INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION MEETING
MONDAY, MAY 1, 2023 - 6:00 P.M. - 8150 BARBARA AVENUE

1. CALL TO ORDER:
The City Council of Inver Grove Heights met in regular session on Monday, May 1, 2023, in person. Mayor Dietrich called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:
Present In-Person: Mayor Dietrich, Council Members: T'Kach, Gliva, Scales; City Administrator Kris Wilson, City Attorney Bridget McCauley Nason, Deputy City Clerk Katie Malott, Public Works Director Brian Connolly, Finance Director Amy Hove, Parks and Recreation Director Adam Lares, Parks Superintendent/City Forester Brian Swoboda
Absent: Councilmember Murphy

Mayor Dietrich asked her fellow Councilmembers, those present in Council Chambers, and those watching at home, to join her in a moment of silence in honor of the Inver Grove Heights Police Officer, Ben Bidon, who passed away unexpectedly late yesterday as a result of an off duty medical emergency. Officer Bidon joined the Inver Grove Heights Police Department in May, 2015 and most recently served as an Investigator. He is survived by his wife Ashley and three daughters.
With his passing just yesterday, this is something Officer Bidon's family and the Inver Grove Heights Police Department are still absorbing. Our thoughts and prayers go out to his wife and daughters, his colleagues, and all his family and friends. Once there has been more time to process this loss, more will be shared in his memory and in honor of Officer Bidon.

3. DISCUSSION ITEMS:
A. Veterans Memorial Greenway Project Design Update
Deputy City Clerk Katie Malott stated four emails have been submitted for public comment and need to be entered into the public record.

Motion by Scales, second by T'Kach, to accept the four emails referenced into the public record.

Ayes: 4
Nays: 0 Motion carried.

Public Works Director Brian Connolly said he would be introducing the city's partners from Dakota County who have asked to give an update on the Veterans Memorial Greenway. He introduced Niki Geisler, Parks Director, for Dakota County Parks and Tony Wotzka, Senior Project Manager, Dakota County, who is leading the project management component of this project.

Niki Geisler, Parks Director for Dakota County, mentioned that Tony Wotzka, Project Manager, would be presenting. Also, in attendance from Dakota County is Planning Manager Kurt Chatfield and two County Commissioners: Commissioner Droste and Commissioner Atkins. An update on planning for the Veteran's Memorial Greenway would be provided to facilitate discussion and seek insight.
Project History:
- Resolution adopted by the City Council in 2017
- Preliminary design concluded in 2020 when the name was officially changed to the Veteran's Memorial Greenway
- A Veteran's Advisory Group was established
- Spent the last few years designing and engineering the greenway corridor and planning for the memorial and interpretive concepts
- Two open houses were held
- Presented to the Parks Commission

- During the second open house in June 2022, discussion was had about the trail alignment with several residents along 105th
  - Trails and feedback were received that Dakota County wanted to address
- Shifted the 105th section to Phase 3 to allow for more time to evaluate alignment options and address concerns
- Discussion with the City Council on May 1, 2023 to discuss options

Tonya Wotzka, Project Manager, Dakota County, displayed a graphic from the original 2017 Master Plan that showed alignments.

- In the 2018 Feasibility Study, 105th Street was identified as the eastern segment alignment
- The alignment has stayed the same on the west side in Eagan
- Small shift in the middle section as it went through Flint Hills property

Preferred Alignment was switched into three different phases:

- Middle Phase/Phase 1, construction in 2024
- Phase 2 was the eastern section, switched over to Phase 3
- Phase 2 is now the western section on the Eagan side with construction in 2025
- Phase 3 construction in 2026
- Each phase happens simultaneously

Phase 3 Alignment: Begins at Rich Valley Park (identified in the Feasibility Study)

- Four different alternatives were looked at in the study:
  1. Widening the pavement and adding actual bike lanes as the greenway
  2. Widening the pavement and adding on-street greenway
  3. Maintaining the existing roadway and adding a drainage swale with trail separated from the roadway (evaluated further in the preliminary design phase)
  4. Incorporating curb and gutter, urbanizing the roadway with a turf boulevard alignment, off-street alignment (evaluated further in the preliminary design phase)
- Four off-street trail options were discussed with the city in May, 2022, revised, and presented to the city in February, 2023:
  1. Trail 25 feet from the roadway with a drainage ditch
  2. Full or partial urbanized roadway with a 10-foot trail that has a 3-foot boulevard
  3. Full or partial urbanized roadway with an 8-foot trail that has a 3-foot boulevard
  4. Having an 8-foot trail with 11-foot travel lanes.
     - Modifying the alignment closer to the railroad for the crossing.

105th Street Off-Street Option One - Key Attributes:

- Does not urbanize the roadway, stays as is
- Includes drainage ditch that meets city grading swale requirements
- Trail would not be in the median right of way, would require permanent right of way acquisition from each property owner
  Quick Analysis: High level complexity when it comes to the property and the impacts. Would be a challenge to construct.

