

INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, DECEMBER 7, 2020. 6:00 PM - 8150 BARBARA AVENUE
****Via Zoom Video Conferencing****

A. CALL TO ORDER: The City Council of Inver Grove Heights met for a Work Session on Monday, December 7, 2020. Mayor Tourville called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

Roll Call: Present via Zoom Video Conferencing: Mayor Tourville; Council Members; Piekarski Krech, Bartholomew, Perry, and Dietrich; City Attorney Bridget McCauley Nason, City Administrator Joe Lynch, City Clerk Rebecca Kiernan, Technology Manager Marc Gade, Finance Director Amy Hove, Parks and Recreation Director Eric Carlson, Fire Chief Thill, and Community Development Director Heather Rand.

1) 2021 Budget:

Finance Director Amy Hove discussed the 2021 Budget and status of the Budget and Tax Levy. Resolutions on Final Budget and Levy will be discussed at the December 14th City Council meeting for possible adoption. The following update was given:

- At the September 14th meeting the Council set a preliminary City-wide levy for payable 2021 at \$26,356,258.
- In the months that followed Staff identified areas of reduction and revenue increases.
- A total decrease of \$232,900 was found for reductions to the General Fund Levy.
- The new levy total is \$26,123,358. An increase of under \$1.4 million dollars over the levy for payable 2020. 5.63%.
- \$500,000 of that is dedicated to pavement management.

Comparison of the levy split in 2020 and how it would look in 2021:

	2020	2021
General Fund:	81% of the levy	dropped to 80%
Debt:	12%	11%
Pavement Management:	7%	9% (reflective of the \$500,000 increase over 2020)

Since that time, they have received updated market values, tax capacity values, and fiscal disparity information from Dakota County. Based on the newest figures and reducing the levy need, they estimate a 2.16% decrease to the City tax rate for next year. That brings them to rates comparable to those pre-2017. She stated in September, when the preliminary levy was passed, it was estimated at .11%. Market values were up almost 7.5% over 2020 with 1% due to new construction. They feel positive about the strong demand for property in the City and new construction.

The following information was discussed about the 2021 Budget Calendar:

- July 27, 2020: City Council. Introduction of General Fund Preliminary Budget and Levy.
- August 24, 2020: City Council. Update and discussion on General Fund Budget and Levy.
- September 8, 2020: Budget Work Session.
- September 14, 2020: City Council. Adopt 2021 Proposed Budgets and Tax Levies.
- September 30, 2020: Final date to Certify Proposed Tax Levies and Budgets to Dakota County.
- October 5, 2020: Budget Work Session.
- November 2, 2020: Budget Work Session. Remainder of City Funds: Enterprise Funds, Special Revenue Funds, and Internal Service Funds.

- Between November 10 and November 24: Dakota County sends out Proposed Property Tax Notices for 2021.
- December 7, 2020: Budget Work Session.
- December 14, 2020: Public Meeting for final review of 2021 Budgets and Tax Levies and Adopt 2021 Final Budgets and Tax Levies.
- December 28, 2020: Final Date to Certify Final Tax Levies and Budgets to Dakota County.

Finance Director Hove discussed a summary of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, and various Internal Service Funds. Only certain funds, the General Fund Debt and Capital Project (Pavement Management Portion), adds up to the total property tax levy of the \$26,123,358. Total expenditures across those budgets are \$60,023,568. She stated those two figures are the ones noted on the sample Resolutions. The Council will be asked to adopt an Expenditure Budget and a Property Tax Levy Budget. She discussed Comparisons between the 2018, 2019, and 2020 Levies and what the proposed Preliminary Levy looks like:

- This was the first year they split out the Pavement Management Fund Levy to be more transparent about how much they are dedicating toward pavement management.
- Total City-wide levy: \$26,123,358.
- The Tax District Levy is a 10-year term levy. It is an annual amount that will not change and will drop off after 2027.

Tax Capacity and City-Wide Tax Levy:

- City-wide tax levy: \$23,278,964
- How the tax rate has changed over the years: Last year it was 51.037.
- The City had a decrease from 2017 to 2018.
- A slight increase in 2019 where it went up to 53.537.
- In 2021 the projected tax rates was below the 50 mark.

