

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
TUESDAY, MAY 26, 2020 - 7:00 P.M. - 8150 BARBARA AVENUE.**

****Meeting via Zoom Video Conferencing****

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Tuesday, May 26, 2020, via Zoom Video Conferencing. Mayor Tourville called the meeting to order at 7:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL:

Present via Zoom Video Conferencing were: Mayor Tourville, Council Members Piekarski Krech, Bartholomew, Perry, and Dietrich; City Administrator Lynch, City Attorney McCauley Nason, Emergency Management Director/Police Chief Chiodo, Technology Manager Gade, City Engineer Kaldunski, Public Works Director Thureen, Assistant City Engineer Dodge, Finance Director Hove, Parks and Recreation Director Carlson, Community Development Director Rand, Fire Chief Thill, and City Clerk Kiernan.

3. PRESENTATIONS:

COVID 19 Update - Emergency Management Director Melissa Chiodo.

Emergency Management Director/Police Chief Melissa Chiodo stated Department heads continue to meet five days a week to discuss changes and guidelines with Covid-19, information from the Governor, Department of Public Safety, and the Minnesota Department of Public Health. As a group they have been working along with City businesses and residents regarding any concerns or needs. Discussion includes:

- How to provide the best service
- Looking at how to eventually reopen parts of the City for City employees to return to work safely.

She stated she continues to meet with Dakota County Chiefs twice a week to discuss Cities within Dakota County to ensure consistencies. Also meets once a week with the Department of Public Safety from Commissioner Harrington for firsthand knowledge on some of the problems they are seeing throughout the State, offering guidelines, and communication information.

She stated new guidelines came out for restaurants, bars, and hair and nail salons. A hotline has been set up for people to call with questions, or they can also call the Police Department. The Police Department continues to work in different ways and have stepped up traffic patrols. She stated with the stay at home orders, traffic fatalities have gone up and speeding has been more prevalent.

Declare Graduation Week in honor of all 2020 Graduates. Resolution 2020-96.

City Administrator Joe Lynch stated School Superintendent Dave Bernhardson requests that the City pass a Resolution in recognition of 2020 Graduates, from high school, college, or another nature.

Mayor Tourville read aloud the following Resolution:

The Resolution is declaring Graduation week in honor of all 2020 Graduates in Inver Grove Heights, Minnesota. This honors all Graduates of 2020

Whereas, all of the schools that serve students in our city have been inspiring our students to excel and find success even with the recent COVID-19 pandemic; and

Whereas, the Inver Grove Heights community's teachers, school staff and community has shown how innovation, care, passion, and grace for our students is unprecedented; and

Whereas, the Inver Grove Heights community continues to do everything we can to support all students, teachers, staff, and community; and

Whereas, the Inver Grove Heights community's graduating class of 2020 experienced a senior year unlike any other and we would like to honor our seniors; and

Whereas, the Inver Grove Heights community schools' students, staff, and citizens are all in this together!

Now, Therefore, Be It Resolved, that the City of Inver Grove Heights recognizes the Class of 2020 and hereby encourages all citizens to help share in the support of our students in the Graduating Class of

2020, and all those that helped prepare them for their next step during the week of Friday, May 31, 2020 through Sunday June 6, 2020.

He stated this is a Resolution from the Inver Grove Heights City Council honoring the graduating class in all areas of education throughout the City.

Motion by Dietrich second by Perry to approve Resolution 2020-96 to Declare Graduation Week in honor of all 2020 Graduates.

Ayes: 5

Nays: 0 Motion carried.

4. CONSENT AGENDA:

- A. i. Minutes from the May 4, 2020 City Council Work Session.
- ii. Minutes from the May 11, 2020 Special Fire SAFER Grant Meeting.
- B. Disbursements for Period Ending May 21, 2020. **Resolution 2020-97.**
- C. Confirm and Approve Personnel Actions.
- D. Consider setting a Special Council Meeting for June 15, 2020 for Commissioner Appointments.
- E. Consider a **Resolution 2020-98** Extending Existing Declaration of Local Emergency.
- F. Consider Approval of Dakota Broadband Board Indefeasible Right of Use (IRU) Agreement.
- G. Consider a **Resolution 2020-99** approving a Final Plat and related improvement agreements for a two-lot subdivision to be known as Lakeview Ridge, property located at 6180 Babcock Trail.
- H. Resolution **2020-100** Approving and Authorizing Mayor’s to Execute and Submit Letter of Objection to MAC for Proposed MSP Airport Operations Changes.
- I. Consider Amended and Restate Site Lease Agreement – T-Mobile.
- J. Approve Proposal for Additional Professional Services for Feasibility Study for City Project No. 2016-19 – 65th Street between Trunk Highway 3 and Babcock Trail and Reschedule Meeting to Receive the Feasibility Study. **Resolution 2020-101.**

Councilmember Perry and Councilmember Dietrich requested pulling Agenda Item 4E.

Motion by Bartholomew second by Perry to approve the Consent Agenda with the exception of Agenda Item 4E.

Ayes: 5

Nays: 0 Motion carried.

Agenda Item 4E. Consider a Resolution Extending Existing Declaration of Local Emergency. Resolution 2020-98.

Councilmember Perry stated she pulled this Agenda Item for further clarification because some residents have contacted her asking why the City is declaring what the State is already declaring.

City Administrator Lynch responded the City Emergency Declaration is done to allow the City to have flexibility during an emergency situation (Pandemic). He stated later in the meeting they would discuss the opportunity for flexibility to allow businesses that would otherwise have to go through a special event permit, or a Planning Commission and City Council process in order to be able to operate by having tents or structures in their parking lots and be able to serve patrons. This reduces or eliminates the process that would normally occur during a non-emergency. It also allows the ability to collect data such as costs incurred due to overtime, unemployment, and personal protection equipment as a result of having to shut down and work remotely. He stated there is the potential for money being available for reimbursement. Having the Emergency Declaration makes them eligible for funding.

He stated this is not a stay at home order or a stay safe Minnesota order, those are Governor related. The City is not doing that at this time, but still trying to protect the facilities and employees and are not open to the general public. He stated they are working on a return to workplace plan abiding by the guidance, standards, and regulations put in place by the Minnesota Department of Health and the CDC (Center for Disease Control).

