Inver Grove Heights City Council
Monday, November 6, 2023 at 6:00 PM
8150 Barbara Avenue, Inver Grove Heights, MN 55077

AGENDA

NOTICE TO RESIDENTS: Individuals may submit written public comments in advance of the meeting by emailing comments to Rebecca Kiernan (rkiernan@ighmn.gov). Comments received prior to 4:00 p.m. on Monday, November 6, 2023, will be provided to the Council at or before the November 6, 2023 meeting.

1. **Call to Order**
2. **Roll Call**
3. **Discussion Items**
   - **A.** IGH Fire Relief Association Request for Pension Benefit Increase
   - **B.** 2024 Convention & Visitors Bureau Budget Request
   - **C.** Proposed 2024 Budgets - Internal Service Funds
   - **D.** 2024 Staffing Requests & Other Outstanding Budget Items
   - **E.** Review of Dakota County 2024-2028 Transportation Capital Improvement Program (CIP)
   - **F.** Park Updates
4. **Adjourn**

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

CITY OF INVER GROVE HEIGHTS

Request for Council Action

SUBJECT: IGH Fire Relief Association Request for Pension Benefit Increase

MEETING DATE: November 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to receive, discuss and provide direction regarding the IGH Fire Relief Association's request for an increase to the pension benefit for paid-on-call firefighters.

BACKGROUND

The Inver Grove Heights Fire Relief Association is requesting an increase to the pension benefit provided to paid-on-call firefighters of the Inver Grove Heights Fire Department. The pension is not paid directly by the City, but rather by the Relief Association. However, the primary sources of funding for the Relief Association flow through the City and if the Association's pension fund balance ever falls below a certain level, the City would be legally required to make a financial payment to the fund. For this reason, City Council approval is required for any change in the benefit level.

While the City has not had to make a required contribution for many years, it has entered into agreements with the Relief Association for voluntary contributions in order to provide for growth in the pension benefit. The most recent agreement for a voluntary contribution was for a six-year period, with the final year being 2023, at the amount of $92,475. While a subsequent multi-year agreement has not been entered into, funding for a voluntary contribution has once again been included in the Fire Department's preliminary 2024 budget, to reflect a 3% increase over the 2023 amount. Additionally, in accordance with state statute, the City also passes along to the Relief Association approximately $250,000 per year in annual Fire State Aid.

The current benefit is $13,875 per year of service and the requested benefit amount is $15,000, effective for those retiring after January 1, 2024. This would bring the pension benefit for the IGH Fire Relief Association up to the maximum allowed by state law.

A minimum of 15 years of service is required to be fully vested. However, a partial payment of the pension benefit is provided to those who retire between seven and 15 years of service.

A history of recent increases to the benefit amount is as follows:

Effective Date	Benefit per Year of Service
January 1, 2023	$13,875
January 1, 2022	$12,750
January 1, 2021	$10,000

January 1, 2020	$8,600
January 1, 2019	$8,100
January 1, 2018	$8,050

For several years, City Administration and the Relief Association have generally agreed that benefit increases will be considered only if a professionally-compiled projection of the Fund shows that the increase can be accommodated without dropping the fund balance below 105% funded and without generating a required City contribution over the next 10 years.

The attached projection shows that these parameters can be met with a benefit increase to $15,000 per year of service.

If the Council is supportive of the Relief Association's requested benefit increase, staff will prepare a Resolution for the November 13 consent agenda to formally adopt the new benefit amount.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. IGHFRA - Request for Benefit Increase (Oct 2023)
2. Financial Projection of Fund with Benefit Increase

Inver Grove Heights Firefighters' Relief Association

Phone (651) 334-9263 Email: jmcnamara@ighmn.gov

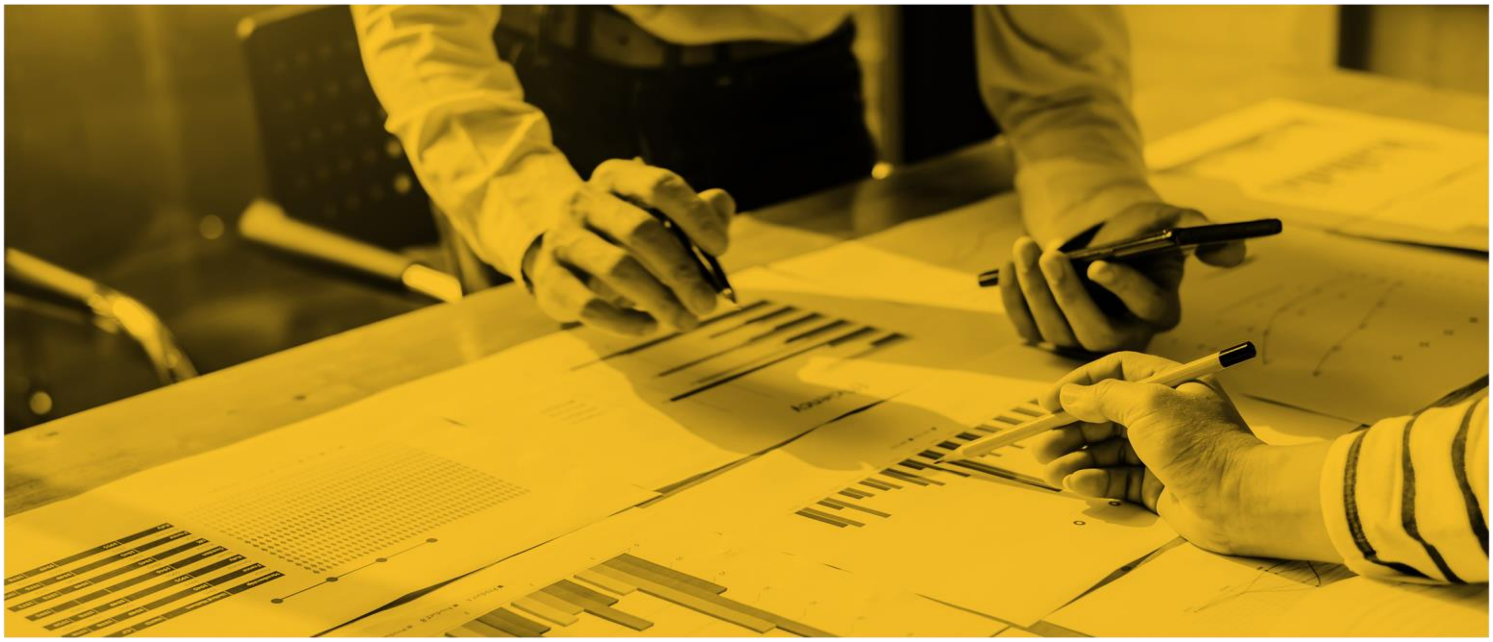
Kris Wilson

On 10/29/2023 the board and general membership for the Inver Grove Heights Fire Relief Association had a vote of a benefit level increase to $15,000 per year of service. The vote passed with a unanimous "yes" and a quorum in both meetings were met. The benefit level increase to $15,000 was determined by the projections that the city had ran. The projections showed a level of increase to $15,000 had the fund at 120% funded.
At this time, I would like to request the level of increase be added to the next city work group as it will still need to be approved by the city council.

Please let me know if there is anything else you need from me and like always thank you for the support and time,

Jacob D. McNamara
IGHFRA – President
651-334-9263

9200 Courthouse Blvd, Inver Grove Heights, MN 55077



Benefits Projection

Inver Grove Heights Volunteer Fire Department Relief Association

Inver Grove Heights, Minnesota

For the years ended December 31, 2024, through 2033

Lighting the path forward

Edina Office
5201 Eden Avenue, Ste 250
Edina, MN 55436
P 952.835.9090

Mankato Office
100 Warren Street, Ste 600
Mankato, MN 56001
P 507.625.2727

Scottsdale Office
14500 N Northsight Blvd, Ste 233
Scottsdale, AZ 85260
P 480.864.5579

Inver Grove Heights Volunteer Fire Department Relief Association
Inver Grove Heights, Minnesota
Benefit Projection
December 31, 2024 through December 31, 2033
Table of Contents

I. Introduction

We have performed procedures which were agreed to by the Inver Grove Heights Fire Department Relief Association (the Association), solely to assist in evaluating the projected benefit levels of the Inver Grove Heights Fire Department Relief Association and any subsequent municipal contribution for the City of Inver Grove Heights for the years ended December 31, 2024 through 2033. The Association's management is responsible for the projection format and the assumptions made.

The City of Inver Grove Heights, Minnesota (the City) operates a municipal fire department. The members of the department are also members of the Fire Relief Association which is a separate non-profit corporation. The Association provides for a retirement benefit based on years of service and the City Council ultimately approves and agrees to the benefit level. Annually a calculation is completed under State Statutes (MN Stat. section 69.772) that determines whether a municipal contribution is required based on the projected earnings and costs of the Association. This projection follows the format outlined in section 69.772 and uses the assumptions described below.

The financial projection is based on revenue and expense as summarized in the assumptions listed below and presents, to the best of management's knowledge and belief, the Association's expected results of cash flows for the projection period if such revenue, earnings, retirements and expenses of cash occur. Accordingly, the projection reflects the Associations' judgment as of NEED DATE, the date of this projection, of the expected conditions and its expected course of action if such results were attained. The presentation is designed to provide information to the City Council concerning the required municipal contribution and should not be considered to be a presentation of expected future results. Accordingly, this projection may not be useful for other purposes. The assumptions disclosed herein are those that management believes are significant to the projection. Furthermore, there will usually be differences between projected and actual results, because events and circumstances frequently do not occur as expected and those differences may be material.

