

DRAFT



Approved: July 11, 2022

**CITY OF ARDEN HILLS, MINNESOTA
CITY COUNCIL WORK SESSION
JUNE 20, 2022
5:00 P.M. - ARDEN HILLS CITY HALL**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, Mayor Pro Tem Holden called to order the City Council Work Session at 5:03 p.m.

Present: Mayor David Grant, Councilmembers Brenda Holden, Fran Holmes, Steve Scott and David Radziej

Absent: None

Also present: City Administrator Dave Perrault, Finance Director Gayle Bauman, Public Works Director/City Engineer David Swearingen, Assistant Public Works Director Lucas Miller, Deputy City Clerk Jolene Trauba

1. AGENDA ITEMS

A. Recreation Discussion

Public Works Director/City Engineer Swearingen stated that he wanted to give an overview of the recreation program offerings and the current service level. There were some changes due to COVID-19 and staff changes. 2021 was Joe Vaughan's first year of running the Recreation Department and he is now under Assistant Public Works Director Lucas Miller's supervision. The Halloween event was added in 2021 and Touch-a-Truck in May 2022. They made money on the Spring Egg Hunt, but did not meet the goal on the Halloween event. Staff has been partnering with other cities as listed in the memo. There were a total of 85 rec programs offered in 2021 with 886 participants. There were still some COVID-19 restrictions in 2021, but this year staff is anticipating running 115 programs by bringing back some programs, adding new programs and eliminating ones that weren't successful. Staff understands that FPAC would like to see a range of 95%-105% for coverage of direct costs by program revenues. In 2021, 131.6% of direct costs were covered by revenue.

Councilmember Holmes asked for clarification on revenue and direct costs on Attachment C.

Finance Director Bauman explained Attachment C.

Councilmember Holmes asked if the Recreation Supervisor kept detailed track of what he buys to know what was popular and what wasn't.

Public Works Director/City Engineer Swearingen said he buys per event but there are some prizes that can be extended out to other events. Staff hasn't broken it down to how many prizes per event.

Councilmember Holmes suggested that the Recreation Supervisor should keep better track of his budget so they don't have overruns.

Councilmember Holmes felt the Bark and Rec event hasn't been very successful lately. It was more successful the first time, but last time there was hardly anyone there, and it was in the middle of July. New Brighton's event was in the fall and had over 100 people there. They have police canine at the event, take a picture with your dog, and vendor booths, and it was a much more popular event than ours. Their event wasn't at a dog park like ours would be. She had previously discussed this with staff but from what she can tell Bark and Rec will be the same this year as before.

Councilmember Scott said the Halloween event this year was a new format and he wouldn't expect us to make a profit the first year, but he thought it was enthusiastically received by attendees. The Egg Hunt remains popular and they are even recycling some of the plastic egg containers. He was disappointed with last year's Bark and Rec, noting there were more sponsors pre-COVID.

Councilmember Holmes asked if they had thought about charging non-residents more than residents for the Egg Hunt.

Councilmember Holden felt 45% wasn't good. If we could get our numbers up they could offer a lot of other things for free, like an obstacle course where we provide water and ribbons. She agreed that Bark and Rec should be changed. She would like to have a grand opening at the dog park when the new seating is put in. She would also like to see non-residents charged more than residents for the Egg Hunt. Staff should bring tissues to the event. She felt the registration lines could be changed and staff should ask for volunteers to help at the event.

Mayor Grant arrived at 5:14 p.m.

Councilmember Holden continued by saying she didn't like the tiny toys in the two-year old's eggs, and they didn't need to put so much inside the eggs. She would like to see staff plan a free event once a month.

Mayor Grant would like to see us work with neighboring communities on events other than sports.

City Administrator Perrault noted that a few years ago Council took a look at the programs and felt revenues were not covering expenditures sufficiently. Staff has been hesitant to schedule much free programming since then. If they are hitting the 95%-105% goal and could look at trying to raise the 45% number, is Council interested in offering more free programming?

Councilmember Holden said she'd like them to make money on some programs so that could be used toward offering free events.

Councilmember Holmes felt there was more to an event than just having it be free. For example no one may come to an obstacle course in July.

Councilmember Holden suggested having events in different parks for little kids.

Councilmember Holmes said they do bring crafts to Bark and Rec.

Councilmember Radziej added that one of the events in Pierz, MN is that for five weeks in a row on Wednesday night they have track and field for young kids up to six years old, and people come from many miles away to participate. It's put on by the high school track team.

Mayor Grant said the consensus seemed to be the Council wants a few more programs for kids, and he encouraged staff to also think of adult programs.

Councilmember Holden suggested a senior night at the new obstacle course going into the new senior living center. She again mentioned the desire for an event at the dog park when the new benches and dog washing area are ready.

Mayor Grant suggested they mail information about Bark and Rec to people that have applied for dog licenses.

B. Spring Lake Park Lions Club Donation

Public Works Director/City Engineer Swearingen said the four items shown as options do not include installation as Public Works can install them.

Councilmember Holden thought they should get two of the double sided 6 ½ foot benches.

