

**INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, JULY 7 6:00 P.M. - 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, July 7, 2025, 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, and T’Kach.

Absent: Council Member Murphy

Staff In Attendance: Finance Director (Acting Administrator) Hove, Public Works Director Connolly, City Engineer Merchlewicz, City Planner Shay, and Deputy City Clerk Malott

3. APPROVAL OF AGENDA:

Motion to approve agenda by Scales, second by T’Kach.

Ayes: 4

Nays: 0 Motion carried.

4. DISCUSSION ITEMS:

A. 70th Street (TH 3 to Cahill Avenue) Preliminary Design (City Project Nos. 2023-13 & 2023-14)

Dakota County Project Manager Morneau, County Engineer Erin Laberee and Assistant County Engineer Jake Chapek provided an update on the County Road 26 Improvement Project, which spans from TH 3 to Cahill Avenue and is identified as projects CP 26-60 and CP 26-68. The project covers the area between Allen Way and Highway 52 as well as Highway 52 to Cahill Avenue.

For CP 26-60, the project will reconstruct the roadway to accommodate future traffic volumes, replace the existing pavement and base, add storm sewer and utility extensions, and include a multiuse trail. The plan also addresses driveway and roadway access point management and modifies the current hilly profile to improve safety.

For CP 26-68, the project will reduce the roadway from 5 lanes to 3, add a multi-use trail along the north side, replace the signal at Blaine Avenue, and rehabilitate pavement last fully replaced in 1992.

Proposed improvements include reconstructing the corridor from Allen Way to Highway 52 with one through lane in each direction, the addition of curb and gutter installation with shoulders, a multi-use trail on both sides of the road, and right and left turn lanes at City street intersections. Two retaining walls will be built along this segment. The section from Highway 52 to Cahill Avenue will feature one thru lane in each direction with turn lanes, a median matching existing conditions, and a replacement signal at Blaine Avenue. A multi-use trail will be added on the north side.

Access management strategies are designed to limit turning movements at driveways and closely spaced intersections to maintain roadway functionality and improve safety. These measures will preserve mobility, reduce delays, and minimize crashes in accordance with Dakota County

Transportation Plan policies requiring full access intersections to be at least 1/4 mile apart and limited access intersections at least 1/8 mile apart.

Specific intersection modifications include a roundabout at Angus Avenue and another at Babcock Trail, 3/4 access at Allen Way and Athena Way, and right-in, right-out movements at Arlene Avenue and the Holiday gas station. Left turns into Emanuel Lutheran Church. Additional coordination with the Minnesota Department of Transportation (MnDOT) will occur regarding access management changes near Banner Lane and the Highway 52 interchange.

The roundabout at Babcock Trail is intended to improve traffic operations over the current all-way stop and provide safer pedestrian crossings for trails on both sides of CSAH 26. It will also serve as a turnaround point for westbound traffic affected by access restrictions from the nearby golf course.

The roundabout at Angus Avenue is designed to accommodate future traffic conditions with full development, provide safe and efficient pedestrian crossings for trails on both sides of CSAH 26, and provide safe U-turn movements resulting from access restrictions at adjacent intersections.

Several alternatives were evaluated. Vertical profile modifications include a continuous 6% grade from Allen Way to beyond Arlene Avenue. This change improves sight distance issues at Arlene and Angus Avenues, accommodates the proposed Angus Avenue roundabout, smooths out the existing rolling hills, and supports constructability of all driveway and street connections

Public engagement has been ongoing throughout the process. The first open house, held on October 8, 2024, introduced the projects, presented purpose and need, shared traffic data and analysis, discussed roadway improvements, and alternatives being considered, and gathered community feedback on intersection access options. The project team also met with residents of Arlene Avenue and Athena Way in January 2025. A second open house on April 1, 2025, presented updated recommendations for both projects. Recommendations for CP 26-68 included a north-side trail, no additional raised medians, and a replacement signal at Blaine Avenue. Recommendations for CP 26-60 included a roundabout at Babcock Trail, 3/4 access at Allen Way, and multiple intersection alternatives at Angus and Arlene Avenues.

