

MINUTES

1. CONVENE CITY COUNCIL WORK SESSION MEETING

Mayor Labadie called the meeting to order at 5:30 P.M.

A. Roll Call

Present: Mayor Labadie; Councilmembers Labadie, Maddy, Sanschagrín, and Gorham; City Attorney Shepherd; City Administrator Nevinski; Parks and Recreation Manager Czech; Planning Director Griffiths; Director of Public Works Morreim; and, City Engineer Budde

Absent: Councilmember DiGruttolo

B. Review Agenda

Maddy moved, Sanschagrín seconded, approving the agenda as presented. Motion passed 4/0.

2. VEGETATION MANAGEMENT DISCUSSION

Public Works Director Morreim noted that he felt that the last few years had culminated in the need for an overarching discussion related to vegetation management. He noted that the city had been dealing with buckthorn quite a bit over the last few years, field and park turf, emerald ash borer, park and right-of-way trees, invasive species, in addition to other things. He explained that within the staff memo, staff had laid out much of what they have been doing. He noted that the city had adopted Resolution 14-066 in 2014 and an updated Resolution 22-135, in 2022, and explained that the main difference was related to the use of systemic chemicals and a change from the use of the word 'refrain' to 'gradually reduce'. He noted that in 2017, they had an Urban Forest Management Plan that he had neglected to include in the packet information, and also had the IPM report and recommendations, but clarified that this was not an adopted plan, even though the City was following many of their recommendations. He explained that in the spring of 2023, the city held an open house to get some residents' and park users' input on the IPM work plan. He noted that the city had incorporated the public comments into the IPM work plan, which the Council had approved following the open house. He highlighted some of the buckthorn removal that was done in Freeman Park, along with follow-up removals that have been done, and explained that staff had given annual updates to all of this work for 2023 and 2024. He noted that staff had also put together a draft invasive species plan, and through those discussions with the Council, had mentioned the possibility of having an overarching vegetation management plan.

City Administrator Nevinski clarified that the draft of the invasive-specific plan had only gone to the Park Commission and not the City Council.

Public Works Director Morreim explained that staff were looking for direction from the Council on development of a vegetation management plan and noted that they were looking for something

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that could guide them in both the short-term and long-term and feedback on the role of the Park Commission.

Councilmember Gorham noted that the City's resolution stated that the city would gradually reduce the use of systemic pesticides and explained that he had expected to see that tracked in the annual reports.

Public Works Director Morreim explained that they put forth what they were doing on the different types of vegetation management within the annual reports.

Councilmember Gorham asked how the city was gradually reducing their use and if there was a strategy.

Public Works Director Morreim stated that the reality was that the City was down to the bare minimum for now and noted that they were not using any chemicals for buckthorn removal, or doing EAB injections as of last year, and for turf management, they were treating entire parks. He reiterated that the city was down to the bare minimum for what they felt was appropriate for the level of service and type of activities that take place on the different turf areas within some of the parks. He clarified that they were not using treatments in all the parks and just Manor and Freeman.

Councilmember Sanschagrín asked if the city was using ArmorTech Threesome herbicide.

Public Works Director Morreim stated that they were not using ArmorTech Threesome and believed the last time it was used was in 2020 or 2021. He explained that they were doing a blanket treatment of fertilizer and spot spraying with herbicide where needed.

Councilmember Sanschagrín asked what kind of herbicide was being used.

Public Works Director Morreim stated that it was called TurfLawn, which was at the green level within the IPM report.

Mayor Labadie stated that one of the things that concerned her was the number of staff hours that were expended towards buckthorn removal last year, which equated to a seasonal worker, and noted that those hours were not included in their budget plans. She stated that meant that these hours were either taken away from other projects or duties, or people had put in overtime, which she found hard to be able to justify continuing without addressing it in a budgetary fashion.

Public Works Director Morreim stated that they had learned a lot over the last year and were able to prioritize the work and find time to do it, and then, as they progressed through the year, tried to figure out the best and most efficient way to manage it without using any chemicals. He stated that they had purchased within the existing capital budget, a mower that can be used to cut smaller buckthorn and have also partnered with Hennepin County, which has helped maintain some of the areas where it has been laborious. He explained that the hope for the future was that in the areas that they have removed right now, they will be able to efficiently maintain those areas. He noted that it did not include several areas in Freeman that have not yet been touched and would require a much larger effort. He stated that there were also a lot of ash trees in Freeman Park that need to be removed, and they were looking for some removal options with the County that will be discussed during the regular Council meeting.

