

INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, August 12, 2024 - 6:00 P.M. - 8150 BARBARA AVENUE

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, August 12, 2024. 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: Murphy, T'Kach, Gliva and Scales

Staff Present: City Administrator Wilson, City Clerk Kiernan, Parks & Recreation Director Lares, City Engineer Merchlewicz, City Attorney Nason, Community Development Director Ziemer, City Planner Hunting, Finance Director Hove, Commander Otis, IT Manager Gade, Assistant Finance Director Hosszu, Fire Chief Thill, Assistant Fire Chief Bergum, Assistant Fire Chief Rosendale and Fire Marshall Oswald.

3. APPROVAL OF AGENDA:

Motion to approve agenda as presented and published by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

4. PRESENTATIONS:

A. Swearing in of Assistant Fire Chief of Operations Cory Rosendale

Fire Chief Thill introduced Corey Rosendale to be the new Assistant Fire Chief of Operations. Mayor Dietrich swore Rosendale in.

5. CONSENT AGENDA:

A. Approval of the Minutes of the July 15, 2024, City Council Budget Workshop

B. Approval of the Minutes of the July 22, 2024, City Council Meeting

C. Approval of Disbursements, **Resolution 2024-145**

D. Personnel Actions

E. Approval of Storm Water Facilities Maintenance Agreement for 9492 Robert Trail

F. Approval of Amended Storm Water Facilities Maintenance Agreement for 5904 Robert Trail

G. Award of Contract for Fiber Extension to Rock Island Swing Bridget & Resolution Amending Technology Fund Budget, **Resolution 2024-146**

H. Resolution Approving a Joint Powers Agreement with Dakota County for County Project 28-69 (City Project No. 2024-16) – 80th Street Trail Gap, **Resolution 2024-147**

I. Award Contract and Adopt Budget Resolution for Reconditioning of Well No. 9 (City Project No. 2024-22), **Resolution 2024-148**

J. Resolution Approving Budget for Reconditioning of Well No. 5 (City Project Nos. 2024-04 & 2024-05), **Resolution 2024-149**

K. School Resource Officer Contract with ISD #199 for the 2024-25 School Year, **Resolution 2024-150**

L. Resolution Accepting Donation from River Heights Marina, **Resolution 2024-151**

- M.** Resolution Transferring Pavement Management Funds to Parks Capital Replacement Fund, **Resolution 2024-152**
- N.** Resolution Accepting Minnesota Public Facilities Authority (PFA) Loan for the Water Treatment Plant Rehabilitation Project, **Resolution 2024-153**
- O.** Approval of Conditional Use Permit to Expand an Existing Substation and Approval of a Variance from Fence Height Maximums for 2015 105th Street, **Resolution 2024-154 & 155**
- P.** Resolution Approving a Variance from Exterior Building Material Standards at 11300 Rich Valley Blvd., **Resolution 2024-158**
- Q.** Resolution Approving Charitable Gambling Premise Permit Application for Gambling Activity, **Resolution 2024-157**
- R.** Resolution Approving a Temporary Off-Site Gambling Permit for Moose Lodge #1088, **Resolution 2024-158**

Council Member T'Kach asked for 5L to be pulled from the Consent Agenda for discussion.

Motion to approve consent agenda items 5A - 5K and 5M - 5R by Murphy, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Council Member T'Kach said she was concerned about an interpretation of impropriety when a donation is accepted from a business and there are considerations for a long term contract with the business. There would be more benefit to have the fire department pay \$2,700 for a boat slip so there is no public interpretation of favoritism by the public. She wants to review what kind of guidelines there are in this type of situation.

Mayor Dietrich asked Attorney Nason if there was any conflict of interest.

Attorney Nason said she is not aware of a legal conflict of interest and is not aware of an existing policy relating to accepting gifts.

Administrator Wilson said the only policy is to present them to Council to be accepted and acknowledged publicly.

Attorney Nason said state statute require Council to accept and approve all donations.

Council Member Murphy said he understands Council Member T'Kach's point and asked if there is any history of this happening before. The fire department needs somewhere to put their boat.

Administrator Wilson said they have had the boat for approximately three years and River Heights Marina has donated a boat for two out of the three years the boat has been operational.

Council Member T'Kach said she believes they should have a gifts and donation policy for consistency.

Mayor Dietrich asked Administrator Wilson if there is any history of donations from developers. Administrator Wilson said she is not aware of any donations from developers during her time with the city. They have had one or two companies provide incline services for parks project. They have also had resident donations. The Parks & Recreation department receives donations

from businesses for things like the Holidays in the Heights programming and those are brought before the Council. Staff can provide a summary if Council would like one.

Council Member T'Kach said she thinks there is a difference when a donation is given for a sponsorship. It provides clarity and she would like further discussions.

Council Member Murphy said if this were the first year they were donating the boat slip he would think there could be an interpretation of impropriety. They are being fully transparent and if the Council decides yes, he thinks it is fine since there is a history of the donation. Murphy also said if there is no gift policy, establishing one would be a good idea.

Mayor Dietrich said it is Council's priority to cleanup ordinances so adding a gift policy could be added to the list. Administrator Wilson said staff will work on an ordinance.

Council Member T'Kach said her main concern is they have been in conversations with this business, and it is tricky. Even though it is not the first year, it is the first year it has come up. For \$2,700 it would be a clean slate.

Mayor Dietrich said she trusts the City's legal team and since there is no conflict of interest she asked for a motion.

Motion to approve consent agenda item 5L by Scales, second by Murphy.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

6. PUBLIC HEARING:

A. Public Hearing and Associated Resolutions for City Project 2025-09G - Bacardi Avenue and 88th Street West Reconstruction.

City Engineer Merchlewicz presented this item.

Action Items:

- Public Hearing for City Project No. 2025-09G - Bacardi Avenue and 88th Street Reconstruction
 - Staff Presentation on Feasibility Report Findings
 - Council Questions
 - Public Hearing
- Consider Resolution to Receive Feasibility Report and Order Project
- Consider Resolution to Perform Special Benefit Analysis

Bacardi Avenue and 88th Street Reconstruction Project:

- Project Limits:
 - Bounded by Argenta Trail, 88th Street and Aviary Path
- One of the remaining gravel roadways in Inver Grove Heights
- Existing Watermain and Sanitary Sewer in the Gravel Roadway

Project Background:

- Project was brought before Council in 2003
- Current project proposes urban design instead of earlier rural design
- Improve Bacardi / Vacate 88th
- Coordination of roadway with utility improvements with adjacent Argenta Trail project
- City staff has discussed the project with adjacent property owners
- Construction proposed for 2025

Existing Conditions:

- Gravel Surface
- Slight depressions at the edge of road that function as ditches
- No defined storm water management
- Runoff runs along edge or collects in yards or driveways
- Utilities under the street (Water and Sanitary)
 - Sanitary routes through adjacent mobile home community (private sewer in easement)
- Maintenance Challenges
 - Dust Control
 - Utility Maintenance
 - Erosion Control

Scope of Improvements:

- Reconstruction and urbanization of roadway
 - Curb and gutter
 - 24 feet wide gutter to gutter
- Vacate 88th Street and create a turnaround at end of Bacardi Avenue
- Use 88th Street Area as stormwater treatment
- Redirect existing sanitary to a new connection at Argenta Trail

Benefits of Design Improvements:

- Stormwater management
- Public / Private utility separation
- Through traffic limitation
- Low property impact
- Easier roadway and utility maintenance
- Dust control
- Material migration control

Project Costs

Improvement	Estimated Cost
Street Improvements	\$522,027
Storm Sewer Improvements	179,250
Storm Water Improvements	81,108
Sanitary Sewer Improvements	110,655

Watermain Improvements	23,795
Grand Total	\$916,835

Project Funding Sources

Funding Source	Amount
Pavement Management Funds - Local Streets	\$378,804
Stormwater Utility Fund	211,178
Sewer Utility Fund	110,655
Water Utility Fund	23,795
Special Assessments	192,403
Grand Total	\$916,835

Special Assessments are paid by benefiting property owners per MN State Statute 429. Assessable improvements are street, storm sewer and storm water paid in part by benefiting property owners.

