INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, November 4, 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, November 4, 2024, in person. Mayor Dietrich called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:
Present In-Person: Mayor Dietrich; Council Members: Gliva, Scales, Murphy and T'Kach; City Administrator Wilson, Finance Director Hove, Public Works Director Connolly, Parks & Rec Director Lares, Street Superintendent Underdahl and Community Development Support Specialist Bodsberg.

3. APPROVAL OF AGENDA:

Motion to Approve by Dietrich, Second by Scales.

Ayes: 4
Nays: 0 Motion carried.

4. DISCUSSION ITEMS

A. Overview of Proposed 2025 Central Equipment Purchases

Director Connolly presented this item.

Central Equipment 2025 Capital Requests:

Type	Item Description	Amount
Building Facility Improvements	Replace water heaters	$ 3,500
Police-Use of Saved Balances	Outfitting leased squads	194,000
Equipment Replacements	Details provided in presentations	920,285
	Total Capital Requests	**$1,117,785**

Street Superintendent Underdahl presented the 2025 Equipment Replacement Requests. Superintendent Underdahl said there were a total of nine items needing replacement and four of the items are related to parks.

Parks Equipment:

- 2019 Toro 5910 #530
  - Allocation Balance - $143,099
  - 2025 Acquisition Cost - $121,410
- 2019 Toro 5910 #531
  - Allocation Balance - $145,825
  - 2025 Acquisition Cost - $121,410
- 2015 Toro 360 #532
  - Allocation Balance - $93,496
  - 2025 Acquisition Cost - $51,619.97
    - John Deere

- 2017 Toro 360 #534
  - Allocation Balance - $0
  - 2025 Acquisition Cost - $13,049
    - Ferris Zero-Turn

Community Development:

- 2008 Ford Escape #803
  - Allocation Balance - $30,497.00
  - 2025 Acquisition Cost - $32,121.03

Street Maintenance:

- 2015 Mack Dump Truck with Plow Equipment #321
  - Allocation Balance - $222,359.00
  - 2025 Acquisition Cost - $251,675.00
- 2015 Morbark Woodchipper #335
  - Allocation Balance - $78,419.00
  - 2025 Acquisition Cost - $71,136.00
    - Moving from Diesel to Gasoline eliminates the need for diesel exhaust fluid
    - Better emissions

Utilities Maintenance

- 2016 Ford F250 with Utility Box #410
  - Allocation Balance - $63,622.00
  - 2025 Acquisition Cost - $72,864.00

Veteran's Memorial Community Center:

- 2012 Zamboni #6201
  - Allocation Balance - $175,571.00
  - 2025 Acquisition Cost - $185,000.00

Superintendent Underdahl said after the costs of acquisition there will be $32,603 remaining in the acquisition funds.

Mayor Dietrich asked if they were waiting on delivery of any previously ordered equipment.

Superintendent Underdahl said they are waiting on a few from the last year, but they are coming.

Mayor Dietrich asked if the equipment would be received in a timely manner.

Superintendent Underdahl said yes, he has not heard of any supply chain issues. The dump truck takes a year to have the truck built and the equipment installed on the truck. The other items should come rapidly once they are approved.

Mayor Dietrich asked if the addition of the new equipment would be adequate for staff to take care of the new parks.

Superintendent Underdahl said there may be a need for more equipment in the near future, possibly a year.

Council Member T'Kach said there was a fire truck on order and asked if it is considered fleet equipment or a separate entity on the CIP.

Superintendent Underdahl said he does not handle the fire truck orders. There is a group that decides what is needed and visits the factories.

Administrator Wilson said they allocate for the fire department through the same process and is recorded in the Central Equipment Fund. They placed an order for a fire truck approximately 15 months ago, but they will be waiting another few years for the fire truck to be completed.

Director Connolly presented the cash balances that are set aside for equipment replacements.

Department	$ of Equipment Allocated	Est. Dollars Saved as of 12/31/2024
Police	0	$ 746,781
Fire	19	4,896,044
Inspections	5	141,208
Community Development	1	30,497
Engineering	6	122,743
Streets	49	4,189,481
Parks	30	1,352,700
Recreation	1	6,367
Community Center	1	175,571
City Facilities	1	0
Water & Sewer	17	1,609,768
Total		**$13,271,160**

Director Connolly said $194,000 of the Police Department savings will be allocated to outfit the leased squad cars in 2025. They will draw down the funds in the Police Department savings and when it gets close to $0, the Police Department will need to start budgeting for outfitting on an annual basis. The balances change every year. If there was a situation where they needed an emergency piece of equipment, they have a balance to cover it. If they did borrow from the fund, they would need to backfill the balance somehow. They have borrowed from the fund in the past through inter-fund loans. There are currently inter-fund loans to the Golf Course and VMCC and the payments against the loan are added back into the fund.

Mayor Dietrich asked how long until the inter-fund loans were repaid.

Director Connolly said the Golf Course loan would be paid off in one year.

Administrator Wilson said the VMCC loan originated in 2018 and will be paid in full by the end of 2027.