105th Street Off-Street Option Four:

- Off street option
- Narrow lanes
- Built in public right of way
- Includes a small boulevard space behind the curb, 8-foot trail, space for snow storage
- Urbanizes all or a portion of the road
- Greenway minimum of 8 feet with boulevard space and snow storage behind
- Requires temporary construction easements
  Quick Analysis: Feasible to construct. Requires additional coordination with the city for stormwater and right of way needs. Most limited private property impacts analyzed for off street options. Additional options could continue to be analyzed regarding on street or off street.

Issues, Opportunities, Constraints – (Entire project from west to east):

Issues:

- There would be private property easement requirements for preferred alignments throughout the entire alignment
- Still working through water management needs
- Greenway alignment easement needs from other utilities such as MnDOT, Railroad, and private properties

Opportunities:

- Community benefit of a regional greenway
- Three grade-separated crossings of major highways
- Opportunities to coordinate additional work with MnDOT and others
- Opportunity with 105th Street with the county taking the trail project as a county project

Constraints:

- Easements, private property impacts
- Coordinating with railroad and private utility companies for agreements and easements
- Balancing easement needs with greenway trail safety and design standards
- Awarded state and federal funds. Sunset dates come with construction

Memorial Nodes Open House:

- Held June 29, 2022, at the Veterans Memorial Community Center
- Attended by 30-35 residents, mostly neighbors along 105th Street
- Feedback received:
  - Concern about the loss of property, right of way
  - Memorial node location
  - Paving the street itself
  - Easement and construction taking large parts of public property
  - Trail bringing increased noise, trash, crime
  - Changing the character of the neighborhood
  - Speeding on the road itself today
  - Support for the greenway
  - Support for the future with a quiet zone for the railroad crossing

City Council Feedback:

- Present an update of where things are at, what they have been doing
- What kind of information they can provide this greenway alignment
- Support of the greenway alignment if proposed along 105th
- If there is an opinion about paving or urbanizing 105th and what information may be needed to help, make that decision
- How to help engage and the best way to engage with 105th Street residents
- If the City Council and staff would like to be involved and if so, method of how and how much

Councilmember Scales mentioned the original plan had 117th Street. He asked why they moved away from going down 117th.

> Mr. Wotzka replied that 117th was identified as an option. With general greenway standards, they like to build greenways, not adjacent to roadways, but away to have a linear park feel. It would be adjacent to the highway if following 117th Street. The context to the road is not as “greenwayesque” as they typically want to see. This is where northern options came in such as the Flint Hills Property and further north. They are also looking at railroad crossings and US 52 crossings. These are major crossings to work with in partner with the owners. 117th Street could happen, the alternatives further north was more desirable.

Councilmember T’Kach liked the grade separated crossings. She asked if there were non-separated crossings of major roads.

Mr. Wotzka replied there are a couple. Akron is an at-grade crossing. The ones at-grade are local streets going to local neighborhoods with a small volume of traffic considering the highways they are crossing.

She asked if that would be controlled more than a typical community street was.

Mr. Wotzka replied that the type of crossing treatments would be what they would get into next, with Phase 1. This could possibly include pavement markings, signs, a raised crossing. Maintenance would also be looked into in terms of plows, snow. Visibility and safety are a factor.

Councilmember T'Kach liked that it was off street. She asked if there was possibility of narrowing the street further if it were to be aligned on 105th.

Mr. Wotzka replied he did not think it was out of the question. There are local roads under 11 feet in terms of travel lanes. They would have to check volume and context. This is something they could explore. Part of the analysis would be to see if 10 was feasible.

Councilmember T'Kach asked if the county would maintain the trail 12 months of the year.

Mr. Wotzka replied the county could do snow removal and upkeep of the trail (seal or crack coating). There have been situations where they partner with the local cities to do the work and then pay the city to do it.

Councilmember T'Kach asked what the sunset dates of the funds were.

Mr. Wotzka replied there are federal funds and state funds. He thought the dates were 2026 and 2028. They can be used throughout the phases. Federal funds are dedicated to Phase 2/Phase 3. There may be an option to dedicate all of one phase or the other.

Councilmember T'Kach asked how concerns over the loss of right of way would be addressed. She asked if there were people addressing that concern and how many people were along that corridor that they have heard from.

Mr. Wotzka responded that he is new to this management role since January. There were 30-35 in attendance at the open house in June. There was some support and opposition.

He addressed the loss of property/right of way stating that their intent was to have the larger ditch with 25 feet, right of way needed. The design team went back to the actual roadway section to put it as close to the road as possible. The trail would be in the city right of way. Easement needs are for construction, those would be restored.

Councilmember T'Kach referenced the landscaping and treatment of properties and questioned if it would be more amenable to some property owners to densify the vegetation on the private site. She asked if that would help some of the concerns with safety.

Mr. Wotzka replied that another option would be the introduction of fencing. Further discussion surrounding this will take place.

Councilmember T'Kach asked if an analysis was done regarding the benefit of running the trail on the north side with the sun to melt snow and water after rain, and/or shade.