Councilmember Dietrich stated she respects the desire to keep the Community safe. She agreed with the need for a plan to open back up. She stated she has not heard the plan and is uneasy about extending the Declaration without knowing what that includes. She stated she would like answers when receiving calls from local business owners wondering what the City is doing to get their doors open.

Councilmember Dietrich stated this would be discussed under Agenda Item 7C and wanted to make sure they are inviting the right partners to the table, which includes local, County, and State Government, and business community representatives, to have a plan in place to open again. She asked the City Administrator to get a draft letter to the Governor and a copy to the Mayor and Council as soon as possible so they can have details and specifics of the City plan. City Administrator Lynch responded the City is an essential business, it never closed, but did close public facilities to the public. They are still operating, approving permits, providing inspections, almost fully functioning, but not having walk in traffic for bill paying or permit submission.

He responded about when they plan on opening up and stated there is a return to workplace plan, he would get to the Council tomorrow. On June 1st, some employees would return to City Hall. Most employees would continue to work remotely as suggested by the Governor and the Minnesota Department of Health. During the week of June 8th more employees would return to City Hall, and on June 15th the plan is to open to the public. He stated the two-week time period would get employees back into the building and time for possible adjustments before meeting the general public. The plan is to open the Veterans Memorial Community Center July 6th, pending further guidelines about gyms/fitness facilities/pools. He stated the public works facility would continue to be closed to the general public along with the public safety area and Fire Stations. He stated there is a two-week time delay between the Governor's order of bars/restaurants/salons/barbershops being able to open. That allows for the ability to see the impact of those openings.

Councilmember Dietrich stated she would be more comfortable with this as soon as she sees the specifics of the plan. She stated she cannot support it as it is written without seeing a plan. City Administrator Lynch responded it is left open ended as they do not know where the Governor is going with a possible extension.

Mayor Tourville stated the Emergency Order allows them to meet the way they are meeting this evening. He stated some people believe the City has the authority to open things they do not have the authority to do. He stated the Resolution is helpful for reimbursement. This is in place so they can be a part of the CARES Act and that people know that with some openings they would be taking a closer watch.

Councilmember Bartholomew asked what happens if they do not continue this past June 12th. City Administrator Lynch responded the impacts to the City by not extending the Emergency Declaration ends the point and time the City could collect data and information about costs related to the pandemic. If additional costs occur, they would not be eligible. He stated this allows them to meet remotely. The State Statute isn't required as a part of the Emergency Declaration any longer, but there is a medical directive that allows City Council Members to meet remotely in a non-pandemic situation. He stated it allows the flexibility to consider what they do tonight in allowing businesses to operate in a way they would not normally be able to. By removing the emergency flexibility, businesses would not be able to allow food and alcohol service outside and would have to go through a formal application process that would have to go before the City Council which could take two to four weeks.

Councilmember Bartholomew asked what the end mechanism was for this, such as a special meeting or waiting for a regular meeting. City Attorney Bridget McCauley Nason responded the Local Emergency Declaration would continue until the City Council takes further action to rescind it. It would continue until the Council adopts a Resolution ending or terminating the Declaration. She stated it could be done at a special meeting or regular meeting depending on the timing of when it needs to occur.

Mayor Tourville stated the League of Minnesota suggests keeping the Emergency Declaration in place due to the possibility of reimbursement due to the pandemic and to be able to allow action. The City is in tandem with the Governor's office. He stated this isn't just a Mayor decision, it is a City Council decision.

Councilmember Bartholomew asked if expiring on June 12th, would they be unable to help those businesses that requested assistance on the upcoming Agenda Item. City Administrator Lynch responded if there were further considerations by Council for flexibility with operations to current licensing or permitting, they would not have that flexibility. If passing the Resolution tonight, businesses that have not made application that has not been reviewed by staff, no action would be taken. If the emergency is lifted, it would not apply to them.

City Attorney McCauley Nason responded about the Resolution being discussed later in the Agenda stating the last paragraph authorizes the temporary suspension of City Code and Zoning Ordinance requirements in order to allow for these types of expansions. The Resolution will continue unless repealed by Council action or the termination of the Declaration of Local Emergency. She stated if the Council allows the local emergency to expire, businesses would need to comply with existing zoning and City Code requirements for their expansions. Part of the reason they are allowed to do what they are doing in regards to temporary business expansions is based off the Cities Emergencies Powers under Chapter 12. They exist because they have declared a local emergency, the City doesn't have the legal authority to unilaterally modify zoning or City Code Ordinances and would have to follow the normal process. She stated in order to move this through the City is utilizing Chapter 12 Powers and Authority. If the Local Emergency is revoked, the City would not have the same ability to waive those requirements leaving the businesses to apply for a permit through the normal process and may not be eligible. She stated they would have to follow through with a Zoning Ordinance Amendment or Code Amendment in order to make that happen.

Councilmember Perry asked what majority was needed if rescinding the extension. City Attorney McCauley Nason responded it would need a 3/5 vote.

Mayor Tourville commented for now they are able to help the businesses more than they normally could.

Motion by Bartholomew second by Piekarski Krech to approve Agenda Item 4E. Consider a Resolution 2020-98 Extending Existing Declaration of Local Emergency per request from Staff.

Ayes: 5

Nays: 0 Motion carried.

5. PUBLIC COMMENT:

Mayor Tourville stated the phone number to reach the meeting is 651-450-2471. There were no public comments.

6. PUBLIC HEARING:

A. Conduct Public Hearing to Consider Approving Resolution Ordering City Project No. 2015-08 – 70th Street from the Eagan Border to T.H. 3 and City Project No. 2018-19 – Argenta Trail from Amana Trail to 70th Street (previously City Project No. 2016-04), Argenta Trail from 70th Street to 65th Street (previously City Project No. 2016-05), and 65th Street from New Argenta Trail to Existing Argenta Trail. Resolution 2020-102.