Director Connolly said the year-end cash position has been increasing year over year. They try to balance the equipment replacement over years and try to stay ahead of inflationary factors. Staff will bring forward a resolution for the purchase of the equipment in the next Council Meeting. They order the equipment prior to the end of the year but do not take delivery of the equipment until the following year.

B. Review of Dakota County 2025-2029 Transportation Capital Improvement Program (CIP)

Director Connolly presented this item.

Discussion Points:

- Review Dakota County Capital Improvement Program History and City Approval Process
- Summarize Projects Slated to Occur in Inver Grove Heights with City Cost Participation
- Review Council's opinion/desire to provide a resolution of support for projects in the current version of the Dakota County 2025-2029 Transportation Capital Improvement Program

2025-2029 Dakota County CIP

- Transportation CIP Reviewed Annually
    - Spring – Draft CIP w/ City Support Letter
    - Fall – Draft CIP w/ County & City Revisions
    - Year-End – Final CIP with County Board Adoption
- Goal is to ensure conformance between City and County CIP's
- City Public Works/Engineering Staff reviewed 2025-2029 Dakota County CIP and incorporated known updates in draft City CIP
    - Presented to City Council on July 15, 2024

Director Connolly said if Council is willing to provide a resolution of support for the County CIP, the County will take the letters and adopt their final CIP at the end of November or beginning of December.

Many of the County roads in Inver Grove Heights had projects that are proposed in the next five years. Some of the roads have proposed construction projects or proposed studies in the CIP. There are three intersections that are proposed to be looked at for improvements in the next five years. They County is also proposing a pedestrian underpass at the Eagan/Inver Grove Heights border of Argenta Boulevard and Yankee Doodle Road.

Carry Over Projects (from 2024-2028 CIP)

- Previously supported via past City Council Action (Resolution No. 2023-275)
- Reviewed by Staff and included in draft City CIP (2025-2029)

Project	Year
Babcock Trail – Upper 55th Street to I-494 Bike Trail (Construction)	2025
80th St. – TH 3 to Babcock Trail (Preliminary Study)	2025
Rich Valley Blvd. and Barnes Ave/105th St – Bike Trail (Preliminary Study)*	2025
Rich Valley Blvd – 105th St. to 117th St. (Preliminary Study)	2027
70th St. – TH52 West Ramp (Construction – MnDOT Lead)	2028

*City supported in 2024 without City cost participation

Director Connolly said the County CIP includes the preliminary study for the bike trail without any cost participation from the City.

New & Phased Projects:

Project	Year
70th St. – TH 3 to Babcock Trail (Design, ROW, & Construction)	2025-2027
70th St. – Babcock Trail to 1000' East of Cahill Ave (Design, ROW, & Construction)	2025-2027
TH 62 & Mendota Road Intersection (Construction – MnDOT Lead)	2028
Argenta Blvd/Yankee Doodle Road Pedestrian Underpass for Lebanon Hills-Mendota Greenway (Construction)	2029

Director Connolly said both projects on 70th Street are currently being studied by the County at the preliminary level and they are doing a preliminary design. The County has been trying to take projects that are likely to advance beyond the study phase and plan for them in the CIP.

Projects Removed from CIP:

Project	Previous Year	New Year
Argenta Blvd. & TH 55 Interchange (Preliminary Study)	2026	TBD

- Intersection vehicle capacity is currently well below warrants for an interchange.
- Study contingent on Argenta Blvd./I-494 Interchange to be designed/constructed to determine if interchange at TH 55 may be warranted.

City-Requested Projects (not Included):

Project	Year
Argenta Blvd. Pedestrian Overpass at Vista Pines Park (Preliminary Study)	2025 or 2026

- Requested by City in 2022, 2023, and 2024 for County to include in CIP.
- County has not included for several reasons:
    - Recent inclusion of RRFB Crosswalk with Argenta Blvd. Construction (2023)
    - Current trail/crosswalk lacks volume to meet overpass warrants
    - Proximity to Lebanon Hills-Mendota Greenway improvements at TH 55 and south/west of Argenta Blvd./TH 55 intersection (underpass/overpass)
- Dialogue continues at the staff level.

Director Connolly said the County has indicated that the City is welcome to move forward with the overpass, but the City would have to fund it. The typical funding is 85% County share and 15% City share. If there becomes a large push for the overpass, the recommendation is to engage with the County Commissioner and representatives and indicate why this is important to see if it can help drive more action from the County to include it in the CIP.

Council Member T'Kach asked if the realignment of 80th St. and Amana Trail was due to safety concerns or design.

Director Connolly said they have always wanted to align Amana Trail and 80th Street. The roundabout was designed with the expectation that 80th Street would shift at some point. It is partially for safety. Currently if you take 80th Street to Highway 3, you cannot turn south. It was built to be a temporary situation. There is land on the northeast corner of Highway 3 and 80th Street that does not have access to any public street. In order to get the area access for potential development, including extending utilities, some modification is necessary.

Council Member T'Kach asked if the City would be extending utilities as part of the project hoping that development would come.