Market Values:

- Payable 2020 and payable 2021. The dollar amount of market value increase within the City was over \$300 million dollars. Under the 7.5% increase.
- \$44.7 million dollars of that was due to new construction. Mostly in residential.
- There was a net tax capacity increase of under \$4 million dollars from 2020 to 202. Equivalent to an 8% increase. Almost 7% is new construction.

Councilmember Bartholomew asked about Exhibit D and if the disparities were actual or an estimate, contribution value versus distribution. Finance Director Hove responded those were the latest figures from Dakota County. They will get updated figures in the spring.

Mayor Tourville asked if this would be discussed at the Council meeting on December 14th. Finance Director Hove responded she is planning a power point presentation for the Truth in Taxation portion of the meeting. It will focus on the Levy and General Fund as that is the driving factor people want to discuss. She stated she had some questions about why taxes go up. That can be related to several different factors. Someone had a significant value increase, there could be a property classification change. When the proposed values go out in the spring, its important people pay attention to their value and classification, usually it is not noticed until the fall. She stated there was an increase in operating levies from School District 196 for a small portion of residents. All questions related to the

City budget and levy have been answered. If related to market value or property classification, those were referred to Dakota County, and if school levy related, they were directed to the School District.

Finance Director Hove stated Draft Resolutions are included in the meeting Agenda. A draft would be posted online. Once everything is approved, hard copies will be printed for Council and Department Heads.

Mayor Tourville asked how many calls with questions she received. Finance Director Hove responded she received three inquiries.

Mayor Tourville stated eight years ago valuations went down. Six years ago, townhomes were hit and roughly one hundred phone calls came in because people's valuations changed from being down to back up. The County said it was valuation change and were behind on townhomes.

Finance Director Hove stated they would make sure to post something online prior to the meeting on the 14th. If anyone wants to make public comments prior to the meeting, they can email the comment or question and she would bring it to the meeting, or they can call in to that portion of the meeting.

2) Council Compensation:

City Administrator Joe Lynch stated at the October Council Budget Work Session, a question was raised about Councilmember pay and if the Council would/could consider taking a compensation cut in 2021 to help offset expenses for the City.

The Mayor's salary is currently \$11,400

The City Council salary is currently \$8,200

Two options were offered:

1. Try to keep the ratio pay between the Council and the Mayor the same. One consideration is to reduce the salary of the Mayor to \$10,000 (a \$1,400 decrease) and the City Council pay to \$6,800 (a \$1,400 decrease) keeping the ratio of pay the same. This results in a savings of \$7,000 in the Mayor/Council budget.
2. Reduce the pay for each by the same percentage, for example 10%. If using this analogy, the Mayor's salary would be reduced \$1,140 and the Council by \$820.00. The Mayor's salary would be \$10,260 and the Council would be \$7,380. This would be a savings of \$4,420.

There could be other options to consider and open for discussion. Because Council pay is in Ordinance form, changing requires three readings. He spoke with City Attorney McCauley Nason who stated if Council wanted to do it permanently, they would have to wait until after the next Election. If doing temporarily, up to 12 months, they could create a temporary Ordinance reducing the pay.

Mayor Tourville stated he does not agree with this. If anything is done the Council in 2021 should be dealing with it, not a Council that is going to have some leaving. He commented the pay is not that much and it does not have much of a savings.

Councilmember Bartholomew responded with two new Board Members coming in, it would be difficult to change. They ran for Election under the existing rules, changing without their input would be disingenuous. He stated he would support any type of reduction and would consider moving the Mayor salary to be the same as the Council in 2021. He commented he cannot support this as it stands. The new Council should look at this and consider a reduction.

Councilmember Dietrich asked when the last time the Council or Mayor received an increase. City Administrator Lynch responded 2014. She stated it was an odd request. She commented that a few months ago Council approved the VMCC to change a kitchen into a storage room for \$20,500. To her, the cost savings seems odd.

Mayor Tourville stated anyone serving on Council in any City is underpaid for their time and effort. City Clerk Rebecca Kiernan stated she received one response today from a resident who said they are not in favor of changing the current structure.

Councilmember Perry agreed with letting the current Council deal with this. She suggested the new Council work with the Finance Director to give the difference to liquor licenses, helping offset fees. She has always said the Council is underpaid for the work they do but was willing to give up the pay if she was re-elected.

