

**INVER GROVE HEIGHTS SPECIAL CITY COUNCIL MEETING
MONDAY, FEBRUARY 3, 2020- 8150 BARBARA AVENUE**

A. CALL TO ORDER and ROLL CALL:

The City Council of Inver Grove Heights met in a special session on Monday, February 3, 2020, in the City Council Chambers. The Pledge of Allegiance was recited. Mayor Tourville called the meeting to order at 6:00 p.m. Present were Council Members Piekarski Krech, Bartholomew, and Perry; City Administrator Lynch, Assistant City Attorney McCauley Nason, Public Works Director Thureen, and City Clerk Kiernan. Absent: Council Member Dietrich.

Mayor Tourville stated the meeting would begin with a Special Meeting. The Agenda Item was publicized and can be voted on. The Work Session Meeting will follow the Special Meeting.

1. Consider Resolution Ordering Project, Approving Final Plans and Specifications and Authorizing Advertisement for Bids for City Project No. 2019-18, Public Works Maintenance and Cold Storage Buildings Roof Replacement. Resolution 2020-24.

Public Works Director Scott Thureen stated this is for the approval of the final plans, specifications, and authorizing advertisement for bids for replacement of the roofs for the Public Works Maintenance building and the Cold Storage building.

Motion by Piekarski Krech second by Perry to approve the Resolution 2020-24 Ordering Project, Approving Final Plans and Specifications and Authorizing Advertisement for Bids for City Project No. 2019-18, Public Works Maintenance and Cold Storage Buildings Roof Replacement.

Ayes: 4

Nays: 0 Motion carried.

B. ADJOURN:

The Special Meeting ended at 6:02 p.m.

Minutes prepared by Recording Clerk Yourczek

**INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, FEBRUARY 3, 2020. 6:02 PM - 8150 BARBARA AVENUE**

A. CALL TO ORDER: The City Council of Inver Grove Heights met in Work Session on Monday, February 3, 2020, in the City Council Chambers. Mayor George Tourville called the meeting to order at 6:02 p.m. The Pledge of Allegiance was recited.

Roll Call: Present were Mayor Tourville; Council Members Piekarski Krech, Perry, and Bartholomew. Absent; Council Member Dietrich.

Staff: City Administrator Joe Lynch, Assistant City Attorney Bridget McCauley Nason, Technology Manager Marc Gade, Finance Director Amy Hove, Public Works Director Scott Thureen, Community Development Director Heather Rand, Parks and Recreation Director Eric Carlson, and City Clerk Rebecca Kiernan.

1) Technology Plan:

City Administrator Joe Lynch stated as requested by the City Council, this is one of two plans requested for consideration. It is a Comprehensive Technology Plan.

Technology Manager Marc Gade provided the following highlights from his presentation about the information and technology strategic plan. He stated the goals, strategies, and initiatives outlined in the plan would move the IT Division forward to facilitate the technology needs of the city effectively and efficiently.

- The IT Division has six full time employees. The IT Manager, Systems Administrator position, GIS Specialist, GIS Technician, and two IT Support Specialists.
- Supports all Departments for the City.
- A wide range of applications are supported from core applications to mobile apps.
- A variety of hardware is supported.

He stated that the Strategic Plan outlines goals, strategies, and initiatives. It also includes the following Vision and Mission Statements:

Vision Statement: Provides technology leadership to foster effective innovative solutions that deliver information to people when they need it.

Mission Statement: The City of Inver Grove Heights Information Technology will provide secure, reliable, and cost-effective services and solutions that enhance the quality of life in our vibrant community.

Goal 1. Service: Service is the cornerstone of the Information Technology division. The goal is to provide outstanding support and customer experience to internal and external customers.

Strategy 1.1: Provide exceptional service to internal customers.

Customer satisfaction is a direct reflection of the services the IT Department provides. Focusing on how to meet the needs and increase the efficiencies will ensure expectations are met. Some of the initiatives identified to support this strategy are to:

- Have an accurate inventory of hot swap spare devices when economically feasible. This can turn a problem from a three-day turnaround problem to a two-hour turnaround. For example, Squad mobiles.
- Create an annual customer satisfaction survey to gauge how the IT Department is reflected with customers. Offers a chance to provide feedback so they can increase efficiencies.

Strategy 1.2: Provide exceptional service to external customers.

Provide exceptional customer service to external customers. Those customers are the citizens of Inver Grove Heights. Citizens look for information. Providing that information as efficiently as possible meets the strategy. This involves:

- Working with Communications to redesign the Website.
- Understanding what information citizens are looking for and providing the information easily.

- Provide 24/7 support with on call rotation. He stated that IT Staff works during normal business hours. There are two salaried positions within the Division. A call rotation will be implemented for those two positions to provide that level of support.

Strategy 1.3: Train internal customers and IT Staff.

With constantly evolving technology needs, they need to educate customers and staff in order to fully utilize the technology solutions that are implemented. This can be done by:

- Providing quarterly Lunch and Learns to staff. This would be on a variety of different topics from office applications to security.
- Identify and train GIS advocates to help departments better utilize GIS resources. Making sure people are trained to understand what GIS does and how it can provide solutions to problems.