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Mayor Labadie noted that he had estimated that there were about eighty volunteer hours and stated that she applauded the community for helping with this work, but felt it was not something the city could rely on.

Public Works Director Morreim stated that one of the lessons they learned in buckthorn removal was that they cannot rely on volunteer efforts because the most efficient way to do it was with equipment, and the city does not allow volunteers to use that type of equipment. He stated that they will hold additional volunteer events for things like tree planting, where mechanical equipment is not necessary.

Councilmember Sanschagrín asked if it made sense for the city to have all the different plans or if they should combine some of them, for example, merging the Vegetation Management Plan with the Urban Forestry Plan.

Public Works Director Morreim explained that his preference would be for a new document that would incorporate all the different aspects. He stated that he felt the 2017 plan was a good plan that had things that they could pull but believed that it needed to be updated to where things were today. He stated that there were also good things in the IPM report, but there were also things that were a bit challenging and not necessarily applicable. He explained that he would like to see them produce something that pulls from some of the different documents into one cohesive plan for the city.

City Administrator Nevinski explained that this was what staff was envisioning and referenced the draft Vegetation Management Plan included in the packet was what the City was trying to move to, so there was an articulated plan for dealing with turf, trees, and invasives, but all in one place.

Councilmember Sanschagrín stated that he felt it made a lot of sense to have one integrated, cohesive plan.

City Administrator Nevinski noted that the IPM was almost unmanageable because it includes so much detail and is even hard for staff to understand.

Councilmember Sanschagrín noted that he had not seen anything included about sight lines and asked if they should create a plan related to them.

Public Works Director Morreim stated that it would be part of right-of-way management and could be folded into the plan.

Councilmember Maddy stated that the staff report noted that they had seen improvements at Manor Pond and some turf conditions and asked for details. He asked if they would be able to determine if it was causal or a coincidence.

Public Works Director Morreim stated that it was based on comments from staff who were maintaining the fields for the last few years. He reviewed the history, condition, and weather conditions, and noted that they were seeing more desirable conditions on the turf. He noted that Manor Pond had also improved with less algae and growth, and noted that by not having weeds, they end up with higher quality ice for the open skate.

Councilmember Maddy stated that for turf mowing, he sees the highest/best use of some of the lesser-used spaces would be their open spaces around the country club development and stated

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that there is a lot of underused turf space throughout the city in some of their larger parks. He asked if Public Works Director Morreim planned to start adding those in to be managed more as open space for things like native plantings, where it was only mowed once a year in the dormant season, so they can use staff time for the more regularly used areas, such as the ballfields.

Public Works Director Morreim explained that he felt that would be part of the discussion that the Council should have through the Vegetation Management Plan. He noted that he would not say that they had designated those open space areas but have carved them out where they do not do treatments. He referenced another city in the Twin Cities metro area that had a natural area where they had wildflowers, and some of the City's discussion about this had also been to incorporate some of those areas into the park areas, but they need a plan for that.

City Administrator Nevinski stated that if the City were going to undertake native vegetation plantings, those would be capital projects, because they are expensive and take several years to get established. He noted that periodically, the city would also need to go in and burn them, so it would be part of the development plan to maintain them.

Councilmember Sanschagrín stated that it would be helpful to know what those costs would be.

Mayor Labadie asked what the city had done last year with Manor Pond.

Public Works Director Morreim stated that they had a treatment program that was contracted out, where they did five treatments, two of which contained alum, which was in the red category, but they had been able to explain the benefits and noted that Manor Pond was not used for swimming or irrigation.

Mayor Labadie shared some background information and history from when the city first started discussing the Manor Park Pond with the residents. She explained that the residents were very vocal and unified that they wanted something done to the pond because it had thick, green algae sludge that had an odor. She noted that after the city began the alum treatments, the neighbors were still vocal but were thanking the city. She noted that in the packet, there were priority areas listed where trails and sidewalks were listed and stated that was something that she had received calls on. She stated that years ago, she believed that Public Works staff used to treat the cracks in the sidewalks, and since that stopped, there are certain areas of the trails and sidewalks where weeds are waist-high in the cracks. She noted that her understanding was that if they were burned, it could cause damage to the infrastructure, nor was it a recommended best practice. She explained that they had heard from residents who said that the City's trails look like crap and asked if there was a plan for these areas and what was done last year for sidewalk maintenance.

Public Works Director Morreim stated that over the last few years, they have just been weed-whipping those areas two or three times per year. He noted that unless they do crack sealing, the weeds will eventually grow back. He stated that he was comfortable continuing with this method into the future.