Director Connolly said it has been planned if utilities were going to be provided to the area that they would follow the future road alignment. They would study putting utilities in and make a determination based on what would make sense to extend with the road and what would be extended at a different time. The lift station at Scenic Hills and 80th Street was intended to be a temporary lift station that would drain down to the large lift station north of Target. The extension of gravity sanitary sewer would eliminate the lift station that is somewhat isolated and landlocked and sanitary sewer could be provided to the developable area.

Council Member T'Kach said there was a lot of community, Council, and staff feedback on the design of the 70th Street preliminary design and asked if there was any rationale for Council to support moving it forward. The County may need to take a fresh look at the design.

Director Connolly said he cannot provide Council with an explanation of why they would or would not support the project. The County had one of several community outreach meetings and it was the first meeting. Not everything they put together would be considered the perfect option and staff have had other ideas that have been discussed with the County and they are currently vetting. What was discussed previously is not close to the final preliminary design. It is part of a process, and the process will continue for the next 6-8 months before a solid plan is determined. They are also looking at 70th Street improvements as it relates to Highway 3 to Babcock Trail where there is a likelihood of development in the area and there is going to be a need to support the development. They are trying to be ahead of development as opposed to a more costly project where they need to redesign due to development. The CIP is a planning document and if it is determined the project is feasible and they want to move into the final design, they will have had to budget for the project. If the City supports the project in the CIP, it will still have to enter into a Joint Powers Agreement with the other agency in order to finalize and detail what the costs are for any project. They have already been participating in the study process for the preliminary design as a portion of what is in the 2024 budget. The next stage is the County being more proactive for final design in 2025, right of way acquisition in 2026 and construction in 2027.

Council Member T'Kach said she is happy they are not wedded to the project and hopes they are starting the designs over.

Director Connolly said he understands there were many challenges with the project but there were many things that the County presented that make sense for traffic and safety management that might not make sense to the residents currently living there. They try to plan for today's infrastructure as well as the future. They will review it, but it will not look the same as it does today.

Budget Impacts:

- Staff plan for County projects through two primary methods:
    - Coordination with City's annual CIP Updates
    - Inclusion in City's annual budget approval process (capital projects)
        - Pavement Management – Partnership Projects
        - Identification of funding from Capital Utility Funds (Stormwater, Sewer, Water) and State Aid Funds

Director Connolly said if there are costs associated with right of way and construction on County roads, they are eligible to receive State Aid funding. They want to try to use the funds on City roads, but they are able to help pay for costs on roads that the City does not own.

- City must approve cost sharing for any County project via joint powers agreement (JPA).
    - Projects without City cost sharing or City infrastructure do not require JPA

Project	Cost Split (City/County)	City Cost (Estimated)
Babcock Trail – Upper 55th Street to I-494 Bike Trail (Construction)*	15% / 85%	$ 207,150
70th St. – TH 3 to Babcock Trail (Final Design)	15% / 85%	90,000
70th St. – Babcock Trail to 1000' E. of Cahill Ave (Final Design)	15% / 85%	60,000
80th St. – TH 3 to Babcock Trail (Preliminary Study)*	45% / 55%	202,500
Rich Valley Blvd. and Barnes Ave/105th St. – Bike Trails (Preliminary Study)	0% / 100%	0
	Total City Cost Contributions (2025)	**$559,650**

*City is lead agency for project

Director Connolly said the County has not been able to decide when they can fit the preliminary study for 80th Street into their CIP. Staff are recommending the City take the lead in the preliminary standpoint of the project because they have had development inquiries for the area. They want to be able to provide information to the adjacent property owners as to where the road would go and how much right of way would be needed. The City has a larger cost share because the County views it as a roadway realignment and not an expansion. The CIP shows the cost share for the City of 45% but it could be lower. The City can sustain these projects from a budget standpoint.

Council Member T'Kach asked if there was an estimate of the project cost for the 80th Street alignment if the City did have to pay 45%.

Director Connolly said he does not have an estimate. It is half of a mile of roadway realignment that would probably cost a minimum of $5 million. That does not include right of way and there are a lot of grading and other challenges in the area. The study will need to be done to determine the cost and find out if they can work with current property owners. There are also utilities and stormwater mitigation. It could be $5-15 million. The study will determine if the cost is reasonable or if the project does not make sense.

Council Member T'Kach asked if there is a cost to wait.

Director Connolly said there is a cost to waiting but he does not have a number.

Council Member Gliva asked to confirm if there was an inquiry from a developer for the 80th Street area and if the 45%/55% split is just for the study and the construction split would be determined later.

Director Connolly said yes, they have had an inquiry for development. The split for construction would be determined later. The project on 117th Street has ranged from the City share being 25% to 45%. The project right now is approximately 28.5%. The City would have additional costs for infrastructure that is only for the City like sanitary sewer and water utilities. They are not necessary for the road but are necessary for the development.

County CIP does not include:

- Projects previously in County CIP to start construction in 2024 (or earlier)
  - 117th Street
  - 80th Street 4-to-3 Lane Conversion (Babcock Trail to Bowman Ave)
- Projects with studies occurring (or starting) in 2024
  - 70th Street – TH 3 to Babcock Trail (Preliminary Study)
  - 70th Street – Babcock Trail to 1000′ east of Cahill (Preliminary Study)
  - Argenta Blvd./I-494 Interchange (Preliminary Study)

City CIP (2025-2029) and 2025 budgets account for costs associated with these projects to be spent in 2025.

