

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Council Chambers of the Municipal Building on November 20, 2006. Mayor Zellmer called the meeting to order at 7 p.m. asking that everyone join in the Pledge of Allegiance. The following were present for the meeting, Mayor Zellmer, Council Members Pearson, Schindle, Steiner and McGee, Administrator Sande, Finance Director Mork, Engineer Rippke, Attorney Kennedy, Planner Fischer, Library Director Lowry and City Clerk Gehrke.

Approval of Minutes

Council Member McGee moved, seconded by Council Member Schindle, to approve the minutes of the Council meeting of November 6, 2006. Vote on the motion: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.

Correspondence

Letter from River Valley Library Foundation Awarding \$9,000 to North Mankato Taylor Library

Mayor Zellmer read a letter from the River Valley Library Foundation announcing an award of \$9,000 to the North Mankato Taylor Library for the downloadable audio books and e-books project. Library Director Lowry gave background information on the downloadable audio books and e-books reporting the technology is becoming more widespread and has the added benefit of saving shelf space at the library. Library patrons are able to download the audio books to their personal computers and then to equipment such as the MP3 player. The Library Director also reported the River Valley Library Foundation has set aside an additional \$16,000 for the North Mankato Taylor Library and will be accepting grant proposals in March 2007.

Minnesota Department of Revenue Property Tax Division

Mayor Zellmer summarized a letter received from the Minnesota Department of Revenue in response to our letter of September 14, 2006 asking for clarification of the methodology used to calculate adjusted net tax capacity. Included in the Department of Revenue's response was a recent history of sales ratios used for North Mankato noting the sales ratio calculation is one of the contributing factors to annual variations in aid calculations which will be studied by their department.

Open the Meeting to the Public for the First Time

Randy Zellmer, 342 Nicollet Avenue

Randy Zellmer, 342 Nicollet Avenue, appeared before the Council and thanked the City for the new trails and requested if possible that trails be kept open in the winter for the many walkers and joggers.

Bruce Kimmel, Springsted, Inc.

Bruce Kimmel, Springsted, Inc. appeared before the Council with recommendations on the sale of \$1,760,000 General Obligation Improvement Bonds, Series 2006C, and the sale of \$790,000 General Obligation Equipment Certificates of Indebtedness, Series 2006D. Mr. Kimmel reported Moody's Investors re-affirmed the City's A2 bond rating prior to the sale taking place at 11 a.m. on November 20, 2006. Moody's indicated two milestones, a \$1 billion tax base and increased reserves in the General Fund, would help raise the City's bond rating to A1. A representative from Moody's will likely schedule a visit to North Mankato in 2007. Mr. Kimmel reported three competitive bids were received for the Series 2006C issue and five competitive bids were received for the Series 2006D issue.

Res. No. 90-06 Awarding the Sale of \$1,760,000 G.O. Improvement Bonds, Series 2006C

The following bids were received for the \$1,760,000 G.O. Improvement Bonds, Series 2006C:

Bidder	Net Interest Cost	True Interest Rate
UBS Securities LLC	\$407,734.76	3.8613%
UMB Bank, N.A.	\$406,194.83	3.8831%
Wells Fargo Brokerage Services, LLC	\$410,543.33	3.8981%

Mr. Kimmel reported the G.O. Improvement Bonds, Series 2006C, would be used to finance the improvements for Burnett's Ravine Ridge No. 3. Mr. Kimmel recommended awarding the sale of the Series 2006C Bonds to the low bidder, UBS Securities LLC. **Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 90-06 Awarding the Sale of \$1,760,000 G.O. Improvement Bonds, Series 2006C, to UBS Securities LLC for a net interest cost of \$407,734.76 and a true interest rate of 3.8613%. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Res. No. 91-06 Awarding the Sale of \$790,000 G.O. Equipment Certificates of Indebtedness, Series 2006D

The following bids were received for the \$790,000 G.O. Equipment Certificates of Indebtedness, Series 2006D:

