

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 January 7, 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 Steiner, Norland, DeWitte and Schindle, City Administrator Sande, Finance Director Mork, City Clerk Gehrke, Engineer Rippke, Attorney Kennedy, Planner Fischer and Library Director Lowry.

Approval of Minutes

Council Member Norland moved, seconded by Council Member DeWitte, to approve the minutes of the Council meeting of December 17, 2007. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

Correspondence

Letter from Twin Rivers Center for the Arts

Mayor Zellmer read a letter from the Twin Rivers Center for the Arts thanking the City for its generous support over the past year as they established their offices in the new Emy Frenz Arts Guild and for including \$10,000 for the Center in the 2008 Budget. The Council requested the Executive Director, Shannon Robinson, appear before the Council and give the Council an update of the Twin Rivers Center for the Arts.

Letter from Nicollet County Attorney

Mayor Zellmer presented a letter from Michael Riley, Nicollet County Attorney, thanking the City of North Mankato Police Department for their tireless efforts and cooperation with the Nicollet County Attorney's Office during the past year. The County Attorney enclosed a check in the amount of \$2,000 as the North Mankato Police Department share for forfeited property and money used in the commission of crimes. Administrator Sande reported these funds will be used to purchase digital recording equipment for the Police Department.

Public Hearing, 7 p.m. – Proposed Property Tax Abatements for the Bean's Plus, Inc. Child Care Facility

Mayor Zellmer opened the public hearing to consider property tax abatements for the Bean's Plus, Inc. Child Care facility. A notice of public hearing was published in the official newspaper. Administrator Sande reported construction will begin in the spring with financing to close in late 2008. The tax abatement will be effective January 1, 2010 through December 31, 2024 for the City's portion of the taxes. The Nicollet County Board of Commissioners declined to support this tax abatement. Mayor Zellmer requested this item be placed on the agenda for the February 4, 2008 Nicollet County-North Mankato Liaison meeting. Bernadette Wilson, owner of Bean's Plus, Inc. Child Care, appeared before the Council and answered questions and reported she would be hiring 14 new full-time employees and would have approximately 100 children at the facility. With no one else appearing before the Council, the Mayor closed this portion of the meeting.

Res. No. 01-08 Approving Property Tax Abatements for the Bean's Plus, Inc. Child Care Facility

Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 01-08 Approving Property Tax Abatements for the Bean's Plus, Inc. Child Care Facility contingent on final approval of the project financing by the North Mankato

Port Authority. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

Public Hearing, 7 p.m. – Amending Code of Ordinances

Mayor Zellmer opened the public hearing to consider amending the Code of Ordinances. A notice of public hearing was published in the official newspaper. Planner Fischer presented a summary of the changes (Exhibit A) during 2007 noting all ordinances adopted by the Council during 2007 are included in the amendments to the Code of Ordinances. The Council requested changes to Section 92.19, Section 154.05, Section 156.035 and Section 156.054 as follows:

Section 92.19 Nuisance Parking and Storage (4) add to the end of the first sentence: “except for dumpsters on private property where a valid building permit has been issued.”

Council Member Norland moved, seconded by Council Member DeWitte, to allow on premise dynamic display signs only. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

Section 154.05 Prohibited Signs Add “(Q) Dynamic display off premise signs.”

Section 156.035 Generally (AA) Remove from beginning of first sentence “Underground sprinkler systems.”

Section 156.054 Performance Standards (14)(e) Remove: “No other materials such as wood chips, mulch, rock or hard surfacing shall be permitted.” Add “Mulch is permitted in the boulevard area around trees in a radius not to exceed 24 inches. Flowering plants not to exceed 36 inches in height are permitted when used for screening or aesthetics.”

With no one appearing before the Council, the Mayor closed this portion of the meeting.

Ord. No. 17, Fourth Series, Amending Code of Ordinances

Council Member Steiner moved, seconded by Council Member DeWitte, to adopt Ord. No. 17, Fourth Series, Amending Code of Ordinances with the above listed changes to Exhibit A. Vote on the Ordinance: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

Open the Meeting to the Public for the First Time

Tim Penny, President and CEO, Southern Minnesota Initiative Foundation

Tim Penny, President and CEO of the Southern Minnesota Initiative Foundation, appeared before the Council and presented the Foundation’s mission and their vision for the future. Mr. Penny reported the Foundation invests in the region’s future growth through grants, loans, technical expertise and partnerships and returns \$4 for each \$1 raised in the County. Their focus will be economic growth, especially innovative ventures in bio business (medical agriculture and renewable energy). The Foundation was instrumental in setting up a business recovery fund for business flood victims during 2007 and distributed \$800,000 in grants in a seven-county area during one month. Administrator Sande thanked the Foundation for their recent participation in the Angie’s Kettle Corn expansion loan.