City Engineer Tom Kaldunski discussed the County Road 26 and County Road 63 Improvement Project jointly held between Inver Grove Heights, Eagan, and Dakota County. They are looking into making 70th Street (County Road 26) from Highway 55 in Eagan, to Trunk Highway 3 in Inver Grove Heights, and turning it into a four-lane expansion on it's existing alignment. This would include curb and gutter. He stated they are also discussing completing Argenta Trail from Amana Trail north to 65th Street, including a portion of 65th Street going back to the original Argenta Trail. He stated there is discussion about having a roundabout at the new intersection. There are a lot of stormwater management improvements and utility improvements. The following presentation was given:

Purpose and need for the project:

- Address safety issues along the corridor. Has challenging site lines, steep slopes, no median, and minimal shoulders and turn lanes. They are no pedestrian or bicycle facilities.
- Improve mobility and operations. Improves capacity of roadway via expansion. Access management at minor intersections and driveways. Intersection operation and safety along the corridor will be improved.
- Accommodate local residential and commercial development. Future traffic volumes will magnify safety deficiencies without improvements. Allows coordination with development as it occurs.

Right-of-Way Acquisition Summary and Estimated Costs:

- City of Inver Grove Heights Property impacts:
 - 6 total property acquisitions.
 - 3 dwelling impact properties.
 - Permanent easement/right-of-way from 20 properties.
 - Temporary easement from 27 properties.
- Right-of-Way Acquisition Schedule:
 - Present offers – July through August 2020
 - File Petition – December 2020
 - Title and Possession – May 2021
 - Start Construction – August 2021

Estimated Total Project Costs:

• Construction	\$27,041,000
• Right-of-Way	\$10,800,000
• Private Utilities (gas, phone, electric)	\$1,850,000
• Consulting Services (Design)	\$2,100,000
• Consulting Services (Construction)	TBD
	<u>Total: \$41,791,000</u>

City of Inver Grove Heights Participation:

• Construction	\$4,626,950
• Right-of-Way	\$2,370,000
• Private Utilities	\$522,500
• Consulting Services (Design)	\$395,200
• Consulting Services (Construction)	TBD
	<u>Total: \$7,914,650</u>

City Engineer Kaldunski stated other sources of funding are coming from the City of Eagan, the Federal Government, and Dakota County as follows for project funding:

- \$7 million dollars of Federal funds for County Road 26. Only construction costs are eligible.
- \$6.1 million dollars in LRIP (Local Road Improvement Project Funding). Eligible for construction and right-of-way acquisition costs (construction costs preferred).
- \$2.2 million dollars State Aid Funds. Current amount advance funded by the City. Eligible for construction, right-of-way, and engineering costs.
- Combination of LRIP, Federal and State Aid funding to cover IGH project cost share.

Schedule and Next Steps:

- Dakota County held a virtual open house of the project.

- Residents looked at the information available on the website.
- Over 147 people took advantage of the virtual open house.
- 12 written comments.
- 12 to 20 people have indicated they may call in this evening.
- Planning Commission Approval (Project consistent with the Comprehensive Plan): May 19, 2020
- Public Improvement Hearing (Consideration to order project): May 26, 2020
- Final Design Plans: June 2020 through February 2021
- ROW (Right-of-Way) Acquisition: May 2021
- Bidding: June 2021
- Construction: August 2021 - Fall 2023

Teresa Neshiem, stated she lives off of 70th and has spoken with the Project Manager several times. She asked why they were a little behind schedule. John Sass, Transportation Project Manager from Dakota County, responded the project has been delayed for appraisal services and meeting with residents. They are moving ahead and hope to make first offers in July.

Linda Flannery stated they would be taking her home, with Covid-19 she is having trouble finding a house. She stated they looked at one home and it was very uncomfortable for everyone involved. She asked how they would be helping them find a home. Mr. Sass responded there is plenty of time built into the schedule for relocations. They have hired Dan Wilson and Sonya Henning to work with relocations and assist people with buying a house. He stated they are trying to maintain the same schedule. If something comes up that they cannot get relocated they would work with them to keep them in their home until they can find a place to go.

Councilmember Piekarski Krech stated she has concerns after looking at the comments from residents. She commented this is greatly affecting City residents. Comments received were that the geography is changing, their homes are being taken, and several comments were not returned. She stated this is a project that would be going on for a few years and she has great concerns that residents are not being dealt with in a compassionate way.

Mr. Sass stated the process for right-of-way has been delayed 30-40 days but they are still moving forward with relocations. There is a gap of two months after offers are made and help with relocation in July. Then offers will be made on all remaining parcels. He stated the focus is on the total acquisitions but have been meeting with residents. The process may not be going as fast as residents want them to go. City Engineer Tom Kaldunski responded about getting back to people stating he has been taking a lot of time to speak with people on 69th Street. That information was assembled and shared with the project team. A meeting will be scheduled for a week from now. Councilmember Piekarski Krech suggested people be informed things are being worked on and that they will be hearing from them soon, that way they are not left hanging.

Mayor Tourville requested updates at least twice a month or every week. Mr. Sass responded they would be willing to give updates and would speak to City Engineer Kaldunski regarding frequency. He stated they would be back before the City Council in about a month for authorization for an agreement for right-of-way acquisition.

Motion by Piekarski Krech second by Perry to close the Public Hearing at 7:59PM

Ayes: 5

Nays: 0 Motion carried.

Motion by Piekarski Krech second by Perry to receive all email correspondence up to today, May 26, 2020, and make it a part of the file for the project.

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

Motion by Bartholomew second by Perry to approve the Conduct Public Hearing to Consider Approving Resolution 2020-102 Ordering City Project No. 2015-08 – 70th Street from the Eagan Border to T.H. 3 and City Project No. 2018-19 – Argenta Trail from Amana Trail to 70th Street (previously City Project No. 2016-04), Argenta Trail from 70th Street to 65th Street (previously City Project No. 2016-05), and 65th Street from New Argenta Trail to Existing Argenta Trail.

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

B. Public Hearing to Consider Resolution Adopting the Final Assessment Roll for the 2020 Pavement Management Program, City Project No. 2019-09F - Carter Path and Carter Court Mill and Overlay. Resolution 2020-103.

