



Approved: September 23, 2019

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**CITY OF ARDEN HILLS, MINNESOTA  
CITY COUNCIL WORK SESSION  
AUGUST 19, 2019  
5:00 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 City Council Work Session at 5:03 p.m.

**Present:** Mayor David Grant, Councilmembers Brenda Holden, Dave McClung, Fran Holmes, and Steve Scott

**Absent:** None

**Also present:** City Administrator Dave Perrault, Interim Public Works Director/City Engineer Todd Blomstrom, Finance Director Gayle Bauman, Deputy Clerk Jolene Trauba, Recreation Coordinator Sara Knoll, Alliant Engineering Consultant Steve Weser, and Ramsey County Project Manager Khamsai Yang

**City Administrator Perrault** requested the addition of a bench handout be included as Item IF on the agenda. Item 1A was changed to be discussed after Item 1B. The agenda was approved as amended.

**1. AGENDA ITEMS**

**B. Met Council Grant Opportunity**

**City Administrator Perrault** noted that the Met Council is rolling out a Water Efficiency Grant Program, which is a partnership between the Met Council and the City to offer rebates to replace inefficient appliances such as toilets, washing machines, irrigation system controllers and sprinklers. The grant is funded 75% by the Met Council and 25% by the City. Plymouth and Woodbury are two cities currently offering rebates, they are generally providing between \$50 and \$200 in qualifying rebates. In talking with other cities it was noted that there may be a large uptick in the first year and then the grant doesn't have as much usage. Staff would have to decide who would be in charge internally, most likely it would be the Finance department. A proposed \$20,000 in grant money would mean the Met Council would provide \$15,000 and \$5,000 would come from the City.

**Councilmember Holden** asked if the program could be income eligible.

**City Administrator Perrault** said he didn't think there would be anything prohibiting the City from doing that.

**Finance Director Bauman** said she wasn't sure that the Met Council would allow that. The reason for the program is to curb water usage. Woodbury and Plymouth only give rebates for irrigation. Toilets and washers don't save on a lot of water and it is very staff labor intensive. There are no reimbursements from Met Council for staff time. In a previous city she worked for they gave rebates for toilets and washers but abandoned the program after a year.

**Interim Public Works Director/City Engineer Blomstrom** added that cities usually implement this program when they are getting a peak demand and can't generate enough water during those times. Irrigation is what brings down the peak demand. That currently isn't a challenge in Arden Hills.

**Councilmember Scott** said he could see the value of adding toilets to the program as they are in constant use.

**Finance Director Bauman** said the City would submit documentation to the Met Council once a quarter and get the 75% reimbursed.

**Mayor Grant** asked how we would control the program is there was more or less demand.

**City Administrator Perrault** said it could be structured as first come, first served not to exceed the grant amount. There is a question about the minimum required to be paid by the grant and if the City is still required to pay that amount if there are not enough participants.

**Councilmember Holden** stated that with no peak demand issues she didn't see this as a program for the City at this time. She thought there are not that many irrigation systems in the City, it would be challenging for staff to manage the program and the City already sends water usage letters to those homes outside of normal usage.

**Councilmember McClung** said he was worried about the amount of staff time that would be devoted for the amount of money.

**Councilmember Holden** was not in favor.

**Councilmember Scott** said it wasn't a make or break for him.

**Mayor Grant** said he'd rather see staff focus on other things.

Staff was directed to not pursue this grant opportunity.

#### **A. Ramsey County Lexington Avenue Project Update**

**Interim Public Works Director/City Engineer Blomstrom** noted there are roadway improvements planned on Lexington Avenue between County Road E and I-694, as well as

watermain improvements for Arden Hills and Shoreview. Project design, schedule and cost sharing will be discussed.

**Alliant Engineering Consultant Weser** explained the project is basically a full reconstruction. Some of the project partners are Ramsey County, Shoreview and Arden Hills, MnDOT, Roberts Management (Lexington Station Phase 3), residents and other businesses. The asphalt is rutting and will be replaced with concrete. Cities will be replacing water mains, and traffic signals will be brought up to current standards. The final design plan should be complete in late fall. The County is acquiring easements and should be done mid-summer of next year. Bidding will be mid-late 2020 with a spring 2021 construction start. Some utility relocation work may occur in 2020.

