

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on February 19, 2008. Mayor Zellmer called the meeting to order at 7:00 p.m. asking that everyone join in the Pledge of Allegiance. The following were present for the meeting, Mayor Zellmer, Council Members Norland, Schindle and Steiner, City Administrator Sande, Finance Director Mork, City Clerk Gehrke, Engineer Malm and Planner Fischer. Absent: Council Member DeWitte and Attorney Kennedy.

Approval of Minutes

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of February 4, 2008. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Correspondence

Thank-You Letter from Mankato Area 77 Lancers Marching Band

Mayor Zellmer read a letter from Ted Wondra of the Mankato Area 77 Lancers Marching Band thanking the City for the gift of \$500 from the 10% charitable gambling fund. Mr. Wondra reported the gift will be used toward the replacement of band uniforms over the next two seasons.

Public Hearing, 7 p.m. – Vacation of Utility Easement, Northport No. 5

Mayor Zellmer opened the public hearing to consider the vacation of a utility easement in Northport No. 5. Administrator Sande reported a notice of the public hearing was published in the official newspaper and the utility companies have been notified. He reported the vacation of this utility easement is necessary for the sale of property for the development of the Ziegler Mankato LLC building. With no one appearing before the Council, the Mayor closed this portion of the meeting. **Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 26-08 Vacating Utility Easement, Northport No. 5. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Open the Meeting to the Public for the First Time

The Mayor opened the meeting to the public for the first time with no one appearing.

Nicollet County Board Actions

Administrator Sande reported the Nicollet County Board has authorized the County Engineer to represent Nicollet County as the lead agency in the Highway 14 and CSAH 41 project in right-of-way and design efforts and the process of procuring available funding.

Staff Reports

City Planner

Minutes of the February 14, 2008 Planning Commission Meeting

The Council accepted the minutes of the February 14, 2008 Planning Commission meeting.

V-1-08, Variance Request to Increase the Maximum Allowable Signage at 1955 Howard Drive West

Planner Fischer presented a variance request from North Central International to increase the maximum amount of signage from 125 sq. ft. to 307 sq. ft. and to allow a pylon sign and a ground sign for a new sales and service facility located on Howard Drive West. A representative from North Central International was in attendance to answer questions. The Planning Commission recommended approval of V-1-08 based on the size and location of the building, the length of the company name and

the retail service provided. The Planning Commission also recommended that the Sign Ordinance be revised to accommodate highway businesses and industrial uses which have retail components. **Council Member Steiner moved, seconded by Council Member Schindle, to approve V-1-08 increasing the maximum allowable signage from 125 sq. ft. to 307 sq. ft. and to allow a pylon sign and a ground sign for North Central International, 1955 Howard Drive West. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

V-2-08, Variance Request to Reduce Side Yard Setbacks at 1710 Commerce Drive

Planner Fischer presented a request from Twin Cities Avanti Stores and Family Video to reduce both side yard setbacks to accommodate the construction of a new Family Video Store on the site. Aaron Cole of Family Video was in attendance and reported although the standard Family Video Store is 6,000 square feet, the proposed building for the site at 1710 Commerce Drive has been reduced to 4,500 square feet to fit the site as proposed on the preliminary site plan. The Planning Commission recommended approval of V-2-08 based on the size and shape of the lot, the large amount of LorRay Drive right-of-way and no area objection. **Council Member Schindle moved, seconded by Council Member Steiner, to approve V-2-08 reducing both side yard setbacks. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Preliminary Plat of Junker's Subdivision

Planner Fischer presented a request from Junker Family Enterprises to replat the property on which Junker's Restaurant currently occupies to accommodate the redevelopment of the site by Walgreens. Three lots are currently being used as the site for the restaurant and the applicant is proposing to remove all internal lot lines to create one lot known as Lot 1, Block 1, Junker's Subdivision. As part of the replatting process, the applicant has made formal requests to vacate an existing utility easement and vacate a portion of the LorRay Drive right-of-way. The vacated right-of-way would be used by Walgreens for parking purposes. The Planning Commission recommended approval of the preliminary plat of Junker's Subdivision. **Council Member Schindle moved, seconded by Council Member Steiner, to approve the preliminary plat of Junker's Subdivision. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Preliminary and Final Plat of Cole Subdivision

Planner Fischer presented a request from the City of North Mankato and the North Mankato Port Authority to replat two properties to accommodate a residential development project at the intersection of Center Street and Pierce Avenue. The applicants are proposing to demolish the existing dilapidated house addressed as 1032 Center Street and relocate another house onto the site. The proposed redevelopment project consists of replatting two lots into one and formally dedicating Pierce Avenue right-of-way. A three-foot wide gap of property will be addressed by the City Attorney through a Quiet Title action. The Planning Commission recommended approval of the preliminary and final plat of Cole Subdivision. **Council Member Norland moved, seconded by Council Member Schindle, to approve the preliminary and final plat of Cole Subdivision. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Preliminary Plat of Northport No. 11