At the 30% preliminary design stage, the total estimated project cost is \$20.6 million. Of this amount, construction costs are projected at \$18.4 million, design at \$1.2 million, and construction administration at \$1 million. The County's estimated share is \$16.1 million, with the City responsible for \$4.5 million. Most project components fall under the County's 85%/15% cost-share policy for reconstruction and modernization projects. The estimates do not include right-of-way acquisition. The team is close to determining the necessary easements, after which the appraisal process will begin. He explained that the evaluation may take a few different directions, with the goal of beginning work this fall and gaining a clearer understanding of project needs and progress in the coming months.

He outlined the next steps, which include pursuing a Joint Powers Agreement (JPA) with the City through construction, advancing the design to final stages by late 2026 with additional opportunities for public involvement, securing right-of-way by late 2026, and advertising for bids in early 2027. He noted that the team has begun evaluating construction sequencing on the west side of the project, where utility relocations may be necessary in 2027, followed by reconstruction in 2028. The timing for other project elements remains flexible and will be further discussed with the City and the public. He emphasized the importance of maintaining flexibility to accommodate contractor approaches to project delivery.

Ongoing coordination with MnDOT will continue for the Highway 52 roundabout component.

Council members discussed concerns that resident feedback was not fully reflected in the roadway design and questioned whether the project was oversized for current needs. Several council members opposed constructing trails on both sides of the roadway due to property impacts in the rural residential area, arguing that a single trail would be sufficient. County staff explained that dual trails are a standard practice to improve access, safety, and long-term regional connectivity, noting that trails exist west of TH 3 and are planned east of Highway 52. Staff stated that both recreational and commuter uses were considered, and future development would increase trail demand. City staff noted that trails near existing development are already used and that constructing them during roadway reconstruction is more cost-effective than retrofitting them later.

Council members expressed concern that access restrictions, including proposed right-in/right-out movements at Old 70th Street, may be unnecessary given current low traffic volumes. County staff explained that access management policies are based on safety guidelines and intended to reduce conflict points. Council members also questioned the configuration of the intersection at Cahill and 70th Street, and staff confirmed that separate turn lanes will be included. The safety and function of roundabouts were discussed extensively, with council members seeking data demonstrating their benefits. County staff stated that roundabouts reduce conflict points and simplify crossings, and that a safety analysis conducted by MnDOT can be shared.

Council members asked about pedestrian and bicycle connections across TH 3 and throughout the corridor. County staff confirmed that MnDOT is beginning a corridor study that will evaluate future trail needs. City engineering staff outlined how existing trails near The Canvas will connect to new north-south segments and extend east across Highway 52, including accommodations for safe crossings at roundabouts. Concerns were raised about areas lacking designated crossings if trails are built on only one side, particularly for residents accessing the golf course. Staff noted that no mid-block crossings are planned for safety reasons.

County staff stated that the current speed limit of 45 mph on 70th Street will remain, and the design will accommodate speeds up to 50 mph. The section north of 70th Street on Babcock will remain a City facility but part of the County system. Discussion on trail maintenance clarified that the City is responsible for snow removal, while the County handles major maintenance activities. Council members expressed concern about sidewalk-plowing expectations and limited equipment availability.

Council members raised concerns about property acquisition associated with trail construction and roadway widening. County and City staff described efforts to limit impacts, engage residents through outreach meetings, and coordinate with property owners. Staff discussed future land-use guidance in the area, noting multiple parcels designated for mixed-use or medium- to high-density residential development. The potential redevelopment of parcels along Allen Way and Angus Avenue, supported by existing utility stubs, was described as a key factor in planning for future traffic patterns and trail connectivity.

Staff provided clarification on access changes for nearby properties, including the church, which will receive a relocated entrance allowing both left and right turns, while its existing entrance will close. Council members asked about access for development on the northwest corner parcel, and staff confirmed there would be no direct access to 70th Street due to proximity to turn lanes and the roundabout. Access would instead occur from Athena Way, the roundabout, and Old 70th Street. Concerns were raised about increased roundabout traffic following church services, though staff noted traffic peaks would not conflict with peak roadway volumes.