II. Summary of Assumptions

The significant assumptions used are listed below:

Fund Balance

Assets - The balance of the Special Fund assets at December 31, 2022 with the state aid to be received in 2023, an estimated five percent increase in interest and appreciation of the investments, estimated amount of administrative expenses and the pension paid in 2023 to date was included in the balance used to determine the beginning balance of the total assets at January 1, 2024. Subsequent years of the projection the fund balance is determined using the assumptions listed below.

II. Summary of Assumptions (Continued)

Revenue

State Aid - The Inver Grove Heights area was used for the 2024 aid calculation. Subsequent years assume a 3 percent increase over prior years.

*Municipal Contributio*n - A voluntary contribution is assumed to be the same for years 2024-2033

Interest and Investment Returns - Assumes the combined 5% interest rate of return for each year over all scenarios.

Expenditures

Pensions Paid -

Deferred - All members were assumed paid at age 50 if they were on the deferred list

Active - Assumed that members would retire at 50 years of age or known date.

Administrative Expense - Assumed a 3 percent increase per year using 2022 as a base.

*Calculated Municipal Benefi*t - The calculation of a required municipal contribution was completed using the state statue formula outlined in Minnesota Statute Section 69.772.

Other

Vesting - members are vested 100% in their pension after 15 years of service

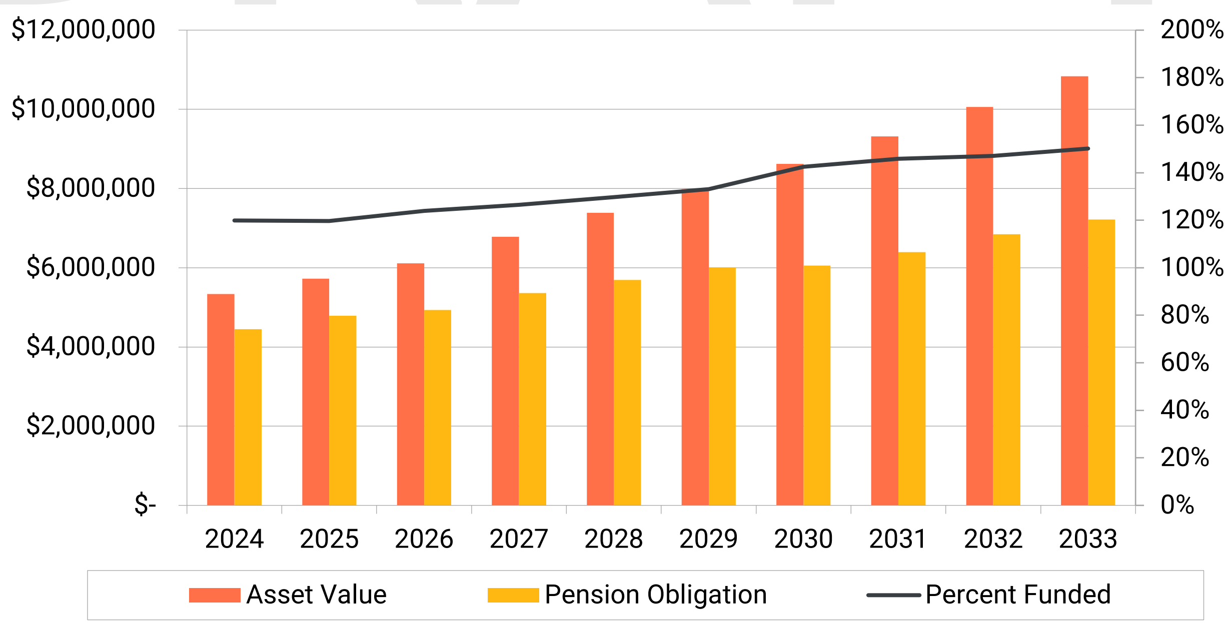
III. Summary of Scenario

Scenario –Benefit Level Increase in 2024 to $15,000, with an agreed upon municipal contributions in 2024 through 2033. Under this scenario, the funding percentage ranges from 120 percent to 150 percent after increase for the 10-year period, however, the City does not generate a required municipal contribution.

SUMMARY WITH BENEFIT LEVEL INCREASED TO $15,000 in 2024 WITH AGREED UPON MUNICIPAL CONTRIBUTION THROUGH 2033

YEAR	BENEFIT LEVEL	MUNICIPAL CONTRIBUTION Voluntary	MUNICIPAL CONTRIBUTION Required	PROJECTED ACCRUED LIABILITY	PROJECTED ASSETS	SURPLUS/ (DEFICIT)	PERCENTAGE FUNDED
2024	$ 15,000	$ 94,975	$ -	$ 4,448,569	$ 5,339,034	$ 890,465	120%
2025	15,000	94,975	-	4,784,243	5,730,780	946,537	120%
2026	15,000	94,975	-	4,935,606	6,122,996	1,187,391	124%
2027	15,000	94,975	-	5,360,855	6,794,459	1,433,604	127%
2028	15,000	94,975	-	5,693,326	7,399,837	1,706,511	130%
2029	15,000	94,975	-	6,003,609	8,005,913	2,002,304	133%
2030	15,000	94,975	-	6,051,884	8,643,290	2,591,406	143%
2031	15,000	94,975	-	6,390,755	9,342,888	2,952,133	146%
2032	15,000	94,975	-	6,844,972	10,090,644	3,245,672	147%
2033	15,000	94,975	-	7,215,710	10,866,409	3,650,699	151%
Total		$ 949,750	$ -				

Funding Level



Agenda Item 3.B.

CITY OF INVER GROVE HEIGHTS

Request for Council Action

SUBJECT: 2024 Convention & Visitors Bureau Budget Request

MEETING DATE: November 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511
Amy Hove, Finance Director, 651.450.2521

ACTION REQUESTED
The Council is asked to consider and provide feedback regarding the proposed 2024 budget for the Convention and Visitors Bureau (CVB).

BACKGROUND
Lily Smith recently joined the Inver Grove Heights Convention and Visitors Bureau, known as "Visit IGH", as its new director. She will be present at the November 6 work session to introduce herself and present the CVB's budget request for 2024.

FISCAL IMPACT
The annual CVB budget is funded entirely through receipts of the City's lodging tax, plus any grants applied for and awarded to the organization. This is the only legal use of lodging tax revenue, according to state statute. Last year the City increased the lodging tax rate from 2% to 3%, effective January 1, 2023. This brings IGH's lodging tax up to the maximum allowed by state law.

RECOMMENDATION

ATTACHMENTS
1. 2024 CVB Budget-Council Presentation (Nov 6 2023)

Convention & Visitor Bureau 2024 Budget & Lodging Tax

City Council Work Session

November 6, 2023 at 6pm

LillyAnna Smith, Visit IGH Director

About Me!

- B.A. Business Administration with a Minor is Marketing & Sales from the University of Wisconsin-Stout.
- Intern & Marketing Coordinator for Visit Grand Rapids.
- My favorite thing about being in the tourism industry is the community connections!

Convention & Visitor's Bureau (Fund 201)

- Mission: To market and promote Inver Grove Heights to visitors; to maintain and stimulate the community's economic vitality.

- Our Purpose**:** We market and promote Inver Grove Heights to visitors to stimulate the community's economic vitality by building upon our connection to the river and parks, fun experiences, local businesses, and regional attractions. We're rooted in our community's story.

Convention & Visitor's Bureau (Fund 201)

Our Core Values:

- Collaboration: *We take a collaborative approach with our partners*
- Service: *We exist in service to the community*
- Integrity: *We act with integrity*
- Change: *We embrace change and focus on the future*
- Fun: *Fun happens here!*

Convention & Visitor's Bureau (Fund 201)

CVB Board of Directors:

- Kim Koenig (Chair), Microtel Hotel
- Amy Buskerud (Vice Chair), Holiday Inn Express
- Joe Harms (Treasurer), Mississippi Pub/River Heights Marina
- Jodie Miller (Secretary), Town Square Television
- Evelyn S. , AmericInn Hotel
- Amy Looze, City of Inver Grove Heights
- Natasha Freimark, Mall of America

➢ On September 28, 2023 the CVB Board of Directors reviewed and approved the CVB 2024 Draft Budget

visit igh.com
INVER GROVE HEIGHTS
...closer than you think!

Convention & Visitor's Bureau Highlights

CVB STRATEGIC PLAN

On December 16, 2021 the CVB Board approved a 3-year strategic plan for 2022-2024.

<u>GOALS</u>:

1. Strengthen our core relationships with hotels, businesses, chamber and city leadership, and regional partners.
2. Grow revenue to invest in marketing, technology, and staffing.
3. Create a brand and marketing plan.
4. Develop a signature annual event to attract visitors.

visit igh.com
INVER GROVE HEIGHTS
...closer than you think!

Convention & Visitor's Bureau Focuses for 2024!

1. New Visit Inver Grove Heights website!
2. Get updated photography and videography of IGH hotels, attractions, outdoor recreation and dining.
3. Build relationships with community and regional partners.
4. Explore new avenues of marketing for Visit IGH.
5. Research and plan for a new signature annual event for IGH.

visit igh.com INVER GROVE HEIGHTS …closer than you think!

Convention & Visitor's Bureau Highlights

Hotel Rate Comparison

How do IGH hotel rates compare with other similar hotels in the metro region?

