



**DRAFT**

Approved: June 26, 2023

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**CITY OF ARDEN HILLS, MINNESOTA  
REGULAR CITY COUNCIL MEETING  
JUNE 12, 2023  
7:00 P.M. - ARDEN HILLS CITY COUNCIL CHAMBERS**

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**CALL TO ORDER/ROLL CALL**

Pursuant to due call and notice thereof, Mayor David Grant called to order the regular City Council meeting at 7:00 p.m.

**Present:** Mayor David Grant, Councilmembers Brenda Holden, Emily Rousseau, Tena Monson and Tom Fabel

**Absent:** None

**Also present:** City Administrator Dave Perrault; Assistant Public Works Director Lucas Miller; Community Development Director Jessica Jagoe; Finance Director Gayle Bauman; and Assistant to the City Administrator/City Clerk Julie Hanson

**PLEDGE OF ALLEGIANCE**

**1. APPROVAL OF AGENDA**

**Councilmember Monson** requested Item 5 be addressed prior to Item 2.

**Councilmember Fabel** requested Item 7D be pulled from the Consent Agenda to be discussed as Item 8A.

**MOTION:** **Councilmember Holden moved and Councilmember Rousseau seconded a motion to approve the meeting agenda as amended. The motion carried (5-0).**

**5. STAFF COMMENTS**

A. TCAAP/Rice Creek Commons Update

**City Administrator Perrault** stated the JDA met on June 5 and received a refresher on the TRC, adopted an Energy Committee, approved the communications plan and budget for 2023. In addition, the JDA reviewed a roadmap for activities. He reported the JDA would meet next on July 11 in a special worksession to discuss community engagement. He explained the JDA Advisory Committee met on June 9 with reps from the City and County along with the Developer

and Ehlers. The group discussed updated infrastructure costs, which were upwards of \$89 million, and the County reiterated that outside funding would be needed. The County would be requesting State bonding in the next cycle. He noted Alatus also presented three different development scenarios with 1,800, 2,050 and 2,350 units.

**Councilmember Holden** reported one of the questions that was asked at the JDA meeting was about walkability. She noted there was a chapter on streetscaping within the TRC. She hoped that the JDA members would be able to review this chapter in order to understand the streetscaping for this project.

**Councilmember Monson** explained the JDA Advisory Committee meeting that was held on June 9 brought forward some of the economic information that the JDA needs to better understand this development. She reviewed the proposed costs for the project, noting the portion that would have to be covered by the City. She discussed how the density numbers may be dictated by the height of buildings and cost for concrete construction. She looked forward to seeing where the JDA goes from here.

**Mayor Grant** stated it was interesting that Councilmember Monson was quoting information from the Advisory Committee meeting given the fact she was not in attendance.

**Councilmember Monson** explained she had a conversation with Bob Lux about the density numbers.

**Councilmember Holden** asked how much of the density concerns were based on the price of concrete versus the position of the water table on TCAAP. She requested staff investigate this matter further.

#### B. Transportation Update

**Assistant Public Works Director Miller** reported construction would continue on Lexington Avenue. He stated on June 8 the movement from I-694 eastbound to Lexington Avenue was closed and this would be in place for two weeks. He explained access to local businesses would continue to be open, but traffic delays were anticipated at Lexington Avenue and I-694. He encouraged residents to use County Road E and posted detours.

**Assistant Public Works Director Miller** explained work has begun on the roundabout at County Road E and Old Snelling. He stated the first phase of this project includes a closure to the southern leg of this intersection in order to allow the contractor to install watermain and sanitary sewer. The goal would be to move to the next phase of this project by mid-July.

**Assistant Public Works Director Miller** stated Public Works would begin maintenance on the trails within Floral and Cummings Parks. He anticipated work on these trails would be completed by mid-July pending any weather delays.

**Councilmember Monson** asked if the contractor had a timeline for the roundabout project.

**Assistant Public Works Director Miller** reported a loose schedule was in place. He noted phase one would be completed mid-July and phase two would be completed around Labor Day, which included the bulk of the roundabout construction, and phase three would be completed by the end of October.