Public Works Director Scott Thureen stated this is the final assessment roll for 2019-09F Mill and Overlay on Carter Path and Carter Court. Bids were opened, the low bid came in at just under \$259,000. Proposed final assessments for the project totaled \$137,460. He stated this was unique in that the policy for assessments for pavement management usually call for an assessment on a per lot basis of \$4,631.00. A benefit analysis was done and recommended a \$4,000 per parcel assessment. At the initial feasibility and information meeting, the assessment roll had a figure of \$3,831.00 per parcel. Quantity and cost changed to the figures of today. Instead of recommending the lesser of the policy or cap amount, they are recommending to go with the initial amount of \$3,831.00 per parcel.

Assistant City Engineer Steve Dodge discussed the following cost and budget information:

- \$258,900 project
- \$130,000 assessments
- \$85,000 Pavement Management Fund
- \$36,700 Water and Sewer Fund

He stated \$4,000 was for assessments provided by the Appraiser with the cap. Using competitive bids, the proposed policy assessments would be \$4,632.00. There is another number that was lower than the cap in the preliminary feasibility report for \$3,831. Staff recommends because that number was presented, they utilize that figure. He stated the final assessment roll is available for review at City Hall by contacting the City Clerk. Recommendation is for a five-year term with 3.15% interest. That interest rate has been used in two other projects within the last month. The assessment payments would be paid in full once the roll is levied within 30 days. Interest will not accrue until the beginning of 2021 on a five-year term. Deferred assessments are available for aged 65 years or older, activity Military, or 100% disability. The project schedule:

- An informational meeting was held for residents via Zoom. There were no participants. Two previous meetings had support.
- Assessment Hearing, Award Project: May 26, 2020
- Begin Construction: June 15, 2020
- Substantial Completion: September 2020
- Final Completion: October 2020

The recommendation to Council is as follows:

- Complete the Assessment Hearing.
- Pass the Resolution adopting the final assessment roll.
 - \$3,831.16 assessment for single family parcels.
 - 5-year term at 3.15% rate.
- Approve other project related items on the Regular Agenda.
 - Award project and authorize Geotechnical Construction Testing Services.

Mayor Tourville stated the interest rate has come down 1% during this time. The recommendation is for 3.15%. He stated it may be fair to use the same interest rate for projects in 2020. Assistant City Engineer Dodge responded that was the rate the City is getting for bonding purposes. 2% is added for administrative and fiscal costs. It is Council’s decision if they would like to lower it. He stated the contingencies in the project should be able to handle the 1% if reduced.

Councilmember Piekarski Krech asked if there have been any comments on this item. Assistant City Engineer Dodge responded in the prior two meetings there was support from residents who showed up. They have not received a lot of comments on the project. He stated comments that were received were related to the cul de sac on Carter Court. That item had been addressed with the Association and residents. It was decided to keep it as is and not make any changes.

Motion by Piekarski Krech second by Perry to close the Public Hearing at 8:17PM.

Ayes: 5
Nays: 0 Motion carried.

Motion by Dietrich second by Perry to approve the Public Hearing to Consider Resolution 2020-103 Adopting the Final Assessment Roll for the 2020 Pavement Management Program, City Project No. 2019-09F - Carter Path and Carter Court Mill and Overlay with a reduced interest rate of 2.15%.

Ayes: 5
Nays: 0 Motion carried.

7. REGULAR AGENDA:

Administration:

A. City Discipline Policy Review and Update.

City Administrator Joe Lynch stated the Council directed the City Discipline Policy be reviewed, revised, and brought back before the City Council for comment and feedback. Department heads have reviewed it, the City Attorney suggested some amendments, and City Council Members have commented. The recommendation is if this document would need to be modified it be set up for three Ordinance Readings beginning with the first reading on June 8th. Three readings are needed because it is a part of the City Code which is an Ordinance. The process allows the public to weigh in on any suggested changes.

Motion by Piekarski Krech second by Perry to approve City Discipline Policy Review and Update to proceed to a First Reading beginning on June 8, 2020.

Ayes: 5
Nays: 0 Motion carried.

B. 2020 Budget - COVID-19 Update.

City Administrator Lynch stated due to the pandemic, closure of City buildings, and the forecast of record numbers of unemployment claims, the City has been looking at revenues and expenses as a part of the 2020 Budget.

Finance Director Amy Hove stated Department Managers have been meeting daily to discuss items related to Covid-19. Financial implications are one of those subjects along with property taxes and recreational activities. She stated it is important to note there is a lack of precedence and information. They are trying to put the City in a position to be able to react. One area is property tax. They have run scenarios that project anywhere from 3-5% reductions in City tax revenues. This is based on a worst-case scenario, looking back over 20 years of property tax receipts. She stated they spoke with Dakota County last week to see where first half taxes were coming in. They are coming in good and believe the 3-5%

was a good estimate to use. She stated the biggest question was if residents would even be able to pay second half taxes and have long-term sustainability.

She stated they have been focused on the General Fund. There is \$850,000 to \$1.3 million dollars as potential need in the General Fund. This is made up of property taxes, potential building permit losses, and a reduction in fees collected at City Hall. She stated they are trying to layer it as a phased approach with the idea as more numbers come in, they should be able to implement. The phases include:

Phase 1: Identifies areas where they have already recognized some savings.

- Hiring delays in place.
 - For example: In the IT Department, the Systems Administrator position was not hired at the beginning of the year, there are cost savings there.
- Laid off an individual in the Police Department.
- Not planning on filling a street position for part of the year.
- Budget carryovers that were approved earlier this year. Departments were asked to try and target 20% of those carryovers to try to help defray shortfall.
- Travel and training. Does not anticipate Staff going anywhere. Asked Departments to limit to those necessary for licensing.
- Challenged Departments to look at other areas to save money. In Phase 1 there was a little over \$430,000 in areas they felt they could commit to saving money in the 2020 Budget.

She stated Phase 2 and 3 are areas the Council could consider cutting.

Phase 2: Possible areas they could consider:

- General Fund allocations and transfers.
 - Each Department has an allocation to central equipment as a part of their budget. If needed, they could reduce by as much as 10%.
- Transfers out to Parks and the Pavement Management Plan.

Phase 3: Look at available fund balances within other City funds. Looking outside of the General Fund.