Councilmember Piekarski Krech stated a previous City Administrator told her when she was Elected that Council pay was not that much, and hopefully you do not lose money by being on the Council. She was not in favor of reducing the Mayor salary because the Mayor must take off work significantly to meet City obligations. Hopefully, the stipend covers that. She stated they would have to look for other ways they can help in the budget with liquor licenses or something else to help businesses out.

Mayor Tourville stated several years ago it was discussed that Council does not receive pay for a period of time due to hard times.

City Administrator Lynch stated direction is to wait until 2021 and ask the Council in place at that time if they want to do anything.

3) Heritage Village Park Review and Discussion:

Parks and Recreation Director Eric Carlson stated Council requested additional discussion about Heritage Village Park and discussed the following: The Mission of the City of Inver Grove Heights is to provide services and facilities that enhance the quality of life in our vibrant Community. Parks and Recreation does a pretty good job of this.

The Vision for Heritage Village Park:

- The first Master Plan adopted in 2004
- Clean up of contaminated property making it safe for public recreational use
- 65-acre passive Community Park along the Mississippi River
 - Public gathering space
 - Historic interpretation/Community Heritage
 - Mississippi River access
 - Flood protection
- Over 40 properties acquired

Heritage Village Park is a larger portion of what the City is trying to accomplish along Concord for redevelopment and uses the park as an economic engine.

Redevelopment – Economic Engine:

- Site Preparation
 - Planning Significant investments
 - Environmental remediation
 - Removal of structures prone to flooding
- Investment in Public Infrastructure
 - Concord Blvd. (City/County)
 - Swing Bridge Park and Trailhead (City/County)
 - Mississippi River Regional Trail (County) Through the park there is a 26-mile paved trail from St. Paul to Hastings
 - Heritage Village Park (City)
- Future Development
 - Housing
 - Retail
 - Commercial

Economic Development:

- Defined land uses
 - Anticipated tax base increase of 300% to 1,200%
- Higher densities (Based off planning done a few years ago with regards to the Concord Boulevard neighborhood area)
 - Sixfold increase in residents
 - Fourfold increase in commercial square footage
- Attract new business/creates jobs for residents in the City

City Council Discussion:

- City Council updated the 2004 Heritage Village Park Master Plan in 2010, 2012, 2018, and 2019
- Council meeting discussion on several occasions between 2017 and present
 - Land acquisition
 - Park planning and development
 - Contract approvals
- August 26, 2019: Council approved development of final plans and specifications for Phase IV improvements:
 - Site work
 - Restroom/shelter(s)
 - Inclusive Playground

Public Engagement:

- Held several Open Houses during the Master Plan process
- All Can Play IGH: Friend Group supports improvements so people with all abilities and disabilities can play together
- Strong support for an Inclusive Playground in the Comprehensive Park, Recreation, Trail, and Facilities Master Plan On-line Survey/Social Pinpoint Site. In both survey opportunities, strong support was shown in the results

Consistency with 5-Year Strategic Plan:

- Guiding Principles
 - Culture and Recreation
 - Embrace and revitalize the Riverfront
- Objectives & Strategies
 - Focus on importance and connection to the Riverfront

- Promote our heritage throughout parks, programs, natural areas, and history
- Action Plans
 - Embrace and Revitalize the Riverfront
 - Complete construction of Heritage Village Park Plan

Heritage Village Park Investments to Date:

- Land acquisition and Park Development. The City has invested \$8,919,000 in cash from Federal, State, County, and City sources
- Worked with a Contractor to do soil remediation. Done in-kind, with a value of \$1.2 million dollars
- Invested over \$10 million dollars in property acquisition and park development to date

The next phase of development at Heritage Village Park proposes to have:

- Two shelters
- Restroom facility
- Inclusive playground

This is a site plan based on feedback from residents and the Parks Commission.

Phase IV Probable Investments: Completing Phase IV improvements: Approximately \$2.5 million dollars.