Bidder	Net Interest Cost	True Interest Rate
UMB Bank, N.A.	\$88,971.14	3.7108%
Northland Securities	\$91,096.41	3.7775%
United Bankers' Bank	\$90,400.34	3.7775%
UBS Securities LLC	\$90,664.58	3.7810%
Wells Fargo Brokerage Services, LLC	\$91,365.42	3.8104%

Mr. Kimmel reported the G.O. Equipment Certificates of Indebtedness, Series 2006D, would be used to finance various pieces of equipment. Mr. Kimmel recommended awarding the sale of the Series 2006D Bonds to the low bidder, UMB Bank, N.A. **Council Member Pearson moved, seconded by Council Member McGee, to adopt Resolution No. 91-06 Awarding the Sale of \$790,000 G.O. Equipment Certificates of Indebtedness, Series 2006D, to UMB Bank, N.A. for a net interest cost of \$88,971.14 and a true interest rate of 3.7108%. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Staff Reports**City Administrator****Res. No. 92-06 Declaring Surplus Equipment**

Administrator Sande presented a list of equipment to be declared surplus and approved for disposal. Bids will be accepted without reserve until 5 p.m. on December 11, 2006 and any items unsold after that date will be scrapped. **Council Member Schindle moved, seconded by Council Member Steiner, to adopt Resolution No. 92-06 Declaring Surplus Equipment. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Donation of Fire Equipment

Administrator Sande presented a list of firefighter equipment recently donated to “The Message Program” for delivery to firefighters in Guatemala.

Lookout Drive Ramp and Sherman Street Underpass Flooding Issue

Administrator Sande updated the Council regarding the Lookout Drive ramp and Sherman Street underpass flooding issue. In summary, when the North Star Bridge was rebuilt and realigned a number of years ago, the new bridge took away the ponding area. Since there is not enough surface area for ponding during a large rain event, the Minnesota Department of Transportation is proposing to install an automated detection system to notify motorists to proceed with caution when there are standing water conditions. The Administrator will keep the Council updated on this matter.

Res. No. 93-06 In Support of Increased Regional Library System Funding

Administrator Sande presented Resolution No. 93-06 in support of increased regional library system funding and asked Library Director Lowry to present background information. The Library Director reported the 2007 Minnesota library platform includes a request for \$5,000,000 in increased regional library funding. Resolution No. 93-06 supports the additional funding provided that 75 percent of the \$5,000,000 goes directly to local libraries. Since much of the burden of the successful MnLINK system falls directly on the local libraries and some libraries have found it necessary to hire additional staff to keep up with this demand, dollars going directly to local libraries would help offset these additional costs. A group of librarians have been meeting and will lobby at the Legislature to secure this funding. **Council Member Steiner moved, seconded by Council Member McGee, to adopt Resolution No. 93-06 In Support of Increased Regional Library System Funding. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Res. No. 94-06 In Support of Increased Database Access for Public Libraries and School Media Centers

Library Director Lowry gave background information on the Electronic Library for Minnesota (ELM) reporting ELM consists of a number of databases housing articles from magazines and newspapers which are searchable by key words. Many articles are full-text and can be printed out which eliminates the need for libraries to keep archives of magazine back issues. ELM is funded through state tax dollars but currently is available only to public libraries that belong to their regional library system. The proposed legislation is to clarify eligibility and ensure that all public libraries be allowed access to ELM. **Council Member Steiner moved, seconded by Council Member Schindle, to adopt Resolution No. 94-06 In Support of Increased Database Access for Public Libraries and School Media Centers. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Authorize Purchase of Passenger Vehicle for Administration Department

Administrator Sande reported the 2006 Equipment Certificates list includes a vehicle for the Administration Department to replace one of the two 1997 model staff vehicles. A 2007 Ford 500 passenger car is available for purchase from Superior Ford under the State Cooperative Purchasing Venture at a purchase price of \$18,421 for a total cost including excise tax of \$19,619. **Council Member Pearson moved, seconded by Council Member Steiner, to authorize purchase of a 2007 Ford 500 passenger vehicle for the Administration**

Department from Superior Ford at a total cost of \$19,691. Vote on the motion: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.