Goal 2. Effective Information Technology: Evaluating business processes and business needs is crucial to ensuring effective technology services. He stated it is also important to identify internal and external collaboration opportunities to streamline workflow and reduce redundancy. Successful technology solutions will reduce manual process, duplication, and error. Effective IT Strategies include:

Strategy 2.1: Software and Hardware Project Management.

Recognize the need to lead on software implementations and provide leadership for evaluation. He stated consideration needs to be given to all software solutions to ensure they are successful.

Lead software implementations by working with Stakeholders to identify needs and properly vet vendors to meet our requirements.

- Evaluate current software capabilities to take advantage of opportunities to improve on utilization and workflow.

Councilmember Bartholomew asked where things were with that process and if there was a timeline. Technology Manager Gade responded it has already begun with re-evaluating the CityView Portal. That was ready to go Live and they took a step back and evaluated the workflow and the process and revamped it. He stated there isn't a timeline on the projects as it will be an ongoing process. The process has begun with CityView, but other core application processes still need to be evaluated. He stated this could be a two-year process.

Technology Manager Gade discussed the following:

Strategy 2.2: Collaboration.

Technology has the ability to bring ideas, people, and work together to achieve goals. Taking advantage of mutually beneficial collaboration opportunities will contribute to our success.

- Move towards building our fiber network and fiber independence by utilizing IGH investment and the Dakota Broadband Board (DBB).
- Engage with County and City partners to participate in shared services when available. The private sector has more consolidation taking place.
- Strengthen relationships between IT and the departments supported.

Strategy 2.3: Standardization and Efficiency.

Standardization is key for manageability and providing exceptional customer service as limiting variables assists with efficient troubleshooting, replacement, or implementation.

- Consolidate vendor resources when applicable. The IT Division manages a lot of different vendors. Having a single contact makes it easier and increases buying power when negotiating contracts. For example, copier and printer services.
- Standardize, organize, and document Technology resources to ensure manageability and cohesiveness. For example, Squad Computers, GIS Repositories, and Inventory.

Councilmember Bartholomew asked how the variables currently exist. Technology Manager Gade responded he could not speak to what happened before his arrival, but there is a mismatch of hardware they are trying to standardize. He is also working on standardizing the network infrastructure. They are currently utilizing three different types. The following was discussed:

Goal 3. Security: A comprehensive layered approach to security is necessary to protect our resources and assets. This encompasses a variety of measures all while trying to limit the impact on our end users.

Strategy 3.1: Compliance.

By the nature of the data facilitated, it is required to be in compliance with a variety of organizations security policies. These policies are a foundation to "Best Practices" and are a useful tool to increase our overall security.

- Ensure compliance with CJIN, LOGIS, and PCI policies.

Councilmember Bartholomew asked what the audit was on these and if they were outside or internal. Technology Manager Gade responded it is an outside audit, but can sometimes be internal. He stated if an audit opportunity arises, they volunteer for the opportunity to gauge where they stand. Councilmember Bartholomew asked if they have an internal audit schedule. Technology Manager Gade responded they do not have an internal audit currently scheduled. He continued the presentation as follows:

Strategy 3.2: Audit.

Creating a baseline to build our foundation allows us to accurately address vulnerabilities and problems.

- Participate in external audits.
- Accurately audit all physical and logical assets. Understand exactly how many computers they have. He stated they have over 600 physical devices they support between cell phones, laptops, workstations, and physical phones.

Strategy 3.3: Training.

The final security measure for any organization is the end user. Proper training and education will decrease our vulnerabilities to provide a more secure environment.

- Conduct "Lunch & Learns" focusing on security.
- Utilizing software to test and train on phishing attacks. This is becoming more and more sophisticated.

Strategy 3.4: Physical Security.

One aspect of physical security is the use of a comprehensive video surveillance system. Security cameras can provide real time feedback during an incident, act as a deterrent, and can assist Police in their investigations.

- Increase the camera footprint for buildings.
- Provide effective camera viewing screens.
- Migrate camera system to a more effective solution.
- Migrate card access management to Information Technology. This is currently not under IT.

Goal 4. Innovation: The constantly changing landscape of Information Technology forces us to consistently evaluate the needs of the city and of our citizens. New technology creates an opportunity to provide information and services to people when they need it. Evolving technology challenges the city to adapt in order for innovation to take place.

Strategy 4.1: Agility.

A proactive vs reactive approach to IT will provide flexibility to incorporate new technology into our environment.

- Simplify technology when applicable. Make sure they are not utilizing software that is not needed.
- Create a "fiber backbone" to accommodate future needs. He stated fiber infrastructure is a 50-year investment. Heritage Park is an example of where WIFI access and camera's may be used.

Strategy 4.2: Data Analytics.

Data analytics identifies metrics to gauge progress, forecast based on previous experience, and allows us to interpret data in innovative ways.

- Gathering and integrating siloed department data to enhance decision making through data visibility and analytics. He stated being able to cross reference data from one department to another will allow for better decision making going forward.
- Expand GIS data collection throughout the City.

Strategy 4.3: Citizen Engagement.

Expand opportunities to engage with citizens of Inver Grove Heights. Create technology avenues for departments to listen, work, and connect with the public.