Potential Funding:

- Dakota County ELF Grant Reimbursement: \$900,000
- MN Deed Grant from the State of MN (Council approved and received): \$400,000
- MN DNR Outdoor Recreation Grant. Proposed at the last City Council meeting and part of tonight's discussion: \$250,000
- Closed Bond Fund. Recommending Council consider a City investment: \$500,000
- Donations/In-Kind. \$450,000
- Total: \$2,500,000

Phase IV Park Capital Replacement Estimates:

- Playground Equipment: Investment: \$250,000. Annual Investment: \$10,000
- Pour in Place Surface: Investment: \$160,000. Annual Investment: \$16,000
- Building/Shelter(s): Investment: \$500,000. Annual Investment: \$10,000
- Total: \$36,000. Currently the City transfers \$265,000 from the General Fund to the Parks Capital Replacement Fund. This fund replaces all existing park amenities in the parks system such as tennis courts, irrigation systems, basketball courts, and playground equipment.

Parks and Recreation Director Carlson stated the need to determine the consensus of the Council and what direction they want to see Heritage Village Park go as follows:

Continue Development:

- Continue to move forward with MN DEED funded improvements
- Apply for MN DNR Outdoor Recreation Grant
- Work with WSB/Roe on Grant and Historical Interpretation
- Begin to secure in-kind services and donations

Pause Development:

- Do not apply for the MN DNR Outdoor Recreation Grant
- Consider not moving forward with work funded by the MN DEED Grant

Mayor Tourville stated a decision needs to be made to determine whether or not to apply. He asked what the amount of the DNR Grant was. Parks and Recreation Director Carlson responded it was for \$250,000 and would have to be matched with a non-State match of \$250,000.

Councilmember Perry asked if all three Grants were dollar for dollar matches. Parks and Recreation Director Carlson responded the ELF Grant was reimbursement for past expenditures and requires no match. The \$400,000 from DEED does not need a match. The only match needed was if successful with the DNR Grant which is up to \$250,000. They could be awarded something less than \$250,000 but nothing more than that amount.

Councilmember Bartholomew asked about the DEED Grant and if there was a timeline, and if the funds could be used elsewhere other than Heritage Village Park. Parks and Recreation Director Carlson responded the DEED Grant is reimbursement funds for expenditures already made. Councilmember Piekarski Krech stated if it is reimbursement, the money has already been spent. She asked for further clarification on funds. Parks and Recreation Director Carlson responded the \$900,000 the City is getting back, would lower the amount put into the investment so far. The County and City have spent this money, the County is reimbursing it. That money could be used for Phase IV investment without spending anything further.

Mayor Tourville asked if they could draw down the \$900,000 and do nothing further with Heritage Village Park. He asked if the County would say the City would not get the \$900,000 without moving forward. Parks and Recreation Director Carlson responded the Council could choose to do nothing. The City would still receive \$900,000, it would reduce the amount the City has already invested in the park. Mayor Tourville stated the \$900,000 cannot be used to pay the County or State back. He asked how they take the money and not do anything with it. Parks and Recreation Director Carlson responded the \$900,000 reduces the City investment from \$2.6 to \$1.5 million dollars.

Mayor Tourville asked if there was a possibility of ELF Funding in 2021. Parks and Recreation Director Carlson responded the County Board is not interested in moving forward with the ELF Grant Program as it had in the past. Mayor Tourville stated he heard the change would be in actually getting things done instead of reimbursement for things that had been done.

Councilmember Bartholomew stated if taking \$900,000 and putting it towards what was already paid, the investment goes from \$2,619,000 and reduces it to \$1,719,000. Parks and Recreation Director Carlson stated he had a mathematical error in his calculations. Councilmember Bartholomew stated the expenditure column was increasing by \$900,000 and reducing what we paid. Parks and Recreation Director Carlson agreed.

Councilmember Dietrich stated this was a good project. Looking at it independently, she would fully support it. Her question is where the match would come from in the future. She commented the northwest area has been waiting for a park for over a decade. Traction is being made in the area, but if more land would be available, she was concerned about being able to purchase the land, develop, and put equipment on it. Looking at Parks and Recreation as a whole, she was concerned about the fiscal sustainability going into the future. Parks and Recreation Director responded if the City were successful in receiving a Grant from the DNR, that could be matched by the \$500,000 from the Closed Bond Fund, or \$450,000 from Donations/In-Kind. Councilmember Dietrich stated everyone loves parks, the

role in Government is for public safety and infrastructure. If having the \$500,000, they still need to get roads up to standards. She commented she does not see this being viable at this time.