HOTELS & RATES

Location	Lowest Nightly Rate	Highest Nightly Rate
Inver Grove Heights	$83	$116
Apple Valley	$91	$125
Burnsville	$79	$107
Eagan	$95	$149
Woodbury	$98	$139

**Hotel rates were measured with Google Maps on October 19 as of 12:52 PM. Dates measured include Friday-Sunday of MEA weekend, a popular family travel weekend.*

Convention & Visitor’s Bureau

2024 Revenues – 3% Lodging Tax

$ 202,500	Lodging Tax
$10,000	Explore MN Tourism (EMT) Grant
$ 212,500	Total Revenues

This is not a resident tax.

All CVBs in the metro area collect at least a 3% lodging tax, and 96% of all communities in Minnesota have a lodging tax ordinance collection of 3%.

Expenditures	2023 Budget (3%)	2024 Budget (3%)
Professional Services	$ 77,662	$ 77,662
Advertising	$98,880	$107,688
Administrative	$10,125	$10,125
Office Rental	$7,200	$7,200
Postage/Delivery	$5,000	$3,000
Membership Dues	$4,975	$775
Conferences	$3,000	$2,000
Supplies-Office	$1,788	$2,000
Travel	$1,450	$500
Meals and Lodging	$1,350	$900
Telephone/Email	$1,070	$650
Total Expenditures	$ 212,500	$ 212,500

Questions?

Agenda Item 3.C.

Request for Council Action

SUBJECT: Proposed 2024 Budgets - Internal Service Funds

MEETING DATE: November 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Amy Hove, Finance Director, 651.450.2521
Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to consider and provide feedback on proposed 2024 budgets for the City's Internal Service Funds: Technology, City Facilities, Risk Management (Insurance), and Central Equipment.

BACKGROUND

The City has four Internal Service Funds:

1. Technology
2. City Facilities
3. Risk Management (Insurance)
4. Central Equipment

Each of these funds provides a service to all of the other departments of the City. The costs of each function are allocated to individual departments in accordance with the demands they place on that function. Allocations paid by each department become revenue into the fund, with expenditures flowing out to cover the cost of providing that service. This is a valuable way to fund such internal services because it results in the budgets for each front-line Department, such as Police, Fire, Public Works, etc., more accurately reflecting the cost of providing that service.

For example, the Street Maintenance Division of Public Works relies heavily on a number of large and expensive vehicles. If the Street Maintenance Division didn't have an allocation from Central Equipment included in their budget, the total amount of the Street Maintenance budget would dramatically underrepresent what it really costs to provide street maintenance services.

A second reason for utilizing Internal Service Funds for these specific components of the City's operations is that they have fluctuating capital expenditures from year to year. The Internal Service Funds can build up a reasonable fund balance through a steady stream of allocation revenue, without causing swings in the City's property tax levy. Ideally, this allows the City to have money on hand when an expensive facility repair is needed, such as a new roof, or a large vehicle needs replacing. Some of IGH's internal service funds are in a better position than others to cover both operating costs and projected capital expenditures.

A draft presentation of the four proposed budgets is attached.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. Presentation

2024 Budget
Internal Service Funds

City Council Work Session

November 6, 2023 at 6pm

CITY OF
INVER GROVE
HEIGHTS

Internal Service Funds & Allocations

- Technology
- City Facilities
- Risk Management (Insurance)
- Central Equipment

Technology Fund

Marc Gade, Technology Manager

CITY OF
INVER GROVE
HEIGHTS

Technology (Fund 606)

- During budget years 2020, 2021 & 2022, Technology was a department within the General Fund but did not include capital costs
- Transitioned back to separate fund for these activities in 2023
- The Technology Fund allocation covers:
  - Operating budget for IT Department
    - Phone stipends added
    - Copier & postage costs added
    - Department-specific division software removed
  - Hardware Replacements (based on a 5-7 year average)
  - A Department’s allocation is based on # of FTE’s and device counts (computers, laptops, tablets)

Technology (Fund 606)

- 2024 Budget – continued refinement of IT department budget, including assessment of capital needs and transition of appropriate costs to other departments
- 2024 Technology Allocation (60071) - $1,265,900
    - 2023 Technology Allocation = $1,276,200

Technology (Fund 606) – 2024 Capital

- Capital included in departmental allocations ($104,000)
  - Wireless Access Points ($10,000)
  - Card Access ($15,000)
  - Audio/Visual ($47,400)
  - Workstation Devices ($28,600)
  - UPS ($3,000)
- Capital use of fund balance
  - Fiber Projects ($30,000)
  - Previously Fiber Projects were funded out of the Host Community Fund

Technology Fund – Budget Summary

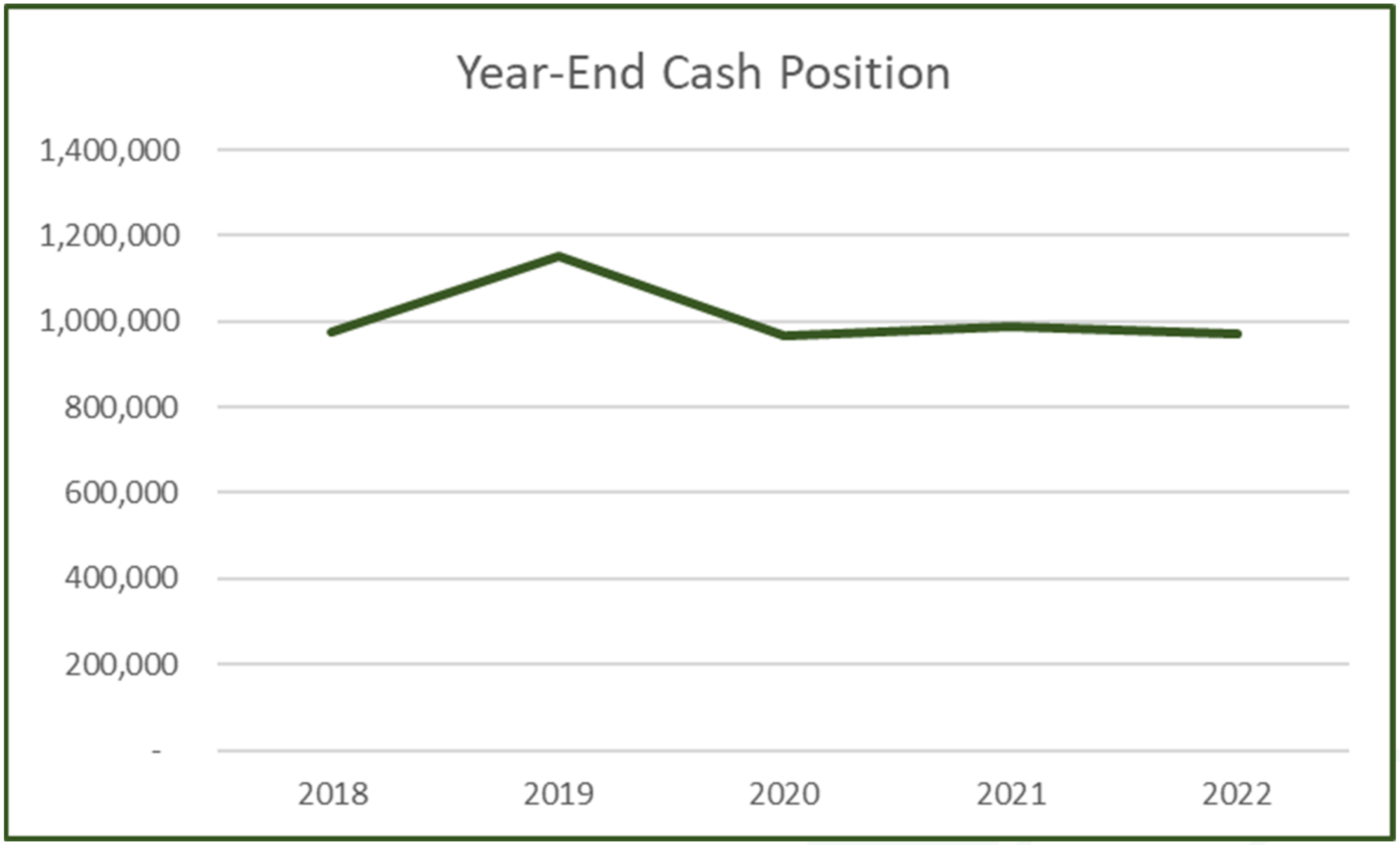
	2023 Budget	2024 Requested Budget
Revenues By Type		
Departmental Allocations	$ 1,276,200	$ 1,265,900
Interest & Other Reimbursements	8,000	16,000
Total Revenues	**$ 1,284,200**	**$ 1,281,900**
Expenditures By Type		
Personnel	$ 758,000	$ 793,400
Professional/Technical	8,000	10,000
Purchased Services/Property/Equipment	415,160	447,956
Supplies	76,350	51,950
Capital Outlay	131,000	102,400
Total Expenditures	**$ 1,388,510**	**$ 1,405,706**

2024 Budget Summary

$ 1,281,900	Revenues
- 1,405,706	Expenditures
($ 123,806)	Decrease to Fund Balance

** 2023 assumed spend down of $104,310 in fund balance*

Technology Fund – Cash Balances



Average balance = $1,012,000

Questions?