Councilmember Gorham stated that the reports they spoke about earlier in the meeting were both about invasive species, which are related to bee habitats, and asked if, moving forward, he wanted to make sure that the City was doing what they say they will do. He noted that some of the language stated that the city would publish a Bee-Safe City progress report and would not call what they were looking at tonight a progress report and questioned what the Park Commission's role was in all of this. He noted that he felt a Bee-Safe progress report would not be as robust as

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what they were looking at, and would be more of a summary, and would explain the City's approach to ballfields and lean more towards pollinator-friendly environments, and helping residents understand how they can plant bee-friendly plants. He explained that depending on the makeup of the Park Commission, he could see them being involved in that progress report, even if it is just part of a newsletter. He explained that he did not feel what Public Works Director Morreim was proposing fulfilled what Article 5 says the city should be doing.

Public Works Director Morreim stated that they have looked at some other organizations that have similar goals and felt that there may be potential to utilize some of them in the future. He noted that part of that would be reporting on the specific things Councilmember Gorham had mentioned in combination with their annual report.

City Administrator Nevinski noted that one of the challenges was that this had been an evolution to try to understand what happened in the past and the direction. He explained that they had not had a lot of conversation and had reacted to some projects and then extrapolated the direction into other areas. He stated that one thing that was not included in the Bee Safe resolution was any sort of criteria around reporting and noted that the questions and ideas being raised are good ones that they can try to incorporate into some sort of annual report. He stated that if the Council had other things that they wanted to see or if this were something the Park Commission wanted to work on, he felt that would be great because then they could establish some metric or markers that they would be reporting against. He noted that the resolution just says 'progress report' but nobody knew what that meant. He stated that if this were something that the Council wanted to kick to the Park Commission, which would be great.

Councilmember Gorham asked Park and Recreation Manager Czech to weigh in on that possibility.

Park and Recreation Manager Czech stated that the Park Commission would like to be involved and was pretty dedicated to this type of topic, but noted that if this was given to them, they would need some clear direction from the Council on the expectations so it did not move away from the intention.

Councilmember Gorham explained that he did not see the annual report as being something that needed to be super technical and should be more resident-friendly, which he felt having the guidance from the Park Commission might give it more of that flavor.

Councilmember Sanschagrín noted that he felt some text in this could put some tension on the City's commitment to the Bee Safe resolution, such as comments about 'appropriate herbicide treatments are recommended by MnDNR and are widely and safely used by public agencies. He stated that he felt that kind of statement created tension with the City's commitment to Bee Safe and to avoid the use of toxic chemicals in the city parks and suggested that they remove those kinds of statements or put them in the context of the Bee Safe program. He explained that he wanted to make sure that the city was not creating confusion among the different teams that were working on this.

City Administrator Nevinski explained that he was not completely clear on what Councilmember Sanschagrín was asking from staff.

Councilmember Sanschagrín stated that he was saying that he would like to just get rid of any reference that talks about the use of herbicides being an accepted practice.

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Mayor Labadie noted that she did not think that referencing the DNR's best practice recommendations was wrong.

Councilmember Sanschagrín asked what the purpose was of referencing this information.

Mayor Labadie explained that she felt it showed the residents that the city was choosing to do even less than what the professional agency says would be allowable.

Councilmember Sanschagrín stated that he felt that they should say that then and suggested, 'Shorewood has made a decision, as a policy, to take a leadership role in using less than what was legally permitted.'

City Administrator Nevinski cautioned that completely striking that language could end up putting the city in the position of an absolute, no, we will not do this and asked if the Council was thinking of this as more of a spectrum or as an absolute.

Councilmember Sanschagrín stated that the idea is that the City avoid using herbicides as much as possible and reiterated that he felt there should be a follow-up statement that says the City has a policy to reduce the use of herbicides as much as possible, and was taking actions to measure its use. He noted that the original language he had referenced appeared within the document several times and had questioned its purpose in being included. He explained that was why he concluded that it ought to be struck because it was not serving a purpose. He stated that if they wanted to keep that language in the document, then he felt they should put in the context that the City had a clear policy to minimize their use of herbicides.

Councilmember Maddy noted that one of the reasons to use some of the herbicides was if the city ran afoul of State law, for example, with noxious weeds, and asked if there were non-chemical ways to get rid of noxious weeds.

Public Works Director Morreim stated that they just mow them, knowing that they will come back, and explained that they could spray them, but they do not.

Councilmember Maddy asked if he felt the mowing was keeping them in enough control, so they did not need to worry about a State weed inspector coming.