- Implement solutions to manage, coordinate, and respond to Social Media. He stated they are currently doing this. Social Media is where most citizens are engaging with the city.

- Utilize current software to create forms and surveys to better serve and understand our citizens. He stated by using GIS they can create surveys to get input from citizens.

Strategy 4.4: Trending Technology.

It is difficult to predict what new technology will disrupt the current model and become interwoven within our community. The Information Technology division has a responsibility to evaluate the benefits, risks, and implications associated with this innovation. He stated we recognize the following technologies as possible disrupters to the status quo and will monitor for potential opportunities or impact.

- Driverless Cars.
- Artificial Intelligence.
- Drones.

Mayor Tourville stated the League of Minnesota Cities hired an IT Manager/Chief because cities had a lot of questions. He asked if there have been any interactions with them. Technology Manager Gade responded the city can participate in some of the initiatives they are providing. One initiative involves consolidating licenses such as Adobe, which would bring costs down.

Councilmember Bartholomew asked if the IT Department identified strengths and weaknesses and if they have a priority based on them. Technology Manager Gade responded he has done an evaluation and has a priority list of what he wants to do. Some of the initiatives he wants to conduct are waiting for the hiring of the Systems Administrator position.

Councilmember Bartholomew asked if they were safe with an intrusion defense and if they are testing for it. Technology Manager Gade responded they are not doing any active intrusion defense testing and he has not budgeted for any active penetration testing this year. They will be reviewing security measures as a part of the auditing process. He stated security has been enhanced by upgrading the anti-virus software across the entire organization. It is being actively monitored.

Mayor Tourville stated this would not be done in an open forum, but requested having an update on the strengths and weaknesses within the different departments. This could also include budget information. Technology Manager Gade responded he would be willing to get together with the Council and identify some metrics and decide how often a report would be done, annually or biannually. Mayor Tourville stated the reason behind doing it in a closed forum would be due to virus ware that could be encountered in an open forum. He requested updates be given on a quarterly basis to the Council and Administration.

City Administrator Lynch stated because this would need to be adopted formally as the Technology Strategic Plan, it would be brought to the next Council meeting. Mayor Tourville asked if there was any opposition to having it on the next meeting's Agenda. Councilmember Bartholomew stated as long as they are fully in agreement that they are looking for further information and updates. He stated he would like to know the state of the department.

City Administrator Lynch commented that the City Attorney has stated the first Special Meeting should be closed passing the Resolution.

Motion by Piekarski Krech second by Perry to close the Special Meeting for February 3, 2020. (Motion took place at 6:30 p.m., the Special Meeting ended at 6:02 p.m.).

Ayes: 4

Nays: 0 Motion carried.

2) C.I.P.:

Finance Director Amy Hove stated that Jessica Cook would be presenting the latest draft of the 2020-2024 Capital Improvement Plan for the city.

Jessica Cook, Ehlers, stated this Financial Strategic Plan was last visited at the Council Work Session in November. The plan is updated annually and adopted by the end of the year. It took longer this time due to incorporating the feedback received in November and to be able to have the new Financial Director take part in the process. The focus tonight would be on the following:

1. Pavement Management.
2. Public Works Facility.
3. Funding Collector Streets.

She stated they are trying to take all the capital needs in the Capital Improvement Plan and incorporate those together and all the various funds and determine how that is going to impact the taxpayer. This allows for the information needed to make decisions about the affordability and timing of projects. She stated the cities tax capacity is increasing \$4,354,447 (11%) between 2019 and 2020. This is due to an increase in market values within the city, and because there is a large tax increment district 4-1, up by the movie theatre that expired at the end of last year. That tax base is coming back to the community. She stated the larger tax base allows the city to reduce the tax rate and raise the same amount of revenue. It also allows to fund the capital improvement projects with the lower tax rate.

Councilmember Bartholomew asked if the 11% increase reflects the decertification. Ms. Cook responded it is both the decertification and the increase in market values. She stated that she could find out how much was in each and get back to the Council with that information. Mayor Tourville stated that involves the decertification, the increased market values of existing, and growth. He asked to receive a breakdown of the three items. City Administrator Lynch stated the market value increased approximately 6.1%, 2% in growth, and the remaining in TIF. The exact numbers would be brought back to the Council.

Ms. Cook discussed broader goals they are trying to accomplish through financial planning:

- Maintaining and expanding the cities infrastructure, keeping pace with growth.
- Trying to maintain moderate tax increases. She stated for the term “moderate”, the Council has expressed acceptance of a tax increase within a range of \$70.00 to \$75.00 per year on a median valued home.
- Increase Pavement Management Program funding.
- Keep debt levy at or below 15% of the total levy.
- Maintain General Fund balance at 40% of next year’s expenditures.

Ms. Cook discussed Pavement Management: The City CIP for Pavement Management totals is \$23,517,510 over the next five years.

- Goal: Fund additional street projects beyond the CIP.
- Target: \$1 million dollars in additional funding each year from 2021 to 2024.
- Total additional funding of \$4 million dollars’ worth of projects. The projects have not been programmed or identified yet. She stated if it continues to come in higher and higher, as they have been, this cost may be used for higher than estimated project costs for previous projects. The goal is to give the city more capacity to do more pavement management. There is \$4 million dollars built into this plan to accomplish that.