Council members asked about retaining wall heights and aesthetics. County staff stated that walls are expected to range from approximately 6 to 10 feet, depending on final grading, and will be maintained by the County. Suggestions were made to explore murals or artistic treatments in the future. Staff also confirmed that efforts would be made to preserve existing trees, which fall within County right-of-way.

Council members questioned the availability of RRFB-style flashing pedestrian signs. City and County staff explained that RRFBs can be evaluated during final design depending on traffic speeds, proximity to other signals, and the nearby pedestrian tunnel. Additional design considerations—including asphalt trail surfaces, painted edge stripes, and use of full-depth reclamation—were noted.

Council members expressed differing views on the overall scale of the project. Some supported the dual-trail layout due to expected development and safety considerations, while others opposed it, citing minimal current usage and property impacts. Staff clarified that the project follows a County-led process and that the next step is authorization of final design and preparation of a JPA defining costs. Staff confirmed that Council has provided the direction needed to proceed.

B. 80th Street (TH 3 to Babcock Trail) Preliminary Design

Public Works Director Connolly outlined the history, context, and next steps related to the 80th Street realignment project between TH 3 and Babcock Trail. The discussion included a review of previous planning efforts, the City and Dakota County Capital Improvement Program (CIP) history and City approval process, and consideration of whether to proceed with preliminary design as currently planned or discuss alternative options.

The history of the 80th Street realignment dates back to at least 2007, when records show draft alignments were first created. The project was included in Dakota County's 2008-2012 Transportation CIP and was initially planned for construction in 2011. It was also incorporated into the City's 2030 and 2040 comprehensive plans. The realignment appears to have been tied to the TH 3/Amana Trail roundabout design and the Argenta Hills development. In fact, the Amana Trail and TH 3 roundabout were designed specifically for future 80th Street realignment to the east. Both the City and County have invested past money for this project to proceed in the future (\$1.4 million for roundabout/intersection construction).

The 80th Street realignment project has been included in every subsequent Dakota County CIP from 2009 through 2025. Between 2009 and 2017, the project was postponed and revised to focus solely on right-of-way acquisition. Beginning in 2017, the scope was adjusted to perform a preliminary study aimed at refining the alignment and identifying costs. From 2017 through 2022, the project continued to be postponed regularly into the 4th/5th year of the County's CIP. The lack of development pressure and/or funding likely generated postponement and revision from the City, rather than by the County.

The City 5-Year CIP efforts were revived in 2022 with a clear desire to lock in known project needs, particularly in coordination with Dakota County and other government agencies such as MnDOT. This renewed focus was essential for long-term planning and budget forecasting. The 80th Street realignment was scheduled for preliminary design in 2025 within both the County and City CIPs from 2022 through 2025. During this period, multiple development inquiries and the advancement of adjacent projects, including the Scenic Hills development, aligned well with the City's broader project initiatives. As a result, the City agreed to lead the preliminary design effort due to its direct connection to ongoing development needs, encompassing both street and utility improvements.

Since 2022, renewed developer and property owner interest has emerged, particularly from adjacent landowners and developers and several landlocked properties without roadway or utility access. The City's Planning and Economic Development staff identified a mix of low- and medium-density residential uses north of the alignment, closest to Inver Wood Golf Course, and Community Commercial land uses to the south near Highway 55. Establishing the roadway profile and alignment is essential to determine right-of-way and easement needs for roads and utilities, address grading and topography issues (retaining walls vs. grading), and guide future development.

City Planner Shay explained that residential development is planned north of the 80th Street realignment, consisting of Low to Moderate Density Residential (LMDR) and Low Density Residential (LDR). South of the alignment, the land is designated for Community Commercial use. He noted that the comprehensive plan identifies this corridor for realignment to better connect with Amana Trail and support future growth in the area. Because the realignment is a major and costly infrastructure project, it would typically occur in conjunction with development rather than as a standalone City project. He emphasized that such a roadway serves a broader area than typical local streets, so its cost must be distributed across a larger number of parcels, both residential and commercial, to make it financially feasible. As a result, the project would likely advance only if the entire undeveloped area were developed at the same time, allowing the expense to be shared among more homes and businesses.

