Code Chapter 5, Section 12 Related to Unnecessary Noise

Community Development Director Heather Rand asks Council to approve the second reading of the ordinance to allow Public Works, its affiliates, and private contractors to work extend the hours of 7am until 9pm. Under section twelve language was added that trash haulers may work outside of designated hours, but still follow City Code Ordinance for trash and rubbish haulers.

Mayor Bartholomew asks for clarification that the change is to allow public agencies the authority to the Public Works director to extend the hours as needed or to have the hours of 7am until 9pm. Director Rand says the Public Works Director wants the authority to go from 7am until 9pm Monday through Friday but be able to extend it as needed. Councilmember Piekarski Krech says she reads it as Public Works can always from 7am until 9pm but can let the work continue as long as they want. Piekarski Krech asks if he has always had that authority, but this is codifying it. Director Rand says yes, this is for clarification in the ordinance.

Councilmember Murphy asks is this so for construction to go from 7am - 9pm or the director of Public Works can designate any hours he sees fit for public agencies work sites? Director Rand says that public agencies working on roadways and sidewalks can work outside of 7am - 7pm by 2 additional hours until 9pm. Councilmember Piekarski Krech says that 7am-7pm is the main ordinance, but 7am-9pm is for Public Works.

City Administrator Wilson asks Public Works Director to clarify what the standard is in the industry for street construction and what this would change for what people are used to for construction projects in the city. Public Works Director Brian Connelly stated that the current ordinance allows for road construction between the hours of 7am until 10pm on weekdays and 7am until 9pm on weekends for everyone. Other surrounding communities' ordinances were taken into consideration when writing the ordinance for Inver Grove Heights. Most of the other cities have the timeframe of 7am and range from 8pm to 10pm on weekdays. Allowing roadway construction to go until 9pm especially during the summer months would allow projects to stay more on time and not have to stop at a critical point of the project. Going past 9pm would be for projects that need to be completed in a timelier manner or a resource is more conducive to the work to be done i.e., a watermain shutdown. Giving the authority to the Public Works Director or designee would be more convenient than having to wait and go through council if the need is more urgent.

Councilmember Murphy asks that this portion wouldn't be for any construction, it would have to go through Public Works. Administrator Wilson says correct, any other construction would have to stop for the day at 7pm.

Motion by Piekarski Krech, seconded by Gliva to accept the changes in the 2nd reading of the ordinance for unnecessary noise.

Ayes: 5

Nays: 0 Motion carried.

6D. 1st Reading of Ordinance Amending City Code Title 4, Chapter 13 Related to Rental Licenses

City Council adopted a rental licensing ordinance in the fall of 2016. Current code language does not speak specifically to short-term/vacation rentals. The process of administering the current code language has raised several issues and challenges.

The first change to the ordinance would be to allow a 30-day minimum lease. The intention is to address the increasing complaints about neighboring properties being utilized as a business rather than as a residence and generating disruptive noise and excessive vehicles.

The second change is the definition of family. Currently the ordinance states that a family is an individual or two or more persons related by blood, marriage, or adoption. The change would be to include not more than four persons not so related, living together as a single housekeeping unit maintaining a common residence and sharing common cooking facilities, bathrooms and living spaces. This would address concerns about single-family dwellings being rented as multi-family dwellings while still allowing true roommates. Staff feels this is an improvement on the current language of the ordinance.

The third change is the adding a 6-month waiting period before reapplying for a rental license on the same property when the initial rental license has been denied or revoked. This would prohibit a person from being denied a rental license on a Monday and coming in and reapplying the next day or shortly after assuming that the reasons the rental license was denied had been remedied that quickly.

A fourth change is more of a clarification in the language pertaining to the application fee. Saying that council sets the fee annually, is not refundable even if the application is withdrawn or denied. This already is in practice but would be supported by language in the ordinance.

For the next steps on the 30-day minimum lease, if Council approves the first reading, staff will do outreach to the owners of IGH properties listed on popular short-term rental websites, to the extent that we can determine the address and legal owner.