Mayor Tourville agreed there is a need for park space and equipment in the northwest area, a lot of people that want Heritage Village Park to happen also. He asked if there was a plan that can be put in place to look at serving both needs. He asked if both could be done or not. City Administrator Lynch responded a Park Dedication fee is currently collected from new development in the City. That money is used to acquire land and build new parks throughout the City. He stated that is the financing plan for the northwest area parks system. Land acquisition, construction, installation of park systems, to meet the plan to about a half mile apart was approximately \$19,000,000. That amount would be collected in development fees for the land currently in place. He stated the money referred to tonight goes towards putting together the economic engine that can be a catalyst for the Concord business area and an attraction for residents of the City and throughout the Metro. This includes the Mississippi River, Mississippi River Regional Trail, Swing Bridge, and the Heritage Village Park project.

He stated the \$265,000 is the annual replacement fund. That is where they are short. They have recommended the Council raise it. It has been raised from approximately \$50,000, to \$265,000. This fund addresses ongoing repairs, replacement, and complete reconstruction. He stated they can do both. They are not taking money or shorting money from one to do the other. The Closed Bond Fund is up to Council to decide where and if they would like to spend money to assist other areas. He stated they felt this was a good match for the DNR Grant Fund.

He responded about the program stating the County has said they are putting it on hold while reevaluating the purpose. Originally it was to help Cities that have landfills deal with the physical and financial impact landfills bring to their City. He stated what had happened was all Cities with landfills put in a bunch of projects to help deal with many other things.

City Administrator Lynch stated they would have to adjust and consider the Park Maintenance Fund to see if there is a way to increase the fund to help deal with construction at Heritage Village Park and the northwest area. They will need to plan for the eventual aging out of the system and possible replacement.

Mayor Bartholomew stated we are currently short and are asked as a City to commit to \$500,000 from the Closed Bond Fund. They are short on In-Kind Donations but was unsure what the balance was. He stated they are currently short \$950,000 and could be short \$250,000 considering they have to match it. The total is \$1,200,000. He asked if this was the appropriate time. He asked if they have the money to come up with the difference. City Administrator Lynch responded the \$450,000 is a private sector services donation. Councilmember Bartholomew stated if they do not receive it, they are short. The City makes up the shortage. City Administrator Lynch responded yes.

Mayor Tourville stated if the donations in-kind does not happen, the inclusive park does not get built. It may not be built but are still not in default of anything. He stated the phase of DNR funding is not going to build anything but would continue the infrastructure. Parks and Recreation Director Carlson responded if Council wants to move forward in applying for the DNR Grant, and if successful, they would have the \$250,000. The Closed Bond is money they are sure of if Council is comfortable using it.

The only thing they are unsure of is the \$450,000 from the in-kind donations. He stated it would be their job to secure those donations and in-kind services to get to \$450,000. If not successful with the DNR Grant, they would have to reconsider the timing because they do not have the money within their own resources to complete the job.

Mayor Tourville asked if the next phase puts park equipment in place. Parks and Recreation Director Carlson responded the next phase includes everything discussed. Mayor Tourville stated the in-kind and donations group does not know if the City would be going forward, they have decided not to look into large donations. Parks and Recreation Director Carlson responded that was correct, they see a holding pattern.

Councilmember Dietrich stated she has heard positive reasons and about how this would be beneficial. She asked the City Administrator what some of the implications to moving forward would be. City Administrator Lynch responded challenges to the City include:

1. The Parks Maintenance Fund is short of dealing with replacement of current assets. If adding Heritage Village Park and the northwest area parks there will be more assets to replace. Those would cost more because the cost of goods would go up.
2. It is part of a coordinated effort. A plan was done in 2013 that discussed several things being a part of the change of Concord Boulevard. There were four areas:
 - a. Dixie/Dickman Avenues
 - b. 6800 block
 - c. 6300 block
 - d. Republic properties

He stated those were a part of a plan that would make the change noted in the presentation.

3. There is a land use that does not work very well with the current state. If making the change he was not sure how that would be handled. (King of Diamonds). This was not addressed in the planning.
4. The operating side. There would be a shelter building and playground equipment that would need to be checked for safety. Making sure the bathrooms are clean would add to the operating cost to the Parks Maintenance which is part of the General Fund.

Councilmember Dietrich stated she cannot support this as it stands due to what she has heard within the last month.