**Councilmember Holden** questioned when construction on Lexington Avenue would be done.

**Assistant Public Works Director Miller** stated he anticipated Lexington Avenue would remain one lane each way throughout the bulk of the summer.

## 2. PUBLIC INQUIRIES/INFORMATIONAL

**Linda Swanson**, 1124 Ingerson Road, indicated she believed Councilmember Rousseau should be ashamed of the disrespectful comments she made at the last Council meeting. She stated it remains to be seen how many accomplishments Councilmember Rousseau would have during her tenure. She addressed Councilmember Fabel and expressed concern with the fact he gave the County the okay to have 1,700 to 2,200 units on TCAAP at the expense of Arden Hills residents. She reported Councilmember Fabel was not properly representing the residents of Arden Hills by giving the County everything they want without any basis to substantiate the number. She questioned why everything was so secretive and feared what else Councilmember Fabel was giving away at the expense of the residents. She was of the opinion the JDA Advisory Committee meetings should be open to the public.

**Donna Wiemann**, 1406 Arden View Drive, stated at the JDA meeting last week she asked a question about the income maximum for the deeply affordable units proposed for TCAAP. She was told by Commissioner Frethem that this limit would be \$37,400 for a family of four. She noted her other questions to the JDA were no answered. She asked the Council/JDA members what the County's best time estimate was for having a TCAAP proposal for the residents of Arden Hills to review. She commented on how the JDA Advisory Committee was meeting and stated she did not like the fact that only one Councilmember was meeting with the County, staff and the developer. She feared this was putting all the power in one person's hands and was preventing the duly elected Mayor and other members of the City Council from being a part of these discussions.

**Mayor Grant** requested staff review the meeting tape in order to respond to the questions that were raised by the public.

**Robert Bonine**, 3274 Katie Lane, provided the Council with a handout. He stated a complaint was filed against his property address. He requested he be added to a future worksession in order to allow for further conversation regarding the concern with his property.

**Mayor Grant** and **Councilmember Holden** supported the Council discussing this property further at a future worksession.

## 3. RESPONSE TO PUBLIC INQUIRIES

None.

#### 4. PUBLIC PRESENTATIONS

##### A. 2022 Financial Statements

**Aaron Nielsen**, MMKR, reviewed the 2022 financial statements with the Council and offered the City a clean or unmodified opinion on the 2022 audit. He provided a summary on the City's governmental funds, enterprise funds and fund balances. He commended the City for its stable and strong financial position and asked for comments or questions on the 2022 audit.

**Mayor Grant** stated it was not unusual for a City the size of Arden Hills to have a notation within the audit regarding the segregation of duties. He commented on the City's fund balance policy, noting the City carried a balance of 50%.

**Councilmember Fabel** commented on the City's expense for public safety stating this was the City's largest expense. He asked if staff had any comparison information on how Arden Hills compares to other cities of like size when it comes to public safety expenditures on an absolute and per capita basis.

**Mr. Nielsen** explained the management report summarizes public safety expenditures state-wide on a per capita basis. He reviewed this information in further detail with the Council.

**Mayor Grant** thanked Mr. Nielsen for his presentation on the audit.

#### 6. APPROVAL OF MINUTES

- A. May 15, 2023, City Council Work Session
- B. May 22, 2023, Regular City Council

**Mayor Grant** reported he spoke with staff about having a comment included in the May 15 worksession minutes.

**Councilmember Holden** noted she discussed minor corrections to the May 22 Council minutes with the City Clerk.

**Councilmember Monson** explained she spoke with staff regarding a minor change to the May 15 worksession minutes.

**MOTION:** **Councilmember Holden moved and Councilmember Monson seconded a motion to approve the May 15, 2023, City Council Work Session meeting minutes as amended; and the May 22, 2023, Regular City Council meeting minutes as amended. The motion carried (5-0).**

#### 7. CONSENT CALENDAR

- A. Motion to Approve Consent Agenda Item - Claims and Payroll
- B. Motion To Approve 2022 City Financial Statements And Audit