Project	Cost Split (City/County)	City Cost (Estimated)	Year
70th St. – TH 3 to Babcock Trail (ROW & Construction)	15% / 85%	$ 1,680,000	26-27
70th St. – Babcock Trail to 1000′ E. of Cahill Ave (ROW & Construction)	15% / 85%	720,000	26-27
Rich Valley Blvd. – 105th St. to 117th St. (Preliminary Study)	15% / 85%	56,250	2027
70th St. – TH52 West Ramp (Construction – MnDOT Lead)	7.5% / 42.5%*	210,000	2028
TH 62 & Mendota Road Intersection (Construction)	0% / 100%	0	2028
Argenta Blvd./Yankee Doodle Road Pedestrian Underpass for Lebanon Hills-Mendota Greenway (Construction)	0% / 100%	0	2029
Total City Cost Contribution (2026-2029)		**$2,666,250**	

*MnDOT covers remaining 50%

Staff Recommendations:

- Request inclusion of pedestrian overpass at Argenta Blvd./Vista Pines Park (preliminary design study).
- Approve remaining CIP items as proposed by Dakota County.

Action Requested:

- A draft resolution is included in the Work Session Agenda Packet
- Staff requests Council feedback/comment to the language and provide direction to staff if modifications to the Resolution language are requested ahead of November 12 Council Meeting.

Council Member T'Kach asked if overpasses in the City on Concord Boulevard or Babcock Trail to connect to the new playground coming at the VMCC would make sense and if they would be added to a CIP or would be considered regular construction.

Director Connolly said there are not any other overpasses that have been discussed or petitioned for. The overpass at Vista Pines Park is not in the comprehensive plan. There are parks and trails in the comp plan where there has been discussion about the types of pedestrian crossings that could be needed as development occurs. Concord Boulevard doubles as the Mississippi Greenway and the County is in the process of looking at minor intersection modifications to adjust for some pedestrian crossings of Concord Boulevard. The project has been in design for almost three years and is a fully funded initiative by the County. They provide updates but none have included a separated pedestrian crossing.

C. City of IGH 5-Year Capital Improvement Plan (2025-2029)

Finance Director Hove presented this item. Director Hove said Parks & Rec Director Lares and Public Works Director Connolly are present to help answer any follow-up questions from Council.

What is a Capital Improvement Plan (CIP)

- A capital Improvement Plan (CIP) is a community planning and fiscal management tool used to coordinate the location, timing, and financing of improvements over a multi-year period

- Purpose:

    - Preserve the city's existing assets and infrastructure
    - Plan for the long-term asset needs of the city
    - Assist in the development of budgets
    - Balance community goals & priorities

Director Hove said Inver Grove Heights currently uses a 5-year CIP and it is a fairly new process in the city. The planning and information improve each year.

Timeline:

- July 15, 2024 introduced at Council Work Session
- Referenced in various budget discussions at Council Meetings & Work Sessions between July 15 and November 4
- October 15, 2024 Planning Commission adopted a Resolution indicating the CIP is consistent with the Comprehensive Plan
- October 16, 2024 reviewed by Parks & Recreation Advisory Commission
- November 12 – Council Meeting for adoption

What is included in the CIP?

- Pavement Management Initiatives
- Utility Projects (Water, Sewer, Storm)
    - Contingent on Financing / Utility Rates
    - If utility rates do not yield sufficient funds, future CIP's will need to be adjusted
- City Facilities
- Community Center
- Parks
- Golf Course

What is not yet included in the CIP?

- Larger Facility Remodels/Repairs:
    - Public Works Facility
    - Fire Station 3
    - Police remodel or expansion
- Central Equipment – replacement schedule is currently in an excel format
- Other potential General Fund needs or new equipment

Capital Improvement Plan Table of Contents:

- Table of Contents
- Introduction
- Department Summary

- Funding Source Summary
- Projects by Department
- Projects by Funding Source
- Unfunded/2025 Priority Projects
- Unfunded/Unscheduled Projects
- Project Details

CIP Department Summary:

Department	2025	2026	2027	2028	2029	Total
City Facilities	317,000	219,000	228,000	122,000	175,000	**1,061,000**
Community Center	750,200	564,050	210,000	2,577,000	472,900	**4,574,150**
Golf Course	90,000	450,000	150,000	90,000	155,000	**935,000**
Parks	3,400,600	200,000	290,000	300,000	1,450,000	**5,640,600**
Pavement Mgmt – Local Streets	17,232,913	16,862,990	15,822,696	13,265,034	21,068,844	**84,251,477**
Pavement Mgmt-Partnership Proj.	14,496,790	1,465,000	2,381,250	210,000		**18,553,040**
Sewer	650,000	965,000	755,000	795,000	850,000	**4,015,000**
Stormwater	1,335,000	415,000	740,000	395,000	200,000	**3,085,000**
Water	835,000	1,955,000	2,995,000	1,988,000	310,000	**8,083,000**
Grand Total	**39,107,503**	**23,096,040**	**23,571,946**	**19,741,034**	**24,681,744**	**130,198,267**

Director Hove said they have $130 million in planned projects over the next five years. Approximately $12.2 million is within the Parks & Recs division. Pavement Management projects make up $102.8 million and make up the majority of the cost. Utility divisions have approximately $15.1 million in projects over the next five years.