Authorize Purchase of Pickup for Inspection Department

Administrator Sande reported the 2006 Equipment Certificates list includes a vehicle for the Inspection Department. A ½ ton two-wheel drive Dodge Dakota Pickup with the flexible fuel engine is available for purchase from Elk River Chrysler under the State Contract at a price of \$16,523 for a total price including excise tax of \$17,597. **Council Member Schindle moved, seconded by Council Member Steiner, to authorize the purchase of a ½ ton two-wheel drive Dodge Dakota pickup from Elk River Chrysler under the State Contract at a total cost of \$17,597. Vote on the motion: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Schools and Conferences

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

1. 51st Annual Institute for Building Officials, St. Paul, January 11-12, 2007 for Construction Inspector, Building Inspector, Street Superintendent and Assistant Building Inspector.
2. Leadership Conference for Newly Elected Officials, Mankato, February 16-17, for two Council Members Elect.

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

City Clerk

Results of 2007 General Election

Clerk Gehrke presented a tabulation of the election results from the General Election on November 7, 2006. She noted that North Mankato had a 65.94% voter turnout for the General Election. New registrations on Election Day totaled 819. Gary Zellmer was re-elected as Mayor for a two-year term and Diane Norland and Ken DeWitte were elected to four-year terms on the Council. An election audit was conducted of two precincts randomly selected to be audited in Nicollet County. The City of Nicollet and North Mankato Precinct 6A were selected to be audited. All 644 ballots cast in Precinct 6A were accurately counted by the M100. Clerk Gehrke thanked the Deputy Clerk, Head Election Judges, Election Judges and City staff for their excellent work on Election Day.

Finance Director

Res. No. 95-06 Approving Consent Assessment Agreement – 612 Grant Avenue

Finance Director Mork presented the Consent Assessment Agreement for 612 Grant Avenue in the amount of \$100 for water service repair to be added to the property owner's assessment for the Cornelia/Grant project. This assessment will be for a ten-year period at 6.25% interest. **Council Member Schindle moved, seconded by Council Member Steiner, to adopt Resolution No. 95-06 Approving Consent Assessment Agreement for water service repair at 612 Grant Avenue. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Report from Mayor**Coalition of Greater Minnesota Cities Fall Conference**

Mayor Zellmer reported he attended the Coalition of Greater Minnesota Cities Fall Conference in Alexandria, Minnesota on November 8-10, 2006. PowerPoint presentations were given on Election Results and Effective Lobbying. These items will be shared at a City Council Workshop.

Res. No. 96-06 Requesting Nicollet County Board of Commissioners' Meetings and Work Sessions be Videotaped for Playback on Local Cable Systems

Mayor Zellmer presented a resolution requesting Nicollet County Board of Commissioners' meetings and work sessions be videotaped for playback on local cable systems stating it was in the best interests of the residents of Nicollet County to be aware of the decisions made by the Nicollet County Board. In particular, at their meeting of October 24, 2006, the County Board unanimously voted to spend \$15,000 to \$20,000 of Nicollet County's 2007 Library Maintenance of Effort dollars to establish public library services at the Nicollet, Minnesota School and authorized that these dollars and possibly the approximately \$9,644 reserved for special projects, be redirected away from bookmobile funding and toward funding library services for the public at Nicollet School. **Council Member Schindle moved, seconded by Council Member Pearson, to adopt Resolution No. 96-06 Requesting Nicollet County Board of Commissioners' Meetings and Work Sessions be Videotaped for Playback on Local Cable Systems. Vote on the Resolution: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.**

Report from Council Member McGee

Council Member McGee congratulated the two new Council Members Elect.

Report from Council Member Steiner

Council Member Steiner thanked Capstone Press for their donation of several hundred books to the North Mankato Taylor Library reporting that 365 books were put into circulation and the balance used for the Halloween party and donated to Toys for Tots.

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 Pearson moved, seconded by Council Member Steiner, to approve all bills and appropriations in the amount of \$189,307.45. Vote on the motion: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 8:16 p.m. on a motion by Council Member Steiner, seconded by Council Member Pearson. Vote on the motion: Pearson, Schindle, Steiner, McGee and Zellmer, aye; no nays. Motion carried.

Mayor

City Clerk