Councilmember Radziej liked the picnic table and a one-sided bench.

Councilmember Holmes liked one #1.

For ease of discussion the choices were numbered.

Councilmember Radziej liked #1 and #4.

Further discussion ensued.

Councilmember Holden said she was OK with #1 and #4.

Councilmember Scott liked #1 and #4.

Mayor Grant agreed with #1 and #4. He suggested they space them out in case they split the park into large and small dog areas.

Councilmember Holden noted they would also need a plaque to acknowledge the donation from the Spring Lake Park Lions Club.

C. Public Works 2022 CIP Equipment Purchases

Mayor Grant said this was a consent item since the dollar value is low for the trailer and field striper.

Councilmember Holden was fine with buying those items but suggested they look at ordering the 450 truck that is on the CIP for next year because of the wait times for vehicles.

Public Works Director/City Engineer Swearingen confirmed they are still waiting on delivery of two trucks previously ordered.

Mayor Grant agreed they could order the 450 truck now and pay for it once it is delivered.

Councilmember Radziej asked if they had looked at tipped trailers due to worker's comp issues.

Public Works Director/City Engineer Swearingen said they are upgrading to a full width style ramp with a beaver tail. He noted the Public Works staff requested this type of trailer as they already have two tipped trailers.

Mayor Grant stated Council was OK with the purchase but if a tipped trailer was only \$500-\$1000 more they should consider that type. He'd like a notation in the Admin Update about what they decide.

D. Water Meters

Finance Director Bauman stated that since January 2021, 28 meters have been installed (19 new installs and 9 replacements). During that same time, they have changed 64 registers and endpoints to cellular from the Galaxy transmitters, in addition to the 19 new installs. Residential meters in the city were replaced in 1999-2000, commercial meters were replaced in 1997. If residential meters were in good working order and less than 10 years old they were left, so some meters could be upwards of 32 years old. All Galaxy readers were replaced in 2012, but since they have gone to cellular there are a few more problems getting reads. Eighty-three meters are now cellular, and the rest are Galaxy. The 19 new installs got all new equipment.

Finance Director Bauman noted that no reads are going up again in the summer which may have to do with the noise floor ceiling that showed up in the frequency study.

Public Works Director/City Engineer Swearingen explained that the Galaxy's are radio transmitted to a collector and then to the cloud, the new cellular equipment transmits directly to the cloud. The study showed that someone is coming into the same frequency and creating the noise. The Galaxy radio boxes aren't supported or manufactured anymore so they have to transition to the cellular style, which is what they are doing as they fail. He stated the Galaxy is a separate component of the meter; there is a meter body, the register and the endpoint.

Mayor Grant asked staff if they thought the meters would continue to fail at an increasing rate.

Finance Director Bauman said she didn't foresee the no reads getting any worse, but what will happen is the loss in revenue from the meters themselves. The City continues to raise the rate to make up for revenue lost. They look at all of the costs and set the revenues to handle costs and capital expenditures. The increase is set to cover costs and to make sure there is enough fund balance in the fund.

Mayor Grant asked how much was lost per year per home based upon the bill rate.

Finance Director Bauman calculated that with just under 13 million gallons unaccounted for, it would cost each home \$28.50 per year. She noted that not all water loss is from meters, and she takes into account city usage from street sweeping, rink flooding etc.

Councilmember Radziej asked how much a new meter costs.

Finance Director Bauman replied that a residential meter body is \$75, the register is \$90 and the endpoint is \$150. When they are replacing the Galaxy with the new cellular units they are putting in a register and endpoint for \$240. They don't replace the meter body very often.

Councilmember Holmes wondered if they could assess the cost.

Finance Director Bauman said a new home owner will buy the meter. She felt if residents were being assessed they wouldn't let anyone in to replace them.

Mayor Grant stated \$240/meter X 3,200 meters is just over \$750,000, not including installation.

Public Works Director/City Engineer Swearingen said what is due for replacement is the meter body, cities typically replace them every 15-20 years. Little Canada has the same Galaxy system as we do and they are also transitioning. They did a full replacement meter and Galaxy boxes in 2010, and they are planning to do a full replacement in 2030 although they are transitioning to cellular as the Galaxy's fail. Arden Hills is different as we have older bodies and the Galaxy boxes were put in 10 years ago. There isn't a lot of drop off in the accuracy of the meter body but we are getting past the 20-year mark. He would be OK keeping the meter bodies and getting more life out of the Galaxy boxes unless they start seeing an uptick in the failure rate, and replace everything at once instead of piecemealing it together. They could test several meters for accuracy.

Mayor Grant stated that staff is asking if they should hire a consultant to help figure out the configuration and what makes the most sense going forward.

Finance Director Bauman said that because of some issues they had last year they weren't able to track the unaccounted-for water; she is waiting for the first quarter billing from Roseville to see where we are sitting now and if the unaccounted-for water is still creeping up.

Councilmember Holden felt they should wait to hire a consultant. Budget it for next year and bring someone on in the spring or fall.