Public Works Director Morreim stated that mowing them before they seed does not allow them to propagate more, which is the method the city has been using for things like Canadian Thistle.

Councilmember Maddy stated that since the city was already working on, he suggested that they may be able to just be a bit clearer about it.

Public Works Director Morreim stated that it was referenced under challenges in the draft invasive species portion but explained that he did not foresee that being a section in the Vegetation Management Plan.

Councilmember Sanschagrín reiterated that he just wanted to avoid confusion.

Mayor Labadie reiterated that she wanted to be thorough and felt referencing a professional agency, such as the DNR, was a good idea.

Councilmember Sanschagrín stated that he thought Public Works Director Morreim had a question about EAB treatments.

Public Works Director Morreim clarified that he did not have a question, because they did not inject any trees in 2024, and noted that the plan would be to also not inject them moving forward.

Mayor Labadie stated that the city had changed their practices for turf management of the ballfields and asked if the city had received feedback from the associations about this.

Parks and Recreation Manager Czech stated that field conditions had improved, especially for soccer. He noted that he had spoken with the new leadership at Tonka United, who told that that the lush and greener the fields can be without weeds, the better able they will be to withstand heavy usage was their preferred turf. He stated that from the baseball's perspective, they ended up using the same contractor as the City for treatments and were able to keep their fields in pretty good condition. He stated that overall, the field conditions had improved from what they were in prior years.

Public Works Director Morreim stated that they are also doing aeration and overseeding to help improve the conditions and be able to rely less and less on treatments as time passes.

City Administrator Nevinski thanked the Council for their input and noted that staff would work more with the Park Commission on some of the details to try to move things forward.

3. MILL STREET WATERMAIN PROJECT

City Engineer Budde explained that the County was in the process of doing the design for the Mill Street Trail project for 2026, which will extend from Chanhassen to the border of Excelsior. He noted that their plans are about sixty percent complete and have the goal of bidding for the project by late fall of 2025. He explained that meant that the city had a limited time to discuss the potential of adding a watermain along Mill Street as part of that project. He noted that over the last several years, there have been some inquiries related to connecting to City water along this corridor. He stated that most of the wells along this corridor were about forty years old, which means they were getting close to the end of their useful life. He reviewed some of the estimated costs for adding watermain and service stubs within the right-of-way and noted that the estimates consider an expected cost savings of two hundred to three hundred thousand dollars by doing the project alongside the County. He explained that the City's cost per service stub would be about twenty-nine thousand two hundred dollars because there were only twenty-five parcels that tended to have more frontage. He reminded the Council that they had talked about finding ways to help residents move forward with service connections from the right-of-way into their homes, which in this case would add another three hundred ninety thousand dollars to the project costs. He explained that when all the costs were added together, a resident's typical cost to connect would range from sixteen thousand dollars to sixty thousand dollars. He reminded the Council that this area was served by Chanhassen water, which had communicated that they have adequate capacity for these homes. He reviewed the possible interconnection of the east and west systems and current State legislation possibilities. He gave a brief overview of the financial and budget considerations for the Council to consider and reviewed the questions that staff would like the Council to answer related to moving this project forward or not.

Councilmember Sanschagrín asked if the city had identified which homes would connect.

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City Engineer Budde stated that it was still unknown because he had only engaged with one of the residents in this area, which meant they do not know what the other twenty-four households would do.

Councilmember Sanschagrín stated that he was uncomfortable moving forward when they did not have that information.

City Engineer Budde clarified that the Council did not have to decide on this tonight and would have about two months before they needed to decide, to get it incorporated into the County plans so it could be bid. He stated that the city could use those two months to gather more information so they could make a more informed decision.

Councilmember Gorham noted that City Engineer Budde had mentioned a project that required residents to hook up after two years and asked what happened after the two-year mark.

City Engineer Budde stated that he did not know the details but believed that there was a penalty or extra fee added to the costs that they would need to begin paying if they were not connected.

Councilmember Gorham stated that he felt this discussion was a bit like putting the cart before the horse because the Council had not had a formal discussion on it yet. He noted that he felt the timing of this was good because the city needed to decide on the watermain but reiterated that he did not want to decide on this specific project until the Council had made their own decision and strategy regarding watermain, in general.

Mayor Labadie stated that at the Council Retreat, Councilmember DiGruttolo had described the decision related to the watermain as a policy decision. She explained that she felt that this should be brought back, as suggested by Councilmember Gorham, and discuss the Council's thoughts regarding its strategy towards watermain and noted that she felt that they should schedule this discussion quickly for it to be done in conjunction with this potential project.