Special Assessments - Street and Storm:

- Special Assessments for surface and stormwater improvements are calculated on a front foot basis
- After the City's portion of the front footage is subtracted off, the remaining portion is divided equally among the benefited parcels
- The City's Assessment policy is to assess 55% of the street and storm sewer costs for gravel road upgrades with existing sewer and water infrastructure
- Total street and storm sewer assessable costs are estimated at \$192,403

Project Cost and Funding Source Summary:

- Street Improvements:
 - Assessment (55%) - \$143,223
 - City Portion - \$378,804
 - Total Assessment + City Portion - \$522,027
 - City Funding Source - Pavement Management - Local Streets (Fund 440)
- Storm Improvements:
 - Assessment (55%) - \$49,180
 - City Portion - \$211,178
 - Total Assessment + City Portion - \$ 260,358
 - City Funding Source - Stormwater Capital (Fund 531)
- Sanitary Improvement:
 - No assessment
 - Total City Cost - \$110,655
 - Funding Source - Sewer Capital (Fund 521)
- Watermain Improvements:
 - No assessment
 - Total City Cost - \$23,795
 - Funding Source - Water Capital (Fund 511)

- Total Project Cost:
 - Assessment (55%) - \$192,403
 - City Portion - \$724,432
 - Total Cost - \$916,835

The assessed rate is 55% of the total assessable street and storm costs for gravel road paving projects. The preliminary assessment is \$19,240.26 per single family residence. There are a total of ten single-family lots that are assessed on a uniform per parcel basis. The assessment term and interest are determined at assessment hearing per City policy. If they do a Special Benefit Analysis the maximum assessment is \$192,240.26 but would likely lower it. Compared to the value of the homes, \$19,000 is approximately 5-6% of the average home value which is higher than the usual assessment. The Special Assessment will be determined after the project is finished and the term is 15 years.

The feasibility report is that Project 2025-09G is feasible, necessary, cost effective and would benefit the properties in the project.

Bacardi Avenue/88th Street Reconstruction Project Schedule

Item	Date
Authorize Feasibility Study*	January 22, 2024
Finalize Feasibility Report	August 2024
Public Hearing/Order Improvement (IGH)*	August 12, 2024
Final Design	August 2024 - December 2024
Approve Plans/Authorize Bid*	February 2025
Open Bids	March 2025
Accept Bids/Recommend Contract Award*	April 2025
Begin Construction	Late Spring 2025
End Construction	Fall 2025
Assessment Hearing Information Public Meeting	October 8, 2025
Assessment Hearing*	October 27, 2025

* Denotes City Council Action

Public Hearing Format:

1. Staff has presented summary of proposed improvements
2. Staff will receive questions from Council
3. Council will be asked to open the Public Hearing for specified project area
 - Receive Public Input/Documents/Comments
4. Close Hearing
5. Discuss project merits, ask any follow-up questions of staff
6. Council Considers Adopting Resolutions
 - Ordering Project for Bacardi Avenue/88th Street Reconstruction (Requires 4/5 Vote)
 - Authorizing Preparation of Plans and Specs
 - Authorizing Pursuit of Contract for Special Benefit Analysis

Mayor Dietrich asked where the turnaround would be located and why they decided to do a turnaround and vacate 88th Street.

Engineer Merchlewicz said the turnaround will be at the northern end of the project area where 88th Street and Bacardi Avenue meet. It is the City's responsibility to control the rate, volume, and quality of stormwater. The project area is directly south of the NWA and the stormwater generated from this project will eventually get to Eagan. It would not be good to give them too much water too fast at a poor quality. They maintain and treat stormwater where they can. The turnaround will be towards the east and a pond towards the west. The pond will catch stormwater, clean out the sediment and then it will go into infiltration.

Council Member T'Kach asked for a typical project what percentage of the home value is the assessment. Engineer Merchlewicz said for a mill and overlay or full reconstruction the average assessment is 3.5-4.5% of the home value.

Council Member Gliva asked if the properties on the east side of Bacardi Avenue include the roadway. Engineer Merchlewicz said he does not believe the properties were platted. They have easement to have the road there.

Council Member Murphy asked what was unique about parcel 14. Engineer Merchlewicz said parcel 14 accesses directly to Aviary Path and will be assessed when Aviary Path is improved, they will be assessed.

Mayor Dietrich opened the public hearing.

Public Comment:

Dave Ahrens - 8810 Bacardi Ave - presented support.

Mark Jones - 8854 Bacardi Ave - said most residents are in favor of having the road paved but he is concerned about the cost. He would like to know what the special assessment will be and what the bidding process is.

John Kegler - 8868 Bacardi Ave - said he supports paving the road but does not understand the reasoning for vacating 88th Street and creating a turnaround.

Frank Steinhäuser III - 8760 Bacardi Ave - said he supports paving the road. Many cars unnecessarily drive through the neighborhood creating a lot of dust.

Steven Monio - 8780 Bacardi Ave - said he supports paving the road because when it rains the street is muddy. There are also school busses that park there when they should not be.

Mayor Dietrich asked Engineer Merchlewicz to review the payment options for the special assessment. Engineer Merchlewicz said if the assessment was not paid in 30 days, the payment term would be 15 years.

Mayor Dietrich asked what the interest rate would be. Engineer Merchlewicz said the interest rate is 2% above the bond.

Mayor Dietrich asked for a review of the bidding process. This project aligns with another project and asks if they would use the same contractor. Engineer Merchlewicz said as a public agency they have to put it out for fair bidding and are bound to advertise for three weeks. They hope the contractor with the adjacent project would find value in bidding because they are already there.

The equipment there and there is no extra effort to get to the project and that would save money.

Mayor Dietrich asked what deciding factors led to the decision for a turnaround. Engineer Merchlewicz said they were told about the busses parking there but that was not a driving factor. Stormwater management was the biggest factor. This project is approximately \$1,000 per foot to reconstruct and to pave 88th Street would have added an additional \$310,000. Paving 88th Street would also remove the pond and stormwater features. The turnaround makes this more cost effective.

Mayor Dietrich asked if the pond would be filtering the water or controlling runoff. Engineer Merchlewicz said the pond would do both. There is a forebay on the pond that will filter the sediment in the first stage and infiltrate in the second stage. Engineer Merchlewicz said there was a question about how the Special Benefit Assessment works. The assessment amount is not given until the project is completed.

Mayor Dietrich asked if the project was approved at this meeting when would be the next opportunity residents had to weigh in. Engineer Merchlewicz said the next time this will come back to Council is to approve plans and authorize the ad for bids.

Mayor Dietrich asked if the residents will receive a mailer. Engineer Merchlewicz said yes.

Mark Jones - 8854 Bacardi Ave - asked how they provide an assessment cost before they have bids for the project.

Engineer Merchlewicz said they generate cost estimates based on prior bid costs. They pull from historical bid prices and like work that has been done in the area. Generally, their cost estimates have been a little bit higher, and they are lower once the construction bids come in.

Mayor Murphy asked why they decided on a hammerhead turnaround instead of a cul-de-sac. Engineer Merchlewicz said if they designed a cul-de-sac that would accommodate emergency vehicles it would be much larger and go into residents' yard. The hammerhead design accommodates emergency vehicles and does not go into the properties.

Council Member T'Kach asked if it is possible to do the Special Benefit Assessment analysis before ordering all of the drawings and specifications. Engineer Merchlewicz said it can be done at any time but if they decide to do it before ordering the project, it will delay the project and there will be potential missed opportunities.

Council Member T'Kach asked where the additional funds would come from if the Special Benefit assessment was lower than \$19,000. Engineer Merchlewicz said it would come from the Local Street Fund or the Storm/Sewer funds.