Staff Reports**City Administrator****Res. No. 02-08 Designating Official Newspaper**

Administrator Sande presented Resolution No. 02-08 designating an official newspaper for the City of North Mankato for 2008 legal announcements and publications. Where permitted, announcements and publications will be placed on the City's web site. **Council Member Schindle moved, seconded by Council Member Norland, to adopt Resolution No. 02-08 Designating *The Mankato Free Press* as the official newspaper for the City of North Mankato. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Res. No. 03-08 Designating Depositories for City of North Mankato

Council Member DeWitte moved, seconded by Council Member Norland, to adopt Resolution No. 03-08 designating the following banks as City depositories: Valley Bank, US Bank, Wells Fargo, First National Bank Minnesota, Pioneer Bank, Voyager Bank, Community Bank of Vernon Center, Minnstar Bank NA, TCF Bank FSB, Wells Federal Bank FSB, Northern Star Bank and United Prairie Bank. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

Res. No. 04-08 Setting Gas Mileage Reimbursement Rate

Administrator Sande presented Resolution No. 04-08 setting the gas mileage reimbursement rate at \$0.505, which is the standard mileage rate for reimbursement of business mileage set by the federal government effective January 1, 2008. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 04-08 setting the gas mileage reimbursement rate at \$0.505 effective January 1, 2008. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Property/Casualty Insurance Dividend

Administrator Sande reported the League of Minnesota Cities Insurance Trust notified the City of a property/casualty insurance dividend in the amount of \$25,909 for 2007 from a total 2007 premium of \$129,330. A historical recap of the premiums paid and dividends received for the period 1999-2008 shows a net premium increase of \$35,562 from 1999 to 2007.

Audit Engagement Letter with Abdo, Eick & Meyers for Year Ending December 31, 2007

Administrator Sande presented a letter from Abdo, Eick & Meyers outlining the audit services to be provided to the City of North Mankato for year ended December 31, 2007 at an estimated cost of \$28,395. Cost of the auditing services is billed at the standard hourly rate plus out-of-pocket costs. This is the first year for the implementation of the new Statement for Audit Standards 104-111 (SAS 104-111) which mandate procedures promulgated by the AICPA's Auditing Standards Board to be followed in all audits for period beginning on or after December 15, 2006. The auditors estimate the SAS 104-111 requirements will add an additional \$3,500 to \$4,500 to the audit costs. These new standards, as well as recent standards implemented by the Governmental Accounting Standards Board (GASB), have caused significant increases in the audit costs over the past several years. **Council Member Schindle moved, seconded by Council Member DeWitte, to approve the audit engagement letter for year ended December 31, 2007. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Res. No. 05-08 Support of Database Access for all Minnesota Public Libraries, Higher Educational Institutions, School and Government Media Centers

Library Director Lowry gave background information on the Electronic Library for Minnesota (ELM) online databases which are intended to give all Minnesota residents access to magazine, journal, and newspaper articles, eBooks (electronic books), and information from other reference sources. ELM is funded by the Minnesota State Legislature and the legislative intent for this appropriation is to provide the best possible access to information resources across the educational spectrum. The Library Director reported this issue came up during the lawsuit against Traverse des Sioux where it was their contention that libraries needed to be a member of a regional library system in order to have access to ELM. As part of the lawsuit settlement, the North Mankato Taylor Library does have access to ELM. This resolution is an effort to ensure that a Minnesota school media center, public library, state government agency library and public or private college or university library be given access to the Electronic Library for Minnesota databases regardless of whether or not they are a member of their regional library system. The Library Director reported she and the Rochester librarian are contacting other libraries in the State to adopt a similar resolution. Administrator Sande reported this resolution will be provided to our lobbyist on library matters to take before the Legislature this session. This resolution is also an item for the North Mankato Taylor Library Board agenda on January 16, 2008. **Council Member Steiner moved, seconded by Council Member Norland, to adopt Resolution No. 05-08 in Support of Database Access for all Minnesota Public Libraries, Higher Educational Institutions, School and Government Media Centers. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

North Mankato Taylor Library Circulation for 2007

Library Director Lowry reported circulation at the North Mankato Taylor Library increased from 132,929 in 2006 to 158,589 in 2007, an increase of 25,660. She reported many new programs are planned for 2008 including a teen advisory group and a mother/daughter book club. In response to a question, the Library Director reported the Library is facilitating interlibrary loans for patrons and that interlibrary loans is an item on the next Traverse des Sioux agenda.

Concept Drawing for Intersection of T.H. 14/CSAH 41

Engineer Rippke presented a concept plan for an at-grade intersection for T.H. 14/CSAH 41. This is a \$4 million project designed around the traffic projections made in 2000. Administrator Sande reported this concept plan has been shared with the Nicollet County Engineer and staff will be meeting with the Minnesota Department of Transportation representatives to discuss this project.