Proposed City PMP Funding:

The largest source of contributions come from the General Fund. In 2020 it was \$1,750,000. It goes up \$500,000 next year to \$2,250,000 which comes from a pavement management levy. After 2021 it goes up \$250,000 per year. The \$250,000 strives to keep the property taxes on a median valued home in the \$70.00 to \$75.00 range. She stated in lieu of higher increases from the General Fund they have identified two other funding sources:

1. Beginning in 2022 from the Host Community Fund for \$400,000 per year.
2. Franchise Fees. This assumes that in 2023, when the current Franchise Agreement expires, there would be a \$500,000 increase in Franchise Fees. She stated the increase to the taxpayer would be maintained at the \$70.00 to \$75.00 per year range.

Councilmember Bartholomew asked what is driving the increase. City Administrator Lynch responded it was just to get to the million dollars. It is a backfilled number. He stated it would be in effect for five years, that would be the time to consider an increase.

Ms. Cook stated one of the ways they are trying to protect the tax payer is by making sure that the General Fund balance is adequate and meets the policy. One of the ways to change this year would be instead of having transfers from the General Fund to the Pavement Management Fund, do a direct levy that is itemized on the levy that is sent to the County for pavement management. This would have different effect on taxes. If it is a transfer, it is an expenditure. The fund balance policy states they have to maintain a fund balance of 40% of the next years expenditures. She stated this is not only pavement management, but an additional expense to keep the reserves up. She stated if a pavement management levy is created, it is not an expense in the General Fund, it is a levy. It would be levied in the General Fund and moved to the Pavement Management Fund.

Councilmember Piekarski Krech asked how that works in the General Fund levy amount. If it is separate over and above what is levied in the General Fund, or if it is a part of the General Fund but called something else. Ms. Cook responded it is a part of the General Fund levy, but called something else. The intent is that it is used for pavement management but there is no restriction. Councilmember Bartholomew commented by characterizing it as a levy, the dollars are removed from the fund equation that requires to have the amount that is pegged at 40% for a fund balance. Ms. Cook responded yes. City Administrator Lynch stated it is no longer considered an expenditure.

Councilmember Bartholomew asked why they were considering \$400,000 with the Host Community Fund in 2021. City Administrator Lynch responded Council requested staff find other funding sources so they could increase the funding for PMP and try to stay within the \$75.00 tax rate increase annually. Ms. Cook responded there are other demands in the plan for the Host Community Fund for the public works facility and possibly for Heritage Village Park.

Ms. Cook stated the total funding for streets is \$2.7 million in 2020. It is increasing annually over time to year 2024 where it is almost at \$5 million dollars. Almost \$5 million dollars a year in projects are proposed in this plan, but there is not \$5 million dollars a year in funding. Some of the money would come from special assessments and some from the Pavement Management Fund. She stated this draws down some of the existing Pavement Management Fund balance as they start to build up resources over time. Beginning in 2025 they would have \$5 million dollars a year for projects.

Councilmember Bartholomew asked how difficult it would be to figure out what the special assessment number would be. Ms. Cook responded they assumed that 20% of projects would be specially assessed. She stated that the Public Works Director thought that may be low and nearer to 23% to 25%.

Ms. Cook discussed the Public Works Facility with an estimated cost of \$14,190,000. This is the inflated cost. Constructed in 2023. Incorporated into this plan are the following payment methods:

- Bonds: \$5,100,000
- General Fund: \$800,000
- Host Community Fund: \$3,800,000
- Utilities: \$1,000,000
- Central Equipment Fund: \$1,000,000
- Local Improvement Fund: \$2,450,000

Ms. Cook discussed Collector Streets with an estimated cost (not inflated) of approximately \$17,708,000 over the next five years. Projects include:

- 70th Street
- 117th Street
- 65th Street
- New Argenta Trail

She stated the timing and scope of these projects are largely dictated by the County. The primary funding mechanism is State Aid, County participation, and financing through street reconstruction plan bonds. She discussed the tax impact on a median valued home of \$233,300 in 2019 and researched how much it increased in 2020. It had gone up to \$242,800. She stated from there they inflated the values 1% a year. The projected tax rate goes down from 2019 to 2020 and gradually climbs after that. She stated due to budget decisions the Council made, and the increase in the tax capacity, the taxes would decrease in 2020. In 2021, it would be up \$113.00, go down to \$86, \$76, and then \$81.00. For comparison, 2019 taxes to 2021 taxes have an increase of about \$100.00 over the course of two years. This would be about \$70.00 or a 5.5% increase.

Ms. Cook discussed the debt policy stating that the city would strive to limit the debt levy to approximately 15% of the total city-wide levy. The debt levy is a percent of the total levy. In 2019 it was 12.3%, it is expected to go up to 13% in 2020. She stated in 2019 they would begin to get the debt service from Fire Station bonds to 2024 and beyond. In 2020 they start issuing debt for the streets which causes the percentage to start to increase. In 2024 the public works facility debt would begin and would get them to 15.4%. She stated they are at the limit on debt with the projects in this plan. If the city maintains its current debt policy, it will constrain the cities ability to issue debt beyond 2023. These projects will be financed within the constraint of the debt policy.