Public Works Director/City Engineer Swearingen added that a consultant would give a recommendation on what products to purchase.

Councilmember Scott felt they should do a cost benefit analysis to see if a consultant would get paid back by the revenues they would recoup.

Councilmember Holden said councilmembers should talk to other cities while they are at the League of Minnesota Cities conference to see how many have done an analysis.

Councilmember Holmes said the Public Works Director had basically just given them an analysis, and they didn't need to hire a consultant.

Councilmember Radziej thought they should get a consultant or start replacing them.

Councilmember Scott said they should talk to other cities.

Mayor Grant agreed they should budget for 2023 and watch how many units fail.

Discussion ensued regarding the water fund.

E. Hazelnut Park Parking Lot Discussion

City Administrator Perrault gave a brief overview of the situation with the parking lot at Hazelnut Park, and what was recently discussed with the church. He said the church doesn't have the money to fix the parking lot. Staff spoke with them and they may be willing to give up some of the land if the City fixes the parking lot and the cost is split, the church would need a payment plan. The city attorney said it is legal for the City to pay for the cost and assess the church over 10-20 years. They are estimating \$250,000 to redo the lot although it is not designed yet. The church is overparked now, they have 139 stalls, but required to have 50. The church would like as many stalls as possible. It makes the most sense to have them give up the northern section of the lot to the City, which is about 15,000 square feet. That space could be used as a preschool soccer field, volleyball court, dog park etc.

Councilmember Holden said the church was responsible to do seal coating and didn't. She felt they should pay to make up for what staff did to repair the lot.

City Administrator Perrault suggested the church split the cost 50/50 and give the City the land.

Councilmember Holden asked staff if they were aware that there are ground up tires under the asphalt.

Public Works Director/City Engineer Swearingen said they took two soil borings but he didn't recall seeing rubber in them. The estimated cost wouldn't include any curb and gutter or drainage improvements.

Councilmember Holmes was surprised that the church was willing to give up land and pay 50%.

City Administrator Perrault said to be fair the terms may shift once they talk to the church again.

Mayor Grant said Council would need to consider if the 15,000 square feet of land is worth \$125,000. He felt it probably would be.

Councilmember Scott wondered if the space would be big enough to put in a pickleball court.

Public Works Director/City Engineer Swearingen said they could add a pickleball court when the existing tennis court surface gets redone.

City Administrator Perrault said it might be cheaper to have the contractor doing the parking lot also construct a hard surface court.

Mayor Grant thought Council was agreeable to the 50/50 split.

Councilmember Holmes was agreeable to it but was surprised they were willing to give up land and split the cost.

Councilmember Holden noted the gaga ball pit was always in use and suggested they add them to other parks.

F. Council Tracker

City Administrator Perrault provided the Council with an update on the Council Tracker. After discussion, all items were left on the tracker.

Mayor Grant and Councilmember Holden requested that Tree Plan and Landscaping Fund be added to the tracker.

Discussion continued regarding diseased ash trees in the City. Staff will provide the letter sent to residents in the Admin Update.

Mayor Grant asked that City Code Changes be added to the tracker.

2. COUNCIL COMMENTS AND STAFF UPDATES

Councilmember Holmes wondered how long the small fabric dumpsters (Bagsters) are allowed to be on a resident's property and if there was anything in the ordinance about it.

Councilmember Scott said PTRC would have their summer parks tour at 6:30 p.m. the next evening starting at Hazelnut, then Sampson and Floral Park. He asked if Council would like PTRC input into what to do with the potential land being added to Hazelnut Park.

Councilmember Holden commented on bee keeping and the City ordinances. The Shoreview/Arden Hills Rotary Club is having a beer and wine tasting event in August at Snail Lake Park that she would like to add to the newsletter, and if anyone wants tickets to let her know.

Councilmember Radziej thanked the Council for finishing up the food truck item in his absence.

Mayor Grant asked for an update on the City paving project.

Public Works Director/City Engineer Swearingen said Public Works has been moving along well with the paving. They will be starting at Tiller/Ingerson in the morning and then complete the smaller area patches. They will be transitioning to phase II and have a more definite schedule for crack sealing in late July, followed by chip sealing and fog sealing trails.

Assistant Public Works Director Miller stated they are going to start paving Old Snelling the next week, and the curb is 90% done. There will be a small amount of pipe lining done before they move on to the trail.

Public Works Director/City Engineer Swearingen noted they have the same inspector on this project that was on the 2021 PMP (Brian Schmitt from Bolton & Menk) and he is staying on top of the contractor and coordinating with the City.

Mayor Grant said businesses on and around Lexington have been suffering due to the road construction.

Assistant Public Works Director Miller said it may be mid-July before the northbound lane is reopened. Private utility companies that were being dealt with include fiber, a gas line, power feeds and with water conflicts.

Mayor Grant mentioned that he received correspondence from someone against the 25 mph speed limit change.

ADJOURN

Mayor Grant adjourned the City Council Work Session at 7:04 p.m.

Jolene Trauba
Deputy City Clerk

David Grant
Mayor