The 2025-2029 Dakota County and City CIPs reflect a coordinated effort to maintain consistency between both agencies. The Dakota County Transportation CIP is reviewed annually, beginning each spring with a draft CIP that includes a City support letter and recommended changes (April 2024), followed in the fall by a revised draft incorporating County and City updates (November 4, 2024), and concluding at year-end with final adoption by the County Board. The City Council supported this process through Resolution 2024-253, adopted on November 12, 2024. The goal of these efforts is to ensure conformance between the City and County CIPs. City Public Works and Engineering staff reviewed the 2025-2029 Dakota County CIP and incorporated known updates into the City's CIP, formalized through City Council Resolution 2024-254 on November 12, 2024. City staff are also currently incorporating the 2026-2030 Dakota County CIP projects into the City's 2026-2030 CIP.

Budget impacts are addressed as staff plan for County projects through two primary methods: coordination with the City's annual CIP updates and inclusion in the City's annual budget approval process for capital projects. This includes Pavement Management and Partnership Projects, as well as the identification of funding from Capital Utility Funds (Stormwater, Sewer, and Water) and State Aid Funds. The City must approve cost sharing for any County project through a JPA. Projects that do not involve City cost sharing or have no impact on City infrastructure do not require a JPA.

The estimated 2025 cost for the preliminary study of 80th Street from TH 3 to Babcock Trail is \$202,500, based on a 45% City and 55% County split. The City serves as the lead agency for this project. The 80th Street realignment is not included in future CIPs currently. The preliminary study is intended to determine cost impacts and inform both the City and County on how to plan for future improvements. The study may result in a determination that future development will need to drive and/or fund portions of the project. Overall, the intent is to create clarity, transparency, and flexibility for future project scheduling and budgeting.

If the study proceeds, it will recognize and continue past planning and CIP efforts while affording continued transparency and evaluation of the viability of the roadway realignment, clearly tied to development needs and impacts. Both roadway and utility components would be evaluated,

providing cost estimates and identifying potential next steps to determine the schedule and funding for future roadway design and construction. Advancing the study would also allow continued and future engagement with property owners and developers, establishing clear expectations regarding roadway location and access points for streets and utilities. In addition, the City and County could utilize their authority of eminent domain to acquire needed right-of-way.

If the study does not proceed, development in the area will be constrained because it is deemed premature under City Code 11-1-8 (Premature Subdivision Prohibited) due to the lack of adequate streets. In this case, the City may require or request that developers land assemble to obtain all properties necessary to encompass all potentially impacted parcels for a roadway alignment. There are 6 likely impacted parcels, with a 7th owned by Dakota County; at least 3 of these are homesteaded and have not been part of any past development proposals. While development could still occur, the City and County would likely face higher right-of-way acquisition costs in the future if a roadway were installed post-development, and the feasibility of constructing the roadway at that point may not be feasible. Additionally, Dakota County has expressed a desire to reappropriate funds if the study does not proceed in 2025.

Director Connolly requested feedback from the Council regarding whether to proceed with the 80th Street realignment study as previously proposed and approved in the City's 2025-2029 CIP, or to take a different approach (and if so, determine what approach that might be, and next steps thereto).

A council member noted recent conversations with developers and nearby residents and expressed support for proceeding with the study. They emphasized strong interest in securing retail near the Target area and highlighted that developer engagement could help advance this effort. Council members agreed the study is a necessary cost of doing business and expressed support for moving forward.

A council member asked whether not realigning 80th Street would limit future development potential or constrain density. The City Planner stated that commercial development envisioned to mirror the area across from Target depends on adequate access, and failure to realign the roadway would likely restrict commercial viability. Existing low- and medium-density residential areas would remain largely unaffected, but commercial areas would continue to rely on staggered access if the alignment is not improved.

A council member requested clarification regarding the extent of the commercial area. The City Planner explained that the current commercial zone includes four parcels, with the storage property comprising only one. The intent is to consolidate these commercial parcels on the south side of the future alignment along with a single-family home and several larger surrounding parcels.