**Mr. Weser** stated they held open houses in December, 2018 and April, 2019. Another open house will be held prior to construction.

**Mr. Weser** said there is ongoing coordination with Lexington Station, the Rice Creek Watershed District, residents and other businesses. They have also talked with the owners of Shannon Square, Arby's, Big O Tires and Enterprise. They didn't receive any real pushback on the plan design. Ideally Arby's, Big O Tires and Enterprise would connect into the driveway access and signal from Lexington Station.

**Mr. Weser** noted there will be sidewalk and trail improvements; the trail on the east side will be replaced and widened, the sidewalk on the west side will be replaced and the gap filled in by Lexington Station. The driveway at Lexington Station Phase 3 will be relocated to connect to Target Road and the current entrance will be removed. The signal system infrastructure will be upgraded; phasing and timing. There will be turn lane additions and a raised median. Shoreview will replace their watermain from County Road E to the TCF bank property as well as some sanitary sewer. Private utility work will be ongoing. Transit stops are being reviewed with Metro Transit, some may be relocated. Right turn lanes will be added to all the major intersections, a dual left turn lane southbound at Red Fox, a right turn lane on eastbound Red Fox. Other cross street improvements will consist of lane configurations revised on Grey Fox to provide dedicated left turns and a right through lane in each direction.

**Mr. Weser** elaborated on the Red Fox Road intersection, they will be increasing the stacking distance for vehicles which will help the capacity of the intersection, a southbound right turn lane onto Red Fox will be added, a right turn overlap phase will be added to help the westbound queuing. When northbound and southbound lefts are going the right turn will get a green arrow. An eastbound right turn lane will be added on Red Fox to southbound Lexington. Signal timing improvements will be made along the whole corridor. The access management will provide a consistent median along Lexington Avenue and eliminate unsafe merging coming out of some of the driveways. Northbound traffic will be able to enter Shannon Square but there will be a right only out to go southbound or use of the signal at Grey Fox. A median is proposed across the driveway at Arby's/Big O Tires/Enterprise so there will be a right in, right out unless they work out access with the Lexington Station development to the Target Road intersection.

**Mr. Weser** noted that Ramsey County will be using state aid funds for their portion of the project along with the County cost sharing policy for local agencies. There are potential assessments for properties benefitting from intersections and signals. A meeting was held with Target, the City of

Shoreview and a conference call with the owners of Arby's and Big O Tires/Enterprise parcels, to make them aware of the access and signal changes being proposed, and possible assessments. City watermain work will be funded by the cities.

**Mr. Weser** discussed the estimated project costs with a caveat on the easement costs. They are currently estimated at \$2 a square foot for temporary easements and \$10 a square foot for permanent easements. Ramsey County is cautioning that may be light for commercial properties so the numbers may go up. Estimated construction cost is about \$9.1 million which includes a 10% contingency. There is 10% construction administration/inspection and 10% engineering cost comes to approximately \$229,000 on the signal systems. Total estimated cost for the project is \$11.6 million. County policy is that local agencies would share 50% of the easement costs. Target Road traffic signal would be 50% split between the cities, other traffic signals would be \$175,000 for the city portion. New sidewalk is estimated at \$23,000 for the city, the Arden Hills water main would be about \$311,000. Twenty percent engineering and construction administration for the signal system is about \$65,000, sidewalk and water main \$80,000 for a total of \$870,000 depending on the easement costs.

**Mr. Weser** continued with construction staging. Detail discussions are still ongoing. There may be some short-term closures but they are planning to try to keep at least one lane open in each direction. Driveway access will be maintained as much as possible. Most of the widening will be on the west side so that side will be constructed first.

**Councilmember Holden** asked what properties easements are being purchased from.

**Mr. Weser** replied on the Arden Hills side permanent easements will be on the Shannon Square and Pace Industries properties, and temporary easements for grading north of that area. Shoreview will need more easements due to their water main reconstruction.

**Councilmember Scott** noted that Pace Industries will be closing.

**Councilmember Holden** asked about the money that was spent on resurfacing Lexington about five years ago.

**Mr. Weser** said there are still some corners that need to be brought up to ADA standards and that may have been part of the work done previously.