City Facilities

Adam Lares, Parks & Recreation Director
Phil Stier, Operations-Maintenance Supervisor

CITY OF
INVER GROVE
HEIGHTS

City Facilities (Fund 605)

- Activities are funded by departmental allocations through expense code:
  - City Facilities Allocation (40075) $847,695 (6% increase)
- Up until 2022, this fund covered facility costs solely related to the operation of City Hall; currently in a <u>transition</u> phase
- Current Allocation is based on historical FTE's and square footage by department; formula has not been updated for years.
  - And the allocation does not include a capital replacement component (like Central Equipment)
- Beginning in 2023, Solar Garden activities were added to this budget so $375,000 shows up as a revenue (solar credits) and expense (solar charges) – will need a few years of activity for comparison purposes

City Facilities – Budget Summary

	2023 Budget	2024 Requested Budget
Revenues By Type		
Departmental Allocations	$ 800,000	$ 847,695
Interest & Other Revenues	394,000	403,500
Total Revenues	**$1,194,000**	**$1,251,195**
Expenditures By Type		
Personnel	$ 291,600	$ 303,100
Professional/Technical	20,000	10,000
Purchased Services/Property/Equipment	788,400	863,250
Supplies & Other Expenses	94,800	82,600
Capital Outlay / Transfers	363,500	188,500
Total Expenditures	**$1,558,300**	**$1,447,450**

City Facilities
Highlights & Additional Requests

- Additional Overtime for Department ($1,400)
- New Vehicle ($40,000) – *not budgeted due to plan outlined below*
  - Department does not have a vehicle for travel/errand purposes, as well as transporting tools and supplies between buildings – currently using personal vehicle
  - Staff evaluated vehicles scheduled to be replaced in 2024
  - Parks Division is replacing F350 with tools/equipment that City Facilities could utilize
  - Parks Division has sufficient dollars saved for their vehicle replacement without needing any trade-in credit
  - Annual costs to City Facilities for maintenance, insurance, and fuel plus vehicle replacement allocation, would begin in 2025

2024 Budget Summary

$ 1,251,195	Revenues
- 1,447,450	Expenditures
($ 196,255)	Decrease to Fund Balance

** 2023 assumed spend down of $364,300 in fund balance (capital expenditures)*

City Facilities – 5 Year Capital Plan

Division	2024 Request	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	Total
Fire Stations 1 & 3	62,000	66,000	18,000	170,000	40,000	356,000
Public Works	17,000	3,500	189,000	38,000	52,000	299,500
City Hall/Police	101,500	92,500	30,000		30,000	254,000
Water Trmt Plant	130,000	80,000	13,000			223,000
Golf Course	55,000		5,000			60,000
Rich Valley	10,000	10,000				20,000
Total	**$375,500**	**$252,000**	**$255,000**	**$208,000**	**$122,000**	**$1,212,500**

2024-2028 Average Capital = $242,500

2024 Capital Requests

Division	Item Description	Amount
Fire Stations 1 & 3	Replace Lighting to LED – Fire Station 3	15,000
	Make Up Air Unit – Fire Station 1	42,000
	ADA Improvements-Update locks/hardware	5,000
Public Works	Replace Lighting in Truck Storage Bay	12,000
	ADA Improvements-Update locks/hardware	5,000
City Hall/Police	Replace Lights in Offices/Main Hall Areas	74,000
	Replace heat pumps, install duct work in data closets	22,500
	ADA Improvements-Update locks/hardware	5,000
Water Trmt Plant	Dehumidifier	125,000
	ADA Improvements-Update locks/hardware	5,000
Golf Course	Replace Lighting to LED	10,000
	Fire Suppression System	40,000
	ADA Improvements-Update locks/hardware	5,000
Rich Valley	Replace Lighting to LED	10,000
	Total Capital Requests	**$375,500**

2024 Capital Funding

$	375,500	2024 Capital Items
-	12,000	PW Capital from Central Equipment Fund*
-	125,000	Water Treatment Capital from Water Fund*
-	50,000	Golf Course Capital from Golf Course Fund*
$	188,500	Capital Paid for out of City Facilities

** Exception will be for any ADA Improvements – these will be paid for from City Facilities as ADA funds set aside in previous years were transferred into the City Facilities Fund*

Cash Position & CIP Spending

In 2021, $572,000 was transferred in after wrapping up the Fire Station Project. $110,000 was earmarked for outstanding project items.

In 2022, staff recommendation is to close the Central Stores Fund and transfer those dollars, estimated at $600,000 to City Facilities.

5-Year Capital Plan anticipates $1,212,500 in capital spending of which $645,000 (53%) falls under general City Facility dollars.

Questions?

Risk Management (Insurance)

Sam Hosszu, Assistant Finance Director

CITY OF
INVER GROVE
HEIGHTS

Risk Management (Fund 602)

Overview:

- League of MN Cities (LMCIT) insurance premiums
  - Property/Equipment/Liability/Auto/Bond
  - Workers Compensation
- Corporate charges for attorney representation in lawsuits
- Portion of finance personnel costs charged to fund
- Activities are funded by departmental allocations through expense codes:
  - Insurance Allocation (50019) - $479,600 (4.35% Decrease)
  - Workers Compensation Allocation (20750) - $774,000 (7% Increase)

Risk Management (Fund 602)

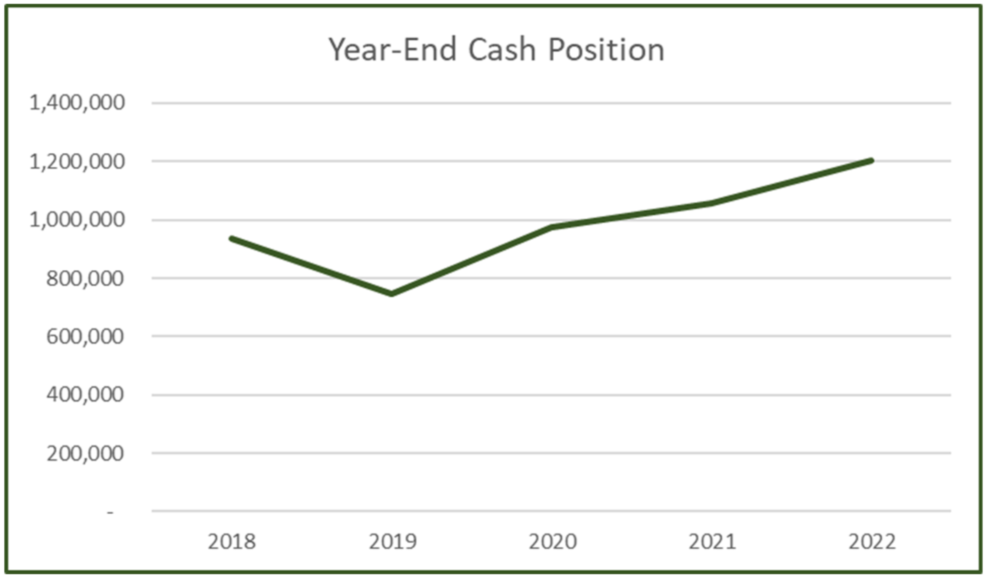
Overview & NEW:

- Covers deductible payments
  - New in 2023 – added a Workers Compensation deductible
- NEW in 2023 Covers insurance agent contract
- Recent renewals for 2023/2024 policy period came in slightly higher than planned
  - Recommendation is to utilize prior year fund balance savings (previous year dividends) to offset that increase in 2024

Risk Management

Allocations

	2021	2022	2023	2024
Workers Compensation *	$ 649,200	$ 688,800	$ 723,200	774,000
Insurance	473,100	473,100	501,400	479,600
Total Allocations to Fund	$ 1,122,300	$ 1,161,900	$ 1,224,600	$ 1,253,600
% Change	-0.5%	4.0%	5.4%	2.4%



Average cash balance = $983,103

2021 & 2022 Property/Casualty Dividends totaled = $167,611

Risk Management - Summary

	2023 Adopted Budget	2023 Requested Budget
Revenues By Type		
Departmental Allocations	$ 1,224,600	$ 1,253,600
Interest & Other Reimbursements	10,000	25,000
Total Revenues	**$ 1,234,600**	**$ 1,278,600**
Expenditures By Type		
Personnel	$ 23,200	$ 32,000
Legal & Contracted Services	10,000	21,000
Repair/Maintenance/Deductibles	50,000	80,000
Insurance Premiums	1,151,400	1,260,900
Total Expenditures	**$ 1,234,600**	**$ 1,393,900**

2024 Budget Summary

$ 1,278,600	Revenues
- 1,393,900	Expenditures
($ 115,300)	Decrease to Fund Balance

** 2024 budget does not take into consideration any potential property/casualty dividends (additional revenue) returned by LMCIT* ***AND*** *budgets for the full $50,000 property/casualty deductible and $30,000 workers compensation deductible (expense).*

Questions?