Mr. Wotzka replied the trail was shifted to the north side on the eastern portion in response to the railroad crossing. He said he could discuss what analysis was done and the feasibility with the design team.

Councilmember Gliva referenced the paving of 105th Street and asked if there would be assessments and what would happen to the maintenance.

Mr. Wotzka replied there are no private property assessments. It would remain a city street. Discussion would likely return to the city regarding maintenance. He did not believe there was enough information at this time to determine yet.

City Administrator Wilson asked if paving105th Street was inherent in this project. She questioned if there was a scenario in which the greenway goes in, if 105th Street does not get paved.

Mr. Wotzka replied if following the roadway itself or if the trail is a line on the road, they would have to pave the gravel section to have the trail follow, this includes off-street versions. There may be ways it could be designed with curb/gravel.

Councilmember T'Kach said she has a hard time supporting the paving of that road for several reasons. The long-term costs to the city if it remains a city street, people wanting it to remain as a rural area, could keep traffic slower, keeping the street narrow also keeps traffic slower. She supports the bike pathway. She suggested sitting down with residents, in their neighborhood, going out to them. Questions could be asked up front so staff and the Council can come prepared to answer the questions. She requested to know who has and has not attended for when they knock on doors.

Mayor Dietrich said her concern was with any further costs to the city; she requested additional information.

City Administrator Wilson stated that Councilmember Murphy was unable to attend tonight's meeting but did review Council packet materials. He noted he has no issues with the projects and believes when complete, residents/visitors will appreciate a trail in the general area. He had shared in his opinion, that the trail should be located away from the road making it a more enjoyable experience for users.

Mayor Dietrich mentioned she would like it away from the road due to safety.

Mr. Wotzka shared Next Steps:

- County Board approval on the Veterans Memorial Greenway Interpretive Plan (Summer 2023)
- Continued on-going public engagement
  - Website updates
  - Pop up events and open houses
  - Agency coordination
  - Property owner meetings
  - City Council and Commission updates and approvals
- Phase 1 Updates:
  - Constructed through 2024
  - Ground Breaking – late fall 2023
  - Phase 1 construction complete – 2024
- Phase 2 Updates:
  - Right of way and easement coordination with private utilities and private properties – 2023-2024
  - Preliminary design- 2023
  - Final design – 2024
  - Phase 2 construction – 2025

B. Review of Interfund Loans
Finance Director Amy Hove discussed Interfund Loans:
Interfund Loan Definition: One fund loans/advances money to another fund with a requirement for repayment. Approved by a governing body (resolution also includes repayment terms and interest rate if applicable).

- The city currently has six (6) Interfund Loans:
  - Community Center/Central Equipment – 2016 Energy improvements
  - Community Center/Central Equipment – 2016 Roof project
    - Remaining balance: $1,050,640.01
  - Community Center/Central Equipment – 2018 East Rink replacement
  - Community Center/Central Equipment – 2018 West Rink replacement
  - Golf Course/Central Equipment – 2016 Course improvements
  - EDA/Host Community Fund – 2012 Golf Course land purchase

Community Center – 2016 Loans Annual Repayments:

- Repayment amount is determined by taking what Xcel gives as a credit on the solar panels and applying that to the cost paid to the solar panel company for administering the energy.
- 50% of the savings calculation that staff performs every year is applied to the Roof Loan and 50% is applied to the Energy Improvement Loan.
    - In 2022: $23,490.70 (Each loan was paid $11,745.35)
    - In 2021: $14,284.44 ($7,142.22 to each loan)
    - Based on the 2022 calculation, loans would not be paid off for 27 years and 61 years, respectively.
- Community Center receives an annual operating transfer in from the Host Community Fund. The Community Center does not generate excess revenue available to pay down a loan. The Host Community Fund loans the Community Center money to make their loan payment.

Community Center – 2016 Loans Staff Recommendation:

- Forgiveness. Staff looked at the Central Equipment Fund which is owed the money and determined it has a healthy fund balance.
- There is sufficient funding to purchase additional equipment beyond what was planned for.
- Staff's recommendation is to forgive both 2016 loans ($1,050,640.01).
    - Alternative recommendation: Identify another funding source to pay off the loan. Could consider using the Host Community Fund to pay off the balance.
- There are other things Council has indicated Host Community Funds be used for. Staff's recommendation is the first option of complete forgiveness of the loan.
- If Council agrees staff will request formal action at a future meeting.

Councilmember Gliva asked when forgiving loans, what it means legally for funds.

> City Attorney Bridget McCauley Nason responded that an Interfund Loan is how a transfer from one fund to another is described. There is no legal component. There are funds that could be restricted on a legal basis for a particular use. With these, this speaks of where the funds are put on the different fund balances within the city's internal accounting structure. There are no restrictions on any of the funds being proposed.

Councilmember Gliva mentioned she sent an email to Finance Director Hove earlier. She wanted to find out what the original costs were when the projects were taken on. According to the data, the costs for the first project was $445,000. For the solar panels it was $933,000. From a financial standpoint, they are paying roughly $24,000 a year to pay down inner transfer type loans. She asked how much useful life both items had. She questioned how long it would have taken to get this paid compared to useful life. She said it did not seem like this was dollars and cents adding up.