- Recreational areas. Community Center, Recreation Fund, Inver Wood Golf Course. In 2020 the Host Community Fund has a budgeted transfer of \$475,000 for operations. Project needing an additional \$425,000, based on the fact that the Community Center has been closed since mid-March with a possible opening in July.
- The Community Center has laid off the part-time seasonal staff and looking at other initiatives to help reduce personnel costs.
- The Golf Course is performing better than it did at this time last year. Tee times are up and beverage operations should begin June 1st. There was thought that the Golf Course may need more assistance this year. Now it is being scaled back and monitored.

Councilmember Bartholomew commented there is no financial assistance at this time at the Golf Course. Finance Director Hove responded there is no assistance at this time, but if there is a shortfall in the fund, they would need to make up for it in other areas.

Finance Director Hove stated they are looking for opportunities for financial assistance and aid. They have implemented procedures in house to track expenses. Bills are being proposed that would provide a per capita amount of the Federal Aid. None is for lost revenue but would offset some additional costs. She stated this was just an update. Once they know how many phases and what degree they would need to adjust the 2020 Budget, information would be brought back before the Council. Guidance and concerns are welcome. She stated this was a team effort to get together and that she appreciated those who helped pull this information together.

Councilmember Piekarski Krech asked if they have what they have expended extraordinarily because of having people off site and the purchase of PPE items and if there was an idea of what the costs are. Finance Director Hove responded that is one of the items they have been tracking. In additional expenses they are at approximately \$90,000. That covers payroll related costs and PPE so far. There are pending unemployment claims in the amount of \$134,000. She stated if any of those employees who submitted

claims either gets another job, or is brought back to work in the City, those claims would go away as they are paid salary again.

Councilmember Bartholomew thanked Finance Director Hove and stated he appreciated the work being done on this. It gives some comfort knowing that Staff is thinking ahead.

Mayor Tourville asked if it was possible to give the Council a weekly update of expenses. He stated this could be a part of the City Administrator's weekly update to Council. Finance Director Hove responded Department Managers receive this every week, she can also include the Council.

Councilmember Bartholomew stated there was some confusion during the earlier EDA meeting about the balances being held in escrow. Quarterly updates were given in the past, and he asked if that could be sent to the Council on a quarterly basis.

Mayor Tourville stated there has been a lot of requests surrounding recreational activities. He asked Parks and Recreation Director Eric Carlson for updates on when some programming may begin and ice arena information and costs. Parks and Recreation Director Carlson responded he was prepared to give a presentation this evening if the Council would like.

City Administrator Lynch stated the Council and the Parks and Recreation Director have received pressures from outside users to use the VMCC facility. An overview of the following will be given:

- Current expenditures.
- Predicted revenues.
- Discussion about the opening of the VMCC.
- What an earlier opening may do regarding operational expenses versus predicted revenues.

He stated direction would be needed from the Council because if accommodating those users, Staff would need to be brought back in as well as ice in the arena. This could incur additional expenditures over and above what has been budgeted for the VMCC. That message needs to be reinforced to the end users and delay the opening.

Parks and Recreation Director Eric Carlson gave the following presentation beginning with the City Mission: The City Mission states they are here to provide services and facilities that enhance the quality of life in our vibrant Community.

City Values:

- Value ethical decisions by doing the right thing.
- Engage people by delivering collaborative results.
- Excellence by setting high standards and exceeding expectations.

Framing Decisions:

- Trying to frame all decisions with everything they do, but especially during the Covid situation.
- Remain fiscally stable.
- Improve or stabilize operational efficiencies.
- Improve customer service.
- Staying attentive to our regulatory environment.

Vision Statement: A welcoming Community on the River with varied landscapes that provides a safe environment, quality built and sustainable infrastructure, supports local businesses, a variety of housing, and promotes culture and recreation.

City Strategic Plan:

Guiding principles and goals.

- Culture and Recreation

VMCC/Grove Provides:

- Affordable programs and classes for all ages promoting physical, mental, and social well-being.
- A Community gathering spot for non-profits, community organizations, events, tournaments, games, and people of all ages.

- Kids learn to swim so they can be safe around water.
- A home for Simley High School Boys and Girls Swim/Hockey Teams.
- Inver Grove Heights Youth Hockey Association.
- Senior Center helping seniors stay active and engaged in the Community.

Covid-19 Impacts on the VMCC/Grove:

- VMCC/Grove closed on March 16th, 2020.
- Processed refunds, not charging membership fees, canceled/postponed classes/events, answering membership questions.
- O&M Staff has been deep cleaning, painting, repairing, and preparing the facility for reopening.
- Programming Staff has been refunding, rescheduling, planning new programs with CDC/MDH guidelines in mind.
- Staff has spent time reassigned to Administration, Finance, Parks, etc.
- Tentative plan to re-open the facility in stages on July 6 pending approval by the Governors Executive Order.
- Current plan for ice is September with some discussion about moving the date up to June or July.

What re-opening the VMCC/Grove may look like:

- CDC & MDH protocols in place.
- Increased focus on hygiene and sanitizing touch points (equipment, high traffic areas, etc.).
- Fewer people will be allowed in spaces (Pools, fitness center, meeting rooms, in the rinks).
- Locker rooms and showers closed to begin with.
- May need to schedule an appointment to work out to maintain social distancing and/or capacity limits.
- When programs/classes do resume, they will have fewer participants.
- Hours will be reduced to begin with.

VMCC/Grove Metrics:

- Typical year: 500,000 visitors. This year: 175,000

How a staged re-opening would take place:

- June: Fitness in our parks and in open spaces around the VMCC.
- July: Fitness Center opens to scheduled workouts for members, may include lap swimming, select recreation programs, and limited use of the walking track.
- August: High School Swim team, spa pool, additional recreation programs.
- September: Ice, fitness/swim classes.

2020 VMCC/Grove Operating Budget:

- 2020 Amended Operating Budget:
 - Total revenue \$2.8 million dollars: Membership fees, ice sales, turf sales, Birthday parties, KIDS Rock. From programs and services people pay when coming to the Community Center.
- 2020 Budgeted Expenditures:
 - \$3.3 million dollars: Personnel costs, seasonal wages, electric bill, repair and maintenance of the building.
- 2020 Budgeted Transfer from the Host Community Fund to balance expenses.
 - \$477,000 or an 87% cost recovery.
 - 2019 actual Host Community Fund transfer was \$366,000.
 - 10-year average transfer: \$380,000.
- 2020 Anticipated:
 - \$1.6 million dollars in revenues due to Covid-19.
 - Memberships in half.
 - Ice cut by \$100,000.
 - Turf cut by \$21,000.
 - Birthday parties are down.
 - No KIDS Rock program this summer.