Mayor Tourville stated he understood the northwest area money is going into a fund. It may be said there are no other parks being built in the core of the City, and question where the money is going to go and if it would be the northwest area. He stated he is trying to determine a way to have a plan that does both. He asked how much money has been collected for in-kind donations. Parks and Recreation Director Carlson responded the IGH All Can Play group has collected about \$10,000. In February, prior to the pandemic, he came before the Council to discuss fundraising, then the pandemic hit. He stated he has a list of ideas on businesses in the City that could potentially offer in-kind services. It also includes door knocking of a couple of large businesses and requesting a significant donation. Mayor Tourville stated he would like to see a plan in place that would do both as both would benefit the City.

Councilmember Piekarski Krech stated the northwest area is going to be Fund 402 money. The purpose of 402 is to build and develop parks. Mayor Tourville stated infill is considered development

that is not in the northwest area. Councilmember Piekarski Krech stated it is all money that goes into the 402 Fund.

Mayor Tourville stated he wanted to know for sure they were not looking for other parks that needed to be built in the core part of the City besides the northwest area. They are not looking for land acquisition. Director Carlson responded that was correct.

Councilmember Bartholomew asked what the timeline was and what the expectations of the Grant were. Parks and Recreation Director Carlson responded the Grant Application is due in Mid to late March 2021. He responded the funds would have to be used on the Application that was turned in. They must be spent at the park for the improvements requested. Those include the playground equipment, shelters, and the restroom facility. Councilmember Bartholomew stated with the \$250,000 and the City match, bringing it to \$500,000 brings it up short. They are still looking at \$500,000 from the Closed Bond Fund and the in-kind donations of \$450,000. This is a big request. He stated they always said they would take this as they are able to afford it. He is struggling to see how they can afford this.

Councilmember Dietrich commented since this Grant is due in March, she asked the Fire Chief what the timeline was in applying for the Fire Grant. Fire Chief Thill responded once the Grant comes out, they usually get two weeks to one-month notice and then 30 days to get it in. Councilmember Dietrich stated there would be quite a timeline since we are early December. Parks and Recreation Director Carlson responded the Council needs to decide if it wants to continue to move forward at Heritage Village Park or not. The next phase includes the items discussed. If the Council determines not to move the next phase forward, the DEED Grant improvements the Council approved, and the Contract awarded to a Contractor, would look off in the park. Those items include sidewalk, retaining wall, a railing, and a few other smaller things. Those could sit there for years until the Council determines there is funding for the playground, shelters, and restroom. He stated he was not sure they would want to make those improvements if they are not committed to them in the near future. It may look like "a bridge to nowhere" if building the DEED Grant funded improvements without having the intention of following up with the shelter, restroom, and playground equipment. He suggested if they do not have the financial wherewithal to do that, maybe they should not move forward with the DEED Funded improvements and leave it as it is until they have the funds to bring it to a level that people would benefit from the improvements made. He stated if that decision is made, the \$400,000 DEED money would go away.

Mayor Tourville asked what the cost of the playground equipment was. Parks and Recreation Director Carlson responded it was approximately \$800,000. That includes part of the site work, concrete work, and the equipment. The equipment is about \$300,000. Mayor Tourville asked if there is a savings of \$800,000 on the inclusive park equipment if they do not decide. He commented the shelter and other items could still be used. Parks and Recreation Director Carlson responded he would have to give that option more thought and have discussion with others.

Mayor Tourville stated the donation amount concerns him. Councilmember Perry stated she liked this park, thinks it is a good thing, and unlike anything in the Community. She commented parks like this

are a big draw for Communities. She stated the funding is problematic. If applying for the Grant, she asked if they could hold off on the DEED improvements. She commented she is struggling to give input because there will be new Councilmembers next month. Parks and Recreation Director Carlson responded the DEED Grant money must be spent by May 2021. The Contractor would struggle to get the job done by May. The Contract has been awarded, but not signed yet. He stated they are at the stage where they are in between awarding a Contract and signing a Contract. If the Council does not feel they can move forward, it should be considered they would lose the \$400,000.

Mayor Tourville asked if the second meeting in January would be enough time to apply for the DNR Grant. Parks and Recreation Director Carlson responded it would cut it close but could probably be done. Mayor Tourville stated that would give the new Council a chance to make decisions.