> Finance Director Hove replied however the repayment structure was derived in 2016 would not have been anything the current Finance Director would support. It does not show a clear end in sight. She mentioned that she reached out to the Operations and Maintenance Supervisor who was out of the office today. She would follow back up with him on useful life. She said knowing the need to plan for long term capital needs for the facility, as a part of the 2023 Budget process, a new fund was created called the Community Center Capital Fund with the intent to have a consistent revenue stream funding source. The expectation would be that the City Facilities Supervisor and the Community Center partner and determine the long-term capital needs for the facility and work within the funding source. They would be planning for future replacements and saving money within the fund over the long term.

Mayor Dietrich said this was before her time with the Council and questioned if they were anticipating any other interdepartmental loans. She asked if the Council would be offered a recommendation for an interest rate or if those were already in the policy.

> Finance Director Hove replied the city does not have an interfund loan policy. Any recommendations would come before the Council for consideration. This could include a reasonable repayment term and interest rate. Staff has improved long-term planning visioning; she does not believe they would bring them forward at a rate they did years prior.

Mayor Dietrich referenced the current Capital Improvement Plan and asked if there was a threshold that could be transferred interdepartmentally that would not come before policy makers.

> Finance Director Hove replied the Council approves all interfund transfers. They are typically seen in carryovers or budget amendments. This could be on the Consent Agenda or regular Agenda depending on the scope.

Councilmember Scales said it seemed like it was done heavily in 2012 with it being used frequently in 2016 and 2018. He questioned if this was not like stealing from the college fund to buy a new car.

> Finance Director Hove replied it borrowed from a savings fund that had extra money that was not being used right of way.

Councilmember Scales understood the extra money and commented that it was put in there for a reason. Now they are walking away from it, which he understands is likely the right thing to do. He said there was money that probably could have been spent for what it was originally allocated for, and they bought a shiny new car.

> Finance Director Hove responded that she would probably not describe it as a shiny new car, it could have been, for example, a leaking roof.

Councilmember Scales stated that solar panels were not a leaky roof. There was no payback in it, it was a bad project.

> Finance Director Hove replied that it looked like the Community Center had some large dollar capital needs and did not have a way to pay for them. That was the solution at the time.

Councilmember T'Kach referenced the landfill and the Host fee. She said writing the loans off seemed to be the most practical. She asked if there were additional funds that would be begging for Community Host funding, having loans written off, or if there were more requests for funds to be written off.

> Finance Director Hove replied the six mentioned are the ones on the books. She did not anticipate additional loans. An improvement made during the 2023 budget cycle was stripping out the side operating expenses from the Host Community Fund such as the Lobbyist cost and sponsoring of the Music in the Parks; those were moved into the proper operating budgets. Larger transfers coming out of the Host Community Fund consist of a large transfer to the Stormwater Fund which does not have the money to sustain itself, money going into the Pavement Management Fund yearly, and the public work facility expansion/improvement. This was to save for the future project. There is also the Community Center Operating Transfer and Capital Transfer. Staff is trying to contain what they use the Host Community Fund for and moving out the small one-off projects.

Councilmember T'Kach said she was concerned about the city not moving fast enough to wean themselves off the Host Community Fund. If continually dependent on the Host Community Fund for money means the city would never close any landfill in the community because they are so financially holden to those funds. She encouraged staff to continue to hold them accountable to be tighter with budgeting in the future. If not, then they are just raising taxes. She mentioned there are things related to the Host Community Fund that they are not spending money on such as environmental projects and water quality issues. She would like to keep that in mind. She thought the community center was good but should look into how it is funded. She said she was not sure it was from the Host Community Fund and other projects being funded with the money.

> Finance Director Hove replied the Council would have the chance once staff brings budgets forward. There is the yearly adoption of the Host Community Fund.

Finance Director Hove continued discussion on the Community Center - 2018 Loans:
Annual Repayments:

- In 2018, two rink projects added up to $800,000 in outstanding debt
- East Rink replacement project:
  - 10-year loan at 0%
  - Community Center is making annual payments of $68,662.77

  - Funded from community center balances which are derived from the Host Community Fund
- West Rink replacement project:
  - 10-year loan at 0%
  - Annual payments of $93,035.10
  - JPA (Joint Powers Agreement) with the City of Rosemount
    - Secures 550 hours of peak ice time a year over a 10-year period
    - Rosemount covers 69% of the loan payment plus 6.326% interest
    - Balance of the loan is funded from community center balances

Community Center – 2018 East Rink Loan – Staff Recommendation:

- Central Equipment Fund is in a healthy state, the Community Center does not generate excess revenue
- Staff recommendation is to forgive the balance of this loan at $343,313.86
  - Alternate recommendation would be to identify another funding source to pay off the loan
- If Council agrees with Staff's recommendation, information will be brought forward at a future meeting

