

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 April 4, 2011. Mayor Dehen 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 Dehen, Council Members Schindle, Freyberg, Steiner and Norland, City Administrator Sande, Finance Director Mork, City Clerk Gehrke, Attorney Kennedy, Engineer Malm and Planner Fischer.

Approval of Minutes

Council Member Freyberg moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of March 21, 2011. Vote on the motion: Freyberg, Steiner, Norland and Dehen, aye; Schindle abstained; no nays. Motion carried.

Correspondence – none.

Public Hearing, 7 p.m. – Consider Amendment to the 2010-2014 HUD Consolidated Plan

The Mayor opened the public hearing to consider the amendment to the 2010-2014 HUD Consolidated Plan. Planner Fischer reported a notice of hearing was published in the official newspaper. He reported that since the Cities of North Mankato and Mankato achieved Metropolitan Statistical Area status, the communities are eligible for Community Development Block grants. As a requirement to receive the grants, the City was required to submit to HUD a 2010-2014 Consolidated Plan which is used as a guideline of how the City will utilize annual Community Development Block Grant (CDBG) funds. He reported that since the original submittal of the Consolidated Plan, other potential uses of CDBG funds not in the Plan have been identified. To include new uses of CDBG funding into the Plan, it is necessary to amend the Plan and hold a public hearing. Staff is recommending amending the 2010-2014 Plan to include the use of CDBG funds for the following projects: 1) Provide financial assistance to the South Central Small Business Development Center to provide technical assistance to small business owners; and 2) Acquisition of vacant parcels of residential land for development purposes. Council Member Freyberg reported he could not support giving \$30,000 to the SBDC until they provide an audited annual financial report. Council Member Norland reported that she heard the SBDC has provided a lot of help in setting up business plans for new entrepreneurs. Administrator Sande reported Region 9 is no longer hosting the SBDC and Minnesota State University-Mankato has agreed to serve as the host for the SBDC. He stated that all of us believe having a SBDC is helpful in attracting and maintaining businesses. Kim Spears, 916 South Avenue, appeared before the Council and asked for clarification about who is supporting the SBDC. Administrator Sande reported Region 9, South Central College, Minnesota State University-Mankato and the Department of Employment and Economic Development are partners in the SBDC. Phil Henry, 1300 Noretta Drive, appeared before the Council and expressed that he would be inclined to ask for help from an experienced business person rather than the SBDC. Planner Fischer reported the 30-day comment period for the Consolidated Plan is now open. With no one else appearing before the Council, the Mayor closed this portion of the meeting. **Council Member Freyberg moved, seconded by Council Member Schindle, to table consideration of the amendment to the 2010-2014 HUD Consolidated Plan until the Council has received an audited annual financial report for the Small Business Development Corporation and also received affidavits from entrepreneurs outlining the help the SBDC has provided to them. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Public Hearing, 7 p.m. – Consider Approval of the 2011 Community Development Block Grant (CDBG) Action Plan

The Mayor opened the public hearing to consider the 2011 Community Development Block Grant (CDBG) Action Plan. Planner Fischer reported a notice of hearing was published in the official newspaper. He reported in addition to amending the 2010-2014 HUD Consolidated Plan, it is necessary to develop a 2011 Action Plan for the use of the 2011-2012 CDBG funds. As proposed in the 2011-2012 CDBG Action Plan, the following are the recommended projects: 1) Assistance to the SBDC- \$30,000; Property Acquisition, 202 Christensen Street - \$35,000; Building Acquisition Contribution, 238 Belgrade Avenue - \$11,000; and Program Administration - \$8,000 for a total of \$84,000. Planner Fisher reported the 2010 CDBG allocation was \$96,068 and according to HUD, the City should plan for a 10-20 percent reduction in funds for 2011. Council Member Norland asked what was located at 238 Belgrade Avenue. Administrator Sande reported the Budget Mart at this location is in Chapter 7 bankruptcy and that since it is an important part of the Central Business District, the City would like to be in a position to consider a purchase of the property when it is available. He reported that federal funds could be used for the acquisition, demolition or retrofitting of the Budget Mart property. In response to a question, Planner Fischer reported the 2010 funds were used for homeowner assistance. With no one else appearing before the Council, the Mayor closed this portion of the meeting. **Council Member Freyberg moved, seconded by Council Member Schindle, to table consideration of the 2011 Community Development Block Grant (CDBG) Action Plan until the Council has received an audited annual financial report for the Small Business Development Corporation and also received affidavits from entrepreneurs outlining the help the SBDC has provided to them. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Public Hearing, 7 p.m. – Proposal to Modify Industrial Development District No. 1

The Mayor opened the public hearing to consider the modification of Industrial Development District No. 1 to include the 50.40-acre parcel recently acquired by the Port Authority for expansion of Northport Industrial Park. Administrator Sande reported a notice of hearing was published in the official newspaper. Kim Spears, 916 South Avenue, appeared before the Council and asked if this parcel was eligible for Tax Increment Financing. Administrator Sande reported the Port Authority could provide subsidies to this parcel. With no one else appearing before the Council, the Mayor closed this portion of the meeting.

Res. No. 25-11 Modifying Industrial Development District No. 1 and Adopting Development Program for Said Industrial Development District

Council Member Steiner moved, seconded by Council Member Norland, to adopt Resolution No. 25-11 Modifying Industrial Development District No. 1 and Adopting Development Program for Said Industrial Development District. Vote on the Resolution: Schindle, Freyberg, Steiner, Norland and Dehen, 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.