Mayor Dietrich asked if this information would be available on the City's website after November 12th for the public to review.

Director Hove said yes, the previous two years are also available.

Director Hove said there are 19 different funding sources for the CIP. The largest areas are the Pavement Management Fund, Special Assessments, State Aid, and the Water Capital Fund.

Larger Projects for 2025:

- Phase V of Heritage Village Park: Inclusive Playground & Splash Pad ($2.65 million) - $2 million of funding from state bonding

- Parks – Playgrounds at Southern Lakes Park & VMCC ($450,000)
- City Facilities – City Hall Elevator Code Updates ($105,000)
- Indoor Playground in the Community Center Brightside Room ($350,000)
- $31,729,702 in Pavement Management Projects:
  - Includes $11,171,790 for 117th Street (project funded by federal grant, state bonds, county funds and special assessments)

2025 Changes since July 15 Work Session:

Pavement Management Projects:

Department	Description	2025 Increase (Decrease)
Local Street Projects	Flashing Yellow Arrow (FYA) Study – Moved from 2024 to 2025	50,000
Partnership Projects	-Updated project costs and years based on Dakota county's changes to their 2025-2029 Transportation CIP -Removed County Overlays from 2025 (none in IGH) -80th Street-TH3 to CSAH 73 – Increased City project share, and City may lead project. -Updated costs and funding sources for 117th Street based on final design estimates (City costs only for construction; County to lead construction phase)	(15,000) (40,000) 382,500 792,723
	Changes to Pavement Projects	$1,170,223

Director Connolly said the 80th Street project was not originally scheduled for 2025 and the $382,500 is the cost of the entire study and a portion of it will be reimbursed by the County. The cost for the 177th Street project has been updated since it was initially presented in July and the $792,723 is the increase in the cost originally provided.

Non-Pavement Management Projects:

Department	Description	2025 Increase (Decrease)
Water	-Well Pump & Service Rehabilitation-reduced from $135,000 to $30,000 (Well #9 done in 2024) -Removed Babcock Booster Station Pump Inspection (completed in 2024) -Renamed Booster Pump Inspection to High Service Pump Rehabilitation, increased to $50,000 -Added Well House Programmable Logic Controller (multiple Years)	(105,000) (35,000) 20,000 10,000
Sewer	-Added Lift Station Programmable Logic Controller (multiple years)	10,000

	Changes to Non-Pavement Projects	$(100,000)

Stormwater – 64th Street Outfall – in 2025 CIP at $1 million but unfunded

Director Connolly said they are close to having a contract put together for a consultant to assist with design and taking the next steps to move the 64th Street Outfall forward. Staff are still working on funding options.

Other Changes since July 15 Work Session Affecting CIP in years 2026-2029

Department	Description
Partnership Projects	-70th St. – TH3 to CSAH 73 – Updated land and construction estimates -70th St. – CSAH 73 to Cahill – Updated land and construction estimates -Argenta/TH 55 Interchange – deferred from 2026 to post-2030
Water	Added Well House Programmable Logic Controller (2026-2029)
Sewer	Added Lift Station Programmable Logic Controller (2026-2029)

Unfunded Projects for 2025 – Additional/Future Discussion Needed:

- Northside Booster Monopole Construction ($500,000)

Director Connolly said they are finishing a feasibility study for a monopole construction at the Northside booster station at I-494 and Babcock Trail. They are looking to construct a single pole that they can relocate the antenna facilities that are currently on the water tower. Staff will likely present the project to Council in January with potential funding sources.

- 64th Street Outfall Replacements ($1,000,000)

Director Connolly said they are expecting to look at a design and see if they can look for grant opportunities or other funding sources.

Council Member T'Kach asked if they could look for state bonding or other kind of state aid for the 64th Street Outfall.

Director Connolly said he does not have a clear answer, they need to determine how serious the issue is and how quickly they want to fix it. State bonding does not typically work its way through until the end of the legislative session and does not become available until going through a funding grant agreement. That can take many months to complete. They will likely need to fix the problem before a grant would be completed and you cannot encumber costs for bonding money prior to the grant agreement being finalized.

Director Connolly said they did receive bonding money for the 117th Street project and they received all of the necessary information from the County. Staff are in the process of compiling the necessary information to send in to get the draft funding agreement started. Then when they have a bid for the project in early 2025 the grant is ready, and they can start encumbering the construction costs for which the bonding money is for. The process has already taken 8-9 months.

Council Member T'Kach asked if the 64th Street outfall was urgent.