Approve Timetable for Pierce Avenue and Bennett Street Rehabilitation Project

Administrator Sande presented a proposed schedule for the Pierce Avenue/Bennett Street rehabilitation project which outlines the recommended dates for the neighborhood meeting, public hearing on improvements, public hearing on proposed assessments, ordering of improvement, preparation of plans and specifications, advertisement for bids and award of bid. The Council requested staff prepare a recommendation and report to the Council on the proposed assessments for this project. **Council Member Steiner moved, seconded by Council Member Norland, to approve the timetable for the Pierce Avenue/Bennett Street Rehabilitation Project. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Schools and Conferences

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

1. 34th Annual Collection System Operators Conference, Brooklyn Park, January 23-24, for Water Superintendent and one Water Serviceman.
2. South Central Regional State Fire School, North Mankato, March 1-2, for 36 Firefighters.
3. Minnesota State Fire Department Association Conference and School, Alexandria, June 5-8, for 6 Firefighters and 1 Relief Officer.
4. National Fire Chiefs Assn. Conference and School, Denver, August 14-16, for Fire Chief and Assistant Fire Chief.
5. Minnesota Fire Chiefs Conference and School, St. Cloud, October 16-19, for 4 Fire Officers.
6. Work-Zone Traffic Control Seminar 2008, Mankato, February 12, for 5 Street Maintenance Workers.
7. 2008 New Tree Inspector Training and Certification Testing Workshop, St. Paul, January 16, for Assistant Park Superintendent and One Street Maintenance Worker.

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

City Clerk**Res. No. 06-08 Waiving Waiting Period for Exemption from Lawful Gambling License for River Valley Foundation**

Clerk Gehrke presented an application for exemption from lawful gambling for River Valley Foundation to conduct raffles at 1111 Range Street on April 4, 2008 for the STRIVE Program. **Council Member Schindle moved, seconded by Council Member DeWitte, to adopt Resolution No. 06-08 approving the application for exemption from lawful gambling for River Valley Foundation. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Finance Director**Res. No. 07-08 Approving Consent Assessment Agreement – 1627 James Drive**

Finance Director Mork presented the Consent Assessment Agreement for 1627 James Drive in the amount of \$1,683.05 for curb box repair. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Resolution No. 07-08 Approving Consent Assessment Agreement for curb box repair at 1627 James Drive. Vote on the Resolution: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Report from Council Member Norland

Council Member Norland reported she will be attending the Region 9 Development meeting on Wednesday, January 9, 2008 and asked if there were issues to bring before Region 9. Administrator Sande requested Council Member Norland ask for their support of transportation funding during the 2008 Legislative Session.

Report from Mayor**Appointments to Boards, Committees and Commissions**

Mayor Zellmer presented the list of appointments to boards, committees and commissions for the year 2008 as follows: Billy Steiner as Acting Mayor; Corey Brunton to the Planning Commission for a four-year term through 2011; Lowell Johnson to the Housing and Redevelopment Authority for a three-year term through 2010; Pat Davis to the Police Civil Service Commission for a three-year term through 2010; Bill Borchardt to the Traffic & Safety Committee for a one-year term; Dave Lamm and Shari Frederickson to the Board of Appeal and Equalization for a three-year term through 2010; Robert Knutson and John Behrens to the Port Authority Commission for six-year terms through 2013; Dianne Wagner and Nedra Patenaude to the North Mankato Taylor Library Board for three-year terms through 2010; Bolton & Menk as Consulting Civil Engineer; Springsted, Inc. as Bond Consultant; Abdo, Eick & Meyers as Auditor; Russ Johnson as Weed Inspector; Bruce Royer as Plumbing Inspector; and Marion Haayer as Construction Inspector. **Mayor Zellmer moved, seconded by Council Member Schindle, to set the appointments for the year 2008. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.**

Administrative Fines

Mayor Zellmer requested staff prepare background information to consider the use of administrative fines versus traditional fines for certain violations. The City Attorney will provide information for initiating this process in North Mankato. This will be an item on a future Council Workshop agenda.

City Administrator Performance Review

Mayor Zellmer asked the Council Members to complete and return the City Administrator's performance review by Friday, January 11, 2008.

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 Steiner moved, seconded by Council Member Norland, to approve all bills and appropriations in the amounts of \$490,868.64 and \$102,545.09. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 8:50 p.m. on a motion by Council Member Steiner, seconded by Council Member DeWitte. Vote on the motion: Steiner, Norland, DeWitte, Schindle and Zellmer, aye; no nays. Motion carried.

Mayor

City Clerk