The following are key assumptions in the plan:

1. Revenues: Increase 2-3% annually.
2. Expenses: Increase 3-5% annually.
 - 4% assumed for the General Fund.
3. All capital projects funded as requested by department heads, plus an additional \$4 million dollars of PMP projects.
4. Values: The city's tax capacity increases 2% annually. She stated she misspoke earlier when she stated the median valued home was going up 1%. It is actually going up 2%.
5. Fund balances: General Fund is maintained at 40% of expenditures (including transfers out) per policy.
6. Sample value home: \$233,500 in 2019.
7. Franchise Fees: Increase projected in 2023.
8. Inflation on Capital Costs: 5% annually.

Ms. Cook stated the next steps would be to get feedback from the Council and incorporate that into the actual plan document. That document would be brought back to the Council for acceptance and approval. She stated this is intended to be a working plan, if another project comes up, the model is built.

Councilmember Piekarski Krech asked about the 2% growth capacities and if the assumption was that Franchise Fees would go up and is based off of the growth of the city. Ms. Cook responded the Franchise Fee remains fixed until the end of the contract period. The \$500,000 increase in the Franchise Fee is that a decision is made to change the rate. Councilmember Bartholomew stated it was a big rate increase and asked the City Administrator if they could raise the rate that big or if there was an Ordinance or Statute that precludes them from increasing it that much. City Administrator Lynch responded there is a limitation on the percentage. He stated the time period has been in effect for five years, the challenge was if there were other ways to increase funding besides just the General Fund taxes. The Host Community Fund and the Franchise Fee were also checked into as possibilities. He stated it could be less, or increase another source. Councilmember Piekarski Krech asked what was used for assumptions for Host Community. Ms. Cook responded they assumed the fees from the primary landfill would be \$2 million dollars per year, consistent with recent receipts. There are two additional signed Agreements, one for \$250,000 for five years, and \$100,000 for ten years. There is a smaller Agreement for \$25,000 a year. Those were components into the Host Community Fund. City Administrator Lynch stated the largest one goes until 2031 (Republic), the 10-year is with Frattalone, they looked at five years of that ten-year time period. Mayor Tourville stated the plan was for that to go away. Franchise is by address and type of business, not a percentage. He commented that with joint County projects he was unsure how much the city share would be due to partnerships.

Mayor Tourville asked the Public Works Director for clarification on the totals and if they included help or if it was just the city's share. Ms. Cook responded it was her understanding those were the total. Revenues from other contributors in the plan offset that. Public Works Director Thureen responded the \$17.7 million dollars is the city's share for everything. Three of the four projects are covered by other fund sources such as State Bonding and State

Aid. He stated they were uncertain about 117th Street. Mayor Tourville stated other funding sources would be looked into for that project. Councilmember Bartholomew asked if they are overstating the projection of bond/debt requirement for streets. Ms. Cook responded she has been discussing this topic with Amy. She commented that her understanding of how street projects work is that the city pays for it and is reimbursed from other sources. In the plan there is more bonding, then reimbursement, build cash up in the fund, and then some of the cash is available for the public works facility. If bonding less for street projects, they would need to bond more for the public works facility.

Mayor Tourville asked if \$17.7 was the total amount without reimbursement, or if it included reimbursement for the four projects. Public Works Director Thureen responded that is the total. Ms. Cook agreed. Mayor Tourville stated he was concerned about 117th Street. Public Works Director Thureen responded that 70th Street/new Argenta Trail is a big project with the County and Eagan. State bonding for that is at \$6.1 million dollars.

Mayor Tourville stated it would be helpful if the projects included the dollar amount for each of the four. That could also include the possible reimbursement or bonding in order to offset the \$17.7. Councilmember Bartholomew stated another component would be that any excess would offset bonding for the public works facility. City Administrator Lynch stated they would come back before the Council with those numbers that include costs, sources, and net in March.

Mayor Tourville stated the County wants 117th Street sooner rather than later. It is a city street. The city is the one that has to apply for the bonding. It would be a co-project, as the State is also involved.

City Administrator Lynch asked if the Council was fine with the direction of the PMP. Councilmember Bartholomew commented that a 50% increase to the Franchise Fees would be a tough sell. City Administrator Lynch responded the counter balance is that we are still not at the funding level we should be according to the plan. Councilmember Bartholomew stated it is a matter of increasing the franchise or the General Levy. Councilmember Piekarski Krech stated there is transparency regarding why it's being done and what is happening. She questioned if the Franchise Fee is done, if taxes are less because it is being paid there. She stated that people look at the Franchise Fee as a tax, it's a tax that can't be deducted. Councilmember Bartholomew stated it is a tax that doesn't reduce the General Levy. Mayor Tourville stated assessments seem to be getting closer to a little over 20%, it is supposed to be over 30%. If assessments were closer to 30%, the Franchise Fees probably wouldn't need to be increased by 50%.