Staff Reports**City Administrator****Impound Agreement**

Administrator Sande presented a letter and proposed Animal Impound Agreement with Premier Veterinary Center for the period of April 1, 2011 through December 31, 2013. He reported the proposed contract reflects a price increase of 15 percent from the current contract which began

August 1, 2005. The City of North Mankato has an excellent working relationship with Premier Veterinary Center and recommends approval of the new Impound Agreement. Council Member Norland reminded residents to not let their pets roam free. **Council Member Norland moved, seconded by Council Member Steiner, to approve the Animal Impound Agreement with Premier Veterinary Center for the period of April 1, 2011 through December 31, 2013. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Xcel Energy Rate Increase Notice

Administrator Sande presented a notice of a proposed rate increase from Xcel Energy. He reported Xcel Energy must submit rate increase notices as required by Minnesota State 216B.16, Subd. 1 and their Franchise Agreement with the City of North Mankato.

City Clerk

Proposed Rate Increase for Kato Cab Company

Clerk Gehrke presented a request from Kato Cab Company to increase their rates due to the recent rise in fuel prices. This is their first rate increase since January 1, 2009. **Council Member Norland moved, seconded by Council Member Steiner, to approve the rate increase as proposed by Kato Cab Company. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Parade Permit for Lasting Imprint Community has Heart Walk/Awareness Event

Clerk Gehrke presented an application for a permit for Lasting Imprint to hold their Community has Heart Walk/Awareness Event from 12 noon to 2 p.m. on Saturday, May 21, 2011 at Spring Lake Park. 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 Lasting Imprint Community has Heart Walk/Awareness Event from 12 noon to 2 p.m. on Saturday, May 21, 2011 at Spring Lake Park. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Audio and Large Group Permit for Lasting Imprint Community Day, Spring Lake Park

Clerk Gehrke presented an application for an audio and large group permit for Lasting Imprint to hold their Community Day at Spring Lake Park from 11 a.m. to 3 p.m. on Saturday, May 21, 2011. **Council Member Steiner moved, seconded by Council Member Norland, to approve the audio and large group permit for the Lasting Imprint Community Day to be held from 11 a.m. to 3 p.m. on Saturday, May 21, 2011 at Spring Lake Park. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Audio and Large Group Permit for True Value Company Picnic, Spring Lake Park

Clerk Gehrke presented an application for an audio and large group permit for True Value to hold their company picnic at Spring Lake Park from 8 a.m. to 8 p.m. on Saturday, August 6, 2011. The group will be using a PA system for bingo. **Council Member Norland moved, seconded by Council Member Steiner, to approve the audio and large group permit for True Value to hold their company picnic at Spring Lake Park from 8 a.m. to 8 p.m. on Saturday, August 6, 2011. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Parade Permit for March of Dimes Annual Walk

Clerk Gehrke presented an application for a permit for the March of Dimes to hold their Annual Walk from 1 p.m. to 5 p.m. on Saturday, April 30, 2011 beginning and ending at Wheeler Park. The North Mankato Police Chief has approved this application. **Council Member Schindle moved, seconded by Council Member Norland, to approve the parade permit for the March of Dimes Annual Walk from 1 p.m. to 5 p.m. on Saturday, April 30, 2011 beginning and ending at Wheeler Park. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Audio and Large Group Permit for March of Dimes Annual Walk, Wheeler Park

Clerk Gehrke presented an application for an audio and large group permit for the March of Dimes to hold their Annual Walk at Wheeler Park from 1 p.m. to 5 p.m. on Saturday, April 30, 2011. **Council Member Steiner moved, seconded by Council Member Norland, to approve the audio and large group permit for the March of Dimes Annual Walk at Wheeler Park from 1 p.m. to 5 p.m. on Saturday, April 30, 2011. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Parade Permit for North Mankato Fun Days Triathlon

Clerk Gehrke presented an application for a permit to hold the North Mankato Fun Days Triathlon from 8 a.m. to 11 a.m. on Sunday, June 26, 2011. **Council Member Steiner moved, seconded by Council Member Norland, to approve the parade permit for the North Mankato Fun Days Triathlon to be held from 8 a.m. to 11 a.m. on Sunday, June 26, 2011. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

Finance Director**League of Minnesota Cities Insurance Trust Liability Coverage Waiver Form**

Finance Director Mork presented the League of Minnesota Cities Insurance Trust waiver form for liability coverage. He reported that historically the City has chosen not to waive the tort liability limits that are established by statute. The City Attorney reported he is in agreement with the Council not waiving the tort liability limits because of the liability coverage carried by the City and because of sovereign immunity which extends to all governmental units. **Council Member Steiner moved, seconded by Council Member Norland to not waive the tort liability limits. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.**

City Engineer

Engineer Malm reported that he has requested the layouts for the Highway 169 corridor from the Minnesota Department of Transportation.

Report from Council Members**Council Member Schindle**

Council Member Schindle asked what involvement the City has in the community gardens. Administrator Sande reported the City supports the community gardens by providing mulch and a portable toilet.

Report from the Mayor

Proclamation Declaring May 16-20, 2011 as National Bike to Work Week

Mayor Dehen read a proclamation encouraging the increased use of bicycles and encouraging all citizens to ride their bicycles or walk to work and declaring May 16-20, 2011 as “National Bike to Work Week.”

The Mayor reported he met with Senator Klobuchar and Congressman Walz on Friday, April 1, 2011.

The Mayor reported he attended the BENCO Annual meeting on Saturday, April 2, 2011 with over 1,600 people in attendance.

The Mayor attended the Town Hall meeting at South Central College on Saturday, April 2, 2011.

The Mayor reported that “Coffee with the Council” will be held from 10 a.m. to 11 a.m. on Saturday, April 9, 2011 at Beans Plus with the Mankato Area Fair Trade Town Initiative providing the coffee.

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 \$37,185.88 and \$340,863.08. Vote on the motion: Schindle, Freyberg, Steiner, Norland and Dehen, aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 7:55 p.m.

Mayor

City Clerk