Director Connolly said it is past urgent. There had been steps taken in the past to repair it but did not, mostly based on funding. Structurally the pipe is shot. It will not collapse immediately but it is urgent enough that they have already talked with landowners in the area and told them to be ready because they are likely going to be fixing it. They are getting the help of a consultant to do a feasibility report to combine the information they have in the past with the information they have now and have something designed that they can move forward with.

Council Member Gliva asked if the outfall had any ties to the railroad.

Director Connolly said the Dickman Trail culvert project is tied to the railroad and is in the CIP. There may be some shifting of the projects. They have made some headway with the railroad in the last few months, and they have staff that are taking it much more seriously. Staff is hoping to make progress towards a mutual solution for both the City and the railroad.

Council Member Gliva asked for an overview of the Northside Booster Monopole project and where it is currently located.

Director Connolly said they lease space on their water towers and certain city owned properties to have antenna facilities from phone companies to provide service to residents. They have a rehabilitation project of the Northside water tower in the CIP scheduled for 2027. They would like to remove the antenna facilities off of the water tower permanently because they take up space outside of the water tower and they run inside the tower, cutting through the structure. When there is an issue, staff have to unlock the facility and let their workers in. The providers are working with the City, and they are trying to find a mutually beneficial location. The best location staff has been able to identify is the Northside booster station. It is currently being used for a booster pump for the water service but there is a lot of other land in the area that is currently brush or ditches.

Council Member Gliva asked if some of the providers would be contributing to the cost.

Director Connolly said yes, the feasibility study is looking into that. They do not think the whole cost can be covered by the providers but the leases will pay for the monopole over time. There will be a cost, and the antenna companies would be willing to pay a certain amount, but they want to be consistent, so all three antenna companies are treated equally. They need to determine if they are going to oversize the pole to allow future lessees who would also pay a premium that would also help pay down some of the past cost. They would not recommend bonding but the feasibility study needs to be clear. They are not likely to recoup the costs immediately but over the course of a 25 year lease it would be paid back. There will be costs the City incurs when the water tower rehabilitation project takes place to pay for patching holes and repainting areas that might have been a direct result of the antennas. They are trying to avoid this in the future. There could be potential to take some of the revenues and apply them to the water tower project.

Council Member Scales asked what the consequences would be if the 64th Street outfall fails.

Director Connolly said the main issue is the entrance into the river is underneath the Twin City Marina. It is off of a private road within a public easement for the utilities. The storm sewer is underneath it. They drive over the storm pipe to go to launch in the river. If it collapsed, the parking lot would collapse into the storm sewer. This is where the main storm sewer from upslope in the old village area of Inver Grove Heights flushes out to. Depending when it happens, there is potential storm water coming up through the parking lot. The hole in the pipe caused water to come up through the pavement during the flood. They did not see much of the issue during spring floods because the ground was still frozen, and the ice held the water back. They need to find a way to restore it and keep it from damaging other infrastructure. The worst area is the last 30 feet, and it is mostly under a volleyball court and a dog run that they have at the marina. The worst is not right underneath vehicle traffic.

Council Member Scales said it could collapse with people over it.

Director Connolly said there is potential for it, and he would hope it is not catastrophic where the ground falls out from underneath you. People should see it and it is most likely going to happen during a heavy rain event and most people would not be outside. There is a risk but in Director Connolly's opinion it is not as big of a risk as the failure of the Dickman Trail culvert underneath the railroad. The Dickman Trail culvert crosses under public ways and is much harder to inspect on a regular basis.

Council Member T'Kach asked if the feasibility study for the monopole would look into the newer technology and determine how quickly some of the technology might change, reducing the contracts they have with providers.

Director Connolly said he does not think the study will determine that information. The study is going to predict what the need is now and the reasonable expectation of cost for antenna companies' site leases. There is still a strong desire for cell phone antenna providers to improve their equipment on a regular basis. The antenna panels that they have put on water towers are quite simple to exchange and reuse. Every time they need to exchange the antenna they need access to the water tower. It would be preferred if they were in a man lift outside of a monopole that does not require access to any of the City's critical facilities. There are two applications for the Northside tower knowing that they will have to relocate in two years. They are still willing to come in and replace all of their equipment with new equipment because it is that important to their business operations.

Questions and Next Steps:

- Resolution will be placed on November 12 consent agenda requesting Council adopt the 2025-2029 Capital Improvement Plan
- 2025 projects, other than the unfunded projects, will be included in the 2025 budget brought forward for Council approval on December 9.

Mayor Dietrich asked how they planned to keep track of the police station remodel/expansion, fire station #3 and Public Works Facility.

Director Hove said there will be another update on the Central Maintenance Facility in the first quarter of 2025 to provide options and funding. The projects are in the early phases and as they are vetted, they will slowly start to incorporate them in future CIPs.

D. Feasibility Study for Relocation of Historic Buildings

Parks & Rec Director Lares presented this item. Director Lares said the two buildings that they are considering moving to Heritage Village Park are the Old Town Hall and the Schoolhouse.