Planner Fischer presented a request from the North Mankato Port Authority to replat Lot 1, Block 1, Northport No. 9 to accommodate future industrial development. The replatting would create a three-acre lot for a proposed industrial project and a 4.86-acre lot to accommodate future industrial development. The Planning Commission recommended approval of the preliminary plat of Northport No. 11. **Council Member Steiner moved, seconded by Council Member Norland, to approve the**

preliminary plat of Northport No. 11. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

2007 End-of-Year Planning & Zoning Report

Planner Fischer presented the End-of-Year Planning and Zoning Report for 2007. The report summarized the actions taken on variances, conditional use permits, platting/replatting and zoning during the calendar year. Four variances were applied for in 2007, three were approved and one was denied; there were no conditional use permit applications in 2007; five zoning applications were applied for and granted in 2007, four to zone property which was annexed into the City limits and one to rezone property; nine platting requests were applied for in 2007, five were to rearrange lot lines within existing subdivisions and four were to create new residential subdivisions. In 2007, a total of 825 building permits were issued having a dollar value of \$28,889,953.

City Administrator

Set Public Hearing for 7 p.m., Monday, March 17, 2008 for Approval of Five-Year Capital Improvement Plan, 2008-2012 Amended

Administrator Sande requested a public hearing be set for 7 p.m. on Monday, March 17, 2008 for approval of the Five-Year Capital Improvement Plan 2008-2012 as amended. The amendments to the Plan provide for the issuance of G.O. Capital Improvement Plan Refunding Bonds to take advantage of potential refunding savings for the Lease Revenue Bonds of 1997 and 1999 which financed the Police Annex, Fire Station No. 2 and the Library. Springsted indicates that a net present value benefit of approximately \$272,339 can be achieved based on current market conditions by refunding the Lease Revenue Bonds of 1997 and 1999. **Council Member Norland moved, seconded by Council Member Schindle, to set a public hearing for 7 pm. on Monday, March 17, 2008 to consider approval of the Five-Year Capital Improvement Plan 2008-2012, as amended. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Res. No. 27-08 Adopting Franchise Fees

Administrator Sande reported as part of the 2008 Budget approval process, a Community Development Fund was included with the primary source of revenue to be franchise fees on the electric and natural gas franchises. The affected utilities have requested the City implement a flat monthly meter charge in lieu of a percentage franchise fee. The rates are proposed to go into effect May 1, 2008 which allows for a 60-day notification to the affected utilities. After some discussion on the monthly fees, the Council requested the resolution be amended to remove the public street lighting, municipal pumping non-demand and municipal pumping demand for the electric franchise fees. **Council Member Steiner moved, seconded by Council Member Norland, to adopt Resolution No. 27-08 Adopting Franchise Fees, as amended. Vote on the Resolution: Norland, Steiner and Zellmer, aye; Schindle nay. Motion carried.**

Modification to Bennett/Pierce Reconstruction Schedule

Administrator Sande reported the City Engineer has requested modification to the Bennett/Pierce Reconstruction Schedule to allow additional time for review of the plans and specifications. **Council Member Steiner moved, seconded by Council Member Norland, to approve the modifications to Bennett/Pierce Reconstruction Schedule. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Res. No. 28-08 Calling for Improvement Hearing on Project No. 08-02ABCDEF, 400 Block of Pierce Avenue and Bennett Street for 7 p.m. on Monday, March 3, 2008

Administrator Sande reported because of the publication requirements, the improvement hearing on Project No. 08-02ABCDEF, 400 Block of Pierce Avenue and Bennett Street has been rescheduled for 7 p.m. on Monday, March 3, 2008. The affected property owners for this project were notified by letter of this change. The City Engineer will be preparing additional options for the layout of the street and sidewalk on Bennett Street prior to the public hearing on March 3, 2008. Copies of these options will be available for discussion at the March 3, 2008 Council Workshop. **Council Member Schindle moved, seconded by Council Member Norland, to adopt Resolution No. 28-08 Calling for Improvement Hearing on Project No. 08-02ABCDEF, 400 Block of Pierce Avenue and Bennett Street for 7 p.m. on Monday, March 3, 2008. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Res. No. 29-08 Declaring Support for 2008 Transportation Bill