Community Center – 2018 West Rink Loan – Staff Recommendation:

- Has residual cash in the fund to meet the gap between 69%+ interest
- No recommendation to change at this time
- If Council agrees, no further action is required. Final loan payment would be made in 2027

Golf Course Interfund Loans:

- 2016 course improvements
- 25-year loan at 0%
- Annual payments of $81,908
- Previous Interfund Loans:
  - 2019 Equipment. Issued but then later paid off as it was determined there was sufficient cash on hand
  - 2018 Equipment was originally a 3-year loan, paid off early

Golf Course Cash Position and Future Activities:

- The Golf Course has been steadily improving its cash position over the last four years (since 2019)
- Increased activity at the course since the 2016 improvements
  - A study was done in 2016 indicating to improve the course, improvements be made
  - Increased interest in outdoor activities
  - A very successful membership drive took place over a 3-year period, began in 2020
  - Another membership drive takes place this year for a 2-year period
- At the end of 2022, their cash position was just over 2 million dollars
- Cash reserves were looked at after the 2023 membership drive. Anticipate cash reserves in excess of $3 million dollars by the end of 2023
- Looked at the 5-year capital plan. Estimated needs: $781,000

Golf Course – Interfund Loans – Staff Recommendation:

- Recommending restructuring the schedule (accelerate) from the 25-year schedule to repayment in 3 years
- Keep interest rate at 0%
- Future cash balances for the Golf Course Fund at a goal of approximately $2 million dollars
  - This repayment schedule does that for 2024-2028
  - This is after considering an accelerated repayment schedule and future capital needs
  - Still provides the fund with a healthy operating reserve
- If Council agrees, staff will request formal action at a future meeting

City Administrator Wilson said this would not be implemented until the golf course has their membership drive this summer. This makes sure it goes as well as projected. If it does not turn out the way they thought it would, there is opportunity to relook and change the repayment plan. This item will not come back before the Council until after the golf season.

Finance Director Hove discussed the EDA Interfund Loan:

- The EDA purchased land from the golf course (excess golf course property) in 2012 at a cost of $1.35 million dollars
- The EDA borrowed $1 million dollars from the Host Community Fund for that purchase
- EDA owes the Host Community Fund $1 million dollars
    - There are no repayments scheduled at this time
    - Anticipate future proceeds from a sale of this property for development would be used to pay off this advance

The difference between a loan and an advance is that a loan is supposed to have a structured repayment schedule. An advance is if money is given, it is paid back.
Staff Recommendation:

- Leave this loan/advance on the books until such as time the property is marketed and sold.
- When getting closer to that stage, conversation be had about either paying the Host Community Fund back or considering keeping some of the proceeds aside for a future EDA Acquisition Fund.
- The EDA Acquisitions Fund does not have money to pay for redevelopment of these types of projects. Very small fund balances.

Mayor Dietrich asked what the two parcels were zoned.
Finance Director Hove replied they are still a part of the golf course parcel, they were never recorded or split off. Title work needs to be done relating to the sale. Two parcels still show the golf course as the owner. There is a signed purchase agreement by the Council and the EDA legally describing what was sold off.
Mayor Dietrich asked if the title work would be going forward.
Finance Director Hove replied in the affirmative.

Councilmember Scales asked what value there was in transferring the property. He asked why it could not sit with the golf course and what the reason was.
Finance Director Hove replied the golf course was not in the same good financial shape it is today. In 2012/2013 it was still struggling to make payments on some of the original Bonds related to putting the course together. In 2012/2013 the city came up with a financial plan to have the golf course take care of itself. One mechanism was interfund transfers to bring the course to a positive balance. The other was to sell the property knowing the golf course did not need it. The golf course took the proceeds and paid off their Bonds.

Finance Director Hove summarized staff recommendations:

- 3 Community Center forgiveness recommendations
- Community Center 2018 west rink to be left as is
- EDA golf course paydown once membership drive numbers can be confirmed
    - Goes from $4.5 in outstanding loan balances to $2.5 million dollars

City Administrator Wilson stated that Councilmember Murphy wrote that “staff’s recommendation makes sense to him, if it helps clean up the books, he sees a benefit.”

C. EAB Workplan & Tree Replacement Plan
Parks and Recreation Director Adam Lares stated he would have Parks Superintendent, Brian Swoboda, join in the presentation. He said that Brian also doubles as the City Forester.
There would be two topics:

1. The Emerald Ash Borer (EAB) 2022 Management Plan, the progress, where funds currently sit, and recommendations.
2. Tree Preservation and Ordinance, Replacement Fund.

Parks Superintendent Brian Swoboda discussed the Emerald Ash Borer Plan and what EAB is:

- EAB attacks all species of ash trees and can cause tree death within 2-5 years
- Small iridescent beetle believed to have arrived in the U.S. on cargo ships from Asia
- EAB lays eggs in the bark; the larvae get under the bark and burrow tunnels
- Larvae feed on the inner bark of ash trees disrupting the trees' ability to transport water and nutrients
- EAB is difficult to detect and can be present for years before signs and symptoms of infestation are noticed

Signs of EAB include: Blonding of the bark, D-shaped exit holes from when the beetle emerges from under the bark, woodpeckers tapping into the tree, and the top of the tree dying back and working its way down.