Background:

- Both buildings built in early 1930's
- Neither are on the Historic National Registry
- Both have the long-term plan to be relocated to Heritage Village Park (HVP)
- Interest and discussion by Council to relocate utilizing ARPA Funds
    - ARPA Funds have been transferred into the general fund

Director Lares said the Old Town Hall would potentially be relocated south of the dog park and the Schoolhouse would be centrally located to where the parking lot is deemed to be expanded at some point in Phase 2.

Old Town Hall is currently located at 6701 River Road. There is a foundation with a basement. In July Staff along with a house mover visited inside of the facilities and assessed some of the interior. They are currently structurally unsafe inside. There are concrete steps leading up to the entrance and brick columns. The steps are crumbling. The Schoolhouse is located at 1841 105th Street East. The front steps and stoop are decaying. When they entered, they could not tell if the roof was going to cave in. They were not able to view much of the interior. The Schoolhouse also has a basement. There is some storage that has been left in both of the buildings.

Preliminary Cost Estimate to Relocate:

- Last July, staff consulted with a contractor experienced in building relocation and received the following preliminary estimates to relocate to HVP
  - $68,000 TO MOVE THE Schoolhouse
  - $128,000 to move the Town Hall

Director Lares said part of the difference in cost between the two buildings is the materials that they are made out of. The Old Town Hall is built out of bricks and the Schoolhouse is made out of wood and timber. The prices quoted were from 2023 and there would be some type of inflation to complete the move in 2025.

- However, these estimates do not include the full scope of project costs such as:
  - Architectural and engineering fees
  - New footings and foundations within Heritage Village Park
  - Site restoration at the current locations
  - Accessibility improvements
  - Potential exterior restorations

Feasibility Study:

- Staff is proposing to enter into a contract with Alliance to complete a feasibility study in the amount of $17,600

  1. The study would assess each building's structural condition and determine the feasibility and total cost of relocation.
     a. Includes cost estimate to restore exterior of buildings to create a finished appearance
  2. The study will provide detailed recommendations and cost estimates to help the Council make an informed choice about the project
  3. Study would take 4-6 weeks
  4. This scope would be considered Phase 1 in the overall project

Council Member Murphy said he supports the study and asked if the feasibility study would provide alternative direction if it determined the buildings would not be able to be moved.

Director Lares said the current feasibility study would not provide those options. If the study determines that the buildings are not structurally sound to move, they could look at an amended proposal to incorporate other options. There would need to be some direction from the Parks Advisory Commission and City Council to look into alternatives if the buildings were not able to be relocated.

Council Member T'Kach asked if the study would look into any lead paint or asbestos issues in the buildings and the possible containment of the issue during a move as well as any cleanup necessary at the original sites.

Director Lares said the feasibility study indicates that it will be looking at the ground and any contaminants in the soil. They can confirm that if they do any relocation they would know and understand what is within the facilities and if there are any contaminants. The study does not currently look at it, but staff can look into getting confirmation that it will take it into consideration.

Council Member Scales said he supports the idea and is going to remain positive. There was an event in the Schoolhouse building in the 1980s and they were able to walk around inside of the Schoolhouse.

Director Lares said when they entered the Schoolhouse in July of 2023, they were concerned that the ceiling was about to collapse.

Administrator Wilson said the interior ceiling seemed like it was going to collapse but not the roof.

Council Member Scales said they have little time left to preserve the history they have. Setting up Heritage Village Park will be with Inver Grove Heights for 100 years. The cost will be forgotten very quickly over the decades when residents get to see some of the history when visiting the park. It could work in a few phases where they potentially enjoy them as they are after relocating and then another phase to have the interior redone so residents can be inside of the buildings. One of the buildings could be a history center for Inver Grove Heights where residents and others could see the past.

Phase 2:

- If, after receiving and discussing the results of the feasibility study, the Council approves the relocation, staff would recommend extending Alliance's contract for professional services to include:

  1. Final design
  2. Construction Documentation
  3. Project Management
  4. Permitting
  5. Bidding Assistance
  6. Construction Administration

Director Lares said it may seem simple to relocate buildings but there is a lot of coordination that needs to go into it. Relocating on public roads would involve state troopers and police to assist. The permitting aspect alone is a large job.

Request:

- Council to discuss and provide direction on whether the City enter into an agreement with Alliance to provide a feasibility study for relocating both buildings.

Mayor Dietrich asked if they were paying $4,400 per week to have a structural engineer to advise the condition of the buildings and provide a bid.

Director Lares said there would be a structural engineer, an architect, and a landscape architect as part of the entire process. It is for the move and the relocation. There would be a team of five different consulting firms working on this study for the interior capabilities of moving the actual location, structuring how it is moved and then when it is relocated specifically looking at the utilities. If they ever plan on having utilities in the building, they need to stub in electric, gas and water. There will also be contaminant testing and rehabilitation done at the original location.

Mayor Dietrich asked what some of the other bid amounts were.

Director Lares said they requested bids from three other groups that would not take the project on due to lack of experience in moving historic infrastructures.

Mayor Dietrich said she is in favor of the relocation but is concerned about the final cost and asked what fund Phase 1 would be used to fund it.