Questions were raised regarding how development agreements account for roadway costs and how expenses may affect park dedication or other requirements. Staff explained that under the City's 429 process, developers typically fund standard roadways and utilities, with cost sharing dependent on land assembly and project scale. Larger unified developments can absorb costs more effectively, while fragmented parcels may require phased construction. Staff noted that developers may fund roadway design and construction upfront, with the City and County later reimbursing their share. The process becomes more complex when properties are under multiple ownerships, as only the City can use eminent domain to secure right-of-way.

A council member asked whether the study would evaluate environmental impacts, particularly wetlands, grading, and cut-and-fill needs. Staff confirmed that the study will include a desktop

review of environmental features, including wetlands, with further analysis; such as, stormwater requirements and potential mitigation will be addressed at later stages. Wetland filling would be considered only if cost-effective and subject to required mitigation. Tree preservation will be assessed at a high level using available data, as public projects are exempt from preservation ordinance requirements.

Concerns were raised about identifying potential constraints early, so developers are aware of cost implications, including impacts associated with topography, trees, or regulated environmental areas. Staff emphasized that preliminary studies aim to identify cost-effective, least-impact alternatives, establishing roadway alignment, access points, and grading needs so developers can plan accordingly.

A council member sought clarification on whether the roadway is a City or County responsibility. Staff explained that while the roadway is designated as a County route, the study is City-led due to County resource limitations and active developer interest in the area. The study's focus is the area between TH 3 and Scenic Hills, where immediate development pressure exists.

Staff indicated that the study is included in the CIP and budgeted for this year. The cost is expected to fall near the \$50,000-\$100,000 range once the scope is finalized. The study will examine grading needs and evaluate how adjacent City-owned parcels might be prepared to support development and reduce overall excavation costs.

A council member revisited long-standing comprehensive plan assumptions about retail in the area and questioned whether steep terrain may limit feasibility. Staff stated that the study will help determine which development concepts are realistic and noted that access, grading costs, land ownership, and developer participation will all influence outcomes. Staff emphasized the importance of realistic expectations and transparent communication about constraints.

A council member noted renewed developer interest and recent discussions with staff about a developer working to assemble parcels and has experience in major retail projects. Council members discussed whether the City should consider early right-of-way acquisition but agreed that completing the study first is the appropriate step. Staff stated that the study was always intended to occur prior to any acquisition and that a recent opportunity simply prompted additional discussion.

C. Central Maintenance Facility - Architectural Design Committee

Director Connolly stated that staff are seeking two Council members to serve on an Architectural Design Committee for the new Central Maintenance Facility. The committee will work with design engineers, Wold Architects, and City staff to provide input on high-level architectural and design elements, including building appearance, color schemes, sustainability features, and how the facility fits within the existing campus alongside the VMCC and City Hall. He noted that while staff could provide direction, Council involvement is important to ensure the design aligns with their expectations. The committee will also consider any public-facing features and ensure the building reflects Council priorities. Meetings are expected to occur four to five times over the next eight months, typically around the bi-weekly development meetings. The first meeting is scheduled for July 28 at 1 p.m., and he encouraged having the same two Council members participate throughout to maintain consistency.

A council member expressed interest in serving on the committee, citing recent experience with a multi-million-dollar environmental services facility project and emphasizing the importance of ensuring the final design provides a functional workspace for both staff and the community. Another

council member noted that the work aligns with their professional background and expressed willingness to participate also.

Staff stated that no formal Council action was required and confirmed that they would coordinate with the council members, send invitations for the first committee meeting, and proceed accordingly.

A council member asked for confirmation regarding engagement with the City of Rosemount. Staff reported that they had toured the facility with Rosemount representatives, discussed design and construction experiences, and plan to conduct a follow-up tour with Rosemount staff to review operational insights from the first eight months.

5. ADJOURN:

Motion to Adjourn at 8:16 p.m. by Gliva, second by Scales.

Ayes: 4

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Tammy Greenlee