Motion to close the public hearing by Murphy, second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

Council Member Scales said he went to the open house and appreciated the presentation.

Motion to approve Resolutions 2024-159 Accepting Feasibility Report and Ordering Improvement for City Project 2025-09G and Resolution 2024-160 Ordering a Benefit appraisal for City Project 2025-09G - Bacardi Avenue and 88th Street West Reconstruction by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

7. REGULAR BUSINESS:

A. Rental Housing Licenses

City Administrator Wilson presented four rental housing licenses that have been reviewed by Staff and found to be eligible for licenses.

Motion to approve 4 Rental Licenses of 2454 49th Street E, 4868 Bivens Ct, 2275 80th Street E #308, and 7457 Borman Ave by T’Kach, Second by Gliva.

Ayes: 5

Nays: 0 Motion Carried.

B. Resolution Ordering Feasibility Study for 2026 Pavement Management Initiative Areas

Engineer Merchlewicz presented this item and said they normally put these through as a consent item, but they wanted to provide Council information on the 2026 Pavement Management Initiatives in advance. They have been trying to start their feasibility reports earlier. The action item for this meeting is to order feasibility reports for 2026 PMI project areas and award contracts for feasibility preparation. There are two areas, 2026 PMI North and 2026 PMI South.

Engineer Merchlewicz said if Council approves the feasibility reports they plan on moving forward with public outreach for the Blackberry Trail project in one month.

The following locations are proposed to be included in the 2026 PMI feasibility studies:

2026 PMI North	2026 PMI South
Alta Ave & 54th St.	Brewster Ave & 87th St. Area
Angus Ave & 56th St.	Birch Blvd Area (east of Cahill Ave)
Annette Ave	College Trail Area (Cahill to 84th St.)
Audrey Ave & 58th Ct.	Alameda Ave Area (Akron Ave to Alameda Path)
52nd St. (Babcock Tr. To cul-de-sac)	
Upper 55th Ave (Blackberry Tr. To Blaine Ave)	
Upper 55th Ave (Blaine Ave to Cahill Ave)	
Blackberry Tr. (Upper 55th to North cul-de-sac)	
Blackberry Tr. Area (south of Upper 55th St.)	
Brent Ave & Bristol Path	
57th St. (Cahill to Carmen) (SSP Participation)	

2026 PMI Construction Type

Street Area	Length (Miles)	Fix Type
52nd St. (Babcock Tr. To cul-de-sac)	0.52	FDR
Angus Ave & 56th St.	0.17	FDR
Alta Ave & 54th St.	0.22	FDR
Annette Ave	0.22	FDR
Audrey Ave & 58th Ct.	0.21	RECON
Birch Blvd Area	0.30	FDR
Blackberry Trail (Bryant to Upper 55th)	0.07	RECON
Blackberry Trail and Bridge Path Area	0.53	RECON
Blackberry Trail (North of Upper 55th)	0.11	FDR
Brewster Avenue and 87th Street Area	0.78	PARTIAL RECON
College Trail Area (Cahill Ave to 84th St)	0.80	PARTIAL RECON
Alameda Ave Area (Akron Ave to Alameda Path)	1.01	FDR
Upper 55th Street (Blaine Ave to Cahill Ave)	0.80	FDR
57th St. E (Cahill Ave to Carmen Ave)	0.13	RECON
Brent Avenue North of Upper 55th	0.42	M&O

Engineer Merchlewicz said one of the objectives for the consultant will be to group these areas into sensible areas for construction. They hope that will get better project prices, make it more efficient and cheaper.

Feasibility Preparation Contracts:

- Two Contracts:
 - 2026 PMI North
 - Alta/54th
 - Angus/55th
 - Annette
 - Audrey/58th
 - 52nd
 - Upper 55th
 - Blackberry Trail
 - 57th Street
 - 2026 PMI South
 - Brewster/87th
 - College Trail Area
 - Birch Blvd Area
 - Alameda Ave Area
- Same Consultant will be Awarded Both Based on Project Understanding and Cost

Meeting Action Items:

- Resolution to Order Feasibility Reports for 2026 PMI Projects:
 - Initiating the Projects
 - Accepting proposals and awarding two contracts to SEH for preparation and of feasibility reports
 - Authorizes the City Clerk and Mayor to execute the feasibility report contracts

- Authorizes City Attorney to provide assistance as needed
- One voting action, requires a simple majority to pass (3/5 vote)

Council Member T'Kach asked if the resolutions are approved tonight it puts all of the projects in motion and if the residents that will be affected were notified of this meeting.

Engineer Merchlewicz said it sets the feasibility in motion. The residents have not been notified and they do not want to notify unless Council approves. If Council approves the feasibility reports their outreach will begin and be much more extensive. They are planning three open houses for some of the FDR projects instead of just one.

Council Member T'Kach asked if all of the projects would be confirmed if Council approves the feasibility reports because they have invested money into them.

Engineer Merchlewicz said Council still has options once a feasibility report is done.

Council Member T'Kach said she thinks residents should be made aware if there is something coming to their area.

Engineer Merchlewicz said that is part of their CIP process. They have a CIP posted and the projects were presented to Council on July 15, 2024. Normally feasibility studies are a Consent Item. They limit time spent on notifications until they are sure a project will move forward. Once feasibility is engaged, they begin the preliminary process. There are steps and check points along the way.

Council Member T'Kach said she understands they want to know that the project is feasible before notifying residents, but most people are not reviewing the CIP budgets to see if a project is happening in their area. She asked if this had been in an Insights Newsletter or could be in a future one.

Administrator Wilson said these projects were not in a newsletter. If the projects were communicated prior to this meeting it is likely they would have received a lot of questions they could not answer until the feasibility studies were done.

Council Member Scales said if a developer said they were interested in a property they do not notify residents in the area until an application for development has been submitted. It is logical to notify residents after the feasibility reports are done. The notification process for Pavement Management is the same as the notifications for other initiatives. If they change the process for one initiative, they might have to change it for others.

Council Member T'Kach said the difference is that people would be assessed, and it would cost them money. Once there is a feasibility report she feels there is pressure to move forward because they have already spent money.

Council Member Scales said he understands that but does not like telling residents they might possibly do something one day and not be able to answer any questions.

Council Member T'Kach said if there was something in Insights it might be more visible.

Council Member Scales asked if they would do that for development also.

Council Member T’Kach said yes if there was an application for a development.

Council Member Gliva said she feels they have done a good job from where they were historically. They are notifying people earlier and they have a solid plan. She understands finance is a big point but without the feasibility report they cannot answer questions from residents.

Engineer Merchlewicz said they do respond to calls from residents who heard of the projects.

Motion to approve Resolution 2024-161 Ordering Feasibility Study, Accepting Engineering Services Proposal from SEH, and authorize preliminary engineering for 2026 Pavement Management Initiative Project (206-09X) Areas by Murphy, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

C. Resolutions Accepting Bids, Awarding a Contract, and Approving Budgets for the Rock Island Swing Bridge Lighting Project (City Project No. 2024-19) and Amending the Contract with SEH for Additional Consulting Services

Parks and Recreation Director Lares presented this item.

Request:

1. Adopt Resolution accepting the bid and awarding a contract to Vinco, Inc. in the amount of \$488,005.31.
2. Adopt Resolution approving the budget for City Project No. 2024-19.
3. Approval of a contract amendment with SEH in the amount of \$8,430.

Background:

- State of Minnesota allocated \$458,000 to Dakota County to enhance lighting and other amenities at the Rock Island Swing Bridge (RISB)
- April 8, 2024, the Council entered into a JPA with the County to access the \$458,000 in state funds for the lighting of the Rock Island Swing Bridge
- May 8, 2024, the Council authorized the preparation of plans and specifications for the project with SEH.
- SEH Contract Amendment:
 - During SEH’s preparation of the final plans and specs, they encountered an issue with the project site related to the contaminated soils. Resolving this issue, which was not included in the original scope of work, was necessary to complete the plans and specifications for the bidding process.
 - Therefore, there is a need to amend the current contract with SEH by \$8,430 to fulfill the original scope of work through the end of the project.
 - Staff recommends approval of the amended contract.