EAB Management Plan – Background:

- In May 2010, the City Council approved a 10-year EAB Management Plan
- In early 2000, states such as Illinois, Michigan, and southern Wisconsin were hit hard
- In 2010, the Minnesota DNR alerted Minnesota that EAB was on its way and would kill thousands of ash trees
- The Parks Director at the time and the Parks Superintendent put together a plan to help prolong the invasion of EAB not knowing the possible effects
    - At the time there were only a few confirmed cases in Minnesota
- Requested funding for 10 years of $33,000 with the remaining funds to be carried over
- These plans were put together based on a partial tree inventory of city parks, Inverwood Golf Course, city right of ways, and city owned property
- Guides policy for EAB on public, right of way, and private property
- After 2 years of attempting to remove as many ash trees from the parks as possible along with DNR funds, staff moved on to right of ways
- In 2013/2014 letters were sent to residents alerting them that the city would remove the trees in the right of way. Options were given, not forcing them, that EAB was probably in their trees but not yet confirmed due to the amount of time it takes to show up.

2010 Plan: Public Property Trees:

- The city will not plant any new ash trees on public property
- The city shall begin to remove any poor-quality trees or trees in fair condition with major defects
- Ash trees in natural areas that have potential targets and are dead, dying, or hazardous will be removed

2010 Plan: Right-Of-Way (ROW) Trees:

- The city began a policy of excluding any new ash trees on public ROW with the recommendation that citizens and businesses discontinue the use of ash in new plantings
- The city will remove any boulevard ash tree at the citizen's request.
    - Based on city ordinance, a new tree cannot be placed in the ROW
- Trees removed from the ROW will not be replaced
  To note: Community education and engagement took place that encouraged residents to look out for signs and symptoms along with options to treat the trees if they wish

2010 Plan: Private Property Trees:

- In 2010 property owners were urged to monitor for EAB
- The city would direct residents to any ISA Certified Arborist if wanting an ash evaluation and determine if a tree did have EAB
- The city would not treat or dispose of any trees found on private property
- It is the sole responsibility of private property owners to remove dead or dying ash trees
  To note: Private trees are one of the biggest issues the city has. There are thousands of dead trees in backyards and sides of homes. This is not the city's responsibility. The city does receive calls about dead trees that may fall on a neighbor's home. In this case, ordinances take over and staff tries to get the tree removed. Another challenge on private property is with developments that

have an HOA with maintenance agreements that state the HOA is responsible for removing ash trees in the ROW.

With private removals and/or maintenance agreements, there are issues that need to be addressed.

City Attorney Bridget McCauley Nason stated there are numerous Home Owners Associations (HOA) and developments in the city. Some have maintenance agreements. These are often found with stormwater facilities located on city owned property. When the Arbor Pointe development was first put together in the early 1990’s, there was an agreement stating that the Master Association of the overall Arbor Pointe development, which has a lot of different sub-associations, agreed to take on certain maintenance obligations for landscaping located in certain city right of ways, trail easement areas, and common areas. Pursuant to that maintenance agreement it is the responsibility of the Master Association to remove/repair dead or diseased trees. Questions have been raised regarding whose responsibility it was to maintain or take down diseased ash trees within the right of way. That term is defined within the governing documents of the Arbor Pointe PUD development. Unlike city policy which says the city would remove those trees in the right of way, due to maintenance obligations in the maintenance agreement it was determined it was the responsibility of the Master Association to take care of those trees. Staff did not look into whether or not these landscaping obligations related to trees are found in other subdivisions. It was determined that the EAB policy for this particular development is due to the maintenance agreement, the obligation of the developer.

Parks Superintendent Swoboda discussed:

Development Plans, Development Plan Approval Process:

- Future developments approvals will include a condition stating that no ash trees should be allowed as a condition of approval.
- When looking at maintenance agreements make them similar. It becomes difficult for every HOA or maintenance agreement to be different for staff to determine who is responsible for any given task.

EAB Management Plan – Inventory:

- In 2010 there was a good inventory in the parks system. This includes:
  - Inver Wood Golf Course
  - City Facilities (campus, fire halls)
  - Partial inventory of right of way trees
- Areas inventoried were areas staff maintained around, mowed around, parking lots, and internal park trails. The same applies to the Golf Course.
- In 2010 there was approximately:
  - 412 ash trees in parks
  - 41 ash trees in the Golf Course
  - 80 ash trees in city facilities
  - 581 in the right of way
    - Total of 11,013 in the inventory at the time

Progress of EAB Plan:

- Since 2010 the city has done well with removals of those inventoried:
  - In public properties that include parks: removed 560 (more than inventoried)
  - 426 were removed in the right of way
  - This left 155 in the right of way that was inventoried at that time

  To note: There are likely as many in the right of way as they started with. Could be 600.
- Those in the park system, wooded areas, wood lots, easements, trail systems, any place that has a potential target, the city would be obligated to remove.
- Getting a more accurate inventory would be a good first step.
  - Knowing what is in the right of way, woodlots, trail system, easements, storm basins
- Estimating there to be 800-1,000 trees remaining in those types of areas.