Administrator Sande presented Resolution No. 29-08 which supports passage of a comprehensive transportation bill during the 2008 Legislative session that provides additional long-term, sustainable funding to Minnesota's state highways and bridges, county roads, metro and rural transit systems and local bridges and which should provide funding at a level equal to or above the level of funding in the comprehensive transportation bill that was passed by the Legislature and vetoed by the Governor in 2007. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 29-08 Declaring Support for the 2008 Transportation Bill. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Res. No. 30-08 Proposal to Establish Tax Increment Financing District No. IDD 1-17 and Calling for Consultation with Other Affected Jurisdictions and Setting a Public Hearing for 7 p.m. on Monday, March 17, 2008

Administrator Sande presented a proposal to establish a tax increment financing district for the westerly 240 feet of Lot 1, Block 1, Northport Subdivision No. 9 to promote development of a manufacturing facility. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 30-08 Proposal to Establish Tax Increment Financing District No. IDD 1-17 and Calling for Consultation with Other Affected Jurisdictions and setting a public hearing for 7 p.m. on Monday, March 17, 2008. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Bids for Surplus Police Vehicle

Administrator Sande presented a recap of the bids for the 2005 Ford Crown Victoria which the City Council declared surplus and authorized for sale. Bids were taken on February 15, 2008 and three bids were received. The successful bidder was Yousef Dabbagh, Tinley Park, Illinois, for the bid amount of \$5,100. **Council Member Norland moved, seconded by Council Member Schindle, to accept the bid for the 2005 Ford Crown Victoria in the amount of \$5,100 from Yousef Dabbagh. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Lancers Street Practice Schedule

Administrator Sande presented a request from Mr. Tedd Gullickson for on-street practice for the 77 Lancers Marching Band for 2008. As in previous years, the request is to use Howard Drive for their summer practice. Because of the construction of North Central International and the Evangelical Covenant Church project, Administrator Sande recommended that authorization be granted for the Lancers to use Carlson Drive instead of Howard Drive. **Council Member Schindle moved, seconded**

by Council Member Norland, to authorize the 77 Lancers Marching Band to conduct their summer practice on Carlson Drive. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Schools and Conferences

Council Member Norland moved, seconded by Council Member Steiner, to approve actual and necessary expenses for the following schools and conferences:

1. Southwest School for Water Operators, Redwood Falls, April 2, for Assistant Park Superintendent.
2. Intoxilyzer Refresher Course, Rochester, April 9, for Two Patrol Officers and April 11 for Two Patrol Officers.

Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

City Clerk

Application for Off-Sale Intoxicating Liquor, Cigarette and Soft Drink Licenses for New Owner of P.J.'s Liquor, 407 Belgrade Avenue

Clerk Gehrke presented an application for off-sale intoxicating liquor, cigarette and soft drink licenses for Brock Larsen, the new owner of P.J.'s Liquor, 407 Belgrade Avenue. The background investigation fee and the license fees have been paid. The required background investigation has been completed and the appropriate liability insurance is in place. **Council Member Schindle moved, seconded by Council Member Steiner, to approve the application for off-sale intoxicating liquor, cigarette and soft drink licenses for Brock Larsen, new owner of P.J.'s Liquor, 407 Belgrade Avenue. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Parade Permit for March for Babies March of Dimes, 2-4 p.m. on Sunday, April 27, 2008

Clerk Gehrke presented the application for a parade permit to hold the March of Dimes March for Babies Parade from 2-4 p.m. on Sunday, April 27, 2008. The North Mankato Police Chief has approved this application. **Council Member Steiner moved, seconded by Council Member Norland, to approve the parade permit for the March of Dimes March for Babies from 2-4 p.m. on Sunday, April 27, 2008. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Audio Permit for March of Dimes, Wheeler Park, from 1-5 p.m. on Sunday, April 27, 2008

Clerk Gehrke presented a request from March of Dimes to use an audio device at Wheeler Park from 1-5 p.m. on Sunday, April 27, 2008 for the March for Babies. **Council Member Steiner moved, seconded by Council Member Norland, to approve the request to use an audio device by March of Dimes in Wheeler Park from 1-5 p.m. on Sunday, April 27, 2008. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

City Engineer

Res. No. 31-08 Revoking Municipal State Aid Streets

Engineer Malm requested consideration of Municipal State Aid street revocation of Tower Boulevard (MSAS 115) from Lee Boulevard to Commerce Drive, a total of 0.39 miles. **Council Member Schindle moved, seconded by Council Member Norland, to adopt Resolution No. 31-08**

Revoking Municipal State Aid Streets. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Res. No. 32-08 Establishing Municipal State Aid Streets

Engineer Malm reported the 2007 Certified Mileage for North Mankato shows 0.79 miles available for Municipal State Aid Street designation. With the above revocation of 0.39 miles, a total of 1.18 miles are available for designation. He requested designation of the following two routes: 1) LorRay Drive (MSAS 117) from Timm Road to T-121; and 2) T-121 from CSAH 13 (Lookout Drive) to LorRay Drive for a total designation of 1.13 miles. The revocation and designation also requires approval from Minnesota Department of Transportation. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 32-08 Establishing Municipal State Aid Streets. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Report from Council Members

Council Member Norland

Res. No. 33-08 Establishing City of North Mankato Park & Green Spaces Endowment Fund

Council Member Norland presented and read Resolution No. 33-08 Establishing City of North Mankato Park & Green Spaces Endowment Fund. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 33-08 Establishing City of North Mankato Park & Green Spaces Endowment Fund. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Park & Green Spaces Advisory Committee Meeting

Council Member Norland reported the Park & Green Spaces Advisory Committee will meet at 6:30 p.m. on Tuesday, February 26, 2008 in the Large Conference Room of the Municipal Building.