Central Equipment

Brian Connolly, Public Works Director
Barry Underdahl, Streets Superintendent
Amy Hove, Finance Director

CITY OF
INVER GROVE
HEIGHTS

Central Equipment (Fund 603)

- Vehicle maintenance & replacement
- Activities are funded by departmental allocations through expense code:
  - Central Equipment Allocation (40070) - $3,208,400 (1.41% increase)
- The allocation is two-fold:
  - Operating – based on a three-year average of fuel usage and repair parts/hours
  - Capital – based on a vehicle replacement schedule, specific to each department

Central Equipment

Departmental Allocations

	2021	2022	2023	2024
Operations	1,349,500	1,628,600	1,611,700	1,560,600
Vehicle Replacement	1,546,650	1,540,600	1,552,000	1,647,800
TOTAL	**$ 2,896,150**	**$ 3,169,200**	**$ 3,163,700**	**$ 3,208,400**

Central Equipment – Budget Summary

	2023 Budget	2024 Proposed Budget
Revenues By Type		
Departmental Allocations	$ 3,163,700	$ 3,208,400
Interest & Other Reimbursements	100,000	150,000
Total Revenues	**$ 3,263,700**	**$ 3,358,400**
Expenditures By Type		
Personnel	$ 582,900	$ 606,700
Purchased Services/Property/Equipment	611,400	566,300
Supplies & Other Expenses	573,350	538,850
Capital Outlay / Transfers	1,551,122	1,134,650
Total Expenditures	**$ 3,318,772**	**$ 2,846,500**

Replacement + New Equipment Requests (Chipper, PD Squad Outfitting, Facility Improvements)

Central Equipment
2024 Capital Requests

Type	Item Description	Amount
Building Facility Improvements	Replace Lighting in Truck Storage Bay	12,000
Police-Use of Saved Balances	Outfitting leased squads	160,000
New Equipment Proposed	Parks – Chipper	125,000
Equipment Replacements	Details provided in upcoming slides	837,650
	Total Capital Requests	**$1,134,650**

2024 Budget Summary

$	3,358,400	Revenues
-	2,846,500	Expenditures
$	511,900	Increase to Fund Balance

2024 EQUIPMENT REPLACEMENT REQUESTS

~ Descriptions and photos identify the equipment to be replaced. The replacement cost after trade is shown as the Acquisition Cost.

STREET MAINTENANCE

1992 Ingersoll-Rand Air Compressor #313
Replacement Cost: $39,650

2014 Mack Single Axle Dump Truck #323
Replacement Cost: $243,000

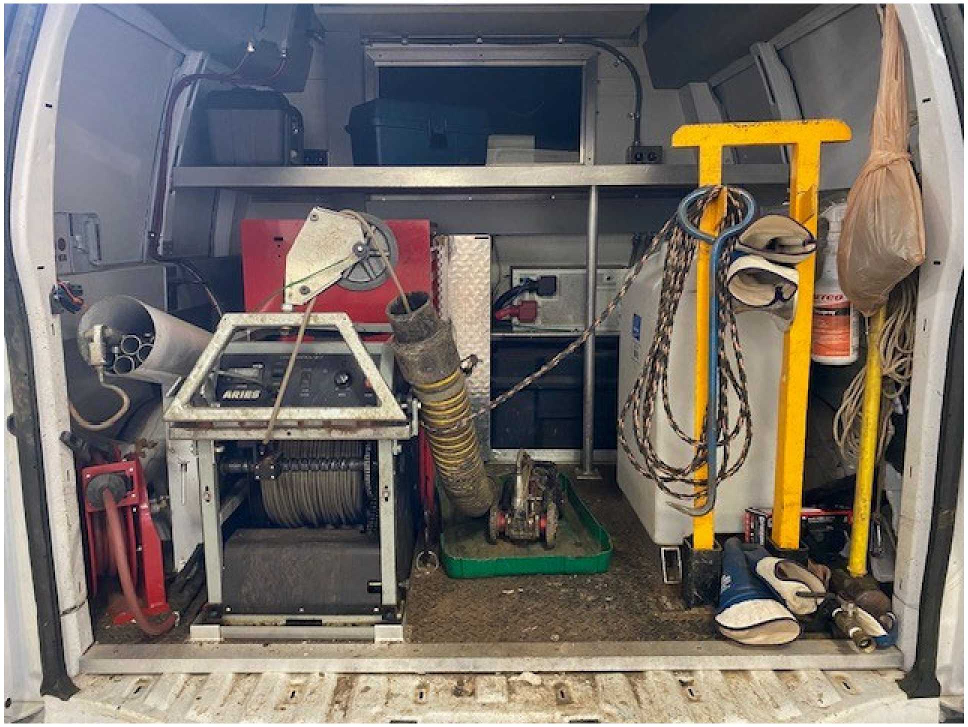
2017 Bobcat T595 Skid Loader #352
Replacement Cost: $76,000

2002 Caterpillar Forklift #5302
Replacement Cost: $50,360

UTILITIES MAINTENANCE

2015 Chevrolet Van #418
Replacing Televising Equipment ONLY
Replacement Cost: $120,706

-Van will be kept, and an allocation continued for the replacement of a van and new equipment in 2034)
-Utilities will utilize some of the savings from this allocation balance to cover the shortfall on the F350 Service Truck



2012 Ford F350 Service Truck #409 with crane

Replacement Cost: $163,890.19

Hydraulic Crane vs. Electric Crane
(price above reflects hydraulic crane)

PARK MAINTENANCE

2015 Ford F350 #511
Replacement Cost - $64,546.12
No Trade In – Transfer Vehicle to City Facilities

2017 Bobcat Toolcat #525
Replacement Cost: $54,000

2018 Ferris Zero Turn Mower #533
Replacement Cost: $12,749

2018 Ferris Zero Turn Mower #539
Replacement Cost: $12,749

2024 Equipment Replacements – Summary

*Acquisition Costs are as accurate as possible but may be subject to change due to state contract expiration/renewal dates, availability due to supply chain constraints, and tax, title, and license fees.

Vehicle #	Vehicle/Equipment to be replaced	Vendor of replacement vehicle	Allocation Balance	Vehicle	Equipment	Trade Value	Acquisition Cost
	STREET MAINTENANCE		**as of 12/31/2023**				
#313	1992 Ingersol Rand Air Compressor	Aspen Equipment	$49,598.00	$42,650.00	$0.00	$3,000.00	$39,650.00
#323	2014 Mack Single Axle Dump Truck	Nuss Truck /Towmaster Equipment	$282,902.00	$141,000.00	$160,000.00	$58,000.00	$243,000.00
#352	2017 Bobcat T595 Skid Loader	Tri-State Bobcat	$112,678.00	$67,491.00	$34,447.00	$25,938.00	$76,000.00
#5302	2002 Caterpillar Forklift	Fairchild Equipment	$44,970.00	$53,860.00	$0.00	$3,500.00	$50,360.00
		Streets Totals	$490,148.00	$305,001.00	$194,447.00	$90,438.00	$409,010.00
	UTILITIES MAINTENANCE						
#418	Televising Equipment	MacQueen Equipment	$252,828.00	$0.00	$125,206.00	$4,500.00	$120,706.00
#409	2012 F350 Service Truck w/Crane	Midway Ford/ABM Equipment	$103,316.00	$58,972.19	$113,918.00	$9,000.00	$163,890.19
		Utilities Totals	$356,144.00	$58,972.19	$239,124.00	$13,500.00	$284,596.19
	PARK MAINTENANCE						
#511	2015 Ford F350	Midway Ford/Aspen Equipment	$73,000.00	$50,546.12	$14,000.00	$0.00	$64,546.12
#525	2017 Bobcat UW56 Toolcat	Tri-State Bobcat	$72,319.00	$70,434.20	$0.00	$16,434.20	$54,000.00
#533	2018 Ferris IS3200 Mower	LTG Power Equipment	$12,845.00	$16,749.00	$0.00	$4,000.00	$12,749.00
#539	2018 Ferris IS3200 Mower	LTG Power Equipment	$12,845.00	$16,749.00	$0.00	$4,000.00	$12,749.00
		Parks Totals	$171,009.00	$154,478.32	$14,000.00	$24,434.20	$144,044.12
		Totals – All Replacements	**$1,017,301.00**	$518,451.51	$447,571.00	$128,372.20	**$837,650.31**

Overall net savings of $179,651 – recommend utilize these savings to pay for the purchase of a new woodchipper for Parks, 2024 budget request for $125,000 (to be used across multiple departments)

Cash Balances
Set aside for Equipment Replacements

Department	# of Equipment Allocated	Est. Dollars Saved as of 12/31/2023
Police	6	758,035
Fire	20	3,980,291
Inspections	6	134,127
Engineering	6	179,697
Streets	54	4,461,087
Parks	30	1,455,434
Recreation	1	0
Community Center	1	146,309
Water & Sewer	17	1,659,481
	TOTAL	**$12,774,461**