Director Lares said the selected option features interior color changing lights the full-length of the bridge and exterior color changing flood lighting the historic section only. The lights can change color or remain one color.

Council approved the final plans and specifications during the June 24, 2024 Council meeting. Staff were directed to advertise for bids. On July 17, 2024, a total of three bids were received.

Bid Results:

- Vinco, Inc. - \$467,348.05
- Total Const. & Equipment, Inc. - \$637,076.44
- Egan Company - \$1,637,048.37

SEH consulting did provide a letter of support to accept the bid and award the contract to Vinco. Inc., They have indicated the bidder meets all experience and requirements to perform the project.

Council Member Gliva asked if there was a reason that the bid range was so wide.

Director Lares said this project is unique because it is on a historic bridge on the Mississippi River. Companies use different approaches and Egan Company bid the project with their current staffing to include nights and weekends hours for the employees. Their bid includes the overtime cost. Total Construction was considering renting a barge to be able to work on the bridge. Vinco, Inc. does have the experience working on bridges and have different ways to approach the product, which is why they were able to submit a lower bid.

Mayor Dietrich said she appreciates the letter of support from SEH.

Bid Results - Alternates:

- Alternate #1: Cabinet A modifications, white and color-changing archway lighting
 - Cost - \$20,657.26
- Alternate #2: Color-changing pier lighting
 - Cost - \$37,433.40
- Alternate #3: Extended Material Warranty (10 years)
 - Cost - \$23,298.00
- Alternate #4: Extended Labor Warranty (5 years)
 - Cost - \$21,800.00

Director Lares said staff is recommending Alternate #1 be included in the project scope and that the bids for Alternates #2, 3 and 4 be declined. Alternate #1 includes lighting improvements to the historic archway and will have the same color-changing options as the bridge.

Project Cost

Item	Cost
Base Bid Construction Cost - Vinco, Inc.	\$467,348.05
Alternate #1 - White and color changing archway lighting	\$20,657.26
Construction Contingency	\$10,000
Total	\$498,005.31

Available Grant Funding

After professional service contract with SEH, there is \$402,200 available for construction of the lighting project.

Bidder	Amount
State Grant Funding	\$458,000
SEH Professional Service Contract	-\$55,800
Total	\$402,200

Funding:

If Vinco's base bid and alternate #1 are accepted and a construction contract is awarded, funding for the project would come primarily from the remaining State Grant funding (\$402,200). Staff recommends using Park Capital Replacement Funds (Fund401) to cover the difference of \$95,805.31. After reviewing the current allocations in Fund 401 for 2024 park needs and projects, there is projected to be a balance of **\$223,664** in this fund at the end of 2024, from which this additional \$95,805.31 could be taken.

Potential Overall Investment

Item	Amount	Funding Source	Agency
Preliminary SEH Contract	\$9,500	Parks Operating Budget	City
Primary SEH Contract	\$55,800	State Grant Funding	State/County
Construction	\$402,200	State Grant Funding	State/County
Construction (continued)	\$95,805.31	Park Capital Fund (Fund 401)	City
Amended SEH Contract	\$8,430	Park Capital Fund (Fund 401)	City
Total	\$571,735.31		

If approved, the City's total investment in the estimated \$571,735.31 project cost is **\$113,735.31**, which represents approximately **19.89%** of the total project costs.

Construction Timeline

Date	Action
August 12, 2024	Council accept bid, award contract, approve budget
August 2024	Start project construction
May 2025	Substantial Construction completed

Director Lares said the original date for the grant to be filled is May, 2025. The contractor would meet this deadline.

Action Requested:

1. Adopt Resolution accepting the bid and awarding the contract to Vinco, Inc. in the amount of \$488,005.31.
2. Adopt Resolution approving the budget for City Project No. 2024-19 in the amount of \$498,005.31.
3. Approval of a contract amendment with SEH in the amount of \$8,430.

Director Lares said staff recommends the adoption of both resolutions and approval of the amended contract with SEH for additional professional services.

Mayor Dietrich asked if the approval for Consent Agenda item G for the contract for Fiber Extension would cover the cost if they chose to do the entrance.

Director Lares said yes.

Council Member Scales said staff recommended not purchasing the extended warranty and asked what the standard warranty was. Director Lares said the standard warranty is traditionally one to two years for labor and five years for materials.

Council Member Murphy said the project is very clear and he continues to support it and asked why the railroad would not be responsible for cleaning the soil. Director Lares said he is not sure if they could clearly indicate who made the mess. They have to dig and remove the contaminated soil and replace with new soil. Any soil that is contaminated, they will have to be removed offsite and made sure it is managed appropriately.

Council Member T'Kach asked if they will start a fund for a potential need to replace the product if it needs major rehabilitation. Director Lares said they have not submitted a request for additional funds. The CIP process now has an allocation for Park Capital Replacement Funding. This fund would be accessed when needed.

Council Member Gliva asked if staff expect any future maintenance requirements. Director Lares said the concern in the area is Mayfly hatch season and the operating staff is currently addressing the Mayflies as they hatch. That will continue with the new lighting. They do not think there will need to be much adjustment based on how the light fixtures are oriented. Things happen and they will address them as needed. The lights on the interior are relatively inexpensive compared to the flood lighting.

Motion to approve Resolutions 2024-162 Accepting Bid and Awarding Contract to Vinco, Inc. for City Project 2024-19 Rock Island Swing Bridge Lighting Improvements and Resolution 2024-163 Approving Budget for City Project 2024-19 Rock Island Swing Bridge Lighting Improvements and approve amendment to contract with She by Scales, second by Murphy.

Ayes: 5

Nays: 0 Motion carried.

Ordinance Amending Various Provisions of the Title 10, Zoning Regulations Related to Multi-Family Residential Development

This item was presented by City Planner Hunting. Planner Hunting said this item was first looked at during the July 8, 2024 Council meeting. The changes are being made to multi-family districts and parking within the multi-family districts.

The proposed changes focus on:

- Combining sections for ease and clarity
- Updating some definitions
- Making densities allowed by zoning category consistent with the 2040 Comprehensive Plan
- Changing multi-family housing from a conditional use to a permitted use in certain zoning districts
- Updating parking standards
- Allowing more flexibility for unit and density mix in the Northwest Area

During the July 8th Council meeting Council was concerned with how staff were looking at regulating the density in the R-3 districts. They were focusing more on maximum density as opposed to putting limits on building size. Council asked staff to look at the R3-B density and establish a maximum number of units per building.

Planner Hunting said they researched ten other cities to see how their codes addressed building size in a medium density multiple family category. Many cities regulated by maximum number of units in a building and other cities had a maximum area. The ranges were 3-16 units per building. The current R3-B has a maximum of seven units per building. Planner Hunting reviewed past proposals for townhome developments and what has been approved. Typically, the buildings have six to eight units. Staff recommends having a maximum of 12 units per building in the R3-B zoning district. This gives developers more flexibility but does not allow a large size building that may not be appropriate for the area. Staff recommends approval of the ordinance as presented.

Council Member Murphy said the 12-unit maximum sounds good for R3-B zoning. His concern is about RC-3 zoning. There is a grid that prevents one massive building from being built and Murphy asked how that would be addressed in the new code.