Council Member Schindle

Council Member Schindle requested the Sign Ordinance be an agenda item on the upcoming March 3, 2008 Council Workshop.

Report from Mayor

Summary of City Administrator Annual Evaluation

The Mayor reported the City Council reviewed City Administrator Wendell Sande's job performance during a closed workshop on Monday, February 4, 2008 and Tuesday, February 19, 2008. In summary, the Administrator's performance was graded in nine specific areas of his responsibilities and in 9 out of 9 categories he received a grade of Outstanding. His performance greatly exceeded the performance level the Council expects and his actions result in positive progress and desired outcomes. The review covered Mr. Sande's efforts with Envision 2020, the consolidation of Greater Mankato Growth and his strong showing of economic activities and growth during 2007. He has worked to develop a strong and effective staff and municipal work force that is being built for the future. The City Council set the following goals for the City Administrator: 1) Development of land for new commercial and manufacturing growth; 2) Location of smaller commercial property for new and relocated growth in the City; 3) Continue to work on the 14/41 intersection development; and 4) Pursue the goals of Envision 2020 and the Park & Green Spaces Advisory Committee.

Employment Agreement for City Administrator, 2008-2009

The Mayor reported the Personnel Committee met and developed the City Administrator's Employment Agreement for the period beginning January 1, 2008 through December 31, 2009. The agreement includes an annual base salary of \$104,834 for the calendar year 2008 which is a base increase of 3.00% over the prior year and includes a 3.00% merit adjustment. For calendar year 2009, the annual base salary is \$107,979 which is a 3.00% increase over 2008. The Council may, at its discretion, award a merit adjustment of up to 3.00% on January 1, 2009, based on performance. The car allowance was increased from \$3,600 to \$4,800 annually. Sentence 2 of Paragraph 3 of the Agreement was amended to read: "Mr. Sande and the Personnel Committee will discuss short-term and long-term goals for the City as determined by the City Council as well as reasonable expectations to be considered in future performance evaluations of the City Administrator." **Mayor Zellmer moved, seconded by Council Member Steiner, to approve the Employment Agreement for the City Administrator for the period January 1, 2008 through December 31, 2009. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Resignation of John Behrens from the North Mankato Port Authority Commission

Mayor Zellmer presented a letter from John Behrens who has served as a North Mankato Port Authority Commissioner for the past six years. Mr. Behrens has resigned from the North Mankato Port Authority due to other commitments but reported he did enjoy serving on the Port Authority.

Res. No. 34-08 Making Appointment to North Mankato Port Authority Commission

Mayor Zellmer reported that Dave Arnold has agreed to serve on the North Mankato Port Authority Commission filling the vacancy left by the resignation of John Behrens. **Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 34-08 appointing Dave Arnold to the North Mankato Port Authority Commission for the period February 19, 2008 through December 31, 2013. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Res. No. 35-08 Establishing North Mankato Park & Green Spaces Advisory Committee and Appointing Members to Serve on the Committee

Mayor Zellmer presented Resolution No. 35-08 establishing a Park & Green Spaces Advisory Committee and appointing the following individuals to this Committee: Diane Norland, Chair; Chris Corley, Tom Hagen, John Hurd, Robert Johnston, Tracy Malm, Mark Porisch, LaVonne Smasal, Bess Tsaouse, Michael Fischer and Nancy Gehrke. **Council Member Schindle moved, seconded by Council Member Norland, to adopt Resolution No. 35-08 Establishing North Mankato Park & Green Spaces Advisory Committee and Appointing Members to Serve on the Committee. Vote on the Resolution: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.**

Open the Meeting to the Public for the Second Time

The Mayor opened the meeting to the public for the second time with no one appearing.

Bills and Appropriations

Council Member Norland moved, seconded by Council Member Steiner, to approve all bills and appropriations in the amount of \$159,145.51. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 8:22 p.m. on a motion by Council Member Schindle, seconded by Council Member Norland. Vote on the motion: Norland, Schindle, Steiner and Zellmer, aye; no nays. Motion carried.

Mayor

City Clerk