Councilmember Dietrich commented she was surprised to see this on the Consent Agenda. She asked what could be put in place in the future for large Grants, so they know what to expect by way of protocol. She commented it seemed like its own item rather than be placed on the Consent Agenda which is defined as "routine". City Administrator Lynch responded there is not anything specified under State Statute, it is discretionary. Past practice is based on the number of meetings held, plans discussed, presentation of revenue sources and expenditures, and the information in the packets, they felt there was enough knowledge out there so they could put it on the Consent Agenda. He stated they could put it under Parks and Recreation, or Administration for future discussions. Councilmember Dietrich asked if that were something they could address in the future. Councilmember Piekarski Krech clarified the request stating when doing Grant Applications, for example, if Public Works has a large Grant, how they know it would be discussed or fully understand what it is used for and how it affects the bottom line. Councilmember Dietrich agreed with the clarification. Mayor Tourville stated Council could say that any Grants are not placed on the Consent Agenda. It would not be a pulled item; it would be a discussion item. Councilmember Dietrich asked the City Administrator if that were something that could be done. City Administrator Lynch responded they could put it under the topic/department they are applying for the money for.

Mayor Tourville asked how many would like to have more discussion on December 14th or have it go to January. Councilmember Bartholomew responded he would not have an issue discussing it on the 14th or having it go to January.

Councilmember Bartholomew stated he was not certain the \$400,000 DEED Grant cannot be used. He has not heard that it cannot help offsetting costs, other than it would look odd to have a bridge to nowhere. He stated the discussion has always been to take this as the funding came and move incrementally. He would like to have more discussion. Councilmember Perry asked if the DEED Grant can be extended.

Community Development Director Heather Rand responded that is a Grant that cannot be extended. A Contract was executed with it. She stated they asked her if the City would be using their allocation this year, if not, they could award it to another City. She responded it was needed.

Mayor Tourville stated it needs be used for Heritage Village Park items and cannot be used for anything else. Community Development Director Rand responded this was a competitive Grant. An allocation was given but must demonstrate its use. Staff decided this type of use would generate additional

economic development activity to work as a catalyst for Concord. That is why it cannot be put toward another part of the City.

Mayor Tourville suggested going forward with the DNR Grant and look into using the \$400,000. They would hold back on purchasing any playground equipment. The pieces of the inclusive park would be the main reason people would ask for donations. The City could utilize and not have to give back the \$400,000 and be able to apply for the Grant for up to \$250,000 to get more infrastructure in the area. They would need to move on collecting donations. Councilmember Piekarski Krech agreed and stated the inclusive playground needs to be a Community build. She cannot see using \$500,000 of Closed Bond but could see \$250,000 for the match. She suggested getting more money regionally, it would be a regional playground and would draw people from several Communities.

City Administrator Lynch recommended putting this on the January 25th meeting Agenda. There are three questions that need to be answered and may not be able to answer those in a short time. Those were:

1. Funding shortage.
2. \$400,000.
3. What the plan is to be able to afford both the northwest area parks and Heritage Village Park.

This gives Staff time to get answers and have it back on a regular Agenda.

Councilmember Perry asked if not using DEED Funds affects the City from Deed Grants going forward. Community Development Director Rand responded they would not be pleased as the Agreement has already been signed and a Resolution has been passed saying the funds would be used in a certain way. Their fiscal year ends in the summer. Their Staff wants to show the funds to be spent in the way their boss approved them.

City Administrator Lynch stated this is the biennium money that has been Granted to the City. Due to the changes in the MPCA Regulations and the thought the reduction in revenue in landfills was going to occur. They are obligated to fund \$825,000 annually. They do not like to award the money only to be given it back. That way they have lost their opportunity to give it to another Community. He stated another Application may not be looked on as favorably if something like that happened. Legislatively, the City is Granted approximately \$415,000 annually if the Legislation does not change.

Councilmember Bartholomew stated he felt there is a way they can reallocate the \$400,000 Grant money to costs already incurred. He stated he has not heard it cannot be done. He felt this was a path they could pursue. Mayor Tourville stated the question is if the \$400,000 was tied to other things, the sidewalk and railing, or if it could be taken and used for past expenses. Parks and Recreation Director Carlson responded the \$400,000 DEED Grant is specifically for sidewalk, retaining wall, a railing, and a few other items. The Council has already awarded a Contract for a Contractor to construct the work. The work has to be done by the middle to end of May to be reimbursed by DEED for roughly \$400,000. He stated the only reason he brought it up was if they are not thinking about going forward with shelters, a restroom, and playground equipment due to funding. He questions if they should put in the retaining wall, railing, and sidewalk because it will sit there until they have the funds to proceed. He stated the Contract was awarded but has not signed yet.