City Administrator Nevinski noted that this particular project was a bit of a microcosm of the overall issue and stated that there may be some advantage in focusing on it and using it, as kind of a pilot project, to think through some of the larger policy decisions and see what sort of interest there may be.

Councilmember Sanschagrín asked for an explanation of how the situation with Chanhassen worked.

City Engineer Budde stated that there is a meter on the interconnect on Apple Road, which means the city pays for bulk water, then Shorewood invoices the residents as though it were Shorewood water and service.

Public Works Director Morreim noted that the bulk water price was less than what the city charges the residents because there was a margin for infrastructure costs and maintenance.

City Administrator Nevinski asked the Council if there were other things they felt the city should explore around this topic, or if they would like staff to begin engaging with the residents to find out their interest in hooking up to City water.

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Councilmember Sanschagrín stated that he felt it would make sense to put something together where there would be no cost to the city and its overall taxpayers.

Councilmember Maddy stated that the thirty thousand dollars per parcel would not just benefit the parcels, because, for example, putting in a twelve-inch main would benefit the whole City. He stated that he was not sure that they would be able to put numbers on what would just benefit the parcels and what would benefit the entire City. He stated that the City, for the past thirty years, had been kicking the can down the road with getting people hooked up to City water, and he was ready to get serious about a policy change to have a more resilient water delivery infrastructure and fewer holes poked in the aquifer by private wells.

Public Works Director Morreim clarified that this was funded by the Water Fund and not the General Fund.

Mayor Labadie asked staff what direction they still needed from Council.

City Engineer Budde stated that they would like to get direction from the Council on engaging with the residents to try to determine support or opposition to this possibility because he felt that would also help the Council make decisions.

Councilmember Gorham stated that he was not personally at that point yet and felt that the Council should have consensus among themselves as soon as possible, and then, depending on what they decide, their strategy would be, they could reach out at that point. He reiterated that he felt that the Council should know what their strategy is, regardless of what answers they may end up getting from residents.

City Engineer Budde stated that he would agree that, if the city were planning to force residents to connect, that would be important information to share up front and would agree that there should be Council consensus about it. He noted that they could communicate to residents that the Council had not decided on this, but the City does know the approximate costs for each property. He reiterated that the feedback the Council gets from residents may help guide their policy decisions.

Councilmember Gorham stated that their policy was more like a City-wide open house kind of approach.

City Administrator Nevinski expressed concern that he did not know that by 'eating the elephant all at once' that the City would be able to decide in time for this project. He noted that he understood they were working on their long-term plans with things like the Financial Management Plan, which should bring them a lot of data. He stated that trying to pull something together in a relatively short period of time, to have a community-wide discussion, would be a heavy lift, and there is a short window of time to make some decisions.

Councilmember Maddy asked if the Council could agree tonight that anytime the City dug up a road that did not have a waterpipe that, as a policy, the City puts a waterpipe in it.

Mayor Labadie stated that she would not agree to that because she would question what 'dig up' would mean, for example, total road reconstruction or a mill and overlay. She stated that she felt things needed to be defined first.

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Councilmember Maddy stated that this project would have erosion control and go down to the soil for the bike trail project, so that would not just be something like a mill and overlay.

Mayor Labadie stated that she understood that was the case for this project, but did not feel the Council could make a blanket statement that anytime the City dug up a road, they would put in water.

Councilmember Maddy noted that he felt this project was a likely candidate for that, though, and would make sense if the City wanted to maintain the growth of their network. He stated that he felt this would be an easy three hundred thousand dollar win regardless of whether the City decided to assess or eat those costs.

Councilmember Sanschagrín stated that he felt the City had been doing that, but residents just have not been hooking up.

Councilmember Maddy stated that it would end up being a policy discussion for point of sale or other options down the road.

Mayor Labadie stated that she agreed with the comments shared by Councilmember Gorham, but did agree with City Administrator Nevinski that this was a big discussion, and this particular project was time sensitive. She stated that she agreed that the whole large discussion needed to happen, but did not think they would be able to do it in time to take advantage of the fact that the road will be ripped up.

Councilmember Sanschagrín stated that he felt it would be helpful to get information from residents and attempt to get a feel for how many residents would want water hookups, because he felt that would inform the overall City policy, as well.

Councilmember Maddy stated that he was comfortable asking the residents those questions as long as there was a caveat that the City had not made any decisions. He noted that the current owners may not be the same in twenty years, so he felt that they should also take their input into perspective.