Mayor Tourville stated the Council agrees there is a need to be more aggressive on street projects. This last winter had devastating effects on some roads that are not currently in the plan. City Administrator Lynch asked if the Council would prefer trying a different method other than increasing the Franchise Fee. He stated that Councilmember Bartholomew commented about tapping into the Host Community Fund earlier, or that it could be a larger extent instead of \$400,000. Councilmember Bartholomew stated he would like to see that. Councilmember Piekarski Krech stated she would rather use the Host Community Fund. Mayor Tourville stated he would rather use the Host Community Fund instead of having a 50% increase in Franchise Fees.

Councilmember Perry asked Finance Director Hove if the Council could get the breakdown of what the balance is in the Host Community Fund, how much is going in annually, and what is projected to come out of it for the next few years. Mayor Tourville suggested Frattalone's zero out as an estimate. Councilmember Piekarski Krech suggested they only count on the main one and look at where that money lasts.

City Administrator Lynch stated this information would be brought back at the March Work Session.

3) CityView Software Construction Permit Portal Demonstration:

Community Development Director Heather Rand discussed a new service being offered to residents that pertains to Building Construction Permits. Residents and Contractors can now make online Application for some Permits. This is the first step. They hope to continue the capacities to offer services like this for residents in the future.

She gave a Power Point Presentation and stated that CityView is a suite of software the community invested in years ago. It is used to assist with building inspections, planning review, and some code compliance tracking. She stated the building inspection crew has the software on tablets they use to update their reports and then the information goes back to the electronic file. Add-ons are purchased over the years to be able to do more. Portal is the software component and allows residents, Contractors, and businesses the opportunity to apply for a building inspection license online 24 hours a day. Payment can also be made this way. This does not include all building permits.

She discussed the following Key Customer and Staff Benefits:

- Electronic submittal process reduces customer and staff time for permit issuance.
- Allows customers greater flexibility in acquiring permits.
- Electronic payment processing eliminates reliance on the Finance department to process payments.
- Customers have access to permit status and inspections without the need to call or email staff for information.

Now available for online applications:

- Residential Only: Re-roof or Re-side
Mechanical: Furnace, A/C, Fireplace, or Gas Piping
Plumbing: Utilities, Water Heater, or Water Softener and all other fixtures

Community Development Director Rand stated this began in the last week of December. Residents and contractors have been utilizing it and positive feedback has been received. Residents can still come in and apply at the business counter if they wish.

Must be applied for in-office or by mail:

- All commercial and multi-family residential permits (4 or more units)
- Permits requiring plan review: Additions, Remodels, and Commercial work

She discussed the permit application process stating with the software, the resident would go to the city website and click the button asking if they are interested in applying for a license or permit. They are taken into the Portal to apply for the license. Other options would be to type in building inspection licensure as a search, or go to the Community Development Building Inspections where they can also locate it. She stated the process involves applying for the permit, it goes for review by staff, it is validated, they are notified via email that everything is in order and they can make payment. If payment is processed and looks good, they are notified the license is ready. It can be printed out at home.

Councilmember Bartholomew asked if an individual goes in for an application, if there was an opportunity to use a workstation to key it in instead of giving the information or filling out a form. Community Development Director Rand responded that is the intent within the next 60 days. City Administrator Lynch stated it has been budgeted and planned for from a technology standpoint and would involve a touchpad of some sort.

Community Development Director Rand displayed a photo of the City website and one of the pages where you can get into the online system called Portal. There, the user would make an account with a user name and password. She stated this data melds with the files they have online. Costs of the permit are shown before the user clicks submit, so they know what they are getting into. A receipt of what is submitted is given. Once submitted, and if during normal business hours, this goes to one of three Technicians in the Building Inspection Division and reviewed for content. She stated if everything is in order, they will approve the permit and send the user an email requesting they submit information for payment.

Community Development Director Rand discussed another service the Portal provides called Online Public Search. This allows Realtors or homeowners who are curious about what building permits have been pulled on a given property address. By going into the portal site and entering an address, anything that is within the Building Inspection files would show up. She stated not everything is entered yet, for example, anything over 10 years, but everything within the last couple of years should show up.

Mayor Tourville commented that a water softener from 2006 doesn't mean it is the last water softener installed. Councilmember Piekarski Krech stated a permit is needed to put in a water softener. Mayor Tourville commented he

didn't believe one was needed if it was replaced. Community Development Director Rand stated a permit is needed, but some people do not realize this.

Community Development Director Rand discussed future possibilities stating this could be used with rental licensing, contractor licensing, electronic submission for all permit types, electronic plan review, and inspection scheduling. She stated the city has already purchased a component for rental licensing that would be implemented over the next couple of months. She stated they hope to purchase an add-on called contractor licensing. That involves all types of building permits. Other cities are doing this and is something this city would like to explore. She stated their team, which consists of the Assistant to the Chief Building Official Trina Barr, Chief Building Official Steve Johnson, and IT Manager Marc Gade, will be visiting the City of Bloomington to see how they are utilizing the Electronic Plan review. She stated Inspection Scheduling is another add-on component that would be helpful.

She stated the CityView staff is located in Canada, getting this all set up included a lot of phone calls. Everything has been well tested before being rolled out. She stated Amy, the Communications Manager, is helping to get the word out. Word is already out on the website and would be put out on Facebook and the next quarterly newsletter. She asked the Council to let others know about this.