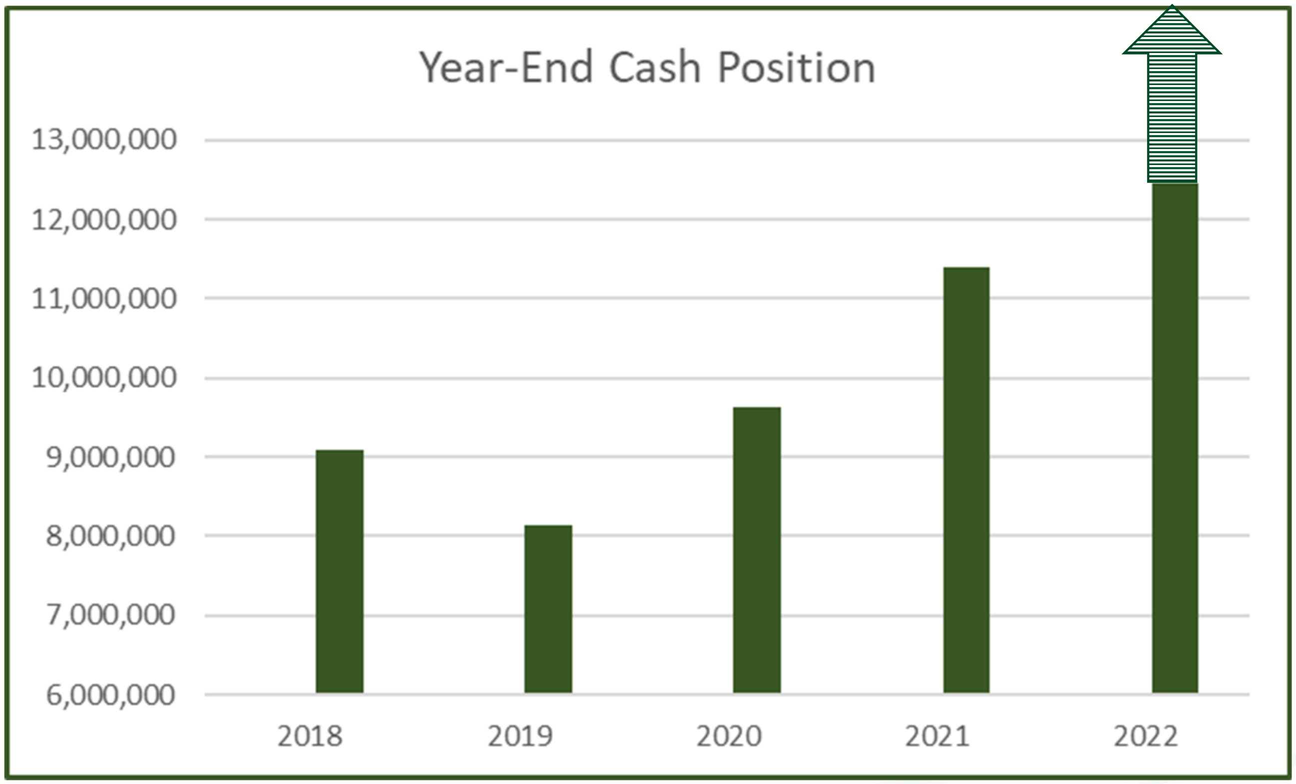
Utilizing $160,000 for squad outfitting in 2024

Cash Balance Estimate	
Cash 9/30/2023	$ 13,128,575
Oct-Dec 2023 activity (est.)	(689,314)
Interfund Loan Pymts	639,088
Estimated balance 12/31/2023	$ 13,078,349
Earmarked for Dept. Equipment	(12,774,461)
Cash not earmarked	$ 303,888*

* Plus: future cash from Golf Course loan $1.0 million and $372,000 from VMCC loan

Central Equipment

$14,564,150 when adding loans receivable to cash position.



<u>Loans Receivable as of December 31, 2022*:</u>

$ 1,638,160	Golf Course – 2016 Improvements
<u>465,176</u>	VMCC – 2018 Rink Improvements
$ 2,103,336	

* The 3 VMCC Loans ($1,393,954), forgiven by Council in 2023, have been removed from this calculation

Questions?

Agenda Item 3.D.

CITY OF INVER GROVE HEIGHTS

Request for Council Action

SUBJECT: 2024 Staffing Requests & Other Outstanding Budget Items

MEETING DATE: November 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to continue its discussion of the 2024 budget, with a specific focus on the requested and recommended new staff positions as well as any other funding items that Council would like to circle back to or raise.

BACKGROUND

There is just over a month remaining before the Council will be asked to adopt a final 2024 budget and tax levy. The statutorily required public hearing on the proposed levy and budget is scheduled for Monday, Dec. 4, with final adoption scheduled for Monday, Dec. 11.

At the Nov. 6 work session, staff will review the new staffing requests submitted as part of the 2024 budget, as well as the City Administrator's recommendations for prioritization, both of which were originally presented and discussed at the Council's September 5 work session. I am finishing up a historical look at staffing levels by Department, as was requested by Council at that September work session, and will email it to Councilmembers by close of business on Friday and provide an overview during Monday's work session. Attached for background is the memo from the Sept. 5 work session packet which discusses the requested and recommended staffing adds for 2024.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. 2024 Budget Memo from Sept 5 Work Session

Agenda Item 3.A.

Request for Council Action

SUBJECT: 2024 Preliminary Levy & Budget

MEETING DATE: September 5, 2023
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511
Amy Hove, Finance Director, 651.450.2521

ACTION REQUESTED
The Council is asked to receive updated information and recommendations regarding the City's 2024 preliminary tax levy and budget, discuss and provide direction to staff.

BACKGROUND
At its July 31 and August 21 work sessions, the Council was presented with first draft budgets for the City's General Fund, as well as for Debt Service and Pavement Management. Together, these three components of the City's 2024 budget are most directly funded by property taxes.

State statute requires the City to adopt a preliminary 2024 budget and tax levy and certify it to the County no later than September 30. With the Council's September 25 meeting coming very close to this deadline, staff is requesting that Council act on the preliminary levy and budget at its September 11 meeting. This agenda item serves as a final opportunity for questions, discussion and direction to staff prior to this action.

It is important to note that once the Council adopts a preliminary tax levy, it may reduce the levy prior to final adoption in December – but it cannot increase it.

The following will recap each of the three components to the levy-supported budget and provide the City Administrator's recommendations for changes or adjustments to the first draft budgets.

Debt Service
The City has outstanding levy-supported debt for various street projects and for the cost of constructing Fire Station #2. It should be noted that the City also has outstanding debt for the extension of sanitary sewer services into the northwest area, but the annual debt service payments on these bonds come from utility funds and not from the property tax levy. Additionally, the City no longer takes on debt to fund the City-share of street projects, but we are still paying off old debt for this purpose.

The City's outstanding levy-support debt can be summarized as follows:

Bond Issuance	Last Year Levy Needed for this Bond	2024 Budget
2015A G.O. Bonds - Streets	2030	633,210
2016A G.O. Bonds - Streets	2033	718,292

2017B G.O. Bonds - Streets	2032	262,882
2018A G.O. Bonds - Fire Station #2	2038	739,552
2019A G.O. Bonds - Fire Station #2	2038	188,475
2020A G.O. Bonds - Streets	2026	177,250
Use of Closed Bond Fund		-177,250
Total Proposed Debt Service Levy		**$2,542,411**

The City began the practice of using a portion of the Closed Bond Fund to make the annual debt service payment on the 2020A G.O. Bonds with the 2022 levy and budget and this is recommended to continue. There are sufficient funds in the Closed Bond Fund to continue this practice through the final year of bond payments for 2020A.

There are additional funds in the Closed Bond Fund, beyond what will be required to pay the 2020A bonds in full, but not enough to pay any of the other outstanding bonds in full. So while it is an option to use additional money from the Closed Bond Fund to make debt service payments next year, thereby reducing the 2024 levy, staff is not recommending this because that debt service cannot be completely satisfied by the Closed Bond Fund and would therefore boomerang back to the tax levy in future years.

Therefore, staff's recommendation is to establish a preliminary debt levy of $2,542,411 for 2024.

Pavement Management Fund
The Pavement Management Fund pays for repair and maintenance of the City's streets, with a small amount also dedicated to other City-owned, paved surfaces – like parking lots and trails.

Revenue into the Pavement Management Fund consists of the following:

Revenue Type	2023 Budget	2024 Proposed Budget
Pavement Management Property Tax Levy	**$2,900,000**	**$3,045,000**
Transfers In From Host Community Fund	**$600,000**	**$500,000**
Franchise Fees	$1,065,000	$1,100,000
State Aid	$530,000	$1,626,800
Repayments of Past Special Assessments *(annual collections)*	$1,260,468	$1,460,810
Interest	$76,818	$150,000
Transfers In From Utilities *(project driven)*	$1,367,000	$2,054,233
State/Federal/County Reimbursements	$440,000	$340,240
2024 Bond Proceeds *(to cash flow 2023 & 2024 assessments)*	$5,562,000	$9,399,502
TOTAL Revenues & Transfers In	**$13,801,286**	**$19,676,585**

The top two rows above – which appear in bold – are the two funding mechanisms for Pavement Management that the Council most directly controls via annual budget decisions. Staff is recommending a 5% increase in the 2024 Pavement Management Levy compared to 2023 and a $100,000 decrease in the transfer from the Host Community Fund.

Transfers from the Host Community Fund to Pavement Management have been utilized in recent years to help the Pavement Management Fund as the property tax levy for this purpose was gradually increased to support a more robust Pavement Management Program, without relying on the issuance of debt. Looking ahead to 2024, the Pavement Management Fund appears to be in a healthy place and can fully afford the program of street improvements proposed for the next 5 years in the 2024-2028 Capital Improvement Program (CIP). The Host Community Fund, on the other hand, is seeing a decline in revenue, suggesting the need to be more conservative in allocating those funds. While the Council is not officially committing to any particular course of action in future years, staffs' recommendation based on the information we have today is to gradually wean the Pavement Management Fund off of transfers from the Host Community Fund, by reducing the transfer $100,000 per year until it reaches zero in the year 2029.

Therefore, staff's recommendation is to establish a preliminary Pavement Management levy of $3,045,000 for 2024.

General Fund

The General Fund includes the operating budgets for many of the City's most visible departments and services, including Police, Fire, Streets, Parks, Recreation, Planning, Inspections, and Engineering, plus administrative functions such as Finance, Communications, Human Resources and the City Clerk's office. Full funding of the initial 2024 budget requests submitted by each General Fund department and division, plus the proposed increase to the Pavement Management levy and a relatively flat Debt levy, would result in an 8.9% overall increase to the property tax levy – without adding any of the 7.7 new staff positions that were requested.