- C. Motion To Approve Resolution 2023-029 Adopting 2022 State Performance Measures
- ~~D. Motion To Approve a Request For Proposals (RFP) For Civil And Prosecution Legal Services~~
- E. Motion To Acknowledge Rescheduling Of June Worksession
- F. Motion To Approve An Outdoor Concert License And Miscellaneous Permit For MN Building And Construction Trades – Ribfest Event At The Red Bulls Facility On September 16, 2023
- G. Motion To Approve Acknowledgment Of The Application Of MN Building And Construction Trades For An Exempt Permit To Conduct A Raffle With No Waiting Period – Ribfest Event At The Red Bulls Facility On September 16, 2023
- H. Motion To Approve Resolution 2023-030 Accepting Donation From Boston Scientific For Dog Agility Equipment At Perry Park
- I. Motion To Approve Appointment Of Building Inspector/Code Enforcement Officer Position
- J. Motion To Approve Public Works Costs 2023 – Street & Trail Maintenance Program
- K. Motion To Approve Professional Services Agreement With SRF Consulting – Old Highway 10 Trail Improvements Project

**MOTION:** Councilmember Holden moved and Councilmember Monson seconded a motion to approve the Consent Calendar as amended and to authorize execution of all necessary documents contained therein. The motion carried (5-0).

## 8. PULLED CONSENT ITEMS

- A. Motion To Approve a Request For Proposals (RFP) For Civil And Prosecution Legal Services**

**City Administrator Perrault** stated the City’s current civil attorney, Campbell Knutson, has served the City for a number of years, and their lead attorney for the City, Joel Jamnik, previously announced his retirement but is continuing to work with Arden Hills through the end of the year. It has been six years since the City previously sought proposals for legal services, and it is good practice to do so every so often. Staff has drafted an RFP and once approved, Staff will have it posted on the League’s proposals portal as well as send it to known firms that provide legal services for municipalities. A proposed schedule may change pending availability of firms, Staff and City Council.

- July 7th – proposals due
- July 28th – complete review of proposals
- Week of August 21st – Staff interviews with firms
- Week of September 11th – Council interviews with firms
- September 25th – Council approves selected firm

**City Administrator Perrault** explained the process is anticipated to be similar to the previous process, whereas, Staff will review proposals and make a Staff recommendation to the City

Council. Firms deemed not to be qualified or not able to have the capacity for the City will not be brought forward for consideration. It is anticipated the start date will be January 1, 2024 for the new firm.

**Councilmember Fabel** recommended an attorney qualification be added that responders shall include their total billing hours in 2021 and 2022. He stated this information would provide the City with information on the billing rate and hours being charged to cities.

**MOTION:** **Councilmember Fabel moved and Councilmember Rousseau seconded a motion to approve a Request for Proposals (RFP) for Civil and Prosecution Legal Services as amended requesting staff ask for total billed hours and rate being charged to cities for 2021 and 2022.**

**Councilmember Holden** asked if this would create additional work for the attorneys and questioned how the City would be able to determine who was or was not padding their hours.

**Councilmember Fabel** explained he would not be reviewing bills, but because he has been in the practice for 45 years, he would be able to determine the number of hours the attorneys were working each week, hour and month.

**Councilmember Monson** called the question.

**The motion carried (5-0).**

## **9. PUBLIC HEARINGS**

### **A. Quarterly Special Assessments for Delinquent Utilities**

**Finance Director Bauman** stated water customers whose accounts are 90 days past due were informed that the City intends to certify delinquent charges to Ramsey County to be collected with property taxes. These customers have the right to a hearing in front of the City Council to discuss this matter prior to certification.

**Mayor Grant** opened the public hearing at 7:56 p.m.

With no one coming forward to speak, Mayor Grant closed the public hearing at 7:57 p.m.