Councilmember Bartholomew stated next Thursday there is a meeting with the Chamber. He suggested making sure they are aware of the software portal.

4) Northwest Area Park Update:

Parks and Recreation Director Eric Carlson updated the Council on the Northwest Area Parks stating there hasn't been significant progress, but have been hearing more from residents in the area. The following was highlighted:

In 2014 the Council adopted the Northwest Area Park Plan that included:

- 5-6 parks
- 10-15 miles of trails
- Take advantage of 20% of open space when possible
- Anticipate approximately \$19 million in park dedication
- Anticipate approximately \$19 million in acquisition, development, and construction

Park South of 70th (County Road 26):

- Looking for a 5-10-acre parcel
- Past discussion with two property owners stalled
- Anticipated land acquisition \$500K
- Anticipated development \$500K
- 246 units has provided \$700K in park dedication

Park North of 70th (County Road 26)

- 20-25-acre parcel
- Working with Dakota County in securing property that is on the Eagan/Inver Grove Heights border to be used for extension of the Mendota/Lebanon Regional Trail as well as city park purposes
- Roadway/greenway/park/private development
- Anticipated land acquisition of \$2 million dollars
- Anticipated development of \$1.4 million dollars
- 306 units has provided \$870K in park dedication

Trail/Sidewalk Connectivity:

- Build system of trails/sidewalks that connect neighborhoods to our parks
- Install grade separated crossing of major roadways when feasible to connect trails/sidewalks/parks. On the extension of County Road 26 west of Argenta, the Regional Trail dead ends on the north and south of 70th, there is a planned tunnel that is a part of the overall construction project
- Provide for pedestrian crossing of roadways at key intersections to connect trails/sidewalks/parks

Councilmember Piekarski Krech asked if the proposed tunnel would be included in the costs. Parks and Recreation Director Carlson responded he believed that would be a cost to the roadway project.

He continued with the NW Area Park Development Challenges:

- Land availability and price per acre
- Topography
- Public infrastructure (roads, storm water, etc.)
- Development fees
- Providing access to acquired property

Park Interest:

- Residents have been extremely patient and anxious to see progress on parks
- Some have suggested we purchase a lot or two and build a playground
- Not a good long-term policy for the city

Councilmember Piekarski Krech asked if they are still trying to negotiate with the County on some land when they put the road through. Parks and Recreation Director Carlson responded public works is working with Dakota County on Argenta Trail. Their hopes are that there would be some land available to the city as a part of that transaction for the extension of Argenta Trail. This would likely be south of County Road 26.

Mayor Tourville commented it was delayed a year by the County. He stated they were told by the County that negotiations would be starting up again in the spring in terms of roads and parks.

Dustin Delmonico, lives off of 65th Street, displayed a map and stated the neighborhood has 123 homes. Most have kids. The main concern is that kids are going to start driving by the time the park gets in. He discussed the major roadways that surround the properties, 70th, new Argenta, and Robert Street. The concern is having kids crossing those roads. He stated Lennar is one of the biggest builders and asked why they were not required to put something in on their own when they built the development. He stated there may be opportunity north of 65th, where about 60 homes are going in. He commented they are not asking for a huge five-acre park, just something for the kids to walk down the street to go swing, sit, or eat lunch. They just want to see something happen.

Mayor Tourville suggested attending Parks and Recreation meetings to get started and up to date. He responded the builder didn't build a park, but did pay park dedication. The parks plan is for 25 acres. Mr. Delmonico stated if it takes 5-7 years, he would love to have a swing set in the meantime. Mayor Tourville stated it has to be something south or north of 70th. There is a plan for a tunnel, which is west of Argenta on 70th as a part of the trail system. He suggested getting the neighborhood together so the Council can hear the comments.

5) Discuss Heritage Village Park Phase 2 Funding:

Parks and Recreation Director Eric Carlson discussed Heritage Village Park and funding for the next phase. He stated in 2019 over ½ the parking lot was built, the area was graded and seeded. He displayed a rendering of the next phase of development that would take place with an inclusive playground, shelter, and restroom facility. The proposed funding sources for the project, which is estimated to be approximately \$2,300,000, follows:

- \$950,000 from Dakota County ELF (Environmental Legacy Fund) Grant
- \$600,000 from the Host Community Fund
- \$600,000 from Financial Donations from various donors
- \$140,000 In-Kind Donations from various donors
- \$10,000 from All Can Play IGH Donation

He stated they wanted to make the Council aware and get feedback on going out and asking for donations. Presentation materials would be developed before sitting down with donors. They would identify local businesses that could donate large sums of money towards the project, and may be able to donate some in-kind services. He stated the Mayor and Staff would approach the businesses for donations, and depending on the size of donation,

businesses would be recognized based on the level of support. This could be on naming rights, signage, or plaques at the park.

Councilmember Piekarski Krech asked what other projects this has been done for. Parks and Recreation Director Carlson responded the Community was asking to donate for the Veteran's Memorial Community Center. Various levels of a brick campaign are currently displayed at the Community Center, the Legion also donated money. Councilmember Piekarski Krech stated she didn't know if the city was behind that. She thought it was the Hockey Association and various groups in town. Mayor Tourville stated the Hockey Association did their own donation. It wasn't the Parks and Recreation Department that did it, it was the city. Councilmember Bartholomew asked if the city solicited the funds for those donations. Mayor Tourville responded the city set limits for the bricks that are displayed.