Communication will also go out to those with a current rental license, notifying them of the proposed changes and dates for the 2nd reading.

Rental licensing will continue to be researched and analyzed to develop clearer listing of grounds for denial and establish a process or issuing a provisional license. There may be changes to the rental licensing ordinance down the road once staff has been able to complete their research.

City staff is requesting to approve the first -reading of the ordinance, with or without changes.

Motion from Councilmember Gliva, second by Piekarski Krech to amend City Code Title 4, Chapter 13, Related to Rental Licenses

Ayes: 5

Nays: 0

Motion carried.

6E. Consider Approval of Rental Licenses

Community Development Director Heather Rand is asking Council to approve three rental licenses for addresses:

- 8812 Brunell Way - Ruby Ann Baker
- 3926 67th Street - Perrin and Jodi Werner
- 4868 Boatman Lane - Nick Robbins

Motion from Councilmember Gliva, second by Piekarski Krech to approve the three licenses proposed.

Ayes: 5

Nays: 0 Motion carried.

6F. Funding for Trail Extension at Seidels Lake Park

Park and Recreation Director Adam Lares presents the opportunity to partner with South St. Paul to expand and upgrade Seidels Lake Park. South St. Paul has 3 acres and Inver Grove Heights has 30 acres of the park. The construction will focus on the expansion of a new trail system and rehabilitation of the current trail.

In May 2019, IGH Council approved the Construction of timber staircase. The cost was \$25,000 and was funded by the Park Acquisition and Development Fund (Fund 402). One of the goals of the master plan is to build a trail around the lake at or near waters edge. The stairs supported the efforts in connecting the park to the lake.

The restoration project will be in 3 phases. The first phase will involve the lift station that was completed last fall and lift station start up was spring 2022. Legislative dollars (\$781k) were obtained from the State and used for this phase. The second phase will be about restoration and habitat enhancements with Conservation Partners Legacy Funds that were applied last fall and recently IGH and SSP were awarded \$382k. Phase 3, will be the trail reconstruction and extension and funded by a DNR Local Trail grant awarded to South St. Paul. The trail connection is in line with the master plan for the park. The trail extension is planned to be ADA compliant and paved.

WSB was hired by South St. Paul, and they are recommending combining phases 2 and 3 to allow for efficiencies and avoid redundancies.

The east side of the lake is in very poor condition and needs to be reconstructed. Per the IGH Master Plan, there is a desire to construct an additional access point and extend the trail to the south, providing a connection to an existing trail in IGH to the trail on the east side of the lake.

Phase 3 will include: the reconstruction of 1,680 feet of existing bituminous paved ADA trail, the construction of a 920-foot bituminous ADA trail extension. Both are to be completed in 2023.

The estimated cost for phase 3 will cost \$440,000 overall. The DNR grant will cover \$250,000. With the remaining balance of \$190,000, South St. Paul has committed to a 50/50 split leaving IGH to cover \$95,000. 78% of the trail system is within IGH, however, South St. Paul has agreed to the 50/50 cost share. Given the anticipated inflation and potential trail rerouting to meet ADA design criteria, \$175,000 is a more reliable cost estimate.

Funding for the Seidels Lake trail extension would from the City's Park Acquisition and Development Fund. The fund currently has \$4.7million available. With all the upcoming and current park projects and maintain a healthy balance in the Fund for future needs and opportunities.

Staff recommends that the Council approves the \$175,000 out of the City's Park Acquisition and Development Fund for the Seidels Lake Park trail extension project with South St. Paul. On August 10th, 2022, the Parks and Recreation Advisory Board unanimously voted to recommend the resolution to the City Council.

Mayor Bartholomew asks what is Inver Grove Heights historical perspective with joint power agreements with South St. Paul? Director Lares says that given that 78% of the trail is in IGH, IGH would perhaps take on that responsibility, but that will have to be discussed and negotiated with South St. Paul and what will benefit both cities. Mayor Bartholomew asks where on the priority list are park trails versus streets and sidewalks around the city to be cleared after inclement weather. Public Works Director Brian Connelly responds that that is something that will be a discussion between Public Works and Parks and Rec in the upcoming future for what makes sense and is the most cost and time efficient.