Original Zoning District (Percentages Represent Maximums)

Uses	R-1C	R-2	R-3A or R-3B	R-3C	MU-PUD
Single-family <u>attached</u> dwellings	100%	100%	10%	10%	10%
Twin homes/two-family dwellings <u>duplexes</u>	30%	100%	30%	10%	15%
Multiple dwelling unit buildings (4 or fewer units)	10% allowed but no more than 4 units/building	30% allowed but no more than 4 units/building	100%	40%	100%
Multiple dwelling unit building (5+ units)	0%	0%	50%	100%	100%

Replacement Minimum Density

Residential	Minimum Density
R-1C	2 units/acre
R-2	3 units/acre
R-3A	4 units/acre
R-3B	8 units/acre
R-3C	12 units/acre

Planner Hunting said the RC-3 district is the highest density and assumes larger buildings. The current code has a maximum density of 22 units per acre and the comprehensive plan allows up to 35 units per acre. There was no maximum number of units per building in the current ordinance and they did not recommend a maximum.

Council Member Murphy said in the At Home development residents were able to have a voice because of the grid on page 19 and asked if removing the grid takes away the voice of the residents in the area or if it still works out to 35 units per acre.

Planner Hunting said the history of the table was trying to make sure there would be an allowed number of units in a development but flexibility to give the developer the higher end. When everything was originally approved it was focusing on providing enough developments per unit to pay for the sewer infrastructure costs. With the old grid developers could have 100% of their units in a large scale apartment building. The control on the mix of unit types was almost more restrictive on developments in the NWA compared to those outside of it.

Planner Hunting said they have established a maximum 12-unit building in the R3-B district and that was the district where the At Home development was being proposed. They proposed a 100-unit apartment building and that would still not be permitted in the R3-B district. They would have to develop it in an R3-C zoning and Council would still have the option to say it does not fit in the R3-B zoning.

Council Member Murphy said some Council at some time put the grid in place to better control the product that was being developed and asked if that was incorrect.

Planner Hunting said his understanding is that the table was put in place to allow more flexibility by allowing a combination of products in the zoning categories.

Council Member Murphy said the grid says that it represents the total maximum percentage of units, and he interprets it that in the RC-3 zoning, 40% of the buildings can be multiple dwelling buildings of 4 or fewer units and that is the maximum and asked if that was incorrect.

Planner Hunting said it was setting a more rigid standard when they intended to have some flexibility. The table put restrictions on developments and when the City created this, they were not receiving requests for developments with a mix of building types. Everything was either a development of townhomes, a development of single-family, or an apartment building. It was never a mix. The trends have changed, and developers are now wanting to build a development with a mix of apartment buildings, townhomes, and single-family homes. This sets limitations on the units per acre. If the developer is trying to build a large apartment building, they would have to request a rezoning and that gives Council more flexibility to regulate development.

Council Member Murphy said he is confused that the amounts are maximum and feels that they were put in place for a reason. They change the comprehensive plan and rezoning easily, and he does not necessarily trust the information given to them from developers. If there was no downside to leaving the table in the ordinance, he would like to leave it and maintain more control.

Council Member Gliva asked if keeping the grid allows for density to be more or less in a given development.

Planner Hunting said they would still be limited by a density maximum by the comprehensive plan category that the zoning would allow for. It does not allow them to ever exceed what the comprehensive plan allows. MDR is 8-12 units per acre and that corresponds most directly to the R3-B zoning. Apartment buildings would be hard with a cap of 12 units per building and they will mostly see townhomes.

Council Member Gliva asked if the table is less density than what the comprehensive plan intends.

Planner Hunting said the intent was to allow a mix of product type and still be aligned with the different zoning districts in the comprehensive plan. Prior to this table, developers could not build single-family or duplexes in combination with an apartment building in an RC-3 districts.

Administrator Wilson said the table was added to allow developers more flexibility and removing it is actually beneficial to the city. The way it is currently written has been burdensome and confusing even for staff and legal counsel to interpret and guide. The section they are discussing only applies in the NWA. In each increase in the density of the zoning district a developer could do everything they could do in a lower zoning district. In an R3-A district they could have up to a 4-unit building. In the R3-B district developers could build anything permitted in R3-A districts but can also build 12-unit buildings. In the R3-C districts they can develop anything in R3-A and R3-B but could also build an apartment building with no unit per building cap.

Administrator Wilson said page 17 of the ordinance states: "The total number and location of housing units and housing types for a specific property shall be established by the city council at the time of final PUD plan approval for that specific property. The location and number of housing units approved on the final PUD development plan shall not be altered without approval of the city council." This is existing language and continuing language in the ordinance. Council will continue to have authority to approve a mix of products. The understanding of the issue Council had with the previous ordinance was there was not a unit per building maximum in the R3-B zoning which could permit a developer to build a larger apartment building than Council would want to see in an area zoned R3-B. They added the cap for 12-units per building so a developer cannot build a larger apartment building without Council approval.

Council Member T'Kach asked if the goal of the revision is to allow a mix of product types within each of the districts. She would like to see a maximum of 16-units per building in the R3-C to reduce the loss of green space and still allow a developer to meet the MDR requirement. T'Kach also asked why this was only in the NWA.

Planner Hunting said in the NWA there is always a minimum of open space that a developer has to provide. There are higher heights allowed because the intent was for developers to build vertical and not horizontal to reduce impervious surface and increase green space. The initial assumptions for developments in the NWA was to have a decent amount of units to pay for the city infrastructure.

Council Member T'Kach asked if the impervious surface is additive or total where 20% is building impervious surfaces and 40% total. Planner Hunting said they have to provide at least 20% open space in a development regardless of what type of product is being developed. The building coverage maximum is 20% and the impervious surface total maximum is 40%.

Administrator Wilson asked if there were any changes to regarding impervious surfaces. Planner Hunting said there were no changes to impervious surface requirements.

Administrator Wilson said everything that is listed about impervious surfaces is what is currently required. It is listed because they may be changing things around it and staff tries to give entire sections when they present an ordinance. The intention to go higher and save open space were intentions of the original NWA and none of that is being changed. The intent of these changes is to make it so the density in the zoning codes match the comprehensive plan. They have also proposed some changes to alleviate other areas that tend to cause confusion and significant hours of staff and attorney time to get an answer. Nothing in the proposed changes allow a taller building or more impervious space than is currently allowed. They are not fundamentally restructuring the entire ordinance.

Council Member T'Kach asked if 40% total impervious surface allowed including the building or if it is 20% impervious surface for the building and 40% additional impervious surface for a total of 60% in the NWA.

Attorney Nason said the maximum impervious surface including the building is 40%.

Council Member T'Kach asked if it would make sense to have the number of units per acre not overlap for different zoning districts.

Planner Hunting said they use the numbers from the comprehensive plan to be consistent but that could be reviewed for the next comprehensive plan. They have not encountered it to be an issue when reviewing development plans.

Council Member Gliva asked if they were leaving the R3-B zoning district to have a maximum of 12-units per building. Planner Hunting said that is what they are proposing.

Council Member T’Kach asked if this was the second reading of the ordinance. Administrator Wilson said there are not first, second and third readings on zoning code amendments. Once it has had a public hearing at the Council it only required one reading. If Council wants to review this again the appropriate motion would be to continue it and provide direction to staff for what they would like to see in the next meeting.

Motion to approve Ordinance 1482 amending various provisions of Inver Grove Heights City Code Title 10, Zoning Regulations by Scales, second by T’Kach.

Ayes: 4

Nays: 1 (Murphy) Motion carried.

Motion to approve Resolution 2024-164 approving Publication of a Summary of Ordinance 1482 by Dietrich, second by Scales.

Ayes: 4

Nays: 1 (Murphy) Motion carried.

D. LMCIT Insurance Renewal

Assistant Finance Director Hosszu presented this item.