**Mayor Grant** mentioned the turn notation symbols aren't consistent on the drawings.

**Mr. Weser** said they are changing the lane configuration on Grey Fox and are providing a dedicated left.

**Councilmember Holden** asked if they could have a right turn only lane at County Road E.

**Mr. Weser** said they did look at a dedicated right turn lane and not allowing through movement, but when people are stacked in the left turn lane and potentially backed up into the through lane they thought a through lane would be best.

**Councilmember Holden** said the left hand turn didn't get stacked up now into the through lane.

**Mr. Weser** said if it were made a right turn lane there would be additional property impacts at Goodwill.

**Councilmember Holden** noted that if you are at Shannon Square you'll have to drive through the Cub parking lot in order to go left onto Lexington.

**Mr. Weser** responded yes, they want people to use the signal.

**Councilmember McClung** said when you're heading southbound there is a new right turn lane at Red Fox, Lexington Station, and Grey Fox but not at County Road E. He felt that would be a problem.

**Mr. Weser** said they looked at that from a traffic standpoint and saw the benefit in keeping that a through right.

**Mayor Grant** said if they put a dedicated right they would gain more capacity for stacking between County Road E and the railroad track. He would like to see an additional right turn lane added.

**Councilmember McClung** added that you normally see people backed up in the right turn lane to go onto County Road E.

**Mr. Weser** said he appreciates the discussion. It could be made a dedicated right in part because the lane drops out after County Road E.

**Councilmember Holden** said with taking out the left hand turn at Shannon Square, everyone will have to go right.

**Interim Public Works Director/City Engineer Blomstrom** said the designers could evaluate the lane drop north of the intersection or look at options to get an additional right turn lane.

**Mayor Grant** clarified that coming out of Grey Fox there is a dedicated left coming out onto Lexington, that is signalized. Also, coming out of Lexington Station Phase 3 there isn't a dedicated right but you could make a right.

**Mr. Weser** said there could be a three lane situation depending on how much room is there after the development is done.

**Interim Public Works Director/City Engineer Blomstrom** felt adding a dedicated right turn lane out of Lexington Station at Target Road would definitely increase the capacity of the intersection. Especially if Big O Tires and Arby's are added to the intersection.

**Councilmember Holmes** wants to get rid of the driveway to TCF from Lexington.

**Mr. Weser** said the County traffic staff doesn't want the driveway but there is a previous agreement with Shoreview to not take it out.

**Councilmember Holden** asked about the radius on Red Fox being wide enough for trucks.

**Mr. Weser** said they are wide intersections and will work for large trucks.

**Councilmember McClung** asked if the new light at Red Fox will be timed so it doesn't cause a backup between Red Fox and the freeway.

**Mr. Weser** said they would be.

**Councilmember Holden** said if you are going east on Red Fox Road and want to go north onto Lexington the lanes are full of traffic coming out of Target. There needs to be a control for the right turn going north.

**Councilmember Holmes** agreed that a continuous right won't work from the Arden Hills perspective. She felt there is plenty of room for stacking on Red Fox Road coming out of Target. She would like to see no right on red.

**Councilmember McClung** said the right turn on red should be prohibited because people on the Arden Hills side can't get out now on a green arrow to go left.

**Mr. Weser** said he can take the request back to the signal designers to see what they can do. The signals will be interconnected on a common control system all along the corridor.

**Councilmember Holmes** said she'd like to see a signal with an arrow that goes right that can be turned on and off as necessary. It could blink yellow most of the time but at peak times it could be red.

**Mayor Grant** asked if there would be federal money involved in the project.

**Ramsey County Project Manager Yang** said there were state aid funds but not federal.

**Interim Public Works Director/City Engineer Blomstrom** highlighted the three key points that the Council wants to see: dedicated right turn from south bound Lexington onto County Road E, a right turn lane at the Lexington Station/Target intersection and a right turn signal for westbound Red Fox at Lexington.

### **C. Park Security Discussion**

**City Administrator Perrault** said this went back to a previous discussion when Sheriff Serier was at a meeting and the Council asked staff to come up with a plan for comments and concerns regarding the parks. A table with incidents from 2017 to date was provided along with a list of incidents that had been reported to the Sheriff's department. The Council also previously discussed adding cameras at Cummings park. Initial cost for cameras would be around \$5000 with approximately \$1000 per year thereafter. Staff wants to establish a better tracking system to monitor what is going on at the parks. They are proposing to have a quarterly meeting with staff and the Sheriff's department to discuss incidences and share concerns, unless there is something that needs a timelier discussion.