## **10. NEW BUSINESS**

### **A. Resolution 2023-031 Adopting And Confirming Quarterly Special Assessments For Delinquent Utilities**

**Finance Director Bauman** stated delinquent utility amounts are certified to Ramsey County quarterly. A list of utility accounts with a delinquent balance was compiled and notices dated May 4, 2023 were mailed. These customers were informed of their delinquent status and were asked to make payment of the delinquent balance by June 5, 2023. Utility accounts with an unpaid delinquent balance would be certified to Ramsey County to be added to property taxes payable in

2024. The certification amount is equal to the unpaid delinquent balance plus an eight percent penalty. The list of remaining delinquent utility accounts was reviewed. The City will request that Ramsey County levy the delinquent balances against the respective properties.

**MOTION:** Councilmember Monson moved and Councilmember Holden seconded a motion to adopt Resolution 2023-031 – Adopting and Confirming Quarterly Special Assessments for Delinquent Utilities. The motion carried (5-0).

**B. Resolution 2023-032 Accepting Bid and Authorizing Award Of Contract To Peterson Companies, Inc. – Arden Manor Park and Floral Park Improvements Project**

**Chris Harrington**, HR Green, stated on April 12, 2021, City Council approved Resolution 2021-017 supporting the City’s application for a CDBG funding opportunity for Arden Manor Park. At a Work Session on November 15, 2021, Council discussed the proposed improvements at Arden Manor Park and Floral Park Hardcourt. At the November 22, 2021 Council meeting, the PSA with HR Green was approved to design and construct Arden Manor Park and Floral Park Hardcourt. On October 24, 2022, Council approved the PSA Amendment with HR Green to add the Floral Park playground structures and park equipment to the overall project. On May 15, 2023, the 95% design plans were presented to Council at the Work Session for final comments. On May 22, 2023, the plans and specifications were approved by the City Council and pursuant of Resolution 2023-027, bids were opened on June 5, 2023.

**Mr. Harrington** explained primary elements of improvements at each park are play structure replacement, play structure container replacement, hard court rehabilitation, trail improvements, ADA improvements, shelter improvements and other amenities. If the project is to move forward, the anticipated schedule would allow for construction to start this summer and final completion late Fall of 2023.

**Mr. Harrington** reviewed the three bids that were received. All of the bids are higher than the Engineer’s estimate which is \$489,617.63. The low bid is 67% higher than the engineer’s estimate. Council may decide to approve the park improvement items as presented or Council may choose to table this item to discuss at an upcoming Work Session. If Council chooses to table the item, discussion can be had about downsizing the scope of the project by removing certain items proposed in the current plan. Because there is not an existing contract signed with the low-bidder (Peterson Companies), they would also have to agree to a modified change in scope of the project for it to move forward. The CDBG funds related to Arden Manor Park must be used in 2023.

**Councilmember Rousseau** noted this bid was requested back in April. She questioned why the amounts came in so much higher than anticipated.

**Mr. Harrington** reported the range between the bids was a concern to him. He noted he looked into what could be causing the prices to be higher, which included dewatering. He explained excavation near sensitive infrastructure was also a concern. He stated that neither dewatering nor excavation near sensitive infrastructure ended up having any major impact on the bid price. He stated there was volatility in pricing in the construction environment and he believed this was the major source for the high bids. In addition, he believed he under adjusted for inflation.

**Councilmember Fabel** commented the letter of explanation states the engineer's estimate did not adequately represent approximately construction costs. He asked if this estimate was from HR Green.

**Mr. Harrington** reported this was the case.

**Councilmember Holden** stated Arden Manor seems to have the significant increase, while Floral did not. She questioned why this occurred.

**Mr. Harrington** indicated he was uncertain as to why this occurred in the bids.

**Councilmember Holden** asked if this project would only cover the cost to install the playground equipment.

**Assistant Public Works Director Miller** stated this also included the cost for drain tile and hard court, along with a significant amount of sand under the hard court.

**Mayor Grant** inquired why the bid for Arden Manor was considered heavy construction.

**Mr. Harrington** stated he was uncertain why this determination was made. He noted he could look into this further and would report back to the Council.