LMCIT Insurance Renewals – Overview

- Insurance policies are obtained through the League of Minnesota Cities Insurance Trust (LMCIT)
- Agent for both Property/Casualty and Workers Compensation Insurance is North Risk Partners, LLC.
 - RFP was completed in April of 2023
 - 2025 agency fee is \$22,133
- Policy period for both renewals is Sept. 1, 2024 through Sept. 1, 2025

Property/Casualty – Included Coverage Types

- Property & Mobile Equipment
- Municipal Liability
- Automobile
- First Party Cyber
- Equipment Breakdown
- Crime
- Petrofund
- Municipal Bond

Property/Casualty - Overview of Coverage Costs

Coverage	2024/2025 Policy Year	2023/2024 Policy Year	% Change
Property	\$ 179,456	\$ 157,159	14.19%
Mobile Property	11,880	10,397	14.26%
First Party Cyber	7,371	5,897	25.00%
Municipal Liability	199,617	181,743	9.83%
Auto Liability	20,048	20,048	-3.15%
Auto Physical Damage	28,572	28,473	-0.35%
Bond	1,730	1,726	0.23%
Equipment Breakdown	25,625	22,019	16.38%
Total Premium	\$ 474,299	\$ 428,114	10.79%

Assistant Finance Director Hosszu said the Property, Mobile Property and Equipment Breakdown coverage went up because there was an appraisal done this past year.

Property/Casual - Additional Coverage Options:

- Liquor Liability - Insured separately for the golf course through Illinois Casualty Company. Coverage renews 1/1/25.
- Excess Liability - Quoted \$2 million limit for \$101,638. Other limits are available in \$1 million increments. Provides excess liability coverage above municipal and auto liability.
 - Staff does not recommend adding this coverage. Coverage is better suited for cities who operate additional enterprises such as boat marinas, power plants electric utilities, etc.
- No Fault Sewer Backup - Not currently available as additional work is needed to comply and qualify for coverage.

Assistant Finance Director Hosszu said Council is asked to adopt a Resolution approving the renewal of the City's Property and Casualty Insurance Coverage for September 1, 2024 - September 1, 2025. This does not include purchasing the additional optional excess liability policy.

Council Member Scales asked if they were to have a cyber-attack would this insurance cover it. Assistant Finance Director Hosszu said he would have to check if the returning of the funds would be covered. Any cost for forensics or consultants would be covered.

Workers Compensation - Premium Calculation:

- How premiums are calculated
 - Workers are split into categories based on risk (ex. streets, clerical office, parks, police, fire)
 - Each group is assigned a rate based on the risk level for that category
 - The city then estimates the amount of payroll in that job class and the premium is calculated
 - Payroll is audited annually

- City is assigned a credit or debit based on overall performance. This is called the modification factor. The 2024 renewal will receive a 25% credit.

Workers Compensation - Premium Quote

	2024/2025 Policy Year	2023/2024 Policy Year	% Increase/(Decrease)
Premium	\$ 702,669	\$ 917,314	(23%)

Premium Increase Drivers:

- Base premium increased 13% over 2023
- Experience Modification Factor Changed from 0.85 to 0.75
 - Factor is based on a 3-year lookback of claim history (9/1/2020 - 9/1/2023)
 - The City had a large claim year fall off
 - Large claims were related to COVID and PTSD

Workers Compensation - Deductible Option

- LMCIT offers a per occurrence deductible option:
 - Per occurrence deductible options range between \$250 and \$50,000 per occurrence
 - For each deductible there is a corresponding reduction in premium
 - Lower deductibles offered provide limited reduction in premium and higher deductibles have a large amount of risk associated with them

		2024/2025 Renewal Options			
	Renewal Quote	No Deductible	\$2,500 Deductible	\$5,000 Deductible	\$10,000 Deductible
Premium	\$ 702,669	\$ 702,669	\$ 702,669	\$ 702,669	\$ 702,669
Deductible Credit			(24,371)	(36,557)	(48,742)
Net Premium	\$702,669	\$702,669	\$678,785	\$666,843	\$654,902
6-year average deductible*			\$ 20,402	\$ 30,527	\$ 44,632
Potential Savings			\$ 3,969	\$6,030	\$4,110

* Based on if the City had selected this deductible option.

Staff recommends the \$5,000 deductible and this is consistent with the prior year. Council is asked to adopt a Resolution approving the renewal of the City's Workers Compensation Insurance Coverage for September 1, 2024 - September 1, 2025. The Resolution does include the \$5,000 deductible option.

Motion to approve Resolution 2024-165 approving League of Minnesota Cities Insurance Trust Policy Renewals for property and casualty coverage for the coverage period of September 1, 2024 to September 1, 2025 and Resolution 2024-166 approving League of Minnesota Cities Insurance Trust Policy Renewal for Workers Compensation for the coverage period of September 1, 2024 to September 1, 2025 by Gliva, second by Scales.

Ayes: 5

Nays: 0

Motion carried.

E. Potential Use of State Funding for Public Boat Launch**Motion to accept Public Comment from Joe Harms into record by Gliva, second by Scales.****Ayes: 5****Nays: 0 Motion carried.**

Administrator Wilson presented this item. This was discussed most recently in the July 22, 2024 Council Meeting. In the 2023 legislative session there was an appropriation of \$1.2 million for a grant to Dakota County for adding a public boat launch along the Mississippi River between South St. Paul and Hastings. There are various administrative rules and regulations from the State that they will need to follow.

Administrator Wilson said Dakota County representatives have suggested the County would pass the funding through to the City of Inver Grove Heights. The City did not have plans in the works for building a boat launch and does not own riverfront land that appears to be suitable for a boat launch. A possible public/private partnership has been being discussed.

According to the DNR:

- A use contract (i.e., the public / private partnership) must be:
 "for a term that is equal to or greater than **125% of the Useful Life** of the Real Property and, if applicable, Facility, or such other period of time specifically authorized by a Minnesota statute, rule or session of law."
- A boat launch is a "Facility" - useful life of a Facility is 50 years
- 125% of 50 years is 62.5 years

Administrator Wilson said it could be looked at as a positive because the public could enjoy a boat launch for 62.5 years. It is difficult to come up with an agreement and the legally binding relationship between the City and a privately owned entity for 62.5 years is difficult. It would need to be binding through potential changes of ownership or closure of the business. It would also likely need future capital investment in the 62.5 year time period.

Council asked staff to look at the City-owned lands along the river again. Council Member Scales, Administrator Wilson and Parks and Recreation Director Lares toured the area by water and land on July 29, 2024. Administrator Wilson said they looked at the northern edge of Heritage Village Park and land on either side of the Rock Island Swing Bridge and it did not seem feasible. The cost to develop the areas would be much more than \$1.2 million.

Administrator said she had visited Riverfront Park and did not think it was a viable option until she looked at it a second time. Riverfront Park is located at 7782 River Road and is 3.75 acre but bisected by River Road. It is bordered by the Mississippi River on the east and railroad tracks on the west. There is quite a bit of tree cover, and some topography change between the railroad tracks and where River Road sits. There are single-family homes to both the north and south of Riverfront Park.

If Council is interested in exploring Riverfront Park further:

- Contract for Preliminary Design Services, to include:
 - Development of up to 2 parking layouts
 - High-level traffic impact review
 - Preliminary storm sewer layout
 - Cost estimate for construction
- SEH has quoted \$18,400 to complete the work above
- Estimate will take them until mid-September to complete, dependent on DNR availability
- Would have to be City-funded
 - Park Development or Park Capital Replacement
 - Host Community Fund

Administrator Wilson said the email that was accepted into record was from one of the local marina owners expressing an interest to continue to talk about a public/private partnership despite it being required for 62.5 years. Staff have the same concerns regarding a public/private partnership. If they are unable to use the money, they need to let Dakota County know so they can have a reasonable amount of time to utilize the grant.

Mayor Dietrich asked what a reasonable timeframe would be.

Administrator Wilson said she does not know the timeframe. The city or county has to enter into a grant agreement with the state by June, 2025.

Mayor Dietrich asked if the county has indicated a date they would need to know.

Administrator Wilson said they have not given a date.

Mayor Dietrich asked if they could get a date.

Administrator Wilson said she can ask but has asked before and has not gotten an answer. They say they want to make sure the city has exhausted its options.