**Recreation Coordinator Knoll** explained they have a new numbering system for keys, so they know which staff person has which keys. The keys are also marked "do not duplicate". Three lead

staff members get keys and they are required to turn them in at the end of the season. They are charged a \$25 fee for a lost key.

**Councilmember Scott** asked about putting fake cameras in the parks.

**Councilmember Holmes** felt they had enough information. There are three troublesome parks: Cummings, Hazelnut and Perry. She thought cameras should be considered.

**Councilmember Holden** asked how much it costs to rekey.

**Recreation Coordinator Knoll** said it's around \$250. They have to rekey every door, and Cummings, for example has 15 doors. The general public is charged a \$200 deposit when they rent the pavilions.

**Councilmember Holden** suggested having only one door be able to be opened from the outside and the rest would be opened from the inside, that way they'd only have to change one lock.

**City Administrator Perrault** said they could have the locksmith take locks off of all but 2 doors, in case one sticks. But suggested waiting until the next time they need to rekey to have the work done.

**Recreation Coordinator Knoll** said she will look into getting the door locks redone.

**Mayor Grant** said he was on board with getting a few fake cameras.

Discussion ensued regarding possible locations for fake cameras.

**Councilmember Holden** suggested we turn the floodlights off at the pavilions.

**Mayor Grant** thought sensor lights would be a good idea.

Discussion ensued.

**City Administrator Perrault** summarized that staff would look into fake cameras, rekeying to have locks on only 1 or 2 doors, sensor lights on the pavilions (if the Sheriff agrees to the idea), and quarterly reporting.

#### **D. Preliminary General Fund Budget**

**Finance Director Bauman** stated that she would be reviewing the preliminary General Fund budget for 2020. The City is required to adopt a maximum tax levy by the end of September. For the purposes of discussion, there is a 5% tax levy reflected in the budget.

**Finance Director Bauman** said the General Fund budget is not balanced. It is underfunded by \$159,700. Progress is being made but the practice isn't sustainable so they are trying to eliminate the deficit. Part of the tax levy increase will go to drop the deficit budget balance. A tax levy increase of 9.05% would be needed to balance the General Fund but even with that there would still be issues with some of the capital funds. The revenue budget is projected to be \$4.871

million, which is an increase of 1.4%. The building plan check fees budgeted for 2019 were a little high, so the charges for services budget is dropping in 2020.

**Finance Director Bauman** showed a graph of General Fund expenditures for 2016-2020.

**Councilmember Holden** requested the graph be revised to show budgeted versus actual dollars.

**Finance Director Bauman** noted the biggest increase is in public safety costs which the City contracts for. Overall the Personnel Services Budget is going up only by a total of 1.8%, which includes a 3% COLA, 3% health and 3.5% dental.

**Finance Director Bauman** said the Supplies and Materials Budget didn't change much between the two years, but the contractual services budget is changing. It is being proposed to move \$50,000 from the Street Maintenance Budget for patching and overlay to the PIR Fund. The Ramsey County police contract will have a \$95,870 increase, the Ramsey County dispatch contract is going down almost \$23,000, and the Lake Johanna Fire Department budget is increasing \$47,310.

**Finance Director Bauman** discussed property values. All property type values are increasing in Ramsey County, but the biggest increase will be residential. County wide taxable market values on residential properties are going up 8.5%, commercial/industrial is going up 1.6% and apartments are going up 7.4%. Median home values in Arden Hills are going up from \$346,900 to \$372,400. City tax on \$346,900 payable in 2019 was \$871. That home at \$372,400 with the proposed 5% tax levy would be \$926, or a \$55 increase. The median value home price has increased 24% since 2016 but the City tax on that home has gone up 20%. Based on current values, the proposed tax rate would be the lowest it's been since 2012.

**Finance Director Bauman** explained the Proposed Tax Levy chart and list of tax levy assumptions. Other funds that rely on tax levy dollars include the EDA fund, Public Safety Capital Fund, Equipment/Building Replacement Fund and the PIR fund.