Councilmember Dietrich says she supports this plan as it promotes health and wellbeing in the city. Referencing a park project from a few years ago that staff produced a solution to grade a path instead of incorporating a lot of switchbacks that might help with the cost also.

Councilmember Piekarski Krech says that it will be nice to see the improvements on the park.

Motion from Councilmember Dietrich, second by Murphy to approve the funding for the trail extension at Seidels Lake Park

Ayes: 5

Nays: 0 Motion carried.

G. Continued Discussion of Utility Rate Study

City Administrator Kris Wilson is presenting on the city's utility rate study with focus on water rates. The Utility Rate study is a partnership between City Administrator Wilson, Finance Director Amy Hove, and Public Works Director Brian Connelly. The review of the Utility rates is currently paid by the current residents and property owners on a quarterly or monthly basis. Developers and builders pay utility fees to connect a new structure to our system. The rates and fees cover water, sanitary sewer, and stormwater utilities. The study is to be completed this fall, in time to set 2023 rates. Consultant AE2S has been conducting the study.

The over all goal is to ensure that the City's utility rates are fair, transparent, and effective at funding the operation of our utility systems and paying for anticipated capital improvements in the coming years.

Today's discussion will focus on water rates only. Sanitary sewer and stormwater rates as well as connection fees for water, sewer and stormwater will take place soon.

A review of proposed water rate structure which separates out the fixed charge from any water used. It establishes a more significant increase in rates from tier to tier in order to enhance the conservation incentive. It will define the tiers differently for commercial, industrial, and institutional accounts versus residential accounts. It will also change how multifamily residential, commercial industrial and institutional irrigation accounts are charged. Another topic to address is the current senior discount program and whether it should be kept, modified, or phased out.

The fixed charge option is currently in practice. Current rate structure includes up to 2,000 gallons per month or 6,000 gallons per quarter as part of the fixed charge. This results in accounts using different quantities of water paying the same amount. Proposed rate structure separates out the fixed charge from any water used. Every customer would pay a fixed charge plus a rate per 1,000 gallons used. Best-practice is to generate 30% of revenue from the fixed charge. This rate structure helps guarantee a stable revenue stream.

Tier structure part 1 would be both the current and proposed rate structures to have 4 tiers. The purpose of having a tiered rate structure changes the degree of price increase moving from one tier to the next. Current tier structure is tier 3 is 15% more than tier 2 and tier 4 is 7% more than tier 3. The proposed tier structure is tier 2 is 20% more than tier 1, tier 3 is 30% more than tier 2, and tier 4 is 40% more than tier 3.

Part 2 of the Tier structure would be tiers by user type. Current rate structure defines the tiers the same for all types of accounts. The proposed rate structure has three tier structures

- Residential - single-family and multi-family
- Commercial, industrial, and institutional
- Irrigation

The proposed tier structures are equivalent for single-family and multi-family residential although one is billed quarterly while the other is billed monthly, so the rate tables look a little different at first glance. The proposed tier structure for irrigation accounts applies to multi-family, commercial, industrial, and institutional irrigation accounts - all of which are separately metered from those properties' indoor water use. Irrigation at single-family residential properties is on the same meter as indoor water use and therefore would not be the subject to the new irrigation rates being proposed.

Councilmember Piekarski Krech asked how can we determine how much the average residential home use? Administrator Wilson stated the consultants did look at making sure people fall in the ranges that are already set by the current utility rates and many of the residential users do fall in the lower rates.

Some other possible options for water rates are a fixed charge that generates 30% off revenue, but doesn't include water, a stringer escalation in price from one tier to the next to encourage conservation, and different tier definitions for different user types. The possible water rates shown are estimated to generate 5% more revenue, in total for the City's water system - assuming we sell the same volume of water as we did in 2021. They will not result in a 5% across the board increase in bills - some customers will see bills rise, others would see them decline - and by different amounts - depending on the amount of water used and type of user. The proposed structure and rates reflect a "reset" off our system.