Parks and Recreation Director Lares discussed EAB Funding:

- $392,900 is guided for EAB removal
- Received $50,000 from the DNR
- $33,000 a year
- Parks Operating Budget, $12,900

The fund was initially earmarked as the Community Project Fund and earmarked for EAB. In 2021 the name was changed to the Emerald Ash Borer Fund.

- Current fund balance: $62,000

2023 Financial Recommendations:

- Close the EAB Fund (Fund 450) and transfer unspent dollars ($62,000) to the General Fund.
- Amend the 2023 Parks Budget by $62,000 to pay for EAB expenses.
  - There would be a special fund earmarked for diseased trees.
- The Parks Superintendent and his team would have the money transferred into this operating budget for 2023.
  - $50,000 annually for tree removal for diseased trees. $10,000 goes toward removal off of city property
  - Reviewed annually by the City Forester to determine if the funding amount is adequate
  - Tree removal depends on tree diameter, location
  - Estimated future tree removals: 100-150 annually

Councilmember T'Kach referenced the $10,000 for removal off of city property. She questioned where the other $40,000 would go to.

Parks and Recreation Director Lares replied that $40,000 is for the removal of trees, $10,000 goes towards removal from where they are woodchipped and housed after they are removed off city property. There is a location at the Golf Course, those would be removed off site.

Parks and Recreation Director Lares discussed 2023 Ongoing Policy Recommendations:

- Remove the remaining 155 ash trees as identified in the original 2010 EAB plan
- Annually identify and inventory diseased trees
  - This could be done via the City Forester and his team, an internship, or bringing in a third party to do some of the master inventory
- Continue to monitor ash trees in unmanaged public property. These are typically wooded areas, there is no active play, passive. Inventory of these areas have not been done.
- As remaining ash trees on public property deteriorate, they would be removed by the city
  - City contracts out this work

Councilmember Scales asked if there was a good way to describe how to identify an ash tree.

Parks Superintendent/City Forester Swoboda replied there are three distinct characteristics:

1. 6-7 leaflets opposite apart
2. Branch structures are opposite
3. Buds are ½ moon shaped to ¾ shaped depending on the species

Bark blonding as noted in earlier photos. This happens late stage, during years 4, 5, or 6. The first 1-3 years its un-noticed but may have a few yellow leaves at the top.

Councilmember T'Kach stated the trees become very brittle, unlike elm trees.

Parks Superintendent Swoboda agreed and stated in the last three years it has really multiplied. Many are either dead or dying. They are becoming very dangerous and have the potential to fall. Actions must be taken to remove them safely, especially in back yards using cranes. They no longer climb the tree for removal. The cost of private removal is expensive. The sooner they are removed the better.

Councilmember T'Kach asked if there was anything brought forward by the legislature. If there was anything that residents, businesses, or the city may be able to take advantage of.

Parks Superintendent Swoboda replied he did not see anything for private. There was something for public with a grant allowing for the replacement of a removed tree. Due to city ordinance, this cannot be done in right of ways. When the city received a DNR Grant for the parks system in 2010, 2011, and 2012, they were replaced in a park, not in a right of way.

Councilmember T'Kach asked if it made sense to look at the right of way prohibition for planting trees. She questioned if it was still a valid point.

Parks Superintendent Swoboda replied it was not his call. A tree planted in the right of way requires maintenance every five to six years, it's watered, pruned. There are not resources to take care of what the city has, this would have to be considered if changing.

Mayor Dietrich asked if the trees could be turned into mulch.

City Forester/Parks Superintendent Swoboda responded they can. They are chunked up, hauled away to a city site, a grinder comes in and grinds them up and hauls them away. 5-10 years ago, they were ground and hauled away for free. They no longer offer it this way.

Councilmember T'Kach said they were being chipped down to 1"x1". If people are doing their own chipping, they need to be aware.

Parks and Recreation Director Lares stated that staff plans to bring forward a recommendation at a later Council meeting. He discussed the Tree Preservation Ordinance and the Tree Replacement Fund:
City Code and Policy: Tree Preservation:
Title 10 Zoning Regulations, Chapter 15, Performance Standards, Article D Tree Protection and Preservation During Land Alteration.