Discussion ensued regarding street paving projects and related costs.

**Interim Public Works Director/City Engineer Blomstrom** will do an analysis to see the exact cost savings from doing paving work with our City staff versus hiring a contractor.

**Councilmember Holden** asked about the process for department heads setting their budgets.

**Finance Director Bauman** replied that she sends detailed line items of the previous two years budgets to the department heads and asks for them to fill in the budget for the third year. She then goes through the items and asks questions as needed.

After discussion regarding the tax levy, it was generally agreed that a 5% maximum would be brought forward for preliminary approval.

**Finance Director Bauman** will bring the General Fund Budget to a Council meeting in September for Council to set a tax levy at that time.



### **E. Council Tracker**

**City Administrator Perrault** and staff reviewed the Council Request Tracker with the City Council. Perry Park Dog Park Improvements and Old Snelling Trail and McCracken Lane were removed. Additional columns for planned completion date and revised completion date were requested to be added. Items for the Vacant House on Brighton Way and 2020 Corrections Resources (ICWC) plan were added.

Council agreed to continue the meeting past 8:00 p.m.

### **F. Public Works Office Support Discussion (Bench Handout)**

**City Administrator Perrault** noted that the Personnel Committee had a meeting to begin preliminary discussions regarding Public Works staffing. Current and future needs of the department were discussed. Staff believed one of the organizational needs is to hire a Public Works Administrative Assistant. Title and grade would be an office support specialist, similar to the front desk, but this position would be at the Public Works facility.

**Interim Public Works Director/City Engineer Blomstrom** added the goal is to increase the productivity and functionality of the department. Currently, most calls for service are going directly to the Public Works Superintendent (Jeff) so he is saturated with phone calls while he is trying to be the subject matter expert, show the staff how to do projects and be a good manager. He said most public works departments have at least one administrative support person that can focus on giving good customer service. Many calls could be screened and answered by an administrative assistant. A work order system would help manage work as it's coming in. Arden Hills doesn't have a work order system, and this position could coordinate that. Other duties could include coordinating material orders, inventory, implementing and monitoring a training and safety program. His advice to improve customer service would be to get a strong administrative assistant.

**City Administrator Perrault** said that even though there is a working foreman position vacant, staff feels the administrative assistant would be the most beneficial for current operations. Estimated budget savings would be \$17,000.

**Councilmember Holmes** felt that a lot of issues could be resolved by having someone taking some of the burden of the Superintendent but not by adding another working foreman.

**Councilmember Holden** asked if there would be enough work for the position as a full FTE.

**Interim Public Works Director/City Engineer Blomstrom** replied that there is a risk of not having safety training covered, along with regulatory reporting. The City can be audited and they levy fines on cities. Having a work order system is one of the most fundamental things of having efficient work flow, that also keeps records of where staff spends the most time and identifies areas that can be improved. This person would also keep the Safety Committee moving forward.

**Councilmember McClung** said he'd like to have further discussion along with Public Works Director/City Engineer position. He'd like to look at the whole structure of the department.

**Mayor Grant** said the Personnel Committee wanted to get the idea to the Council for future consideration.

**2. COUNCIL/STAFF COMMENTS**

**Councilmember Scott** noted food wasn't provided to the election officials and would like to see it happen every time.

**Councilmember Holmes** mentioned that she would like the Council to talk about Highway 96 plantings and beautification.


**Councilmember Holden** wanted to know where the City is on I&I and get an account of the MSA funds. She also inquired about the new HVAC system for City Hall and said she'd like to consider a solar panel be added.

**City Administrator Perrault** said a recommendation came in with two options that staff will review and they can ask to get pricing for a solar panel.

**City Administrator Perrault** noted that a Public Works Maintenance Worker resigned and staff would like to request approval to post for the position at the next Council meeting. Bench handouts will be provided at the next meeting with RFPs for the Old Snelling project. Also, Karth Lake needs a new pump and staff is working on determining if the City or the Karth Lake District is responsible to provide funding for a new pump. It will be brought forward for further discussion at the October work session.

**ADJOURN**

Mayor Grant adjourned the City Council Work Session at 8:32 p.m.

  
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David Grant  
Mayor

  
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Jolene Trauba  
Deputy Clerk