Currently a single-family flat fee is \$24.50 per quarter. The proposed amount would be 21.48 per quarter plus \$1.83 per 1,000 gallons. The price from one tier to the next in the proposed rates are proportionately larger than in the current rates.

Councilmember Piekarski Krech asks if homes aren't using the full amount in the tier why isn't there more revenue because the use is less than allotted? Administrator Wilson says the consultants have recommended this as the proposed rate to generate the 5% revenue.

For commercial, industrial, and institutional proposed rates per tier are the same as for residential. The quantity of water included in each tier is proposed to be different for commercial, industrial, and

institutional customers. Currently, the quantities of water in each tier are the same for all customer types.

Irrigation accounts are proposed to have the first gallon of irrigation use charges at Tier 3 rate. Not directly applicable to irrigation at single-family homes because they do not have separate meters for irrigation. Irrigation use is already billed on top of their indoor use, so it is most likely being charged at a higher tier as a result. Irrigation use really spikes the system and this is why this rate is much higher in cost.

Councilmember Dietrich asks if single-family homes have an even-odd rule? Administrator Wilson says she is unsure and can follow-up. About half of the city water users fall in the first 2 tiers. Inver Grove Heights compared to other metro cities is cheaper than most of them. Many of the cities have a fixed rate at about 30% of usage. Councilmember Piekarski Krech asks why the proportion of water used and amount charge slows down then jumps up in the middle of the gallon usage chart. Administrator Wilson says that it is more about the conservation and a reset of rates.

Councilmember Gliva says that the middle gallons are getting a fairer rate based on usage and they are being relieved of the fixed rate.

Councilmember Dietrich believes it is difficult to look at stormwater, sewer, and water usage individually because we don't know how they will affect each other. Staff is not asking for a definite decision until the rest of the pieces have been shared and stormwater and sewer will be discussed in the upcoming meetings.

Councilmember Gliva asks when would the rates go into effect, and would it impact the budget? Administrator Wilson says that these rates don't impact the budget as the budget is tax based. Utility rates are looking to be set in late October or November. Not everything that is suggested by the consultants has to be put into the process right away and can be phased in.

Administrator Wilson asks council if the irrigation rate concept seems like a good practice to start charging for the first gallon at the Tier 3 level? Councilmember Murphy says that from a conversation standpoint it seems like a good start. Mayor Bartholomew says he thinks it makes sense.

Mayor Bartholomew asks if the city has all of the statistical analysis from the study? Administrator Wilson says that the city doesn't have all of it, but the consultant does and makes their suggestions based off that analysis. We can certainly get the data. Director Connelly asks what Mayor Bartholomew is specifically looking for in the data? He would like to know why 30% was proposed if the rate per gallon is the right amount. Director Connelly replied that he can understand the thought process about why the lowest rate is proportionately more than going up in usage and higher tiers and isn't backing the conservation practice. But the rates can be changed by council depending on what their goal is. Councilmember Murphy says that it seems that it doesn't make sense when compared to the old system. 5% is the biggest change for revenue. Councilmember Piekarski Krech asks if the need is there to make this a revenue generating practice. Administrator Wilson says that in an upcoming meeting there will a discussion about a capital improvement plan that the revenue would help fund. Councilmember Piekarski Krech says that she remembers that water usage rates were raised when the water treatment facility was going to be built.

Administrator Wilson points out that when the current fee structure was adopted the State was not very approving as it wasn't a conservation-pricing model. If the Council decides to go with something similar again the State might not be very accepting of it.

The senior discount is currently offered on single-family, residential water bills only. There isn't a discount on sewer or stormwater bills and no discount if they are living in a multi-family setting, where utilities are part of your rent. The discount is approximately 50% off of the base water fee. Current base water fee is \$24.50 per quarter and seniors pay \$12.03 per quarter. 21% of our residential water customers are receiving the senior discount. This is not a common discount to find similar programs in other cities. This discount is not based on income or ability to pay bills. Some seniors may be much better off financially than some younger households, but age is the only criteria.