Councilmember Dietrich stated she mentioned at a previous Council Meeting to have the playground items taken off the proposal and that Director Carlson assured her they were. Parks and Recreation Director Carlson responded the Council asked to place those on as an Add Alternate. The Council awarded the base Contract plus the Add Alternates for the project. It does not include playground equipment but work around the playground area. Councilmember Dietrich stated that was a bit disingenuous because she specifically asked for those items to be taken off the proposal and was assured, they were.

Mayor Tourville stated a discussion was had about making them alternates. Councilmember Dietrich asked if they had been committed to. Parks and Recreation Director responded the Council awarded a Contract for the base bid and the alternates.

Councilmember Piekarski Krech asked if the base bid and alternates were all a part of Phase IV, and if they have committed to all of Phase IV. Parks and Recreation Director responded they have not committed to all of Phase IV. They have committed to a very small portion of Phase IV, the retaining wall, railing, and concrete work. Councilmember Dietrich stated she had requested everything be taken off that was going to commit them to the inclusive playground because she knew they did not have the funds at the time. Parks and Recreation Director Carlson responded they are not committed to an inclusive playground.

Councilmember Bartholomew stated Parks and Recreation Director Carlson is saying they should not take the Grant money because the retaining wall and railing would just sit there. Parks and Recreation Director Carlson agreed that was his suggestion. He stated going down there today you see a big open space. With the DEED Grant money after the work is done, you would see a retaining wall, railing above the retaining wall, and some sidewalk.

Councilmember Bartholomew stated if the infrastructure is being covered by a Grant, he does not see the concern about putting them in. The retaining wall, railings, and sidewalks will be needed. Mayor Tourville asked if this could be built without buying playground equipment. He asked why he heard numbers stating the inclusive park would cost between \$700,00 and \$900,000. Parks and Recreation Director Carlson responded the Council is not committed to an inclusive playground at this point. Mayor Tourville did not think they should waste the \$400,000 and look at the DNR Fund of \$250,000 and get a lot done without the inclusive park and see if additional funds can be brought in.

Councilmember Piekarski Krech asked if they should proceed with the Grant due to timing. She stated for the meeting on January 25th, Director Carlson would not be in attendance. Mayor Tourville suggested putting this on the Agenda for the 14th. Councilmember Piekarski Krech stated just because they receive a Grant does not mean they have to take it.

Councilmember Bartholomew agreed with putting the retaining wall, railing, and sidewalks in. He does not see what harm that does.

Parks and Recreation Director Carlson summarized what the Council was requesting and stated it is the consensus of the Council to continue to move forward with DEED Grant funded improvements, the retaining wall, railings, and sidewalk. That is paid for, does not require a match, money that has already been granted to the City. He stated the Council would like to have the item brought back for the

Council to hire WSB to help the City apply for a DNR Outdoor Recreation Grant for up to \$250,000 for future improvements to Heritage Village Park. He stated those future improvements will have to be defined. The Council does not want it to be an inclusive playground currently.

Councilmember Dietrich asked if they would have to pay someone to write the Grant or if he could write it. Parks and Recreation Director Carlson responded they were going to hire WSB to help put together the Grant Application and submit it. Councilmember Dietrich asked how much it cost. Parks and Recreation Director Carlson responded \$12,000, when asked to look at it closer, they reduced it to \$6,000. Councilmember Dietrich requested seeing that information. Parks and Recreation Director Carlson responded the Council would see the information if it is on the Council Agenda. Mayor Tourville requested WSB be told they do not have to plan for the inclusive park. Parks and Recreation Director Carlson agreed.

Councilmember Perry stated several emails were received and asked if those could be emailed to the City Clerk to be added to the packets. City Clerk Kiernan responded all emails could be sent to her to be added.

B. Adjourn:

Motion by Piekarski Krech second by Bartholomew to adjourn the meeting at 7:45 p.m.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Clerk Sheri Yourczek.