Director Lares said there are different options that could be used to pay for the feasibility study or future projects. There is a surplus in the General Fund from the ARPA funds being transferred. They could also look at the Park Capital Replacement Fund that does have a healthy balance and could pay for the feasibility study. If Council decided to move forward with relocating the buildings, there would be potential to review what funds are available after seeing the final cost.

Mayor Dietrich said during the last Council meeting there was a room full of residents that did not want to spend $120,000 and this project will be over $120,000. Mayor Dietrich said she wants to be as informed as possible.

Director Lares asked if this item is on the consent agenda if Council has a preference of what funding source to use.

Council Member Scales said there are short-term and long-term funds and projects. This has the opportunity to bring attention to Inver Grove Heights and Heritage Village Park has the opportunity to draw residents from all over the area to their Community. The short-term cost is short-sighted, and a small amount spent now is an investment because of what the community will get over time.

Mayor Dietrich said she is concerned about needing a specialty company because she is not sure they will be able to effectively negotiate a price because they do not have a lot of other options.

Director Lares asked if Mayor Dietrich was referring to the feasibility study or the potential move.

Mayor Dietrich said she was concerned with both.

Director Lares said the feasibility study is generally asking if the project is feasible to do. Once they look at bidding the project is where you can look at contractors. It is a niche market to see who can actually do the work within the state. They do not know the cost and that is part of what the feasibility study will provide. It will make some assessments and work with some of the potential contractors to get a cost estimate.

Council Member T'Kach said she supports the initial feasibility study and agrees that she does not want to be blindsided by a $2 million dollar project in two years. Thinking about the long-term vision of Heritage Village Park, the relocation of the buildings is one part of it but asked what other heritage they want to consider for the park. The feasibility study will give them a good idea of the cost for this piece, but she wants to make sure they are thinking about the heritage of other people that helped make Inver Grove Heights what it is today. Council Member T'Kach said it would be good to have a comprehensive cost estimate.

Mayor Dietrich asked if Director Lares could provide more information to Council before the next meeting to help them determine where the funds for the feasibility report should come from.

Director Lares said he would recommend either the surplus ARPA funds from the general fund or the Parks Capital Replacement fund. They can provide Council with the balances, and this would be specifically to fund the feasibility study.

Council Member T'Kach asked to confirm that they are talking about the $17,600 cost.

Director Lares said yes, the $17,600 for the feasibility study.

Council Member Murphy asked if Director Lares had the balance of the Parks Capital Replacement fund.

Director Lares said the fund balance is approximately $900,000.

Council Member Murphy asked if there was a downside of using either fund to pay for the feasibility report.

Director Lares said they have had some cost savings in the Parks Capital Replacement fund from their 2024 projects so the funds are available, but it is $17,600 that may not be able to go towards another project in the future. He cannot speak to the surplus of ARPA funds in the general fund.

Council Member Murphy asked if they are allowed to use funds from the Parks Capital Replacement fund for the feasibility report.

Director Lares said yes, it is not tied with park acquisition and development funds. Council has direction on what to use the Park Capital Replacement fund for.

Council Member Murphy would recommend using funds from the Parks Capital Replacement fund.

Council Member T'Kach agreed with Council Member Murphy.

Mayor Dietrich asked if the Parks Capital Replacement fund would be Director Lares' recommendation.

Director Lares said he would recommend either option, but the Parks Capital Replacement fund makes sense. They have a small surplus from the capital projects in 2024 and they can sustain the withdrawal.

Council Member Gliva said she agreed with the funds coming from the Parks Capital Replacement fund and asked if they continue with the relocation if there were any nonprofit organizations that would give some funds to the City to preserve the buildings.

Director Lares said once the historical buildings are relocated, they are no longer qualified for state or federal funding. There are opportunities to look at local businesses or fundraising opportunities in the community. The feasibility study will provide the cost to get the buildings to be aesthetically pleasing exteriorly. They are not going to be rehabilitated to the way they were when they were built but it will get them to a place where they are presentable and a good reflection of the history. If they want to activate the buildings, they have to meet ADA standards which further complicates what is able to be utilized in the spaces. They could put a marquee up with pictures so people can see what it once was. They have considered putting historic imagery in the behind the window, so people do not look into a deteriorating interior. Those types of things will be in the feasibility report.

Council Member Scales said there are potential opportunity for fundraising, and he thinks the community will want to get involved.

Council Member T'Kach asked if Council had any interest in rehabilitating the Schoolhouse in its current location to potentially receive state or federal funds and save the cost of moving. It could become part of the VMCC and there is a bike trail very close with a lot of people coming through the area. Council Member T'Kach said she has concerns about flooding potentially losing a large investment.

Council Member Scales said they need the feasibility study to move forward with any option.

Mayor Dietrich said she supports moving forward with the feasibility study.

Council Member T'Kach said she supports the feasibility study but wanted to say there could be another option.

Director Lares said after the outcome of the feasibility study there is a potential to look at providing options.

5. <u>Adjourn</u>

Motion to adjourn at 8:05 p.m. by Dietrich, second by Scales.

Ayes: 5
Nays: 0 **Motion carried.**

Minutes prepared by Recording Secretary Sara Lyons.