Council Member Scales said having the chance to view the area by boat put the project into perspective for him. It made it easier to eliminate areas that he thought had an opportunity. After viewing the other sites, when they got to Riverfront Park it was the first place, he thought the public boat launch could be a possibility. He said he likes the idea of going ahead with the study. He thinks they have through the fall to make a decision. The money for the study is money well spent to determine if they can or cannot make the project work. He said he would recommend taking the next step and have a firm yes or no.

Council Member Gliva asked if the SEH report would give them information on where the boat launch would work if it did not work at Riverfront Park.

Administrator Wilson said she does not believe so. It is a very site specific look at the cost of building a public boat launch at Riverfront Park. It would include dredging, amounts of payment, tree-removal, and other site specific things. SEH does have the expertise to assist the city if they chose to continue discussing a public/private partnership, but it would be a different project.

Council Member T'Kach said at one point she thought Riverfront Park would be good for kayaks and canoe type activities but changed her mind after conversations with the Council. Riverfront Park is the only lengthy park they have along the river that is mostly quiet. Putting a boat launch

dramatically changes the nature of the park and there are no other options to recreate nature somewhere else and will respectfully vote no.

Mayor Dietrich asked what the next step would be if another marina wanted to do a public / private partnership and what direction staff can give to them about incurring some of the cost for their own studies.

Administrator Wilson said they could notify the existing marina owners in town. There are three larger marinas and one smaller marina near Heritage Village Park and another marina around 102nd Street. Staff could send letters to the marina owners advising them of the opportunity and if they wanted to present a plan for providing a DNR compliant boat ramp they can submit a plan to Council for review.

Mayor Dietrich said it would give them an opportunity if they were interested.

Council Member T'Kach said she thought they eliminated the option of a public/private partnership because of the complicated contracts and the 62 year timeframe. If they could have it on public property it would be great. Residents do have access to other boat launches but they are not free. They have not had anything in their park plans calling for a boat launch and knowing the county has a plan for a boat launch it does not make sense to her to go down the path of a public/private partnership.

Administrator Wilson asked what Council would like staff to do next.

Council Member T'Kach said she thinks they should tell the county they should go another direction, and she is worried about the county having enough time for another project.

Council Member Gliva said they have plenty of time.

Mayor Dietrich said they did not seem too concerned with time because they have not provided a date, but she wants to be respectful and decide soon.

Council Member Gliva said she did want to be respectful also, but they did receive an email and there is a possibility a public/private partnership could work, and they should be thorough.

Council Member Scales said they have one chance to hit the river and Inver Grove Heights is unique that they have a lot of land along the river. They have been working on Heritage Village Park and they have more work to do but are moving along. He believes Heritage Village Park and the river are a focal point for the city and the residents deserve to know what can go there. The river access is not just an amenity for Inver Grove Heights, but it is a regional amenity and can be a draw for the surrounding area residents. The study is well worth the cost to find out if Riverfront Park is an option.

Council Member Gliva said she agreed that they were underutilizing their river access and whatever they decide as a Council, they need to take advantage where they can.

Council Member Scales said he is not against a public/private partnership and would like to look at both options.

Mayor Dietrich likes the idea of contacting local marina owners because there would be no cost to the city. They should also listen to residents and the letter came from a resident. She would like time to think about the cost of the report and needs to know what would not be able to happen because the \$18,400 is spent on the report.

Administrator Wilson said the SEH quote will expire some time but not before their next meeting. Staff will bring it back on the regular agenda at the next meeting if that is what Council wants.

Council Member Murphy said he thinks \$18,400 is worth it, Inver Grove Heights was born on the river and residents deserve Council looking at all options.

Administrator Wilson said staff will bring this item on the regular agenda in two weeks and engage with existing marina owners. She asked if the expectation were that the marina owners would bring a proposal to them rather than staff using city resources.

Mayor Dietrich said that was her thought.

Council Member T'Kach said she would want to see an example of terms of a contract, so the City's legal department is not starting from scratch.

Administrator Wilson said the City's legal council would be involved in contracts but would want to find out who is interested and what improvements would be needed to their boat launch. A public boat launch would need to be ADA compliant and does not know the extent that the existing marinas currently comply with.

Council Member T'Kach said they would want to ensure the private owner understood that there is more back office paperwork and retention requirements because they are public information.

Mayor Dietrich said they can take that offline and she can send those ideas to Administrator Wilson.

Tabled until August 26 for approval for SEH proposal and price quote for the possibility of a public boat launch located at Riverfront Park, 7782 River Road.

F. 1st Reading of Ordinance Amending City Code Related to the Sale of Tobacco and Nicotine Products

Attorney Nason presented this item.

Background:

- Dakota County previously issued licenses for the sale of tobacco and nicotine products and delivery devices
- City adopted an ordinance and took over the licensing of tobacco products in 2023
- First round of license compliance checks was completed, and the police department has requested clarifying revisions to existing code language

City Code Revisions:

#1. Basis for Denial, Suspension or Revocation of License

- Existing language in section 4-12-10 establishes minimum penalties for license violations
- No suspension or revocation is contemplated for a first violation
- Proposed language change clarifies that there is no mandatory suspension or revocation of a license upon a violation, although Council always has discretion to impose greater penalties for any violation
- Also clarifies that any of the specific enumerated grounds are sufficient to revoke or suspend, as well as deny, a license

Attorney Nason said the intent of the ordinance is to have the mandatory first time violation be a minimum \$300 civil penalty. The police department requested clarity because there is language in the section that says any of these grounds shall be grounds for revocation of a license but when looking at the language for a first time violation it is presumed to be a just a financial penalty. They asked to clarify that a first time violation may be grounds for more significant actions.

4-12-5: Basis for Denial, Suspension or Revocation of License:

- A. The following ~~shall~~ may be grounds for denying the issuance or renewal of a license or suspending or revoking any license issued under this chapter:
- B. Except as may otherwise be provided by law, the existence of any particular ground for denial, revocation, or suspension does not mean that the City must deny, revoke, or suspend the license. If a license is mistakenly issued or renewed it shall be revoked upon the discovery that the person was ineligible for the license under this Chapter.

#2. Administrative Penalties for Violations

1. Clarifies that in addition to financial penalties or license suspension or revocation, the City Council may add reasonable conditions to a license as a result of a violation
 - No one under 21 allowed to sell licensed products
 - Additional training requirements.

Attorney Nason said an example would be if there was a business that was routinely having individuals under the age of 21 selling licensed products to other individuals also under the age of 21, council could add an additional condition of the license that they cannot have anyone under the age of 21 selling licensed products. It was the intent of the ordinance to permit the Council to impose non-monetary, non-revocation based license modifications for a violation and the modified language clarifies it.

2. Further clarifies that each violation of a license is a separate violation of the terms of the license
 - Failed compliance check with sale to a person under 21 and with a prior violation

Attorney Nason said there is language in the alcohol section that says each violation of the license is a separate violation. In the liquor context someone does a compliance check and finds that someone sells an alcoholic drink to someone under 21. They ask to see the server training log and find out the server was not trained. That would be two violations of the license. This language clarifies that those types of violations also constitute separate and distinct violations.

3. Requires that all license holders implement seller training upon a license violation
 - Similar to alcohol server training requirements

Attorney Nason said in the current liquor license section it is a requirement for all businesses to have server training for anyone who serves or sells alcoholic beverages. That language does not exist in the tobacco ordinance section. Council could require sellers to implement training, but staff have proposed to require training if there is a violation.

4. Clarifies that the City Council will be holding hearings related to license violations

Attorney Nason said the original language said the City Council or whoever they designate could be in charge of the hearings. This clarifies that it will be the City Council.

5. Removes non-criminal section

- No clear process for this hearing
- Police issuing a petty misdemeanor citation to sellers over 21 years of age

Attorney Nason said in the current code there is a non-criminal \$50 penalty if the seller is between the ages of 18 and 21 and sells a licensed product to someone under the legal age to purchase the product. There is no hearing or opportunity to be heard before the penalty is imposed. Staff are requesting to remove the non-criminal penalty from the code.