Mayor Tourville stated as we are doing two major park projects, the northwest area probably feels this is taking a lead role and is being fast tracked while theirs is slow. The money is not being used in lieu of trying to get something in the northwest area. Parks and Recreation Director Carlson agreed. He stated the revenues collected through park dedication in the northwest area sits in the Park Dedication Fund to be used for park needs in the northwest area. There is approximately \$2 million dollars in the 402 Fund waiting for park improvements in the northwest area. He stated the funding suggested for this phase of development in Heritage Village Park does not include any park dedication money.

Councilmember Piekarski Krech stated she did not want to use Host Community Fund money; it is needed for streets. She commented they also need to keep in mind replacement and upkeep. Parks and Recreation Director Carlson responded when they have added operational expenses, they expect the General Fund to cover those expenses. The Host Community Fund is not being used to fund the maintenance of the parks system. Mayor Tourville stated the rules have changed with ELF Funds from the County. They are looking at every city to participate more than what they have been participating in. Councilmember Piekarski Krech stated this is a Regional amenity, there are other areas that need attention such as the northwest area and streets. She commented that money is needed in the Host Community to use for streets. She asked if they know how much they are getting based off of how much they are requesting. Parks and Recreation Director Carlson responded that is unsure, they have not applied yet, but believe the application would be looked upon favorably. They are working through the changing criteria process with them.

Parks and Recreation Director Carlson stated one purpose this evening was to make sure the Council is comfortable with the Mayor and himself knocking on doors of some of the larger corporations in town to see if any of them are willing to give cash or in-kind services towards a project for Heritage Village Park. Mayor Tourville commented about the financial component from the various donors, stating that a few of the County Commissioners have questioned if they should go out and ask for donations, they could give less, or wait to find out if they get ELF funding. He stated it has been suggested by some of those Elected to find out if the ELF Grant is successful. Councilmember Bartholomew asked when filing the ELF Grant, if the funding sources are included. Parks and Recreation Director Carlson responded they identified their funding sources the last time they submitted an ELF Grant, the same would probably be done again. Mayor Tourville stated they may look for what the city has already invested.

Councilmember Bartholomew stated the infrastructure is in place, it's a useable amenity, open space. He stated \$600,000 out of the Host Community Fund will be contentious. Mayor Tourville suggested looking into other funding sources. He stated the key is the ELF Grant. Councilmember Piekarski Krech was concerned about going around town and asking for donations as it hasn't been done in this scope before. She was concerned about the naming rights. Mayor Tourville stated when looking at the one set of donors within the area, there could be between 5-10. He asked if staff should go forward with application on the ELF Grant. Councilmember Bartholomew responded they should, but still have to be cautious about what they are locking themselves into. Mayor Tourville stated application for the Grant is due April 1st. Councilmember Perry asked when a decision would be made about the receipt of the

ELF Grant. Parks and Recreation Director Carlson responded they would find out more when they meet with them this week, but guessed it could take 30 to 60 days.

Parks and Recreation Director Carlson encouraged the Council to allow the Mayor and himself to knock on a few doors in the near future just to see what type of reception they get. It would be a good way to see whether they can generate revenue through donations. If they can't, they can say they are not ready for this project at this point. Councilmember Bartholomew stated he wasn't opposed to staff or the Mayor asking for donations. Councilmember Piekarski Krech questioned if they should say it is on the part of the city, or the Mayor and the Parks Director. Councilmember Bartholomew stated they would have to come up with a plan on how to frame it. He suggested looking for legal advice. Mayor Tourville stated he was willing to volunteer, but that details need to be worked out.

Mayor Tourville stated there is an additional cost by making this a special kind of park. He stated with an ELF Grant, things could continue. Without the ELF Grant, there is no project at this time. He suggested to continue the ELF Grant, but wait on asking for donations. He stated they are trying to put criteria together in order to get four votes for the ELF Grant. Councilmember Piekarski Krech stated there are two County Commissioner's in Inver Grove Heights. The people working and raising funds need to start writing to those County Commissioner's to vote for this. There are two other Commissioner's that live close to this area that an accessible playground is enough of an amenity to vote for.

Mayor Tourville suggested getting the criteria on the ELF Grant as its being worked on. Continue to work with Dakota County staff on the criteria, and then they would come to the County Board and they make a decision. The County Board decides on applications in April. He stated the ELF Grant is key to the park. Parks and Recreation Director Carlson stated it is not an exclusive park, it's an inclusive park. They want anyone and everyone to come there, it's not just for certain people. Mayor Tourville stated it is a park for all abilities.

B. ADJOURN:

City Administrator Lynch stated the MLC Meeting takes place on Friday at 7:30 a.m. This is an opportunity for all decision makers at the State Capital to get together and hear about the issues and concerns the cities of the MLC have.

Motion by Perry second by Bartholomew to adjourn the meeting at 8:13 p.m.

Ayes: 4

Nays: 0 Motion carried.

Minutes prepared by Recording Clerk Sheri Yourczek.