- Total Expenditures: \$2.5 million dollars in 2020. \$900,000 transfer from the Host Community Fund or a 64% cost recovery if what has been anticipated takes place.

2020 VMCC/Grove Capital Improvements:

- 2019 Capital Project Carryover = \$669,700
- 2020 Capital Projects = \$829,400
- 2020 Amended Capital Project Budget = \$1,499,100

Recommending:

- Invest \$749,100 in projects (HVAC, Pool controllers, etc.)
- Defer \$750,000 in projects until following year(s) (Pool filters, LED lights, etc.)

Parks and Recreation Director Carlson stated if that takes place, they would reduce the Host Community Fund transfer by approximately \$327,000 with the caveat of a deferred \$750,000 worth of capital.

He stated in summary:

- Covid-19 pandemic has presented unprecedented challenges.
- We must make responsible decisions on behalf of our Staff, the Community, and our partners.
- Public feedback about how we are dealing with the pandemic has generally been very positive and supportive.
- Proud of our Staff who has responded very positively to the many twists and turns the pandemic has created.
- The Community does expect that we re-open the facility so that they can resume participation in the programs and services we provide.

Councilmember Bartholomew asked if the Council could have a copy of the presentation. Parks and Recreation Director Carlson responded yes.

Councilmember Dietrich asked for a synopsis of other Department savings that are a part of Phase 1 of over \$116,000. Finance Director Hove responded a lot of that has to do with what the Departments thought they could do with savings. They were asked if they could save 1%. For example: The Communications Department, they would not be putting out the same number of newsletters due to different ways of communicating. Internally, Administration, Finance, IT, Community Development, Planning, and the Fire Department, each Department Head had their own ideas of where they could trim their budgets without impacting their service levels.

Councilmember Dietrich asked if any of these savings could remain ongoing after the pandemic into the next budget period. Finance Director Hove responded it may, but depends on what the new normal will be. It will become a part of the budget conversation as they find new ways of doing things.

Councilmember Dietrich requested that no additional money be taken from the PMP because that program is not up to speed yet.

Mayor Tourville stated they look forward to the reports. He suggested it be in summary form that could include costs attributed, a running total, and narrative about how it affects the City would be helpful.

City Administrator Lynch stated the numbers are somewhat grim, but does not take into account opening prior to July 6th. There would not be ice or operation of the rink until September. Mayor Tourville stated unless things change with the Governor and revenue can be generated to offset expenses, an economic decision could be made. If things change, they have to be quick. Councilmember Piekarski Krech commented it would depend on how long it would take to ramp things back up. She commented that Staff back at City Hall is taking three to four weeks. Time is needed to ensure things are done safely. City Administrator Lynch responded it is understood that they need to be able to adjust with the Governor's guidelines and protocols. Staffing decisions would also need to be made with layoffs. Two sheets of ice take over a week to make. He stated the plan would be to not open until July 6th, with rinks closed until September. Current guidelines do not allow the fitness center/pool area, but as that comes out, they would need to adapt and adjust.

Councilmember Perry asked if part of Parks and Recreation Director Carlson's presentation with tentative opening dates could be added to the website so people can access the information. City Administrator Lynch responded they would work with Communications to ensure people would understand that it is fluid and subject to change.

C. Consider Resolution Approving Temporary Expansion of Certain Business Premises and the Temporary Waiver of City Code and Zoning Ordinance Requirements to Promote Physical and Social Distancing During the COVID-19 Health Pandemic. Resolution 2020-104.

Community Development Director Heather Rand stated there have been requests from the business community to alter the rules and formulate a process so they can open their doors in ways that are unique. She stated on May 20th the Governor announced some businesses such as food and on sale liquor establishments could begin operating on June 1 with outdoor seating. The Resolution provides the opportunity for City Staff to administratively receive applications from those businesses. This allows outdoor seating capacity for up to 50 customers, they would still have to social distance, and may have additional requests such as tents, or parking. She stated this stretches rules and regulations. The City Attorney has done research to provide a format to waive rules and regulations and provide for this fast track administrative review. An application has been designed. She stated some additional input was received from intended businesses and the application will be adjusted tomorrow. She recommends approval of this Resolution drafted by the City Attorney.

Councilmember Dietrich asked what the minor changes were. Community Development Director Rand stated the application provides some conditions and guidance. One of those points suggested for a restaurant onsite liquor establishment, all patrons must travel through the restaurant/bar before entering the patio area. It was made known that some restaurants may not have that ability. This can be recommended as a preference. The City would have those discussions when it arises. Community Development Director Rand stated there was another request more driven by the Fire Marshal due to Fire Statutes. For those businesses requesting a tent in the City, the Fire Marshal drives that process. She stated the Fire Marshal is a member of the review team to meet over the phone to fast track applications. He also had some changes to the application. Updates will be available on the City website in the morning.

Mayor Tourville asked to go through the process of who would be working on these requests through the City. Community Development Director Rand responded there is an Internal Team, once the application is submitted to the City Clerk, it will be routed to Development Director Rand, who then routes it to members of the team comprised of: The Police Chief, Fire Marshal, Chief Building Official, Senior City Planner, and the City Engineer. The intent is for those individuals to review those applications. They hope to meet within 24 hours to review the request and approve within 24 to 48 hours. If the request does not meet health and safety standards, dialog would be needed with the Applicant to determine the best route forward. She stated these will be done case by case as every establishment is different.

Councilmember Piekarski Krech asked what would be done regarding restroom facilities with those eating outdoors. Community Development Director Rand responded the League of Minnesota Cities provided direction saying they can use the internal restrooms. There would have to be procedures to keep those sanitized. Portapotty accommodations would be discussed with Staff. Mayor Tourville commented that the League of Minnesota Cities put together a Q&A on this topic.