Mayor Labadie stated that was where she leaned towards Councilmember Gorham's comments that now may not be the right time to ask these questions. She stated that she kind of agreed with that until the City was able to wrap their heads around things and noted that they were also missing Councilmember DiGruttolo tonight as well, who she felt would end up being a very big contributor to this concept, based on the amount she had contributed at their retreat. She stated that she felt that they should table this and bring it back following the regular meeting, or they needed to schedule an additional Work Session meeting to discuss it.

There was a Consensus of the Council to recess the Work Session and reconvene following the regular City Council meeting.

Maddy moved, Sanschagrín seconded, to table discussion of the Mill Street Watermain Project and the 2025 Strategic Work Plan until they reconvene the Work Session meeting after the regular City Council meeting. Motion passed 4/0.

Mayor Labadie recessed the meeting at 6:54 p.m. and reconvened at 8:12 p.m.

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City Administrator Nevinski gave a brief overview of where the Council discussion had left off in the earlier portion of the Work Session.

Councilmember Sanschagrín explained that he struggled with the cost-benefit analysis of this due to the lack of hook-ups the City had experienced in the past several projects. He stated that it seemed like, without a compelling argument in favor of City water, the residents do not appear to be convinced that they should hook up to City water, even those who already have access to it. He stated that, given that information and the fact that they do not know if the individuals who would be involved in this project would be interested or not, he was not seeing the cost-benefit for the community. He explained that he was thinking that their money would be better spent somewhere else.

Mayor Labadie stated that she respected his opinion, but she almost lies awake at night thinking about major infrastructure, torn-up roads, and not installing water. She stated that she was hopeful that the City would not be tackling a project on this road for a long time, and it would be advantageous, when the road was torn up, to do it then. She explained that she looked at the cost-benefit a bit differently because this would be the most cost-beneficial time to add the infrastructure improvements.

Councilmember Gorham stated that he also wanted to see the cost-benefit, but would like to understand what it would mean in twenty years if, for example, the City spent six hundred thousand of their dollars. He stated that he would like to see things from down the road, which is why he wanted to see what the consultant will bring to the City, because, at the end of the day, they will need to be able to bring an argument to the community about this system.

Councilmember Sanschagrín stated that what Councilmember Gorham had just described was not mutually exclusive to the here and now because they could have that, but also the future, but noted that he did not think the City knew either one right now.

Councilmember Gorham stated that he felt the process itself was a long, communicative process, and having this come up for here and now was frustrating because nobody on the Council wanted to make this decision lightly and would like to be able to bring everyone on board with it. He stated that he would want to be able to bring them the data, but they were not there yet and were still asked to make this decision.

City Administrator Nevinski stated that there was a community question to consider, but asked the Council about this specific road segment and asked if they focused only on this section if that would change anything.

Councilmember Sanschagrín stated that a big data point for him was how many of them would hook up because he did not want to put the pipe in the ground if only two or three people were going to hook up.

City Administrator Nevinski stated that there may be a situation where the Council would require hook-up within a few years and explained that, in his mind, that was part of this being considered a pilot program.

Mayor Labadie noted that one element the Council had not yet discussed that was missing is the fact that with water lines come fire hydrants, so right now, if there is a fire in this neighborhood, water has to be brought in with a tanker, which impacts response times.

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Councilmember Sanschagrín asked about the location of the fire hydrants.

City Engineer Budde stated that the fire hydrants would be located approximately every three hundred feet.

Councilmember Maddy asked if anyone knew how much insurance savings there were because of proximity to a fire hydrant. He stated that he was okay with making this investment and also hoped that it would be a long time before this road would be torn up again. He stated that for payment, he was leaning towards putting the pipes in where they would be easiest and then putting in a point of sale connection requirement. He asked whether the City could do a policy just for this street.

City Administrator Nevinski stated that they could explore that option and noted that the Council could continue to give some ideas and questions to staff and, if they were comfortable with it, also try to approach property owners and try to get a sense of their interest as well as anecdotal concerns they may have. He stated that they would also flush out some of the program ideas that the Council had suggested and look into whether the City could isolate policies to certain areas of the City.

Councilmember Maddy explained that his concern in asking the residents is that he felt almost all of them would say that they do not want it, until their well fails, when they will say that they do want it.

Mayor Labadie stated that she was leaning the same way as Councilmember Maddy and believed that this was the time to install the infrastructure and would also support this expenditure.

Councilmember Sanschagrín stated that he was pretty strongly against this expenditure based on their current information. He noted that he had spoken with Councilmember DiGruttolo this morning, and she was also a pretty hard 'no' on this expenditure.