Staff asks the Council if they want to continue to have a senior discount on water rates? If yes, are there any change that Council would like to consider? Or should it remain a 50% discount off the flat fee? Councilmember Murphy asks if there is any history on why there is a senior discount. Wilson says she does not have any history on why the senior discount was started. Although seniors may typically be fixed income and when essential bills are raised it becomes less affordable.

Councilmember Piekarski Krech says that with the current rates seniors are only paying the fixed rate and get water but with the proposed rate they would pay half of the fixed rate but then have to pay per 1,000 gallons of water and would still be more.

Councilmember Murphy says how is it fair if there is a senior sitting one a million dollars of net worth but a there is a family struggling to put food on the table to pay half of the fixed rate. He would like to see it more needs based. Councilmember Dietrich says that she would also like to see a discount more needs based. What is the application process? Administrator Wilson says the application is a one-page process with a copy of your driver's license. If the property is sold, then the discount is removed, and the next owner would have to apply if they fall in the age group.

Mayor Bartholomew asks if the number of applications stay the same from year to year. Wilson says that the number doesn't really fluctuate since it is constantly building. The current number of senior households compared to regular households is 21% which seems to indicate that many if IGH seniors are taking advantage of the discount.

Councilmember Murphy asks what the age requirement is. It is 65 years old. Murphy says that he wouldn't be able to support the discount if it wasn't needs based. Bartholomew agreed. Wilson says that if Council would like staff to look into a needs-based program, off-the-top-of-her-head, there is a federal and county-level CAP program for heating rates and that if the resident can provide a copy of that letter qualifying them for that program, then they would qualify for a discounted water rate instead of having to provide income documents and such.

Councilmember Gliva says that if there were going to be changes then now is the time to do them and if it isn't going to be a big change then keep the program and make it needs based. Councilmember Dietrich wouldn't want a lot of staff time put into it that isn't recoverable. Mayor Bartholomew says that maybe they even drop the program and let it run out. Councilmember Piekarski Krech asks if there is any history at all on the program. Wilson says that you can see it in the past resolutions when the rate schedule is adopted every year but not when it was initially adopted but can be looked into further.

7. Public Comment

Alan Shilepsky, 8432 Claymore Ct, states that he would like to speak about the Absentee Ballot board and Election Judges. He served as an election judge and on the absentee ballot board or IGH. Election judges are key components to the election day process. Judges are to be appointed from party lists

before other appointments are made for the election judges. He requests that the party lists are exhausted before election judges are appointed from other means. He would like the City Clerk to look again at the party lists to appoint any other election judges for the upcoming election. His second request is that he would like the Council to look at the list of election judges to ensure party balance for the election and to participate in the Absentee Ballot Board. This would allow for more transparency in the election.

8. Mayor and Public Comments

Mayor Bartholomew reminds everyone that there was a ribbon cutting at Vista Pines Park on August 23rd at 6:30pm.

Councilmember Piekarski Krech also reminds everyone that Clean-up Day is coming up in a month and to remember to get your stuff ready.

Councilmember Dietrich wants to thank Public Safety with their responses and help with the recent storm.

Administrator Wilson wants to remind everyone that Monday September 5th is Labor Day and there will not be a Council Meeting. The next Council meeting will be Monday September 12th and start an hour early at 5:00pm. To allow for more time to discuss the 2023 Budget.

Councilmember Dietrich asks if there was a follow-up on inquiries to the city for new businesses looking to start in IGH. Administrator Wilson says that there will be an update on that and what it would look like to have a staff person dedicated to economic development and the information will be coming up when discussing the EDA's budget coming later in September.

9. Adjournment

Motion made by Bartholomew, second by Murphy to adjourn at 9:35 p.m.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Deputy City Clerk Katie Malott