Key drivers of this 8.9% increase include:

1. A 3% wage increase, plus step increases, for all full-time staff, as has been negotiated with the various employee unions, who all have settled contracts for 2024.
2. A 10% increase in the City's costs for employee health insurance.
3. Rising costs for many supplies and services the City purchases, as well as certain contracts for service.
4. A 5% increase in the Pavement Management Levy, as discussed above.
5. A slight increase in the amount of the levy transfer to the EDA and to the Parks Capital Improvement Fund.
6. Reduced revenues from permits, as the level of building and development is projected to remain down.
7. The obligation to levy for a Tax Abatement to the Crossings apartment building, as was approved by the City in 2020.

Recommended Reductions to the General Fund Tax Levy

After further review of the initial budget requests submitted by the various General Fund departments and divisions, the City Administrator is recommending the reductions and/or adjustments identified in Attachment A, which would bring the overall levy increase down to 6.7% - prior to adding any new staff positions.

Staffing Recommendations

After careful consideration of the staffing requests submitted by individual departments, the City Administrator is recommending the following positions be given priority:

1 full-time Park Maintenance Worker
1 full-time Street Maintenance Worker
(funded 20% by the General Fund / 80% by the Stormwater Fund)

1 full-time Utility Billing Coordinator in the Finance Department
1 full-time Firefighter

Funding these four positions would bring the overall levy increase for 2024 to 7.9%. The presentation on Monday evening will provide additional context for an increase of this level, with detail regarding what other Dakota County cities are contemplating for a preliminary levy increase, as well as historical IGH data.

The recommended additions to parks and streets maintenance staff are needed in response to increasing development within the City, which has added to the acres of parks and natural areas, streets and trails that must be maintained. After many, many years without any staff growth, both divisions sought the addition of 2 full-time employees in the 2023 budget and were awarded 1. An additional staff person in each division for 2024, fulfills the original requests.

An additional staff person in the Finance Department, with responsibilities for coordinating Utility Billing and other utility-related financial tasks, is needed to ensure we have the skill level and depth necessary to sustain these critical operations on an ongoing basis.

An additional full-time firefighter is recommended as a priority in order to move the Department closer to fulfilling the service level of having two units of three people staffed 24/7. The legitimate and deserved use of paid time off by the full-time staff hired with the SAFER grant funds, combined with a reduced number of paid-on-call firefighters from which to draw, has resulted in too many days when there are gaps in the schedule. Solving this problem ultimately requires the addition of three full-time firefighters (one for A shift, one for B shift and one for C shift), which was Chief Thill's request. The City Administrator's recommendation is that this be funded gradually through the addition of one full-time firefighter per year for each of the next three years. (Grant funds may be available which would allow for all 3 positions to be brought on sooner, but that will be discussed further with Council this fall prior to any application being submitted.)

If there is Council support to go beyond the four positions listed above, it is recommended that an additional police officer be the next priority. This would allow for expansion of the PD's Strategic Response Group from three full-time officers, to four.

As a reminder, the additional staffing requests made also included an additional Assistant Fire Chief, which was identified as a need in the Citygate study, and an additional half-time Communications Specialist. Both warrant additional consideration in future year's budget processes.

Impact on a Median Value Home
Last, but certainly not least, attached please find information regarding the change in value for a median value home in IGH and information on how various percentage increases to the City levy are estimated to impact the City-portion of the property tax bill for a median value home. More discussion of this will also be included in the presentation during Monday's work session.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS
1. Attachment A
2. 2024 Budget-Levy Scenario Slide 8.2023

CITY OF INVER GROVE HEIGHTS

Agenda Item 3.E.

Request for Council Action

SUBJECT: **Review of Dakota County 2024-2028 Transportation Capital Improvement Program (CIP)**

MEETING DATE: November 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Brian Connolly, Public Works Director, 651.450.2571

ACTION REQUESTED

The Council is asked to receive an update regarding Dakota County's proposed 2024-2028 Transportation Capital Improvement Program (CIP), and provide feedback to staff for drafting a formal resolution on the subject.

BACKGROUND

Each year, Dakota County reviews and updates its five-year CIP to reflect the addition or modification of capital improvements throughout the county. As part of the CIP review process, the County meets with staff from cities and townships to review upcoming projects in each community, discuss schedule coordination, and review preliminary funding and cost sharing estimates for projects in accordance with the County's Transportation Plan. The County requests initial letters of support from each city and township by the end of June, to ensure staff have reviewed the proposed projects forthcoming, and submitted any comments or changes to the initial draft. In the fall of each year, the County requests a formal City Council resolution regarding support for the CIP from all communities, prior to final adoption by the County Board of Commissioners.

The Public Works Director submitted a letter on June 16, 2023, indicating that staff had reviewed the projects proposed by the County in their draft 2024-2028 CIP (a copy of this letter is attached to this agenda item). At that time, the draft CIP did not reflect any changes from the County's last CIP. One specific request in the Public Works Director's correspondence was for the County to consider completing a preliminary study for a pedestrian overpass of Argenta Trail (CSAH 63) near Vista Pines Park in 2024 or 2025. This specific request was also made by the City during the County's CIP process in 2022.

Since June, the County has made adjustments to their CIP, which is publicly available at: https://www.co.dakota.mn.us/notices/Pages/2024-2028-cip.aspx. The current draft version of the County CIP includes the following updates of information reviewed earlier in 2023:

The addition of the following projects:

1. Rich Valley Blvd (CSAH 71)/Cliff Road (CSAH 32) Intersection Scoping Study (2025) - $48,750 City cost share.
2. Rich Valley Blvd (CSAH 71) and Barnes Ave (CSAH 73) Preliminary Bike Trail Scoping Study (2025) - $52,500 City cost share.

Changes to the scope and cost of the following project:

1. *80th Street (CSAH 28) - Babcock Trail to Bowman Ave - 4-Lane to 3-Lane Conversion* - Includes an increase in the City's share for final design costs, which are based on final design proposals recently received by the County, and were included in the City's 2023 Pavement Management Fund budget. The City and County will need to enter into a Joint Powers Agreement to proceed with the final design efforts, and come to agreement on the cost-sharing responsibilities. Staff will provide the Council with an update on this project, and will be available to answer questions as to the fiscal impacts of the proposed changes. While tangential to the County's CIP discussion, the recommendation provided by Council may have a direct impact on the City's support of the construction phase of the project moving forward, which is included in the County's Draft 2024-2028 CIP.

Despite the City's past requests, the aforementioned study of a pedestrian overpass of Argenta Trail (Boulevard) near Vista Pines Park is still not included in the most recent Dakota County CIP Update.

FISCAL IMPACT

City staff have previously integrated the projects with City cost-sharing responsibilities shown in the draft 2024-2028 Dakota County CIP into the City's CIP for 2024-2028, to ensure adequate funding is available for these projects. If supported by the City Council, adjustments to these costs and programmed project years will be made in the City's CIP prior to its final adoption, which is proposed for the November 13 Council meeting.

There is no immediate fiscal impact at this time; the City of Inver Grove Heights will have approval authority, along with the Dakota County Board of Commissioners, via approval of joint powers agreements for each individual project as it moves through the various phases (scoping/preliminary design, right-of-way acquisition, utility relocation, and construction) prior to advance of any projects requiring cost-sharing between the two organizations.

RECOMMENDATION

Staff are requesting feedback from the City Council regarding the Draft Dakota County 2024-2028 Transportation CIP, to assist with the compilation of a formal resolution of support, to be brought forth for Council consideration at the November 13, 2023 City Council meeting.

ATTACHMENTS

1. Draft County CIP Review Letter - 20230616
2. Draft Resolution for Discussion - Dakota County 2024-2028 CIP

CITY OF
INVER GROVE
HEIGHTS

8150 Barbara Avenue
Inver Grove Heights
Minnesota 55077

651-450-2500

www.ighmn.gov

June 16, 2023

Ms. Erin Borchert
Dakota County Transportation Department
14955 Galaxie Avenue
Apple Valley, MN 55124

Dear Ms. Borchert,

Listed below are the City of Inver Grove Heights' staff recommendations regarding the draft Dakota County Capital Improvement Program (CIP) for 2024-2028. These projects were discussed in a meeting between City and County staff on May 4, 2023.

County Project No.	Project Name	Current CIP Year	City Recommended CIP Year
73-035(1)	CSAH 73 (Babcock Trail) – Upper 55th Street to I-494 Trail Gap	2024 (ROW) 2025 (Construction)	2024 (ROW) 2025 (Construction)
28-066	CSAH 28 (80th St) – CSAH 73 (Babcock Trl.) to Bowman Ave – 3 Lane Reduction	2024 (Construction)	2024 (Construction)
32-065(2)	117th Street (New CSAH 32)	2024 Construction	2024-2026 (Construction)
28-048(3)	CSAH 28 (80th St) – TH 3 to CSAH 73 (Babcock Trl.)	2025 (Design)	2025 (Design)
26-065	CSAH 26 (70th St.) – TH 52 West Ramp	2026 (Construction)	2026
28-067	CSAH 28 (Argenta Trl) – TH 55 Interchange	2026 (Prelim Study)	2026 (Prelim Study)

(1) City of IGH leading design and construction with TAB Regional Solicitation Grant
(2) City of IGH leading final design, Dakota County leading ROW acquisition, RR coordination, and construction. Jurisdictional transfer of roadway by July 31, 2023 per JPA.
(3) County has listed this as a City-lead design, although the City has not agreed to take the lead on this effort at the present time.