Councilmember Gorham asked what the 'no' answer was related to.

Councilmember Sanschagrín stated that the 'no' was that they needed more information.

Councilmember Maddy stated that he thought they could still do that and were not deciding anything tonight.

Councilmember Sanschagrín clarified that Councilmember Maddy and Mayor Labadie had stated that they were in favor of getting the pipe in the ground, and he was saying 'no' because he needed more information.

Councilmember Maddy explained that he was leaning toward the idea of getting the pipe in the ground because, based on his experience of the last few years, he felt it made the most sense.

Councilmember Sanschagrín stated that, in addition to insurance rates, he felt that this could also impact property values, which may be a factor in this story. He explained that he was just trying to get all the information together about the pros and cons of City water versus wells.

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Councilmember Maddy stated that they could just sit down and put together a positive and negative list and then try to quantify it.

Mayor Labadie reminded them that they had two months to decide on this project.

City Engineer Budde stated that if the Council wanted information, his thought process was that the Council was going to tell staff what information they still needed to make a better informed decision and staff would bring it back to a Council meeting in the future for them to make a more formal decision based on the additional information. He stated that if the Council wanted more information, now was the time to let them know, so they could start tracking it down.

Councilmember Maddy suggested that they just make a list and send it to staff. He stated that the things he was interested in were quantifying fire safety, insurance savings, and home values.

Councilmember Sanschagrín reiterated that he would be interested in how many people were interested in hooking up.

City Engineer Budde stated that finding out how many people may be interested in hooking up to City water will require some engagement with residents.

Mayor Labadie asked how much time and cost this would entail, related to overall staff time.

City Engineer Budde stated that he did not have a firm number for the Council but would anticipate that they would put together a mailer explaining the nuances of the project and his contact information. He noted that it would probably be around five thousand dollars in fees for that effort.

Councilmember Maddy stated that another question he would have would relate to aquifer protection, local flooding, and contamination of wells, concerns about over pumping in a severe drought situation.

Councilmember Gorham asked Finance Director Schmuck when the City expected the financial management consultant to present their information to the City.

Finance Director Schmuck stated that it looked like it would be the end of June or early July. She explained that the information that they will provide for the Council was the existing status quo, and the model will show things like, 'this is what the City will look like in ten years if they stay with the status quo.' She stated that the model will allow the City to tweak some of the numbers and play around with things to see how they may shake out, but right now it would give them rate increases for all the utilities across the next ten years.

Councilmember Gorham asked if there was any information about breaking even or tipping points for things like the number of users that would be needed to bring in so it would be more sustainable. He asked if the City had a goal for that.

Finance Director Schmuck noted that the ultimate goal is for a manageable rate increase on an annual basis, over time, to be able to sustain their existing infrastructure and staffing needs.

Councilmember Gorham asked how additional users would fit in and if there would be a point where the City had so few users in comparison with their neighbors that the City's water fees ended up being ridiculously high.

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Finance Director Schmuck cautioned that you could not compare to your neighbors and explained that they could inflate their users which would change their revenue income so they would not need to have such significant rate increases.

Councilmember Gorham asked how the City's finances could help guide this discussion right now.

Finance Director Schmuck stated that the rate increases that the City has on the existing users are going to have to be significantly larger, if additional users were not put onto the system. She noted that if the City had more users, the rate increases would not have to be as significant because it would be spread across more people.

Councilmember Gorham stated that it would require the City to need to invest heavily in their Water Fund. He explained that he felt it was hard to know what the target was and asked if twenty-five homes hooking up would make or break anything.

Finance Director Gorham stated that twenty-five homes would not make or break anything, but the additional homes would. She noted that in the City's existing CIP, they have water infrastructure being put in and if the Council decided that they were not going to mandate hook ups, the City will not be putting the planned infrastructure in. Like Councilmember Maddy had suggested so that if the City digs up the road, they put in the infrastructure. She stated that those decisions will change the CIP numbers and they would not need as much revenue, but cautioned that they would also not be planning for the future, and just planning for the status quo.

Councilmember Gorham stated that he would like to be able to tell that story in an open house kind of setting and asked how they could tell the story and convince people that the City needed the residents to make this work.

Public Works Director Morreim stated that part of it may be painting the story of how many properties there are that can connect right now, but have not.

City Engineer Budde stated that right now, that number was over five hundred.

Public Works Director Morreim stated that if they had those households added who then paid the water fees and would be using existing infrastructure, those increases would be able to be significantly decreased. He stated that right now, what is happening is that a smaller number of customers are paying for all the infrastructure that the City has.