- Working with developers who come into the city and have tree removal
- Establishes allowable removal thresholds
    - If the threshold is exceeded above 10%, fees may be associated with replanting/reforestation
    - Required to submit a reforestation plan

Reforestation Plan:

- Allows for a 1:1 tree. If not able to plant 1:1, cash payment would be implemented.
    - The Council would approve the fee accepted
    - Reforestation plan is reviewed by the City Planner
        - One of the changes staff is looking to make in the future is to make sure the City Forester is also a part of that review

Parks Superintendent/City Forester Swoboda discussed:
Tree Preservation Fund/Policy:

- Tree Preservation Mitigation Fund – Tree Replacement Plan/Policy (February 2003)
- Approved by the City Council on February 10, 2003
- Provides an expenditure of funds received when a development does not have sufficient room on their site to allow for all required reforestation. City Council approves a payment in lieu of planting (approved at final plat)
- Calls for an annual tree replacement plan, prepared by the Parks Division, submitted to the Parks and Recreation Advisory Commission for review, and then City Council for approval.
    - The last time this plan was utilized was March 28, 2016
    - At that time funding was minimal
    - Could only deplete the plan by 50%
- Funds can be used for:

  - City Reforestation Program can be used for tree purchase, planting, and a maintenance period (includes irrigation, tree stacking, fertilization, pruning, etc.) until the tree(s) become established.
  - Special Needs: in the event of a natural disaster or other identifiable special needs. Includes help with tornado clean up.

Tree Preservation Fund Balance:

- Since 2017, there have been four major contributors to this fund
  - In 2017, 2018, 2020, and 2022 there have been substantial increases
- Current balance in the Tree Preservation Fund (Fund 443) as of December 31, 2022 is $851,028

2023 Tree Replacement Plan:

- This fund will be used for planting trees, shrubs, irrigating, landscaping in three different areas:
  - Located in the northwest along with stormwater areas - 135 trees
  - City wide parks - 70 trees
  - Fire Station #2 - 25 trees
- This gives a total tree count of 225 trees, 560 shrubs, and irrigation work for a total of $279,150
- This plan was reviewed by the Parks and Recreation Advisory Commission (PRAC) on April 12, 2023. They unanimously voted to recommend approval to the City Council.

2023 Tree Replacement Plan Recommendations:

- Policy/Ordinance updates are needed
  - City Forester added Reforestation Plan to review
  - Policy Code reference needs to be updated to 2008 Code

Next Steps:

- At a future City Council meeting:
  - Closure of the EAB Fund with a transfer of the remaining dollars to the General Fund and amend the Park Budget
  - Tree Preservation Plan
  - Ordinance revisions
  - Policy updates

Councilmember Gliva referenced where it was said they could only spend down 50% of the fund. She asked for the validity and where it was taken from.

Parks Superintendent/City Forester Swoboda replied when he first started using this fund around 2002, there was approximately $15,000 - $25,000 in it. Since then, the fund has built dramatically. He has not used anything from that fund since 2016.

Councilmember T'Kach asked what challenges there were with keeping trees maintained for the first five years after planting.

Parks Superintendent/City Forester Swoboda responded that the last few summers have been very dry, they have needed to water. If there is no water on site, there are two different options with vehicles for watering, tanker trucks and tanks put on the back of a truck. On a typical summer day, he has at least one or two people watering trees under five years old daily. It is very time-consuming. With this plan, he plans to get a two-year warranty to help assist with watering and keeping the plants alive. The contractor would be responsible for two years. If trees were to die, they would be replaced free of charge.

City Administrator Wilson referenced the slide with Next Steps, Tree Preservation Plan. She said there would be a request before the Council at a future meeting to authorize spending the $279,000 out of the $850,000 built up in the fund.

Parks Superintendent Swoboda replied that was correct. More details will be brought forward.

City Administrator Wilson stated they have used the words preservation and replacement interchangeably. This is a tree reforestation/planting plan as to how to use the money coming in from developers who could not meet their obligations on their own sites.

Councilmember T'Kach asked if the city has looked into federal funds that have become available for tree canopy projects.

Parks Superintendent Swoboda replied money has been spent out of their operating budget. This includes planting trees. For Vista Pines there was a Tree Trust project they partnered with. He said he plants about 20-50 trees a year in various locations out of his operating budget. There is a city nursery at Salem Hills Park with several hundred trees they use.

Councilmember T'Kach asked if it would make sense for the city to go after some of the federal funds and then partner with organizations such as Tree Trust or private vendors to boost/accelerate tree planting in the city. She said there were a lot of trees coming down in the next couple of years on both private and public land. Some cities offer discounted trees to residents to encourage planting them on their property. This would result in less maintenance to the city.

Parks Superintendent/City Forester Swoboda replied he has not checked but could look into it.

City Administrator Wilson mentioned that the city does not have the bandwidth, the number of staff with the knowledge of trees. She said the Parks Superintendent uses his staff as far as he possibly can, along with his operating budget. The city has not been pursuing federal money for tree canopying/tree replacement.

Councilmember Scales asked what the available funds could be used for. He asked if they have the equipment needed to put the plan in place and if things that could be done internally are outsourced.

Parks Superintendent/City Forester Swoboda replied staff can do some, but not all of it. With six major projects in the parks department this year. He said the funding came at the perfect time so he can utilize the funding to get two-year warranties without interrupting crew schedules. He said his staff is stretched pretty thin.

4. ADJOURN:

Motion by Gliva, second by Scales, to adjourn the meeting at 7:47 p.m.

Ayes: 4
Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Sheri Yourczek