In addition to the above items in the current draft Dakota County CIP, the City has had conversations with county staff regarding inclusion or advancement of funds for the items noted on the following page:

County Project No.	Project Name	Recommended CIP Addition
TBD	CSAH 63 (Argenta Trai) – Pedestrian Overpass at Vista Pines Park	Inclusion of $100,000 for a preliminary engineering study in 2024 or 2025 (85% County/15% City Funded).

There are several projects that the County has listed under the 2023 program year that have not yet proceeded and may be delayed to future years. It is still unclear to the City what projects may be delayed, and until what year, and whether these will be re-defined in the County's current CIP. The City has requested clarity by the end of June, 2023 regarding what projects, if any, will be shifted into future years. The City may have concerns and wishes to have direct input into the proposed re-scheduling of these projects, summarized as follows:

County Project No.	Project Name
56-014[(1)]	CSAH 56 (Concord Blvd) – TH 52 to I-494 – Pedestrian Enhancements
26-060	CSAH 26 (70th St.) – TH 3 to CSAH 73 (Babcock Trl) – Preliminary Engineering
26-068	CSAH 26 (70th St.) – CSAH 73 (Babcock Trl.) to Cahill Ave – 3-Lane Reduction – Preliminary Engineering
28-066	CSAH 28 (80th St.) – CSAH 73 (Babcock Trl.) to Bowman Ave – 3 Lane Reduction – Preliminary Engineering
63-029	CSAH 63 (Argenta Trl.) – I-494 Interchange – Preliminary Engineering

(1) County has indicated to City staff the construction of this will not occur until 2024. No City funding contribution.

We recognize the financial and staffing restrictions of the County, as well as the City, and we will continue to work with you regarding a final CIP for 2024-2028.

Sincerely,

Brian D. Connolly, PE
Public Works Director

Cc: Erin Laberee, Dakota County Transportation
Jake Chapek, Dakota County Transportation
Kris Wilson, City of Inver Grove Heights
Paul Merchlewicz, City of Inver Grove Heights
Adam Lares, City of Inver Grove Heights

CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. _________

RESOLUTION REGARDING DAKOTA COUNTY'S 2024-2028 TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM (CIP)

WHEREAS, Dakota County requested that the City of Inver Grove Heights provide a letter of support for the initial Draft of the 2024-2028 Capital Improvement Program, and the Public Works Director provided such letter; and

WHEREAS, Dakota County made subsequent revisions to the Draft 2024-2028 Capital Improvement Program, and the Dakota County Board of Commissioners authorized distribution for public review at its September 26, 2023 Board Meeting, including requesting formal resolutions of support from City Council's throughout the County; and

WHEREAS, City of Inver Grove Heights staff have reviewed the Draft 2024-2028 Capital Improvement Program with staff from Dakota County, and have requested minor adjustments in programed project years for several noted projects; and

WHEREAS, the City of Inver Grove Heights will endeavor to participate in these projects in accordance with applicable cost sharing policies and based on funding availability; and

WHEREAS, the City of Inver Grove Heights will have approval authority, along with the County Board, via approval of a joint powers agreement with the County for the various project phases (design, right-of-way (ROW) acquisition, utility relocation and construction) prior to advancement of any projects requiring cost sharing between the two organizations.

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

1. The City of Inver Grove Heights supports the following project improvement items included in Dakota County's 2024-2028 Capital Improvement Program in the years indicated:

County Project No.	Project Name	Current Draft Dakota County CIP Year	City Recommended CIP Year
73-035	CSAH 73 (Babcock Trail) – Upper 55th Street to I-494 Trail Gap	2024 (ROW) 2025 (Construction)	2024 (ROW) 2025 (Construction)
28-066	CSAH 28 (80th St) – CSAH 73 (Babcock Trl.) to Bowman Ave – 3 Lane Reduction	2024 (Construction)	2024 - 2025 (Construction)
32-065	117th Street Reconstruction	2024 (Construction)	2024 (ROW) 2025-2026 (Construction)
28-048	CSAH 28 (80th St) – TH 3 to CSAH 73 (Babcock Trail)	2025 (Prelim Study)	2025 (Prelim Study)
71-017	CSAH 71 (Rich Valley Blvd) and CSAH 32 (Cliff Road) Intersection Scoping Study	2025 (Prelim Study)	2025 (Prelim Study)

28-067	CSAH 28 (Argenta Trail) – TH 55/Argenta Interchange	2026 (Prelim Study)	2026 (Prelim Study)
26-065	CSAH 26 (70th St.) – TH 52 West Ramp	2028 (Construction)	2028 (Construction)

2. The City of Inver Grove Heights Requests the following project improvement item be ADDED to Dakota County's 2024-2028 Capital Improvement Program:

County Project No.	Project Name	Current Draft Dakota County CIP Year	City Recommended CIP Year
TBD	CSAH 63 Pedestrian Overpass at Vista Pines Park	N/A	2024 or 2025 (Prelim Study)

3. The following project improvement item within Dakota County's 2024-2028 Capital Improvement Program is not included in the City's 2040 Comprehensive Plan nor the City's 2024-2028 Capital Improvement Plan; Should Dakota County wish to proceed with the planning and scoping for this project item, the City of Inver Grove Heights supports the effort to do so, but does ***not*** support a City cost-share in this project:

County Project No.	Project Name	Current Draft Dakota County CIP Year	City Recommended adjustment
97-223	CSAH 71 (Rich Valley Blvd) and CSAH 73 (Barnes Ave) Bike and Pedestrian Improvements	2025 (Prelim Study)	Remove City cost participation from CIP

Approved by the City Council of the City of Inver Grove Heights, Minnesota on this 13th day of November 2023.

____
Brenda Dietrich, Mayor

ATTEST:

____
Rebecca Kiernan, City Clerk

Agenda Item 3.F.

Request for Council Action

SUBJECT: Park Updates

MEETING DATE: November 6, 2023
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511
Adam Lares, Parks & Recreation Director, 651.450.2587

ACTION REQUESTED
The Council is asked to consider and provide feedback on two items that the Parks and Recreation Advisory Commission (PRAC) has provided recommendations for: 1) future phase(s) of Heritage Village Park and 2) land acquisition in the Northwest Area.

BACKGROUND

Heritage Village Park Future Phase
The Parks and Recreation Advisory Commission has made a recommendation to the City Council regarding the development of Heritage Village Park. They have proposed that all the remaining master-planned park amenities be considered as the sixth and final phase of the park's development. These remaining amenities from the park's master plan include:

1. Moving two City-owned historic buildings (the old School House & Town Hall) to the park,
2. Construction of an Amphitheater / Bandshell,
3. Construction of two additional Picnic Shelters
4. Expanding the Dog Park Parking Lot
5. Nature Play area
6. Education & Historical Interpretive Nodes
7. Heritage Panels
8. River Walkway
9. Gardens
10. Lawn Game Area

This recommendation was put forth after a thorough evaluation and discussion, resulting in a 7-1 PRAC vote in favor of forwarding the recommendation to the Council. The Commission believes that incorporating these amenities in the final phase will not only enrich the recreational opportunities at Heritage Village Park but also contribute to the community's overall well-being and fully realize the planned park. The Council is now asked to consider the recommendation and provide direction on whether the Council is supportive of what the PRAC has recommended.

Depending on the final design of several of the final amenities, specifically the amphitheater, two shelters, and the desired state of the two historic buildings, the estimated cost ranges from $1.4 million - $2.5 million. Potential funding sources include the City's Park Dedication Fund and possible state bonding or other state grant funds.

If the Council is supportive of continued planning and work toward a sixth and final phase of the park, as described above, the City has an opportunity to make a brief presentation before the House Capital Investment Committee on Tuesday, November 14, as they consider potential local projects for next year's bonding bill. The City was fortunate to receive state bonding funds for Phase 5 of the park, which includes the inclusive playground and splash pad. There is certainly no guarantee that additional funding for the park would be provided during next year's legislative session, but state Representative Mary Francis Clardy has been very supportive of this particular project and secured the invitation for the City to present to the House Capital Investment Committee. Additionally, it often takes several years of seeking state bonding for a project before it is awarded, so beginning that effort with the 2024 legislative session may be a wise strategy.

Land Acquisition in Northwest Area
The Parks and Recreation Advisory Commission (PRAC) has also made a recommendation to the City Council regarding the pursuit of land acquisition for a fourth northwest area park. This recommendation comes after a comprehensive evaluation of several factors, including:

1. Review of the City's 2040 Comprehensive Plan as it relates to neighborhood parks
2. Examination of funding for park development
3. Exploration of pathways for acquiring park land, including through direct purchase and through park dedication at the time of development.
4. Identification of areas in need, sometimes referred to as "park deserts"

After a thorough assessment and discussion, the PRAC voted unanimously to recommend the pursuit of a specific parcel through land acquisition. This parcel is located at 1285 70th St. West and covers a total of 20.5 acres. The reasons for this recommendation are as follows:

- The parcel meets the needs for both active play and passive recreation.
- The location fulfills the park service area needs in a residential area without major barriers.
- The acquisition aligns with the City's Comprehensive Plan.
- It includes a future master-planned roadway (67th St) on the north side and along the east side of the parcel.

The Commission believes that this acquisition is a valuable step in addressing the recreational needs of the community and complying with the city's long-term planning goals. Potential funding sources for park land include the unallocated balance of the Park Dedication Fund, as well a portion of the City's ARPA funds, which must be committed by the end of 2024.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS
None