Don Seiler, Inver Grove Brewing, stated it is a mutual goal to reopen in a way that maintains the highest possible standards for public health and safety. He had a question in the draft application, part 1, the second subpoint, specifically prohibits repurposing the ADA parking spaces as an outdoor dining area. He stated he realizes all businesses have to maintain the proper ADA number of spots and they want to be in full compliance. He questioned if there is any flexibility to reassign other parking spots as ADA. He stated the reason is they are trying to maintain an optimal traffic flow in the parking lot. This would help for safety with dining in and curb side pickup purposes. He asked for flexibility on a case by case basis. Community

Development Director Rand responded they would request a site plan and would ask the City Attorney about the State Statutes for ADA.

Mr. Seiler questioned the requirement for customers to walk through the establishment to get to the outdoor dining area. In their situation it would increase the risk of violating social and physical distancing. It is also the same area used to go into the restroom. He stated they hope flexibility is available for this item. Community Development Director Rand responded this would be an instance of looking over what is submitted and determine what kind of flexibility they have. City Attorney McCauley Nason stated they would look over the ADA parking requirements for the business. It does not change despite some of the changed circumstances, but there may be flexibility in covering up or restricting existing ADA parking spaces provided that equivalent parking spaces comply with all ADA regulations. She stated they can waive the local requirements with respect to zoning and code, existing State Statutes such as liquor license laws or Federal Regulations still apply and the City cannot waive those. She stated they can work with the Applicant and see what types of flexibility they can provide. The application is a flexible document and the Resolution states the need to comply with regulations and may change as time goes on and with situation changes as well.

Mr. Seiler asked for clarification about the fencing requirements. Community Development Director Rand responded fencing is a standard liquor license requirement. The Applicant would make application, submit what they feel is appropriate fencing strategies, and the City will react. City Attorney McCauley Nason responded the fencing is meant to be temporary. The application would be received, review what is being proposed, and see if it would provide a suitable barrier to delineate the premises and be compact and contiguous. She stated the type of fencing, be it snowmobile type or metal, is yet to be determined.

Councilmember Dietrich asked about enforcement and what the plan was for regulations. Community Development Director Rand responded that it depends on what the enforcement issue is. It would be conducted by the Fire Marshal or the Building Inspection Division. If it is a violation or health safety issue, it would be handled by the Police Department. Councilmember Dietrich asked if it would be more proactive or reactive. Community Development Director Rand responded the City takes the position of education first and is not heavy handed with proactive enforcement. Police Chief Melissa Chiodo responded they would do the same they are doing now. If it is a complaint about a business violating any Ordinances a Supervisor would handle it. They would go to the scene and ask for the Manager or Owner and educate them about the violation/ask that they stop the violation. If not stopped, they would contact the Police Chief directly and then she would speak with the business.

Motion by Bartholomew second by Perry to approve Consider Resolution 2020-104 Approving Temporary Expansion of Certain Business Premises and the Temporary Waiver of City Code and Zoning Ordinance Requirements to Promote Physical and Social Distancing During the COVID-19 Health Pandemic.

Ayes: 5

Nays: 0 Motion carried.

C. i. Fire SAFER Grant.

Fire Chief Judy Thill gave the following presentation regarding the SAFER (Staffing for Adequate Fire and Emergency Response) Grant:

- SAFER Grant's primary goal is Firefighter safety by adding needed personnel.
- Federal Grant that provides funds to Departments to add full time Staff to their ranks.

Two major changes happened since the last discussion on this item. Originally there was a City match. Now there is no City match required for the three years of this Grant cycle.

- Applies to any Department awarded a Grant.
- No hardship waiver needed.

The SAFER Grant was originally scheduled to close on May 15, 2020. It has been extended until Wednesday, May 27, 2020 at the end of business day.

Grant Funds cover the following:

- Three-year cost of first year salary and benefits, including FLSA overtime, for all nine positions.
- Original cost paid by Federal Government - \$1,665,000.
- Since no required match, saves City - \$1,035,000.
- Total amount paid by Federal Government - \$2,700,000.
- Positions would be filled early in 2021.
- City would be required to pay:
 - Cost of living and step increases in 2022 and 2023.
 - Full amount for all positions beginning in 2024.

Potential Application:

- Consider requesting funds to hire six full time Firefighters and three full time Lieutenants.
 - All are 24-hour shift employees, working 56 hours/week.
 - Equivalent of hiring three positions with a M-F, 40 hour/week position.
- Present Duty Crew:
 - One full Time Officer, 2 Paid on Call Firefighters
- This Grant with nine hires would allow the City to have a second Duty Crew.
 - First Duty Crew = 1 Full time Officer, 1 Full time Firefighter, 1 POC Firefighter
 - Second Duty Crew = 1 Full time Officer, 1 Full time Firefighter, 1 POC Firefighter

There are many advantages, some of the biggest ones include:

- Adding a second Duty Crew in the City improves safety.
- Capacity as the City continues to grow.
- Huge safety increase improvement by having a second Duty Crew.
- Helps stabilize the Paid-on Call staffing. Reduces large number of call backs and eliminates call back requirement. Frees up time on shifts for more training, but splits responsibilities.
- Reduces dependence on present full-time management Staff to fill shifts.
- Allows IGH Fire Department to continue to deliver high level of Fire, Rescue, and Medical services.

In Conclusion the request is to:

- Apply for six Firefighters and three Lieutenants.
 - Cost of all three years is approximately \$2,700,000.
 - There is no longer a City match requirement for full three-year Grant cycle.
- Highly competitive Grant process.
 - Only about 300 awarded out of thousands of applications.
 - Will be even more applications this year.
- Grant can be turned down.
 - No penalty in turning down Grant if financial outlook is bleak.
 - Would have to be turned down before accepting any part.

Councilmember Piekarski Krech stated she supports this with not having a match. Receiving it gives three years to determine a direction to go. Councilmember Bartholomew stated he could support it; it gives a chance to see what the environment looks like. Councilmember Perry stated her opinion was the same as before, she does not see a downfall to applying and can figure out numbers at a later time. Mayor Tourville stated he could support it but has one caveat; in 2021 whether they get the Grant or not, they are obligated to do an operations and financial study of the Fire Department to have a plan going forward.