**Mayor Grant** questioned if a mistake was made in the bid.

**Mr. Harrington** suggested the Council discuss how to reduce costs at a future worksession.

**Mayor Grant** stated hindsight was always 20/20. He indicated it may have benefited the City to bid the parks separately instead of jointly as one project.

**Councilmember Monson** commented at the worksession when this project was discussed the Council asked HR Green how comfortable they were with the construction costs. She recalled being told she should be comfortable with the construction costs. She talked about separating specific line items out in order to put this project in a better position to be bid. She noted this discussion was dismissed and the City was now in the exact position she feared. She was disappointed this was the position the City was in. She recommended action on this item be tabled to allow further discussions to be held on the construction costs and expense of this project. It was her hope the City could find creative solutions in order to have these playgrounds completed for the community.

**Councilmember Holden** questioned what would happen if these projects were rebid and would the bid be rewritten by HR Green.

**Mr. Harrington** did not believe the bid documents were poorly assembled. He did not believe there were any items the contractor will have to manage that aren't addressed in the plans and specs.



**Councilmember Holden** stated this meant if the project were rebid, it would be done exactly the same way with the exact same language.

**Mr. Harrington** commented that yes, the only changes he may make to the bid would have to do with inflation and mobilization in order to provide the City with a better cost estimate for the project.

**Councilmember Monson** explained the engineer's estimate came from HR Green and it was woefully underbid. She assumed if the project were rebid, the costs would remain similar. She suggested the City look to see if the hard courts could be completed separately, or that the line items be for the project be further separated in order to find cost savings for the City. She recommended this project be further discussed by the Council at a future worksession meeting.

**Mr. Harrington** indicated he could discuss the project expenditures further with the Council at a future worksession meeting in order to meet the budget.

**Councilmember Rousseau** commented if this project were rebid, how would this affect the project timeline.

**Mr. Harrington** anticipated the project could still be completed by this fall.

**Councilmember Rousseau** asked when the grant for Arden Manor had to be used.

**Assistant Public Works Director Miller** indicated the grant funds had to be used in 2023.

**Councilmember Fabel** stated he was troubled by the poor estimates the City received from HR Green, especially given the amount of dollars that were being spent on engineering fees for this project with HR Green.

**Mayor Grant** explained the Council would not be able to effectively address this issue at this meeting. He recommended the topic be further addressed at a future worksession.

**MOTION:** **Councilmember Monson moved and Councilmember Holden seconded a motion to table action on this item to the Tuesday, June 20, 2023 worksession. The motion carried (5-0).**

## 11. UNFINISHED BUSINESS

None.

## 12. COUNCIL COMMENTS

**Councilmember Monson** requested the agenda be changed to always have Staff Comments prior to Public Comments going forward.

**Mayor Grant** noted this request could be addressed when the Council meets with the League of Minnesota Cities.

**Councilmember Fabel** stated he concurred with Councilmember Monson and had no further comments.

**Councilmember Holden** explained she was asked what the City would be doing with its public safety money from the State. She asked that this be discussed by the Council at a future worksession.

**City Administrator Perrault** commented staff has not discussed this formally but noted this topic would be reviewed when the CIP was addressed in July.

**Councilmember Holden** asked about a recycling report from Republic.

**Councilmember Holden** reported in the past the TCAAP staff meetings could be attended by the public.

**Councilmember Rousseau** encouraged the Council to let residents and business owners know that the Economic Development Commission was accepting applications at this time for members.

**Councilmember Rousseau** stated the Planning Commission recommended approval of a zoning amendment for the thumb property with a vote of 6-0-1 (with one Commissioner abstaining). She thanked staff for all of their work on this item.

**Mayor Grant** stated he attended the Rabata grand opening. He noted this was a book store as well as a gathering and educational space.

**Mayor Grant** explained he was told the City would be getting LGA next year.

## **ADJOURN**

**MOTION: Councilmember Holden moved and Councilmember Fabel seconded a motion to adjourn. The motion carried (5-0).**

**Mayor Grant** adjourned the Regular City Council Meeting at 8:22 p.m.

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Julie Hanson  
City Clerk

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David Grant  
Mayor