Mayor Dietrich asked what entity would be in charge of training for tobacco. Attorney Nason said there are many different programs, and the business is able to choose which one they would like to use, and the police department would confirm if it met the standards. The training would need to cover all of the topics in the code.

Mayor Dietrich asked if the police department would review the program before it was approved. Attorney Nason said they would be involved in the process and approve the training.

Council Member Gliva asked if the County required training before the City took over the process. Clerk Kiernan said the County did supply a form to complete their training. They would fill out the certificates.

Council Member Gliva asked what happens to someone who is between the ages of 18 and 21 and they sell to someone under 21. Attorney Nason said it would be a violation against the business. There was a push to decriminalize the sale of the products and put the focus on the establishments that are authorized to sell the products. The City does have the ability to impose stricter requirements, but the state statute does not have a penalty for sellers between the ages of 18 and 21.

Council Member T'Kach asked if the police chief could provide information before the next reading about impending cannabis sales and if the City would be responsible for enforcement. Attorney Nason said they can review it and provide Council information. She attended a webinar by the Office of Cannabis Management and there are different areas where city and state entities will be responsible for monitoring the sales. The city focus will mostly be on a zoning ordinance and city ordinance violations. Nason will contact the chief before the next meeting to provide more information.

Motion to approve the first reading of an Ordinance amending IGH City Code Title 4, Chapter 12 Related to the Sale of Tobacco and Nicotine Products by Gliva, Second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

G. 1st Reading of Ordinance Amending City Code Related to Abatement of Diseased and Nuisance Trees

Attorney Nason presented this item.

Background:

- City Code currently declares certain diseased trees to constitute a public nuisance and authorizes their abatement
- Unlike the general public nuisance abatement section (Title 5, Chapter 9), the diseased tree abatement section (Title 5, Chapter 8) does not provide for the appeal of an abatement order
- Staff are requesting the Council consider amending the City Code related to diseased and hazardous trees to clarify certain definitions as well as abatement procedures for diseased and hazardous trees

City Code Revisions:

1. Clarify that Dead, Diseased, and Hazardous Trees Constitute a Public Nuisance under Chapter 8 also Constitute a Public Nuisance Under Chapter 9
 - Section One. Amendment. Title 5, Chapter 9, Section 2 of the Inver Grove Heights City Code is hereby amended to include the following language:
 - T. Dead, diseased, or hazardous trees which will constitute a public nuisance under Section 5-8-4 of this code.
2. Define Hazardous Trees and Declare Them to be a Public Nuisance Under Chapter 8
 - Add a definition of "hazardous tree" to Chapter 8, Section 4 as follows:
 - "A tree which has structural defects in the roots, stem, or branches that may cause the tree or tree part to fall, and such failure may cause property damage or personal injury"
 - Clarification that both diseased and hazardous trees are subject to abatement
3. Clarify Language in Section 5-8-6 Related to Abatement
 - Add reference to "diseased or hazardous trees" to Section 5-8-6
 - Amended the section related to abatement of trees to clarify that the abatement process found in Section 5-9-6 shall be followed

Attorney Nason said Council is requested to consider a first reading of the ordinance included in the Council packet.

Council Member T'Kach asked if there is a definition of the Control Zone. Attorney Nason said there is a definition of it in the ordinance. Whether a diseased or hazardous tree is in a control zone or outside of a control zone, it can still be abated.

Council Member T'Kach asked if a resident would be required to remove a diseased or hazardous tree in the middle of a bunch of other trees on a large lot residential lot. Attorney Nason said there are provisions that prohibit having these kinds of diseased trees on the property. If it is in the back of the property, it is unlikely anyone would know other than the homeowner. They are seeing more diseased trees in the heavily populated areas of the City and that is what they are trying to control.

Council Member T'Kach asked if the whole city was part of the ordinance. Attorney Nason said yes, the whole city is part of the ordinance, but she will need to see how a control zone is defined.

Council Member Scales asked to clarify that this is for hazardous trees that could cause damage to property or people, not trees that could fall in the woods. Attorney Nason said there are

hazardous trees and diseased trees. A tree is not considered hazardous if it has a limb problem unless it has the potential to cause personal injury or property damage.

Council Member Scales asked if they would be asking residents with 20 acres of land to remove 500 ash trees. The cost of having to do that would be hundreds of thousands of dollars and that is not fair to a property owner. Attorney Nason said the City Code says a diseased or hazardous tree can be abated. If the concern is the language in the code does not mean that a diseased tree outside of a control zone can require abatement, she will review the ordinance and make sure that is what it is saying. As it is written it says if there is a hazardous tree on any property, the forester could require a resident to abate it.

Council Member Scales said there are areas in the city where you can see the ash trees dead everywhere. People own large acreage properties, and it is not possible for a homeowner to fund the removal of those trees in a timely manner. He wants to make sure they do not require owners with a lot of these trees to have an unrealistic time frame. Attorney Nason said the intent was not to create a large and expansive diseased tree abatement program. She will review the language change and broader code with the forester and ensure this does not expand what already exists in the code.

Council Member Scales said he wants to understand this better. The ash borer has already spread everywhere it is going to spread and requiring removal of these trees when they cannot spread it any further does not make sense. Attorney Nason said she will talk to the forester and have clearer language at the next reading.

Council Member Scales said the cost could easily be \$500 to \$1,000 per tree.

Mayor Dietrich said Parks and Recreation Superintendent Brian Swoboda could present one of the readings. He is very well versed in this, and his wisdom would be appreciated. Attorney Nason said he can be at the next meeting.

Council Member T'Kach said she thinks it is potentially more expensive to remove trees in developed area of the City and asked if the abatement costs would be added to the resident's property taxes. Attorney Nason said if the City incurs the cost to remove the trees, the cost would be an assessment charged back to the property.

Council Member T'Kach asked if it would be similar to assessments for roads where it could have a payback period of 10 or 15 years if it is a certain amount. Attorney Nason said the current abatement policy is the total amount is due and payable in the next year's taxes. It is an option for them to explore.

Council Member T'Kach said she spoke with a resident who had multiple ash trees they needed to remove, and they had gotten bids up to \$40,000. They are willing to take the trees down, are not able to pay \$40,000 to do so and were wondering if it could be put on a payment plan.

Council Member Scales said he would like to hear from the forester because there is no value in taking down an ash tree that is not a danger to somebody because the ash borer has already spread and removing the tree does not stop the spread of it. He does not want to require residents to pay an extreme cost to take down trees that are not spreading it any further.

Council Member T’Kach said she is referring to hazardous trees that have the potential to cause personal injury or property damage.

Mayor Dietrich asked if they should continue this.

Council Member Scales said they could approve the first reading knowing they will have more information at the next meeting.

Motion to approve first reading of an Ordinance amending IGH City Code Title 5, Chapters 8 and 9 related to Abatement of Diseased and Hazardous Trees by T’Kach, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

8. PUBLIC COMMENT:

Brook Williams – 3535 78th St. E – said she is requesting an environmental impact statement for development on the Lund property and other vacant land around the Canvass Development 1401 70th St. E. These properties are larger than 80 acres. Williams is concerned about the wetlands in the area and potential contamination as well as rising costs to homeowner’s insurance.

9. MAYOR AND COUNCIL COMMENTS:

7I. CLOSED SESSION to Discuss an Offer to Purchase City-Owned Properties

Motion to move into closed session pursuant to Minnesota Statute Section 13D.05, Subdivision 3(c)(3) to consider offers or counteroffers for the sale of multiple City-owned properties (Pinkville) located north of the City’s southern border with the City of Rosemount, west of Albavar Path and east of City-owned Woodland Preserve by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Motion to move out of Closed Session and back into open session by T’Kach, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

10. ADJOURN:

Motion to adjourn the meeting at 9:59 p.m. by T’Kach, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Sara Lyons