City Administrator Lynch stated he supports any funding source that helps with costs from a public safety standpoint. He supports and recommends they apply for the funds, and budget in 2021 for a study to come to a conclusion about decisions with Fire Department operations. He stated there are some troubling numbers and the following to consider as there isn't going to be no cost to the City:

- There is no adjustments for cost of living.
- Health insurance.

- It is anticipated in year two they would pay \$53,000 for nine positions.
- In year three they would pay \$57,000 for three positions.
- There is a five-year CIP that estimates for a General Fund Budget, in year four, 2024, they are looking at a 4.2% tax rate increase based on normal expenses for the City. It is an additional 7%, \$1.2 million dollars to the City tax rate just for this cost alone.
- It does not take into account training, equipment, and vehicles.
- In 2021 to 2024 they would have to figure out how to deal with it incrementally so they will not face it at the end of year four.

He stated discussion will have to be whether they do it incrementally, levy an additional \$300,000 for the next three years, or levying \$300,000 and saving it in a fund and building the fund up over three years and have it available. Councilmember Dietrich asked what the source was for the cost of living figures. City Administrator Lynch responded he has used a 3% cost of living adjustment for 2020. He stated these would be Union positions and the Union has filed to represent current full time Firefighters. A Contract is currently being negotiated for these positions and for ones that currently exist. Councilmember Dietrich asked for further information about the Union.

Mayor Tourville asked if there was any feedback given to the Departments regarding the Grant. Fire Chief Thill responded most of the time Departments are told they didn't make it this year. Typically, no other information is given.

Motion by Piekarski Krech second by Perry to approve applying for the Fire SAFER Grant.

Ayes: 5
Nays: 0 Motion carried.

Community Development:

D. Consider Resolution Adopting Financial Assistance Application Fee and Escrow. Resolution 2020-105.

Community Development Director Rand stated during the EDA meeting this evening, there was a companion Resolution. The purpose of the Resolution is to formalize a financial review request for Real Estate Developers interested in moving forward with a development project in the City. These requests come from multi-family housing developers and/or large building commercial building development. She stated the request is to make use of a financial assistance application where the developer would pay a fee. The fees would be used to hire a Financial Analyst to review the application. She stated the goal is for staff to work with the Cities Financial Advisor to ensure that it appears there is a gap and it is not a matter of the developer wanting to increase their profit margins. Staff would come back before the City Council or EDA and make recommendations and provide more objective information based off the analysis. Determination about the gap identified with assistance or a subsidy. Approval is recommended.

Councilmember Piekarski Krech stated she would like the City to have a standard form and something that works for everyone.

Motion by Piekarski Krech second by Bartholomew to approve Consider Resolution 2020-105 Adopting Financial Assistance Application Fee and Escrow.

Ayes: 5
Nays: 0 Motion carried.

E. Consider Resolution Approving Affordable Housing Policy.

Community Development Director Rand stated earlier the Council discussed this during the EDA meeting. The item was tabled due to wanting a definitive opinion from the TIF Bond Council. The recommendation is to table this item. Staff would work with Jenny to bring the clarification Council was seeking.

City Attorney McCauley Nason recommended the Council move to continue the item to the June 8th City Council Meeting.

Motion by Bartholomew second by Dietrich to continue to the June 8, 2020 City Council Meeting.

Ayes: 5

Nays: 0 Motion carried.

F. Consider Resolution Approving and Authorizing the Execution of a Termination of TIF Development Agreement and Related Documents with Hampton Senior Care of Inver Grove Heights LLC. Resolution 2020-106.

Community Development Director Rand stated a year ago the City Council created a TIF District to support the development of Hampton Senior Care of Inver Grove. The supported needed was to assist them with the buildout of a lift station and stormwater management. That is an example of public assets the project would need. She stated in this case, they have decided they would like to utilize more traditional bank financing and requested to approve a Resolution authorizing the execution of the termination of the TIF Agreements and related documents. Approval is recommended.

She stated the biggest concern was that the developer would move forward with any outstanding obligations. These documents provide the added assurance they would move forward with the public infrastructure investments and complete the project. This does not entail Phase 2.

Motion by Piekarski Krech second by Perry to approve Resolution 2020-106 Approving and Authorizing the Execution of a Termination of TIF Development Agreement and Related Documents with Hampton Senior Care of Inver Grove Heights LLC.

Councilmember Piekarski Krech stated it wasn't a TIF District, it was a loan from District 4-1 for development. Community Development Director Rand agreed and stated it is terminating the TIF Agreement.

Ayes: 5

Nays: 0 Motion carried.

Engineering:

G. Consider Resolution Receiving Bids, Awarding Contract, and Approving Geotechnical Services Proposal for the 2020 Pavement Management Program, City Project No. 2019-09F - Carter Path and Carter Court Mill and Overlay. Resolution 2020-107.

Assistant City Engineer Dodge stated this is the project they just held a hearing for to receive seven bids. The low bidder was McNamara Contracting at \$195,000. This is for the total base bid and Alternate A. He stated Alternate A is the pedestrian ramps at Cahill Avenue. They did not award Alternate B for raingardens due to subgrade soils being unsuitable for infiltration rain gardens. He stated they are looking at approving Geotechnical Services for Braun Intertec in the amount of \$4,469.00.

Motion by Piekarski Krech second by Bartholomew to approve Consider Resolution 2020-107 Receiving Bids, Awarding Contract, and Approving Geotechnical Services Proposal for the 2020 Pavement Management Program, City Project No. 2019-09F - Carter Path and Carter Court Mill and Overlay.

Ayes: 5

Nays: 0 Motion carried.

8. EXECUTIVE SESSION:

9. MAYOR AND COUNCIL COMMENTS:

City Administrator Lynch reminded the Council that the Commission appointment process is coming up and the deadline is June 1st. Positions are available on the Planning Commission, Park and Recreation Commission, Housing Committee, or Environmental Commission on June 15th. The City Council will meet and interview perspective candidates including current incumbents. At 7:00 p.m. the appointment process would begin. The paper ballot process would need to be changed to keep all safe. A roll call process would take place and they would be provided with a comprehensive spreadsheet for the choices of Applicants and openings and the number that needs to be appointed.

10. ADJOURN:

Motion by Piekarski Krech second by Perry to adjourn the meeting at 10:03 p.m.