City Engineer Budde explained that this project was unique because it was being led by the Hennepin County schedule, which is why they were having to push the discussion a bit. He stated that other City led infrastructure projects can get delayed and allow for flexibility, but this one does not have time flexibility.

Finance Director Schmuck noted that the difficult part of this is that the less users that are put onto the system, the rate increases are burdened by the ones that are doing the right thing in the first place by hooking up.

Mayor Labadie asked the Council if they wanted to add anything to the list that had been compiled earlier for things that they wanted staff to look into.

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Councilmember Gorham stated that he would like to discuss more possible strategies for hook-ups, for example, requiring hook-ups in a few years, and what would happen after that period had elapsed.

Councilmember Maddy asked what benefits there would be if the City had both sides of the City hooked up on the operations.

Public Works Director Morreim stated that being able to have a loop system would be significant.

Councilmember Gorham stated that he believed that they had talked about finding areas in the City that were ripe for connections if they had the right incentives, and asked if that had begun.

City Engineer Budde stated that there are hot spots throughout the City where there were people who would like water to be available, and noted that they are on the north side of Christmas Lake on Radisson Road.

Councilmember Sanschagrín asked about areas where water was already available.

City Engineer Budde stated that if they have water available and they call the City, staff would do everything they could to get people to connect.

Councilmember Sanschagrín stated that he thought the intent was for the City to be proactive about getting people to hook up.

City Administrator Nevinski stated that they had talked about that along with a lot of other policies, but did not think they were quite there yet and noted that it may be something that also comes out of this process that may be a fairly quick and easy thing to do.

Mayor Labadie asked how long before this item would come back before the Council.

City Engineer Budde noted that it would be at least four to six weeks and reminded the Council that at that point, they would be forced to decide because of the County project deadline.

Councilmember Maddy suggested that City Engineer Budde ask some of the other engineers at his firm about similar situations and studies and check with them about other things that the City may not have thought of yet.

4. 2025 STRATEGIC WORK PLAN

City Administrator Nevinski explained that he had taken all of the Council comments from the last time they looked at this Plan and noted that he had to change the format because the matrix had become unwieldy. He stated that he was just looking for any last comments the Council may have before he brought it back to the next meeting, most likely on the Consent Agenda, for formal adoption.

Councilmember Sanschagrín asked if there was a reason that under 1. Environmental Stewardship, they called item C Buckthorn, and not Invasive Species.

Councilmember Maddy noted that he felt that was a good point because it could also include noxious weeds and other items.

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City Administrator Nevinski stated that he would come up with something more comprehensive for that section.

Councilmember Sanschagrín referenced 3. Safe and Secure Community, item B, Public Safety Engagement, he felt that residents would also like to be engaged, and suggested that it be added.

Mayor Labadie noted that residents were invited to every public safety meeting, and she had never seen residents show up. She asked what Councilmember Sanschagrín was proposing to increase public engagement with the residents.

Councilmember Sanschagrín stated that it would be nice if residents would join those meetings.

Mayor Labadie stated that she agreed, but pointed out that they were already open to the public, so they can join, unless there is a meeting where it needs to be closed for some reason.

Councilmember Sanschagrín stated that he felt people were not aware of them and asked how they may be able to communicate this information better. He noted that usually the Chiefs address the Council at least once a year and suggested that they find a way to ensure that residents were aware of those outside of just posting the meeting agendas.

Mayor Labadie suggested that Recycling and Communications Coordinator Wilson write an article for the newsletter.

City Administrator Nevinski stated that this was a start towards trying to engage more with Public Safety and explained that staff can try to find more of those types of opportunities to increase the public's awareness.

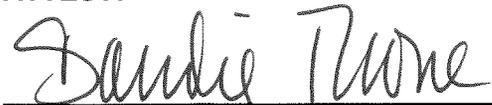
Mayor Labadie asked if City Administrator Nevinski felt that the Council was going to hit some of the second quarter of 2025 priorities.

City Administrator Nevinski stated that the leadership team looked at what they had and felt that they had a pretty good shot at it. He noted that some things will bleed into 2026, but other things that were already underway and being worked on. He stated that there is a lot on this list of strategic priorities for 2025, and explained that staff felt up to the challenge of them, but reminded the Council that there were many everyday things that staff did that were not included on the list.

5. ADJOURN

Maddy moved, Sanschagrín seconded, Adjourning the City Council Work Session Meeting of April 14, 2025, at 8:52 P.M. Motion passed 4/0.

ATTEST:



Sandie Thone, City Clerk


Jennifer Labadie, Mayor